

ACTION PLAN / REPORT

Section 7.12A (4)(a) of the *Local Government Act 1995*

Office of the Auditor General (OAG) – Performance Audit

Records Management

Purpose of Report

The focus of this audit was to determine if the sampled LGs effectively manage their records to promote accountable and transparent decision making.

Significant Matter Identified by OAG

1. Important records are missing or hard to find

Finding

We looked at a small sample of records and found some important business decisions could not be supported by appropriate digital or physical records which could be easily accessed. The records missing included:

- HR records:
 - police clearances were missing from 4 out of 6 HR files.
 - position descriptions were missing from 2 out of 6 HR files
 - reference checks were missing from 5 out of 6 HR files
- Property planning approval records:
 - a certificate of title was missing from 4 out of 5 property files
 - assessment sheets were missing from 4 out of 5 property files.

Implication

The logic of operational decisions may not be easily supported when relevant records are missing.

Management Comment

Noted and accepted

The Shire acknowledges this and will maintain complete and appropriate records to support operational decision making. The Shire will address findings 3, 5 and 6 of this management letter to develop policy to ensure staff are fully informed of their record keeping responsibilities and record keeping performance is monitored. Processes have already been put in place to ensure position descriptions are updated with annual reviews and recorded on HR files.

Action Taken or Intended to be Taken

The Shire of Toodyay Recordkeeping Plan is due to the State Records Office in August 2019. As part of this process all recordkeeping policies and procedures will be reviewed and updated as required, however changes in Records Management and ITC are being implemented. These are:

Firewall Replacement, Back-up Solution, Exchange Online, Information Classification and Access Control, Operations Security, Infrastructure Refresh and Application Transformation. We have also signed a contract for the provision of a new Enterprise Software and provider to replace our current system. Datacom have been contracted to create new Policies for these processes and our new Recordkeeping Plan will be aligned with all of the above.

As the Shire transitions to our new Enterprise Software, thorough training will be performed with all staff and an ongoing training program will be implemented to cover: systems, general recordkeeping, departmental and job specific record keeping. Entirely new procedures will be drafted for all departments with this system implementation.

A schedule for monitoring and the subsequent follow up of staff recordkeeping practices will be implemented along with the review of policy and procedures. This schedule will incorporate random audits of files to ensure important documents are being captured and retained appropriately, as well as regular discussion about records included at Staff Meetings and Senior Management Meetings, the latter of which has already been implemented.

The Shire of Toodyay has a program of regular disposal for physical records, evidence of which was provided during the audit. The limitations of our current recordkeeping system however do not allow for simple digital records disposal. As we are transitioning to a new Enterprise Software System, this should not be an issue in the future as digital disposals will be performed alongside physical disposals and become more automated.

In November 2018, the Shire contracted Datacom to create Information Security Management Guidelines along with key personnel, which will be implemented along with our transition to a new Enterprise Software Solution, providing better protection of digital records.

Completion or Proposed Completion Date

Due to the complexity of the project, creation of supporting policy and procedures and subsequent training, estimated completion date: February 2020

Recommendation

Shire of Toodyay should:

- maintain complete and appropriate records to support operational decision making
- address findings 3, 5 and 6 of this management letter to develop policy to ensure staff are fully informed of the record keeping responsibilities and record keeping performance is monitored.