



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2024-2025

Ms Nicole Lawder MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Miss Laura Nuttall MLA

**ANSWER TO QUESTION TAKEN ON NOTICE
DURING PUBLIC HEARINGS**

Asked by: Ms Leanne Castley MLA and Ms Nicole Lawder MLA

Addressed to: Minister for Health

Reference: Uncorrected Hansard Transcript pages 16 and 17, and page 27

In relation to: Internal and external audits

Hearing Date: 25 July 2024

QTON lodgement date: 26 July 2024

Answer Due Date: 31 July 2024

Pages 16 and 17:

THE CHAIR: Can I ask, just to go back to the review of the NTT invoices, how many spot checks has the health directorate asked for or engaged external companies for in the past year or so, and how many were investigated internally rather than getting an external company to do that review?

Ms Lopa: I will take the exact number on notice. I know that our internal audit plan, I think there is usually four or five a year and they are usually done by external providers. I just signed off that plan this week, so you would think I would remember it, but there is usually four or five. Then our finance team under the CFO in the corporate and governance area does little deep dives into things every now and again. So they are less formal. They are more, look, we looked at ten invoices and this is what we found, and then they do a little bit of feedback.

So I will take the exact number on notice and come back to you, but it is standard practice for those things too have external auditors come in and help us, you know, and they always—every audit I have ever had anything to do with always finds something; they always find something that you can improve on; and that is why we do it, so that we learn as we go along.

Ms Stephen-Smith: Can I clarify in terms of taking the question on notice whether your question is specifically related to the NTT contract and spot checks on NTT invoices?

THE CHAIR: No. How many similar.

Ms Lopa: Okay.

THE CHAIR: Similar spot check, audits have been commissioned out or contracted out, and how many might have been undertaken internally.

Ms Stephen-Smith: Yes.

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MS CASTLEY: I know projects carry on. And if it is possible to get a full list of internal audits ACT Health and CHS completed for 2023-24.

MINISTER STEPHEN-SMITH: The answer to the Member's question is as follows:

There were two internal spot checks of invoices undertaken by the ACTHD Strategic Finance team in 2023-24:

- travel and work hour invoices submitted by Epic
- credit card expenditure and sign off in the Digital Solutions Division

There are also a range of control mechanisms in place that assist in identifying opportunities for continuous improvement including:

- checking compliance against invoice processing guidelines/practices
- review of credit card expenditure and sign-off
- ensuring that there is a Purchase Order for the expenditure
- confirmation of goods received
- Purchase Order creation and the associated financial delegation
- procurement request - ensure Financial Management Act and procurement guidelines compliance
- review of Director-General and Deputy Director-General Minutes

ACTHD and CHS each have an Internal Audit Team. The role and function of the ACTHD and CHS internal audit teams are to provide objective assurance to the Directorate's operations, in line with the Director-General Instructions. Assurance is provided through the development and management of a strategic audit program, which follows a risk management approach.

ACTHD contracts out its Internal Audit program to external audit firms. The following audits were completed for ACTHD in 2023-24:

- Management of Scholarships
- Fraud Risk - Accounts Payable/Financial Transactions
- Procurement - Use of Panels
- Policy and Strategy - Development, Implementation, Measurement & Reporting
- Records Management
- Business Planning and Risk Management

CHS contracts out its Internal Audit program to external audit firms. The following audits were completed for CHS in 2023-24:

- CHS Rostering Process
- CHS Procurement Review
- Budget Processes Review
- CHS Benefits Management Review

Approved for circulation to the Select Committee on Estimates 2024-2025

Signature:



Date:

6/8/24

By the Minister for Health, Rachel Stephen-Smith MLA