

Audit and Risk Committee Meeting – Information & Privacy Commission NSW (IPC)

Tuesday, 18 September 2018 – 10:30 – 13:00
Meeting No. 37
Minutes

The Audit and Risk Committee meeting was declared open at 10:30 by the Chairperson.

Item 1.

Attendance

Members: Ms Lyn Baker (Chairperson) (LB)
Mr Paul Crombie (PC)
Mr Malcolm Clinch (MC)

Attendees: Mr Robert Hayek, Audit Office (RH)
Mr Chris Harper, Audit Office (CH)
Ms Kylie McRae, O'Connor Marsden (KM)
Mr Ashley Hawkins, Department of Justice (AH)
Ms Libby Stratford, Department of Justice (LS)
Ms Elizabeth Tydd, CEO, Information & Privacy Commission (ET)
Ms Sonia Minutillo, Information & Privacy Commission (SM)
Mr David Marcus, Information & Privacy Commission (DM)
Mr David Steel, Information & Privacy Commission (DS)
Ms Lynley Mattes, Information & Privacy Commission (Minutes) (LM)

Apologies: Ms Samantha Gavel Privacy Commissioner, (SG)
Ms Pamela Robertson-Gregg, O'Connor Marsden (PR)

Item 2.

- A. Declarations**
Nil
- B. Disclosures**
General disclosure confirmed by Committee.

Item 3.

- A. Minutes of Previous Meeting**
Draft minutes of 12 June 2018 meeting accepted.
Action Item 1: LB to sign 12 June minutes & IPC to publish on website.
- B. Rolling Action Report**
The Committee noted the Rolling Action Report and all completed matters and raised the recording of closed matters.
Action Item 2: IPC to confirm process for Rolling Action Report of removing after two meetings.

Item 4.

- A. Update from the Chairperson**
The Chairperson advised that in between meetings she had been consulted regarding management of a grievance in the IPC and this matter was now being managed by the Department.

B. Update from the Chief Executive Officer/Information Commissioner

CEO spoke to the paper:

IPC Annual Report:

CEO noted some decline in reviews and complaints overall. The IPC has been more active in proactive engagements with agencies. The IPC will continue to actively manage the age profile of cases through reporting and communicating and documenting case management procedures to avoid a possible backlog which would impact client experience.

IPC Review

- This is now concluded and is being implemented. Committee welcomed confirmed appointments. A new Assistant Director, Legal Counsel and Regulatory Advice is commencing on 2 October.
- Staff vacancies, temporary arrangements (as a result of review process and secondments) have created some instability within the IPC. Recruitment is being expedited to bed the new structure down as soon as possible.

IPC Complaints

Committee was briefed on IPC processes and performance against output and quality measures; confirmed maintenance of staffing levels and new staff members, an ongoing focus on Customer Service Charter; and that performance and development plans now in place.

- The Committee requested an update on the role and functions of the various teams for its next meeting as a refresher to how the work comes in and how it is deployed.

Action Item 3: Presentation to ARC explaining the role of each unit within the IPC.

Action Item 4: Intra meeting update of the conclusion of the grievance investigation.

People Matter Survey Results

- The decline in some areas was noted.
- The Committee noted that going forward part of IPC's action plan is to refocus on values and the commitment in undertaking re statutory functions.

Snapshot (IPC Annual Report 2017-18)

CEO advised one feature worthy of noting was the volume of advising. This was a good output for a small agency. The IPC are receiving Cabinet submissions and have put in place a process for a coordinated response by both Commissioners noting that there may be differing views on occasions. This has proven very effective and the value of a one stop shop.

C. Update from the Privacy Commissioner

The Director, Investigation and Reporting spoke on behalf of Samantha Gavel.

- A new dedicated webpage has been created on the website to support voluntary breach notifications. There has been an increase between Q3 & Q4 and it appears that agencies are taking their responsibilities very seriously.
- The data breach checklist for agencies has been launched on the IPC website.
- Two new health information factsheets have been released. One for public and one for private health providers.
- In early August there was a significant privacy concern regarding NSWHealth. The IPC will continue to monitor NSWHealth's response.

Item 5. Agency Planning and Reporting

A. Finance Report & Monthly Dashboards

i. Financial Dashboard

- Recent amendments and results noted, including addressing the Committee's request for revision of projections during the year.
- Variance analysis for 2017/18 compared to 2016/17 was noted.

ii. IPC Dashboard

The Committee noted the Dashboard and that it was quite useful, and raised the presentation of NCAT matters. It was explained that NCAT matters are led by the Tribunal and the timetables are managed by them and so out of the IPC's control. All of the IPC work is likely completed pending a tribunal outcome.

Engagement Framework & Planning

The Committee noted the development of the Framework and Plan.

Staff Overpayment

Staff Overpayment has been retrieved and the matter closed.

Service Partnership Agreement – DoJ, CSG & IPC

The Committee noted that a draft Service Partnership Agreement was now ready for signing.

Payment Processing

- The IPC will need to review processes to meet new whole-of-government requirements for faster payments to small businesses.
- The IPC confirmed that maximum use is made of Pcards to expedite payments.

IPC Business Plan

The Committee was advised that the IPC would conduct a mid-cycle review of the Plan in November.

IPC WHS Action Plan

WHS action plan to be discussed in Item 11.

Policy Register

The policy register had now been developed and would be presented in November 2018 ARC meeting.

Action Item 5: Policy Register to be presented at next meeting.

B. Variance Analysis

C. Quarterly Report to the Attorney General

The Committee noted the quarterly report to the Attorney General submitted on 13 July 2018.

D. Quarterly Report to Minister Dominello

The Committee noted the quarterly report to Minister Dominello submitted on 20 July 2018.

Item 6. Item 6 – Risk Management

A. Risk Register

- Risk register has been updated. As agreed where a change in the risk rating has occurred the previous risk assessment level is noted in brackets. Changes to risk discussed generally.
- Cyber security has been separately identified in the risk register.
- The Committee noted the changes in risk rating and mitigations identified in response. The Committee discussed whether the risk ratings were as low as feasible. IPC confirmed but will continue to review. The funding risk was raised and this will be further considered.

Action Item 6: SM to review ratings on risk register to consider reduction through further mitigation and review of the funding risks further following the mitigations identified.

Item 7. Internal Audit

- The Committee noted the progress and finalisation of the internal audits for NGO Stakeholder, Financial Management and Year End Reporting Systems and Processes and Purchasing and Procurement. The Committee endorsed the closure of the internal audits.
- The Internal Audit plan was endorsed at the March 2018 committee meeting. The plan would be reviewed and updated and brought forward to the next ARC Committee for review.
- The Committee was advised of the annual review of the IPC's Audit Risk Committee Charter which will occur in consultation with OCM. The reviewed charter would be presented to the November ARC.
- Committee noted the high closure rate of recommendations.

Action Item 7: IPC to provide an updated internal audit plan for consideration of the November ARC meeting.

Action item 8: The IPC will present to the November meeting the reviewed IPC Audit and Risk Committee Charter.

Item 8. External Audit

- Closing engagement report was circulated late last week with no major issues.
- Some of the previous matters raised have now been addressed.
- Those issues remaining in the Engagement Letter would be closely monitored to be resolved.
- NSW AO representative addressed the Committee and noted:
 - no major concerns
 - no duplicated payments found
 - some immaterial miss-statements
- The Committee discussed the possible causes of the miss-statements, provision for redundancies and the importance of continued oversight. The IPC and DoJ was commended for the smooth and effective process for finalising the statements.

Item 9. Review of Financial Controls

The Committee noted the advice from the DoJ CFO and IPC Executive on the existence of controls, some of which were not yet fully effective but action was in train to address remaining gaps.

Item 10. Review of Financial Statements

A. Briefing Note

The ARC supported the recommendations of the Briefing Note.

- The Committee approved the Audited IPC Financial Statements for the year ended 30 June 2018.
- The following documents were signed post meeting for release to the Audit Office of NSW:
 - Audited IPC Financial Statements for the year ended 30 June 2018 (including signed Statement by Information Commissioner)
 - Representation Letter for the year ended 30 June 2018 (signed by IPC and DoJ Management)
 - Representation Letter for the year ended 30 June 2018 (signed by Audit and Risk Committee Chair)

B. Minutes of Meeting 20 July 2018

Meeting reopened at 12:02. Minutes of 20 July 2018 approved to be uploaded to the website.

Item 11. WHS, and Other Activities

The Committee noted the WHS local action plan was comprehensive and asked whether the risk register should be revised to accordingly and the Committee kept informed of progress.

Action Item 9: IPC to revise the Risk Register to take account of WHS issues.

Action Item 10: Minutes of WHS Committee to be included with ARC papers.

Item 12. Review of ARC Charter Annual Calendar

The Committee noted the need to review the Audit Committee Charter. Bring forward to the November meeting.

Action Item 11: ARC to review its Charter at its November meeting.

A. IPC Audit Committee Charter Annual Calendar

- The Committee asked that WHS be added as a priority for next year.
- The ARC noted the report on the review of the IPC Internal Audit Manual and Charter and report of the performance of the Committee including the Chair and each member.

Action Item 12: WHS issues to be added to Calendar.

Action Item 13: the review of the IPC Internal Audit Manual and charter and committee performance will be presented to the November ARC meeting.

B. ARC Annual Report

The Committee noted the Report.

C. Compliance Checklist

The Committee noted the paper

D. CEO Attestation for Annual Report

- Attached for the consideration of the Committee.
- The Committee commended the Calendar's comprehensiveness.

OTHER BUSINESS

- The Committee confirmed the next meeting date is Tuesday, 20 November 2018 – Quarter 2 (14:30).

Action Item 14: Proposed dates for 2019 to be circulated asap.

- Tenure Dates – New appointments need to be considered in March/April.

Action Item 15: Agenda Item to be considered in March/April.

The meeting was declared closed at 12:02.