

LEGISLATIVE ASSEMBLY OF THE NORTHERN TERRITORY

WRITTEN QUESTION

Mr Yan to the Minister for Housing and Homelands:

Territory Families, Housing and Communities – Internal Audit Findings

Answers to Global Written Question 328, identified a number of instances where the agency did not comply with aspects of the NTG procurement rules and also instances where the NTG grants guidelines were not followed.

The following internal audits were conducted in the period 1 July 2021 to 31 March 2022.

1. A Value for Territory Audit 2021 identified non-compliance with aspects of the NTG procurement rules. What were the full findings of the audit?

The Value for Territory Audit 2021 was conducted by Deloitte Touche Tohmatsu on behalf of the Department of Territory Families, Housing and Communities (the Department) and found substantial compliance across most of the procurement rules. The Audit identified some areas for further attention and improvement, including:

- Improving records management practices.
- Ensuring risk is considered during procurement planning and is recorded.
- Pre-approvals are provided and recorded to commence sourcing procurements for Tier 1 procurements to ensure appropriate level of procurement of goods and services.
- Ensuring contract management plans for Tier 2 and above procurements are in place and recorded.

The Department has a strong focus on maximising internal efficiencies, including implementing internal measures to improve compliance and training, with a focus on providing greater support to contract managers to fulfil their obligations under the Procurement Rules.

As per standard processes, the Department's Risk and Audit Committee is responsible for monitoring the Department's response to the audit findings, including actions taken to address recommendations.

2. A NT Homelands Grants Procurement and Management Audit identified that there were instances where the NTG grants guidelines were not followed. What were the full findings of this audit?

The Homelands Grants Procurement and Management Audit was conducted by Assurance Advisory Group on behalf of the Department of Territory Families, Housing and Communities (the Department) and found areas for further attention and improvement, including:

- Strengthening the governance, risk and compliance framework underpinning the grants administration processes to ensure it is sufficiently robust.
- Developing processes to provide an assessment of value for money including the efficiency, effectiveness and economy of the grants expended and performance indicators in funding agreements.
- Developing processes to assess the efficiency and effectiveness with which the grants management and administration functions are carried out.

The Department is currently implementing measures to improve compliance and administrative efficiencies. Many of these measures will be further embedded through the introduction of the new service delivery model in July 2023.

As per standard processes, the Department's Risk and Audit Committee is responsible for monitoring the Department's response to the audit findings, including actions taken to address recommendations.