



# Appendix two – Status of 2017 recommendations

Recommendation	Current status	
<b>The Department should:</b>		
Reinstate controls over financial information as soon as possible.	<p>During the year, the Department continued to make progress in stabilising its internal control environment, however more effort is required to ensure controls are operating as intended. Further issues were identified in 2017–18.</p> <p>Refer to the Audit Observations chapter for details.</p>	
Reassess the sufficiency and effectiveness of measures aimed at reducing reoffending, including the recently announced initiatives, if the State Priority target is to be met by 2019.	<p>During the year, the Department assessed the sufficiency and effectiveness of measures aimed at reducing reoffending. The Department advises:</p> <ul style="list-style-type: none"> <li>the Corrective Services NSW division has reanalysed the expected impact of the strategies to reduce reoffending on the State Priority targets. Based on this analysis, Corrective Services NSW is of the view the current strategies will be effective in shifting the rate of reoffending, among the offender cohort released from custody, towards the target</li> <li>there are significant challenges in achieving the target for the offender cohort who receive non-custodial sentences. Corrective Services NSW only manage a small proportion, approximately 20 per cent, of this cohort. This means any impact of Corrective Services NSW initiatives will be diluted when the overall rate of reoffending is reported.</li> </ul>	
<b>Cluster agencies should:</b>		
<p>Regularly (e.g. each month) project annual leave balances to the end of the financial year, and for employees with projected balances above the state target, develop and agree leave plans to reduce their balances over an acceptable timeframe.</p> <p>Particularly focus on employees who have taken little or no leave in the last 12 months.</p>	<p>More than a third of employees continue to have annual leave balances above the state's 30-day target. At 30 June 2018, 14,746 (14,877 at 30 June 2017) or 36.6 per cent (37.6 per cent) of full time equivalent employees had balances exceeding the target.</p> <p>Most cluster agencies report they monitor current and projected leave balances monthly. The 2017–18 audits identified some agencies where employees did not have formally documented leave plans to reduce balances to acceptable levels.</p> <p>The number of employees that took less than five days annual leave during the year increased from 4,394 in 2016–17 to 4,693 in 2017–18, an increase of 6.8 per cent.</p> <p>Refer to the Financial Reporting chapter for details.</p>	
<b>Office of the NSW Rural Fire Service should:</b>		
Recognise and value its inventories as soon as practicable.	The recommendation has been actioned. The Office of the NSW Rural Fire Service recognised inventories of \$15.0 million in its 30 June 2018 financial statements for the first time.	
<b>Key</b>	<b>Fully addressed</b>	<b>Partially addressed</b>
	<b>Not addressed</b>	