



Australian Government

Services Australia

Our Ref: EC25-001550

Acting Chief Executive Officer
Chris Birrer

The Hon Linda Burney MP
Chair, Joint Committee of Public Accounts and Audit
Parliament House
Canberra ACT 2600
By email: jcpaa@aph.gov.au

Dear Ms Burney

**Response to Recommendation 5 of the Joint Committee of Public Accounts and Audit
Report 506: Inquiry into Commonwealth Financial Statements 2022-23**

I am writing to provide a response to Recommendation 5 of the Joint Committee of Public Accounts and Audit (JCPAA) Report 506: *Inquiry into Commonwealth Financial Statements 2022-23*, providing an update on the progress made by Services Australia (the Agency) to resolve the significant (category A) audit finding relating to ICT Governance.

The Agency acknowledges the importance of the audit findings raised by the Australian National Audit Office (ANAO) and continues to prioritise the remediation and resolution of any issues which are identified as part of financial statements audits. In response to the ANAO's 2022-23 recommendations, Services Australia established the Technology, Digital Assurance and Audit Division in November 2023 to provide a greater focus on the monitoring and remediation of ICT related audit recommendations.

Since the Agency's submission to the JCPAA in April 2024, remediation activities to resolve the ICT Governance finding have largely been completed, with a focus on refreshing ICT policies and frameworks, education and training, compliance with policies, and improved governance arrangements including reporting. Substantial documentation and evidence of remediation work has been submitted to the ANAO, which includes the following:


- On 26 June 2024, the Agency submitted evidence of policy compliance testing on three piloted ICT systems, which established and demonstrated a framework for addressing systemic issues across the ICT control environment and a progress update on the strategic streams of work to strengthen ICT governance.
- In November 2024, the ANAO provided feedback on the June 2024 update, that it had found no major issues and recommended suggestions for consideration to be taken up in future iterations of policy compliance testing.

- On 30 January 2025, the Agency submitted further evidence to the ANAO of policy compliance testing across the remaining 21 in-scope systems.
- On 28 February 2025, the Agency submitted evidence of completion of the strategic streams of work, which included work on the uplift of enterprise governance of ICT, policies, training and education, disaster recovery, project governance lifecycle, and communication and cultural uplift.

On 11 April 2025, the draft 2024-25 ANAO Interim Management Letter was received, which confirmed the finding has been downgraded to a Category B finding.

The Agency will continue to embed and improve its maturity of ICT governance frameworks, with a view to submitting a final closure pack to the ANAO by 30 June 2025, to seek to close the Category B finding.

Yours sincerely



Chris Birrer
Acting Chief Executive Officer

23 April 2025