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# Appendix two – About the audit

## Audit objective

This audit assessed how effectively Service NSW handles personal customer and business information to ensure its privacy.

## Audit criteria

We addressed the audit objective with the following audit criteria:

1. Does Service NSW have processes and governance in place to identify and manage risks to the privacy of personal customer and business information?
2. Does Service NSW have policies, processes and systems in place that support the effective handling of personal customer and business information to ensure its privacy?
3. Has Service NSW effectively implemented its policies, processes and systems for managing personal customer and business information?

## Audit scope and focus

In assessing the criteria, we checked the following aspects:

1. Does Service NSW have processes and governance in place to identify and manage risks to the privacy of personal customer and business information?
  - a) Service NSW has a comprehensive inventory of the personal information it holds (including sensitive and high-risk information), where the information is stored and who is responsible for it.
  - b) Service NSW has identified risks to the personal information it holds, including risks associated with unauthorised access and has designed mitigations for these risks.
  - c) Service NSW has governance structures in place that monitor and report on the management of these risks.
2. Does Service NSW have policies, processes and systems in place that support the effective handling of personal customer and business information to ensure its privacy?
  - a) Service NSW has a privacy management plan in place that complies with the relevant legislation and guidance.
  - b) Service NSW has processes in place with other government agencies to ensure the privacy of information.
  - c) Service NSW regularly reviews existing processes and systems and designs processes and systems for new programs to ensure their effectiveness and efficiency in maintaining the privacy of personal information.
3. Has Service NSW effectively implemented its policies, processes and systems for managing personal customer and business information?
  - a) Service NSW conducts awareness raising activities, including training, covering policies, processes and systems relating to the privacy of personal customer and business information.
  - b) Service NSW staff are handling personal information in line with the relevant policies and processes.
  - c) Service NSW undertakes regular reviews or audits of staff and third-party compliance with relevant policies and processes, and there is prompt action to investigate and report on potential non-compliances.

This audit focused on:

- storage and handling of personal customer and business information as it relates to the privacy of that information
- effectiveness of policies, processes and systems to ensure the privacy of personal information
- effectiveness of arrangements with other agencies to ensure the privacy of personal information
- electronic and physical personal information
- compliance with privacy legislation.

## Audit exclusions

The audit did not question the merits of government policy objectives.

## Audit approach

Our procedures included:

1. interviewing Service NSW staff including:
  - senior staff responsible for service delivery
  - staff with responsibility for privacy management, including the Privacy Contact Officer
  - internal audit staff
  - risk management staff
  - a selection of Service Centre and Contact Centre staff
2. consultation with other stakeholders including the Department of Customer Service, Service NSW client agencies and the Information and Privacy Commission
3. examining documentation.

The audit approach was complemented by quality assurance processes within the Audit Office to ensure compliance with professional standards.

## Audit methodology

Our performance audit methodology is designed to satisfy Australian Audit Standard ASAE 3500 Performance Engagements and other professional standards. The standards require the audit team to comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance and draw a conclusion on the audit objective. Our processes have also been designed to comply with requirements specified in the *Public Finance and Audit Act 1983* and the *Local Government Act 1993*.

## Acknowledgements

We gratefully acknowledge the co-operation and assistance provided by staff at Service NSW and Department of Customer Service.

## Audit cost

The estimated cost of this audit, including staff costs and overheads, was approximately \$330,000.