Accountability and risk management

External scrutiny

A number of state bodies have been established by legislation to provide independent views and/or assurance of the government's performance including the Queensland Audit Office (QAO).

The QAO supports the role of the Auditor-General of Queensland in providing Parliament with an independent assessment of financial management and reporting, and performance activities of public sector entities.

QAO reports are accessible at: www.qao.qld.gov.au

During 2021–22, the QAO tabled the following report in Parliament relevant to QFES:

State entities 2021 Report 14: 2021–22

The Auditor-General is responsible for providing Parliament with an independent assurance of the financial management of public sector entities by auditing their financial statements.

The report summarises the QAO's assessment of the financial position, performance and assurance process of the Queensland Government, and the timeliness and quality of financial reporting by public sector entities.

QFES received an unmodified audit opinion.

The report also provides the results of an assessment of the effectiveness of internal controls across the sector and provides four actions for all entities to consider to decrease the risk of fraud or improve other internal controls. QFES has implemented three of the actions and is progressing the final action.

Risk Management

The *Financial Accountability Act 2009* requires government departments to provide the necessary foundations and organisational arrangements for managing risk at a strategic and operational level. QFES' Risk Management Framework is reviewed every two years. The framework outlines the department's requirements and approach to managing risk to position QFES to achieve better outcomes for its staff, volunteers, partners and the community and to ensure the sustainability of the department.

The Risk Management Framework outlines the escalation of risk to the enterprise risk register (enabling line of sight reporting using a standardised risk assessment process), defines accountability of risk and ensures the BoM maintains assurance through effective risk management.

QFES has an established Risk Management System (Risk App) to manage enterprise, operational and project risks.

In 2021–22, QFES further enhanced its risk maturity by:

➢ Undertaking a review of the QFES enterprise risks. The review included a workshop with the ELT in May 2022 to test the validity of the department's enterprise risks against the current and emerging environment and identify opportunities to close off, merge or add new risks.

➢ Enhancing quarterly risk reporting providing oversight of the enterprise risks including a risk analysis. The quarterly risk report and targeted enterprise risk deep dives are provided to ARCC to ensure effective and independent risk oversight for the Commissioner and BoM.

➢ Reviewing the Risk Appetite Statements in parallel with the Risk Management Framework which will provide guidance to staff and volunteers on the amount and type of risk QFES is willing to take in order to achieve its objectives. It is expected the Risk Management Framework and Risk Appetite Statements will be considered by the ARCC and BoM by 30 September 2022.

➢ Developing tools and templates to assist staff including risk owners to undertake a risk analysis and prepare risk deep dives for presentation to appropriate QFES governance committees.

➢ Developing fact sheets on Evaluating Risk Ratings and Risk Information Summary. The fact sheets are available on the QFES Gateway.

➢ Facilitating risk identification workshops across QFES regions and directorates.

➢ Developing the QFES Governance Committees Accountability Mapping which outlines the linkages between the enterprise risks and the oversight function of the relevant governance committees.

➢ Progressing implementation of the risk-related recommendation from the Fraud Management Post COVID-19 Internal Audit.

Internal Audit

The QFES internal audit function is provided by the QPS Internal Audit Unit under a portfolio service delivery model.

Following ARCC consideration and approval by the Commissioner, it is expected that commencing 1 January 2023, the internal audit services will transfer to QFES with the establishment of an internal audit function within the department.

The Internal Audit Unit is an independent unit that provides advice across a wide range of disciplines including risk, assurance, information technology, finance, compliance and general consulting activities for QFES, QPS and the Office of the IGEM.

The Head of Internal Audit, QPS is also the nominated Head of Internal Audit for QFES in accordance with the *Financial Accountability Act 2009*.

In accordance with the *Financial and Performance Management Standard 2019*, an annual internal audit plan and three-year strategic audit plan sets the direction of the unit. The *Public Safety Portfolio Annual Internal Audit Plan 2021–22 and Strategic Internal Audit Plan 2022–25* was endorsed by the QFES ARCC and approved by the Commissioner, QFES on 8 July 2021.

The Internal Audit Unit assists management to achieve its objectives by using a systematic, disciplined approach to review and improve the effectiveness of risk management and internal control and governance processes, improving the overall level of compliance and accountability. Under its approved charter, the unit can undertake a series of review types including compliance (effectiveness), performance (efficiency), financial management and information technology, to identify areas of risk and to improve outcomes. Systems are in place to ensure the effective, efficient and economic operation of the audit function.

Achievements for 2021–22 include:
- finalisation of internal audit reports from the 2020–21 annual audit plan including:
  - Payroll—an assessment of QFES' payroll environment including the design and operating effectiveness of key payroll processes and internal controls
  - Work Health and Safety Stress Management—an assessment of the design, implementation and operating effectiveness of workplace stress management, including to what extent the department's approach is preventative and proactive
  - Fraud Management Post COVID-19—an assessment of the appropriateness of the Fraud and Corruption Control Work Program to achieve the objectives of the Fraud and Corruption Control Plan, including whether it is fit-for-purpose and whether it sets out the relevant controls and processes required to prevent and detect fraudulent activities post the onset of COVID-19
  - Firefighters Compensation Scheme—assessed the design and operating effectiveness of processes around proactively capturing knowledge, trends and practices to minimise the risks of latent disease
  - AVCGA and VMRAQ Financial Governance and Compliance—assessed the financial governance and compliance of QFES funding arrangements for AVCGA and VMRAQ under the Volunteer Marine Rescue Support Package program
  - Executive Level Whaling Cyber Awareness Assessment—an assessment of the susceptibility and awareness of the department's senior executives to attack vectors such as whaling
  - Public Safety Agency Cyber Non-Core Systems—an assessment, at a high level, of the cyber security risk exposure associated with the non-core systems and the degree of visibility that the public safety agencies have into the use of these systems and associated risks.
- progressed delivery of the annual internal audit plan 2021–22 including:
  - a business continuity management review focusing on lessons learnt from COVID-19 (final report)
  - an assessment of the approach taken by QFES to maintain the financial sustainability of the department by reviewing the existing governance systems that support management in prioritising and managing investments (final report)
  - an assessment of the approach undertaken by QFES to prioritise its workload and strategic decision-making to define priorities and allocate resources at the committee level (final report)
  - an assessment of QFES' approach to ICT governance and delivery and the adequacy and effectiveness of this across the teams involved in the delivery of these services (final report)
  - assessing whether the training practices operating within QFES are suitable to meet the needs and capability requirements of the department now and into the future (final report).

The following activities will continue into 2022–23 with final reports expected to be issued by 31 October 2022:

➢ design of methods for QFES to carry out payroll spot checks to capture exceptions for further investigation and management action
➢ an assessment of the department's ISMS.

Information systems and recordkeeping

Following the disestablishment of PSBA effective 1 July 2021, the QPS Information Management Unit operates and manages information and recordkeeping systems to support a number of specific recordkeeping functions in the public safety agencies including QFES. This unit also provides strategic recordkeeping advice to QFES.

The QPS Information Management Unit records management team provided advice and assistance to QFES during the reporting period resulting in improved efficiencies including:

➢ provided advice on recordkeeping and training in the use of the RecFind records management system, ensuring new users were made aware of, and understood, their broader recordkeeping responsibilities
➢ collaborated with the QFES Information Management Unit to identify opportunities to leverage off the Microsoft SharePoint Online functionality to support more efficient and effective approaches to managing digital records, including content (original physical) that has been digitised in accordance with policies and procedures set out within the whole-of-government recordkeeping governance framework
➢ provided advice to client areas regarding the use of Microsoft Office software and other frontline business applications and systems, to deliver business efficiencies and enhance compliance with recordkeeping governance principles

➢ completed re-appraisal of QFES' physical records stored within commercial secondary storage facilities that have not being recalled for access for an extended period (more than five years). Consolidating all archived content to a single provider, applying updated retention periods and expanding item descriptions in line with contemporary standards enabling complex search requests to be undertaken within shorter timeframes delivering efficiencies to client areas
➢ provided strategic advice and guidance with respect to realigning and updating localised information and recordkeeping practices for corporate functions reintegrated to QFES as part of the disestablishment of PSBA
➢ created more than 1,700 hardcopy files and more than 850 new archive boxes registered on RecFind for QFES business units
➢ commenced a review to re-align the structure of the Fire and Emergency Services Retention and Disposal Schedule in line with the whole-of-government standardised format, including aggregation of multiple record classes to fewer categories, simplifying use of this resource for end users and identifying opportunities to align functional activities in QFES and QPS disposal schedules. The updated schedule will be submitted to Queensland State Archives for approval in 2022–23.

Public records are kept for the periods specified in both the general and core retention schedules and only destroyed once the owner agrees and approval is received from the authorised QFES nominee.

There were no known breaches of Information Security with respect to records managed within RecFind during the reporting period.

No transfers of public records to Queensland State Archives occurred during the reporting period.