










Appendix two – Status of 2016 recommendations

Recommendation	Current status	
Planning and Environment Cluster		
Agencies should assess the impact of new accounting standards on a timely basis and ensure their assessment is documented.	Some agencies, particularly smaller agencies in the cluster, did not assess the impact of new accounting standards on a continuous basis and ensure their assessment was documented.	–
Agency CFOs need to certify the effectiveness of internal controls before agency heads sign the financial statements.	This matter has been addressed. In 2016–17, the Department assigned its Executive Director Finance as the CFO for a range of smaller cluster entities. The CFOs of cluster agencies certified the effectiveness of internal controls over the financial information for 2016–17 as required by TPP17-06. For the completed audits, the agency heads obtained this assurance before signing the 2016–17 financial statements.	✓
Management letter recommendations to address internal control weaknesses should be actioned promptly, with a focus on addressing repeat issues.	Most cluster agencies have developed processes to ensure timely response to and reporting of management letter recommendations, including regular updates to their Audit and Risk Committee. However, we noted one in six reported internal control weaknesses were repeat issues in 2016–17. The cluster agencies need to do more to address internal control weaknesses promptly, with a focus on addressing repeat issues.	–
Management of user access over financial systems should be strengthened (Repeat Issue).	Weak user administration processes at cluster entities was the largest category of IT issues identified in 2016–17. Management of user administration over financial systems should be strengthened to prevent inappropriate access to financial information	–
Department of Planning and Environment		
The Department should align financial performance and sustainability reporting across the cluster while implementing the Cluster Corporate Services model.	The Department advised it has consolidated consistent financial performance and sustainability reporting for relevant cluster entities as part of its recent roll-out of the Cluster Corporate Services model.	✓
Greater Sydney Commission		
The Greater Sydney Commission should develop targets and performance indicators to measure progress towards the achievement of outcomes.	In October 2017, the Commission released its draft Greater Sydney Regional Plan which contains draft metrics. Once these metrics are finalised following the consultation process, the Commission will monitor and report on progress against the metrics going forward.	–

Recommendation	Current status
Environment Protection Authority	
The Environment Protection Authority (EPA) should develop measures and targets to assess the achievement of outcomes associated with illegal dumping initiatives.	This matter has been addressed. The EPA advised they have developed a number of measures for assessing outcomes of illegal dumping initiatives. 
The EPA should ensure appropriate governance arrangements are in place over the Container Deposit Scheme to manage risks and develop measures to monitor the performance of the Scheme.	The EPA advised the Container Deposit Scheme (now called 'Return and Earn') has governance arrangements in place to ensure the Scheme achieves its intended outcomes. Our audits will further assess and monitor the effectiveness of governance, risk management and performance monitoring going forward. 
Australian Museum Trust	
The Australian Museum Trust should complete a fair value assessment of collection assets held but not recognised by 30 June 2018. The assessment should be based on an appropriate methodology that identifies collection items that can be reliably quantified and valued. The valuation should be reviewed by relevant experts.	The Museum continues to address this recommendation. The Museum advised it is in the process of preparing a valuation methodology in collaboration with the Council of Australasian Museum Directors. 
The Museum should complete recording its collections in the electronic database as soon as possible.	The Museum is making progress to address this issue. The rate of registering in the electronic database is dependent on resources available to the Museum. It expects this will take several more years to complete. 
 Fully addressed	 Partially addressed  Not addressed