Auditor-General for Australia

Australian National Audit Office

15 July 2015

Dr Andrew Southcott MP
Committee Chair
Joint Standing Committee on Public Accounts and Audit
Suite R1.108
Parliament House
CANBERRA ACT 2600

Dear Dr Southcott

ANAO Response to JCPAA Report 447 Recommendations

I am writing in relation to the Joint Committee of Public Accounts and Audit's (JCPAA's) Report 447, which was tabled in the Parliament on 2 March 2015. The report included two recommendations (Recommendations 5 and 9) directed to the Australian National Audit Office (ANAO). In response to these recommendations, the ANAO has included additional topics in its *2015 Audit Work Program* and has commenced specific audit activity.

The ANAO's 2015 program includes the following two potential audits to respond to the matters raised in Recommendation 5 relating to the management of compliance under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act):

- *Environment Approvals under the EPBC Act 1999*—the audit would examine aspects of environmental approvals under the EPBC Act, potentially including: the Department of the Environment's accreditation of state environmental assessment and approval processes; the effectiveness of controls established to provide assurance that state processes are meeting Australian Government requirements under the one-stop shop arrangements; and the department's assessment and approval of controlled actions not covered under the one-stop shop arrangements with the states; and
- *Monitoring Compliance with the EPBC Act Conditions of Approval: Follow-up Audit*— the audit would examine the Department of the Environment's implementation of the recommendations from the ANAO's earlier 2013–14 audit.

The ANAO has also commenced a second audit—in a planned series of audits—of information security in Commonwealth entities, which responds to the matters raised in Recommendation 9. The objective of the *Cyber Attacks: Securing Entities' Systems* audit is to assess selected entities' compliance with the four mandatory ICT security strategies and related controls in the Information Security Manual. The audit will also consider the overall ICT security posture of the selected entities, based on their implementation of the four mandated mitigation strategies and IT general controls. The audit is scheduled to be presented for tabling in the Parliament in late 2015.

If the committee would like further information on the actions taken by the ANAO to respond to the recommendations included in Report 447, please contact Penelope Edwards, Acting Senior Director, Governance and External Relations on 6203 7428.

Yours sincerely

Grant Hehir
Auditor-General