

## B2 Internal and external scrutiny

The Directorate's activities are subject to scrutiny through a range of processes. These include our internal corporate governance and auditing processes and through parliamentary committees, courts, administrative tribunals, the ACT Auditor-General's Office, the ACT Ombudsman, the Human Rights Commissioner and the Privacy Commissioner.

### Internal scrutiny

The Directorate has strong organisational controls in place to maintain an appropriate level of internal scrutiny and to support its legislative functions, objectives and performance targets.

Core governance arrangements including management accountability processes are supplemented by strong internal audit and risk management functions and the role of the Senior Executive responsible for Business Integrity Risk.

Each of these aspects of security is discussed in other sections of this annual report as detailed below:

- corporate governance framework in **Section C5**
- fraud control and management in **Section C2**
- internal audit and risk management in **Section C1**
- financial reporting and accountabilities in **Section A6**.

### External scrutiny

#### External reviews, appeals and complaints

The Directorate's Legal, Liaison and Regulation Section coordinates responses to complaints made under a range of administrative law and human rights provisions. These include:

- *Ombudsman Act 1989* (ACT) regarding administrative actions
- *Human Rights Commission Act 2005* (ACT) regarding the provision of education services
- *Discrimination Act 1991* (ACT)
- *Disability Discrimination Act 1992* (Commonwealth)
- *Human Rights and Equal Opportunity Act 1986* (Commonwealth)
- *Privacy Act 1988* (Commonwealth).

During the reporting period the Directorate received 14 new inquiries under these legislative provisions: seven of these remain on-going; six were resolved; one was withdrawn by the complainant.

The ACT Human Rights Commission closed three of these matters as being dealt with to the Commissioner's satisfaction. The ACT Ombudsman closed two matters, deciding no further investigation was warranted.

Two matters had remained unresolved from previous reporting periods. One matter was resolved by the ACT Human Rights Commission through conciliation. In respect of the other matter, the ACT Ombudsman recorded a finding of administrative deficiency. The Directorate responded to this finding including reviewing all policies to ensure that consideration is given to whether a request for a review of an identified action should also prompt action under the Directorate's general complaints handling process.

## **Protection orders**

Four applications (on behalf of schools) were made to the Magistrate's court for workplace protection orders during 2010-11.

## **Privacy**

There were no privacy complaints received during 2010-11.

## **External audits**

The Auditor-General's Office (Audit Office) is an observer on the Directorate's Audit Committee. During the year, the Audit Office provided regular reports to the Committee.

The Audit Office issued an unqualified audit report on the Directorate's 2009-10 Financial Report and a qualified Report of Factual Findings on its 2009-10 Statement of Performance because one of the performance indicators was not measured as per the requirements of the *Financial Management Act 1996*.

The Auditor-General's reports recommended an external review of the Directorate's internal audit function. The external review commenced on 28 June 2010 and concluded in August 2010. All recommendations from the external review were accepted by the Director-General.

All recommendations from the Audit Office reports in 2009-10 have been addressed. The Auditor-General's Office assessed the Directorate's overall control environment to be strong.

**Table B2.1: External audits conducted by the Auditor-general's Office, 2010-11**

nature of inquiry/ report title	Recommendations/ outcome of inquiry	Response to the outcome of inquiry
<p>2009-10 Financial Audits</p> <p>Report number: 10/2010</p> <p>Tabled: 21 December 2010</p>	<p>The Audit Office issued an unqualified audit report on the Directorate's 2009-10 Financial Report and a qualified Report of Factual Findings on its 2009-10 Statement of Performance.</p> <p>The Audit Office recommended improvements to:</p> <ul style="list-style-type: none"> <li>• the Directorate's methods for measuring performance indicators as required by the <i>Financial Management Act 1996</i>,</li> <li>• the timeliness and accuracy of internal reporting regarding the entry to, and exit from, the Directorate's early childhood intervention program.</li> </ul>	<p>The Directorate agreed with the recommendations and undertook the following:</p> <ul style="list-style-type: none"> <li>• an improved methodology to collect, verify and report on performance measures</li> <li>• improved timeliness and accuracy of internal reporting regarding the entry to and exit from the Directorate's early childhood intervention program.</li> </ul>
<p>2009-10 Financial Statements Computer Information Systems - MAZE Application</p> <p>Report number: 22/2010</p> <p>Tabled: 3 December 2010</p>	<p>The Audit Office considered the adequacy of controls over computer information systems that affect the reliability of the financial statements.</p> <p>The Audit Office recommended the Directorate develop and implement a change management policy for the MAZE application and review users' access to the MAZE application that can be verified by adequate supporting documentation.</p>	<p>The Directorate agreed with the recommendations and used the information to:</p> <ul style="list-style-type: none"> <li>• develop, implement and monitor an appropriate change management policy for the MAZE application</li> <li>• implement an education process on appropriate access to the MAZE application based on users' needs and develop a process of quarterly reviews and reports for monitoring.</li> </ul>

Source: Information, Communications and Governance Branch

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