



**Australian Government**

**Department of the Prime Minister and Cabinet**

**SECRETARY**

Mr Jullian Hill, MP  
Chair, Joint Committee of Public Accounts and Audit  
PO Box 6021  
Parliament House  
Canberra ACT 2600  
[jcpaa@aph.gov.au](mailto:jcpaa@aph.gov.au)

Dear Mr <sup>Julian</sup>Hill,

**Inquiry into Commonwealth Financial Statements 2022-23  
Request for a submission**

The Department of the Prime Minister and Cabinet (PM&C) provides this submission to the Joint Committee of Public Accounts and Audit (JCPAA) to support its consideration of the Auditor-General Report No. 9 of 2023-24 Audits of the Financial Statements of Australian Government Entities for the Period Ended 30 June 2023.

This submission focuses on improvement actions implemented as part of PM&C's response to the moderate (B) category finding raised against PM&C in the report.

PM&C has a range of internal controls to protect the department's people, information and assets consistent with the Protective Security Policy Framework.

**Finding by the Australian National Audit Office (ANAO)**

The Report noted the status of findings by the ANAO for PM&C as follows:

Category	Closing position (2021-22)	New findings (2022-23)	Findings resolved (2022-23)	Closing position (2022-23)
Moderate (B)	—	1	—	1
Total	—	1	—	1

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In relation to the new Moderate (B) finding, the ANAO noted:

*The ANAO identified instances where users had accessed the PM&C's systems after completion of their employment or contract. The ANAO noted that investigation of post termination access was not always timely.*

*PM&C is developing a standard operating procedure (SOP) to support more timely investigation of user access post termination. PM&C will update its risk assessment and policy once the SOP is finalised. The effectiveness of these processes will be assessed by the ANAO as part of 2023-24 financial statements audit.*

### Response and actions taken

PM&C has a number of existing controls in place that mitigate, remove or reduce risks to ensure the timely removal of user access to the PM&C ICT network. These measures reduce the risk of unauthorised access to sensitive information as per the ANAO report. The controls include:

- The exiting staff or their manager is required to submit and complete an employee off-boarding form in advance of their separation date.
- A monthly off-boarding review reconciliation between Aurion (HRIMS) records data and Microsoft Active Directory (AD) is undertaken. This captures and disable network user accounts of terminated staff.
- ICT network accounts for all types of contract or non-ongoing users are created only for the term of the user's engagement (unless extended via the 'Employment Extension' request Service Portal with a legitimate business requirement).
- Immediate removal of all access on request by an authorised delegate in the event of any form of disciplinary action.
- Network accounts are automatically disabled after 45 days of inactivity, resulting in user being unable to access the PM&C ICT network.

PM&C continues to communicate and educate internally with rolling reminders to all staff exiting the department to complete the employee off-boarding form in a timely manner. This communication plan has been rolled out via various media channels available throughout the department.

Controls have been strengthened, if a user is found to have accessed the ICT network post termination an investigation is undertaken, PM&C developed a short risk assessment on *Network Access Termination Post Staff Departure* and



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developed a standard operating procedure on the monthly off-boarding review reconciliation.

PM&C has also engaged an external provider to perform an internal audit to assess the department's off-boarding process and associated controls.

The department was able to confirm that there were no malicious activities for the three users that were identified by the ANAO during the 2022-23 financial statement audit. There were legitimate authorisation and appropriateness of access for one user and the remaining two were undertaking the off-boarding process.

PM&C looks forward to working with the ANAO and for the ANAO to consider the work undertaken by PM&C to resolve the finding.

Regards,



Professor Glyn Davis AC

28 March 2024

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