



# **JobKeeper 2.0**

## Risk Management Closure Report

03 August 2021

# Contents

|  |    |
|--|----|
| Executive summary                              | 3  |
| Background                                     | 3  |
| Approach                                       | 3  |
| Review of strategic and shared risks           | 3  |
| Risk assessment - detail                       | 5  |
| Risk 1 – Data for decision making              | 5  |
| Risk 2 – Identifying emerging risks and issues | 5  |
| Risk 3 - Harmonising                           | 6  |
| Risk 4 – External Communications               | 6  |
| Risk 5 – Internal Communications               | 7  |
| Risk 6 – Employer experience                   | 7  |
| Risk 7 – Employee experience                   | 8  |
| Risk 8 – Low-level non-compliance              | 8  |
| Risk 9 – Fraud and corruption                  | 9  |
| Risk 10 – Policy Objectives                    | 9  |
| Risk 11.1 – Misuse of sensitive data           | 9  |
| Risk 12 – Privacy risk                         | 10 |

## Inherent Limitations

The Services provided are advisory in nature and have not been conducted in accordance with the standards issued by the Australian Auditing and Assurance Standards Board and consequently no opinions or conclusions under these standards are expressed.

Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The matters raised in this report are only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made.

Our work is performed on a sample basis; we cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.

Any projection of the evaluation of the control procedures to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Recommendations and suggestions for improvement should be assessed by management for their full commercial impact before they are implemented.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy, or reliability is given in relation to the statements and representations made by, and the information and documentation provided by Treasury personnel. We have not attempted to verify these sources independently unless otherwise noted within the report.

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# Executive summary

## Background

On 28 March 2021 the JobKeeper Payment (the Program) ceased. As a result, it is appropriate to review the impact of the **Program's closure** on the **Program's** strategic and shared risks and undertake a risk assessment of the changes to ensure that changes to the risk and control environment are identified, assessed and appropriately managed and monitored going forward.

## Approach

A risk assessment workshop was held on 24 June 2021 with members of the Risk and Integrity Working Group (Working Group) to workshop the effect of the closure of the Program on the strategic and shared risks. The purpose of the workshop was to reassess each of the strategic and shared risks in terms of their risk rating and to determine future risk treatment actions. The risk treatment actions could include:

- Retaining the risk as a strategic and shared risk that still requires a multi-agency approach in its ongoing management
- Transfer the risk to a Responsible entity/ies to be managed, or
- Closing and retiring the risk.

Following the workshop, the JobKeeper 2.0 Risk Log and Risk Response Plans were updated and provided to the relevant Accountable Officers for endorsement.

## Review of strategic and shared risks

The risk assessment of the 12 strategic and shared risks included the analysis of the changing risk and control environments relating to the Likelihood and Consequence of the risk event occurring. As a result, there have been significant changes in the risk ratings and the future risk treatment actions.

### Changes to risk ratings

The reassessment of the strategic and shared risks resulted in seven risks having their risk ratings reduced from Medium to Low. As a result of the ratings being reduced to Low, and consistent with the Labour Market Policy Division (LMPD) Program Risk Strategy, these risks will no longer be actively managed through a Risk Response Plan or Joint Action Plan.

### Change of Accountable Officer

The reassessment of Risk 6 – Employer experience identified that with the closure of the Program there is no further requirement for the Accountable Officer roles to be shared between Treasury and the ATO. The Working Group recommended that the Accountable Officer should solely be the Deputy Commissioner, Economic Stimulus Branch, ATO. This is due to the involvement of Treasury having been significantly reduced with the closure of the program.

### Change of risk description

**For "Risk 1 – Data for decision making" the Working Group identified that as** the Program had ceased, the risk definition needed to be amended to take into account the changing context of what type of decisions the data would inform. The risk definition has removed "the design, delivery and performance of the program" and amended it to "There is a risk that timely and quality data is not available to inform decisions around the program's performance and future government directions."

### Retention of strategic and shared risks

The analysis and assessment of the risk and control environments of the 12 strategic and shared risks identified that seven of the 12 risks are active risks which still require a multi-agency approach in their management and reporting. The seven risks have all been reassessed with a risk rating of Low, meaning that they do not need to be actively managed through a Risk Response Plan or Joint Action Plan. The Responsible Officers via the Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and the Policy Implementation Steering Committee (PISC).

### Transfer of risks to responsible entities

The reassessment of the strategic and shared risks resulted in four risks being transferred to a Responsible entity/ies for ongoing management and monitoring. Consistent with the LMPD Program Risk Strategy, these risks will no longer require the PISC or Working Group to manage them as multi-agency strategic and shared risks.

### Retirement of Risk 10 – Policy objectives

The reassessment of "Risk 10 – Policy objectives" identified that with the closure of the Program that "the risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes" is no longer an active risk and can be retired.

The following table summarises the key changes to the 12 strategic and shared risks:

| #    | Risk                                  | Previous Risk Rating | Changes to Risk environment   | Reassessed Risk Rating | Risk Treatment |
|------|---------------------------------------|----------------------|---|------------------------|----------------|
| 1    | Data for decision making              | Medium               | - Amendment of risk description<br>- Assessed reduction in Likelihood of risk event occurring   | Low                    | Retain         |
| 2    | Identifying emerging risks and issues | Low                  | - Assessed reduction in Consequence of risk event occurring   | Low                    | Retain         |
| 3    | Harmonising                           | Medium               | - Assessed reduction in Likelihood of risk event occurring  | Low                    | Retain         |
| 4    | External Communications               | Medium               | - Assessed reduction in Consequence and Likelihood of risk event occurring  | Low                    | Retain         |
| 5    | Internal Communications               | Medium               | - Assessed reduction in Consequence of risk event occurring   | Low                    | Retain         |
| 6    | Employer experience                   | Medium               | - ATO will be the sole Accountable Officer for risk going forward<br>- Assessed reduction in Consequence and Likelihood of risk event occurring | Low                    | Retain         |
| 7    | Employee experience                   | Medium               | - Assessed reduction in Consequence and Likelihood of risk event occurring  | Low                    | Retain         |
| 8    | Low-level non-compliance              | Medium               | - Assessed reduction in Likelihood of risk event occurring<br>- Transfer of the risk to the ATO to manage                                       | Low                    | Transfer       |
| 9    | Fraud and corruption                  | Medium               | - Transfer of the risk to the ATO to manage   | Medium                 | Transfer       |
| 10   | Policy objectives                     | Medium               | - Retirement of the risk as no longer active  | Medium                 | Retire         |
| 11.1 | Misuse of sensitive data              | Medium               | - Transfer of the risk to the ATO to manage   | Medium                 | Transfer       |
| 12   | Privacy risk                          | Low                  | - Transfer of the risk to all entities to manage  | Low                    | Transfer       |

Refer to further details below.

### Next Steps

As there are a number of strategic and shared risks which have been retained, there is still a requirement for the Responsible Officers via the Working Group to actively monitor and report to the relevant Accountable Officers and the PISC regarding any changes in the risk and control environments. Responsible Officers will be asked to provide updates to any changes to the risk and control environments in the regular Working Group meetings.



# Risk assessment - Detail

## Risk 1 – Data for decision making

The Risk and Integrity Working Group reassessed the risk noting the following:

- As the program has ceased, the risk definition has been amended to remove "to inform ongoing decisions about the design, delivery and performance of the program" to "inform decisions around the program's performance and future government directions".
- Data is still being used to inform government decisions on other programs therefore the consequence of the risk event occurring would still be "Moderate".
- Limited new data being collected, and this will cease as the program winds up.
- Due to the program ceasing and the reduction in the data being collected, the likelihood of the risk event occurring has been reduced from "Likely" to "Unlikely".
- Risk rating has been reassessed as LOW.
- The risk is still relevant and therefore will remain an active strategic and shared risk which requires a multi-agency approach to manage.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Moderate             | Likely     | Medium      |

| Reassessed Risk Rating |            |             |
|------------------------|------------|-------------|
| Consequence            | Likelihood | Risk Rating |
| Moderate               | Unlikely   | Low         |

As a result of the rating being reduced to LOW and consistent with the LMPD Program Risk Strategy, the risk will no longer require a Risk Response Plan to actively manage and report on the key controls via the Joint Action Plan. The Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and PISC.

## Risk 2 – Identifying emerging risks and issues

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the closure of the program the consequence of the risk event occurring has reduced from "Moderate" to "Minor" with the rating remaining as LOW.
- The risk is still relevant and requires a multi-agency approach to manage.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Moderate             | Unlikely   | Low         |

| Reassessed Risk Rating |            |             |
|------------------------|------------|-------------|
| Consequence            | Likelihood | Risk Rating |
| Minor                  | Unlikely   | Low         |

The Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and PISC.

### Risk 3 - Harmonising

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the closure of the program the likelihood of the risk event occurring has been reduced from "Possible" to "Unlikely" primarily due to the relevant agencies having more time to provide a collective response to any questions or concerns raised.
- Risk rating has reduced to LOW.
- This is still a relevant risk that will need to be managed with a multi-agency approach.

| Previous Risk Rating |            |               |
|----------------------|------------|---------------|
| Consequence          | Likelihood | Risk Rating   |
| Moderate             | Possible   | <b>Medium</b> |

| Reassessed Risk Rating |            |             |
|------------------------|------------|-------------|
| Consequence            | Likelihood | Risk Rating |
| Moderate               | Unlikely   | <b>Low</b>  |

As a result of the rating being reduced to LOW and consistent with the LMPD Program Risk Strategy, the risk will no longer require a Risk Response Plan to actively manage and report on the key controls via the Joint Action Plan. The Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and PISC.

### Risk 4 – External Communications

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the size and complexity of the program there is still an ongoing need to manage external stakeholder communications. ATO will manage the communications on matters of integrity whilst Treasury will primarily deal with program performance communications.
- Due to the closure of the program the consequence of the risk event occurring has been reduced from "Major" to "Moderate" and likelihood from "Possible" to "Unlikely".
- Risk rating is LOW, and the risk is to be retained and managed with a multi-agency approach.

| Previous Risk Rating |            |               |
|----------------------|------------|---------------|
| Consequence          | Likelihood | Risk Rating   |
| Major                | Possible   | <b>Medium</b> |

| Reassessed Risk Rating |            |             |
|------------------------|------------|-------------|
| Consequence            | Likelihood | Risk Rating |
| Moderate               | Unlikely   | <b>Low</b>  |

As a result of the rating being reduced to LOW and consistent with the LMPD Program Risk Strategy, the risk will no longer require a Risk Response Plan to actively manage and report on the key controls via the Joint Action Plan. The Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and PISC.

**Risk 5 – Internal Communications**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the size and complexity of the program there is still an ongoing need to manage internal stakeholder communications.
- Due to the closure of the program the consequence of the risk event occurring has been reduced from "Major" to "Moderate" and likelihood has remained at "Unlikely".
- Risk rating is LOW, and the risk is to be retained and managed with a multi-agency approach.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Major                | Unlikely   | Medium      |

| Reassessed Risk Rating |            |             |
|------------------------|------------|-------------|
| Consequence            | Likelihood | Risk Rating |
| Moderate               | Unlikely   | Low         |

As a result of the rating being reduced to LOW and consistent with the LMPD Program Risk Strategy, the risk will no longer require a Risk Response Plan to actively manage and report on the key controls via the Joint Action Plan. The Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and PISC.

**Risk 6 – Employer experience**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the size and complexity of the program there is still an ongoing need to manage the employer experience.
- ATO will be the sole Accountable Officer for this risk as the involvement of Treasury has been significantly reduced with the closure of the program.
- Due to the closure of the program the consequence of the risk event occurring has been reduced from "Major" to "Moderate" and likelihood from "Possible" to "Unlikely".
- Risk rating is LOW, and the risk is to be retained and managed with a multi-agency approach.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Major                | Possible   | Medium      |

| Reassessed Risk Rating |            |             |
|------------------------|------------|-------------|
| Consequence            | Likelihood | Risk Rating |
| Moderate               | Unlikely   | Low         |

As a result of the rating being reduced to LOW and consistent with the LMPD Program Risk Strategy, the risk will no longer require a Risk Response Plan to actively manage and report on the key controls via the Joint Action Plan. The Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and PISC.

**Risk 7 – Employee experience**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the size and complexity of the program there is still an ongoing need to manage the employee experience.
- Due to the closure of the program the consequence of the risk event occurring has been reduced from "Major" to "Moderate" and likelihood from "Possible" to "Unlikely".
- Risk rating is LOW, and the risk is to be retained and managed with a multi-agency approach.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Major                | Possible   | Medium      |

| Reassessed Risk Rating |            |             |
|------------------------|------------|-------------|
| Consequence            | Likelihood | Risk Rating |
| Moderate               | Unlikely   | Low         |

As a result of the rating being reduced to LOW and consistent with the LMPD Program Risk Strategy, the risk will no longer require a Risk Response Plan to actively manage and report on the key controls via the Joint Action Plan. The Working Group will need to continue to monitor any changes in the risk and control environment and report these to the Accountable Officer and PISC.

**Risk 8 – Low-level non-compliance**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the closure of the program the consequence of the risk event occurring is still "Moderate" and with the mature and established control environment the likelihood has been reduced from "Likely" to "Unlikely".
- Risk rating is LOW, and the risk is to be retained and managed with a multi-agency approach.
- The risk will be retired as a strategic/shared risk and is to be transferred to the ATO to manage as part of its standard compliance business as usual processes.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Moderate             | Likely     | Medium      |

| Reassessed Risk Rating            |            |             |
|-----------------------------------|------------|-------------|
| Consequence                       | Likelihood | Risk Rating |
| Moderate                          | Unlikely   | Low         |
| Transferred to ATO for management |            |             |

As a result of the risk being transferred to the ATO, consistent with the LMPD Program Risk Strategy, the risk will no longer require the PISC or Working Group to manage it through a Risk Response Plan or report on the key controls via the Joint Action Plan.

**Risk 9 – Fraud and corruption**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Despite the closure of the program the risk of fraud is still relevant with the rating remaining as MEDIUM.
- The risk will be retired as a strategic/shared risk and is to be transferred to the ATO to manage as part of its fraud compliance business as usual processes.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Major                | Unlikely   | Medium      |

| Reassessed Risk Rating            |            |             |
|-----------------------------------|------------|-------------|
| Consequence                       | Likelihood | Risk Rating |
| Major                             | Unlikely   | Medium      |
| Transferred to ATO for management |            |             |

As a result of the risk being transferred to the ATO, consistent with the LMPD Program Risk Strategy, the risk will no longer require the PISC or Working Group to manage it through a Risk Response Plan or report on the key controls via the Joint Action Plan.

**Risk 10 – Policy Objectives**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Due to the closure of the program this risk will be retired from active management.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Major                | Unlikely   | Medium      |

|                              |
|------------------------------|
| <b>Risk is to be Retired</b> |
|------------------------------|

As a result of the risk being retired and consistent with the LMPD Program Risk Strategy, the risk will no longer require the PISC or Working Group to manage it through a Risk Response Plan or report on the key controls via the Joint Action Plan.

**Risk 11.1 – Misuse of sensitive data**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Despite the closure of the program the risk of misuse of data is still relevant with the rating remaining as MEDIUM.
- ATO have sole custody of the program data and share data consistent with standard and established protocols.
- The risk will be retired as a strategic/shared risk and is to be transferred to the ATO to manage as part of its standard data sharing business as usual processes.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Major                | Unlikely   | Medium      |

| Reassessed Risk Rating            |            |             |
|-----------------------------------|------------|-------------|
| Consequence                       | Likelihood | Risk Rating |
| Major                             | Unlikely   | Medium      |
| Transferred to ATO for management |            |             |

As a result of the risk being transferred to the ATO, consistent with the LMPD Program Risk Strategy, the risk will no longer require the PISC or Working Group to manage it through a Risk Response Plan or report on the key controls via the Joint Action Plan.

**Risk 12 – Privacy risk**

The Risk and Integrity Working Group reassessed the risk noting the following:

- Despite to the closure of the program the risk of privacy is still relevant with the rating remaining as LOW.
- The risk will be retired as a strategic/shared risk and is to be transferred to each Responsible Entity to manage as part of their own privacy business as usual processes.

| Previous Risk Rating |            |             |
|----------------------|------------|-------------|
| Consequence          | Likelihood | Risk Rating |
| Moderate             | Unlikely   | <b>Low</b>  |

| Reassessed Risk Rating                                       |            |             |
|--|------------|-------------|
| Consequence  | Likelihood | Risk Rating |
| Moderate   | Unlikely   | <b>Low</b>  |
| <b>Transferred to each Responsible Entity for management</b> |            |             |

As a result of the risk being transferred to Responsible Entities, consistent with the LMPD Program Risk Strategy, the risk will no longer require the PISC or Working Group to manage it as a strategic/shared risk.





Australian Government

# The Treasury



## JobKeeper 2.0

## Audit Plan

February 2021

# Contents

|     |                                    |    |
|-----|------------------------------------|----|
| 1   | Scope and Procedures               | 3  |
| 1.1 | Purpose                            | 3  |
| 1.2 | Scope and Methodology              | 3  |
| 1.3 | Factors of consideration           | 3  |
| 1.4 | Controls Rotation Plan             | 4  |
| 2   | Proposed Audit Plan                | 6  |
| 2.1 | Audit Scope and Procedures         | 6  |
| 2.2 | Work Performed                     | 6  |
| 2.3 | Findings and Conclusion            | 6  |
|     | Appendix A: Key Control Assessment | 7  |
|     | Appendix B: Detailed CRP           | 22 |
|     | Appendix C: Sample Audit Results   | 25 |

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Our work will be performed on a sample basis; we **cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.**

Any projections on the evaluation of the control procedures for future periods are subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Recommendations and suggestions for improvement should be assessed by management for their full commercial impact before they are implemented.

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# 1 Scope and Procedures

## 1.1 Purpose

The purpose of this audit plan is to document our approach to testing the controls (Testing) relevant to the risks identified in the JobKeeper Program (Program) Risk Log. The purpose of the Testing is to assess the design, implementation and operating effectiveness of key controls used by the Treasury (Department), Australian Tax Office (ATO), the office of the Fair Work Ombudsman (FWO), Fair Work Commission (FWO) and Attorney-**General's Department** (AGD) (all collectively referred to as the Responsible Entities), to address the identified risks associated with the Program.

The audit plan takes into consideration the updated risks that have been identified as a result of the changes made to the risk and control environment from the extension of the JobKeeper Payment (JobKeeper 2.0).

## 1.2 Scope and Methodology

This audit plan outlines the 'light-touch' testing strategy to be executed to test the design, implementation and operating effectiveness of key controls used by the Responsible Entities to mitigate identified risks associated with the Program.

We reviewed the Program Risk Log (Risk Log), Risk Response Plans (RRPs) and Joint Action Plans (JAP) to identify the key controls which are the most effective at mitigating the identified risks. We considered numerous factors (outlined in below in section 1.3) to inform our determination of key controls for testing and to ensure testing is performed efficiently and sufficiently in order to evaluate whether the controls work effectively at reducing the risks to an acceptably low level.

The Testing is to be performed over the remaining life of the Program (3 months / audits; February – April, inclusive) to ensure that the risks, particularly those that have arisen as a result of the extension of the Program, are appropriately being managed by the Responsible Entities in line with the JAPs.

Where multiple Responsible Entities have been identified as responsible / accountable for the same control, one Responsible Entity will be selected at random for testing. Testing will involve sighting evidence that controls have been implemented e.g. signed minutes, email communication etc.

A sample size of 6 controls will be selected for each monthly audit and samples will be tested in line with the individual control testing procedures.

## 1.3 Factors of consideration

The following factors were considered when determining the key risks and controls to be tested.

### *Optimum risk mitigation*

The current risk rating was considered in the determination of the key risks associated with the Program. As **described in the Department's Risk Tolerance table, the Department considers risks that are rated as Low or below, are acceptable and are to be managed using routine procedures without the need for an RRP.** On this basis, we have considered the risks that have been rated as Medium or above to be considered for testing.

### *Responsible Entities*

Control environments and implementation procedures differ between varying entities. Therefore, it is critical that controls that are implemented by each of the Responsible Entities are tested to ensure that relevant risks are mitigated appropriately by each Responsible Entity at all stages of the relevant processes.

The control owners are identified as the Responsible Officer (**RO**) and the risk owners are identified as the Accountable Officer (**AO**) as indicated in the Risk Log. Where a Responsible Entity has been selected for testing, the RO of each control selected is responsible for the overall implementation and management of the control. Where required, the AO will be consulted for an assessment of the progress of the risk management.

### Key Controls

We reviewed the Risk Log, RRP's and JAP's to identify which controls should be tested to meet the following key objectives:

- Ensure the Testing can be performed efficiently within the timeframes of the Program; and
- Selection of controls which will most effectively reduce the risks to an acceptable level.

The Responsible Entities have identified the level of effectiveness at addressing the associated risk for each control. We identified the Risk Log and RRP's contained a total of 68 controls which had an effectiveness rating of 'High', indicating that the control significantly reduces the relevant risk. In order to meet the above objectives, we selected the controls which were identified as having a 'High' effectiveness at reducing the relevant risk to be considered for testing over the period of the Program.

Of those 68 controls, we then performed a further assessment to determine the key controls which aim to reduce or mitigate the associated risks. Controls are not considered as a key control if, upon its failure:

- The potential impact is deemed immaterial;
- The failure of the control cannot significantly expose the Program to the associated risk; or
- There are other supplementary key controls in place which mitigate the risk.

Out of the 68 controls rated as highly effective, we have identified a total of 18 key controls for testing. Refer to **Appendix A** for a summary of the assessment performed. Refer to **Appendix B** for details.

The objective of the Testing approach is to test the various key controls that address the risks as outlined in the JobKeeper Strategic and Shared Risk Framework. These key controls will be tested sporadically in line with the Controls Rotation Plan to ensure that the associated risks are being managed by the Responsible Entities throughout the duration of the Program.

### 1.4 Controls Rotation Plan

We developed a Controls Rotation Plan (**CRP**) to efficiently and effectively test the key controls associated with the Program. The CRP covers off testing of the controls for the implementation period of JobKeeper 2.0; being 28 September 2020 to 28 March 2021.

We have developed a simple approach to ensure that our testing plan assesses each risk over the remainder of the Program. This allows us to efficiently assess that the risks have been addressed at varying stages throughout the duration of the Program.

The following risks are included in a monthly testing plan:

Table 1.4.1: Risk Summary

| Risk   | Risk name                |
|--------|--------------------------|
| Risk 1 | Data for decision making |
| Risk 3 | Harmonising              |
| Risk 4 | External Communications  |
| Risk 5 | Internal Communications  |
| Risk 6 | Employer experience      |

| Risk      | Risk name                |
|-----------|--------------------------|
| Risk 7    | Employee experience      |
| Risk 8    | Low-level non-compliance |
| Risk 9    | Fraud and corruption     |
| Risk 10   | Policy objectives        |
| Risk 11.1 | Misuse of sensitive data |

The CRP allows for the efficient review of risk management strategies throughout the period of the Program. The below table shows the risk cycles over the 3-month period (February 2021 to April 2021) and the number of controls selected to be tested in each cycle.

Table 1.4.2: CRP Schedule

| Risk*        | February | March    | April    | Total     |
|--------------|----------|----------|----------|-----------|
| Risk 1       |          |          | 3        | 3         |
| Risk 3       |          |          | 1        | 1         |
| Risk 4       |          | 1        |          | 1         |
| Risk 5       | 1        |          | 1        | 2         |
| Risk 6       | 1        |          |          | 1         |
| Risk 7       |          | 1        |          | 1         |
| Risk 8       | 2        | 2        |          | 4         |
| Risk 9       | 1        |          |          | 1         |
| Risk 10      |          | 2        |          | 2         |
| Risk 11.1    | 1        |          | 1        | 2         |
| <b>Total</b> | <b>6</b> | <b>6</b> | <b>6</b> | <b>18</b> |

\* Where a control has been identified for more than one risk, only the first relevant risk will appear in this table.

Refer to **Appendix B** for details of controls to be tested in the CRP.



# 2 Proposed Audit Plan

## 2.1 Audit Scope and Procedures

Based on the above CRP, for each of the identified controls to be tested as a part of the monthly audit cycle, we will perform the following procedures:

- Obtain an understanding of the frequency of each of the controls selected for the month to determine the sample size and type of evidence available;
- Use a risk-based sampling selection methodology to determine an appropriate sample size;
- Perform and document controls testing;
- Prepare a report each month summarising the findings of the testing.

Based on the procedures outlined above, each control is assessed on each of the following:

- The control is designed and implemented as described in the JAPs; and
- The control is operating effectively to mitigate the associated risk.

Based on the findings of the testing, we will assess each of the above by using the following scale:

| Rating                      | Guide   |
|-----------------------------|---|
| Fully effective             | Nothing more to be done except review and monitor the existing controls. Control is well designed for the risk, and address the related risk. |
| Substantially effective     | The control is designed correctly and is implemented. Some more work to be done to improve operating effectiveness.                           |
| Largely ineffective         | Significant control gaps. Either control is not designed to address the risk or it does not operate at all effectively.                       |
| None or totally ineffective | Not a credible control.   |

The findings of the monthly audit will then be summarised in a report. Details included in the report include the audit findings, the rating applied to the control and the basis for application, and recommendations for improvement. Where any instances of deviation have been identified, each deviation will be assessed and documented in the monthly report.

Findings will be discussed initially with the AOs prior to the submission of the final report.

## 2.2 Work Performed

Refer to the **JK Controls Testing** workbook for details of the work performed.

## 2.3 Findings and Conclusion

This section is to be completed at the completion of the audit.

Refer to **Appendix C** for a sample of the summary of results.



# Appendix A: Key Control Assessment

The following table is a summary of the key control assessment performed.

| Ref # <sup>1</sup> | Risk   | Control Description   | RE  | Key Control | Key Control Assessment  | Related Control |
|--------------------|--|---|-----|-------------|---|-----------------|
| 1.03               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | <b>Prioritising requests for ATO data.</b> Prior to requesting data from the ATO each week, Treasury develops a prioritised list of requests, so that priority data is received first.  | TSY | Y           | Frequent meetings, project management procedures necessary for timely decision making   | Y               |
| 1.04               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | <b>Creating combined data sets using existing ATO data and JobKeeper data to meet specific data needs.</b> To manage the lack of fit-for-purpose data, Treasury combines existing ATO data with available JobKeeper data, and uses caveats where necessary.   |     | N           | Other supplementary controls exist such as the weekly meetings which prioritise the data sets from ref 1.03   | N               |
| 1.05               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | Use of ABS data, including specific COVID-19 datasets, for developing policy advice   |     | N           | Data accuracy and usefulness mitigated with other supplementary controls such as the internal Data Analysis Working Group from ref 1.17                     | N               |
| 1.10 – 1.12        | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | FWC, FWO and ATO use systems to capture performance data on JobKeeper for reporting within their agency and to Treasury   |     | N           | Other supplementary controls exist such as the quality assurance processes which exist to assess the data that comes from those systems (ref 1.13 and 1.14) | N               |
| 1.13               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | Treasury performs quality assurance activities over data and reporting, including the following:<br><ul style="list-style-type: none"> <li>· Data that will be released goes through an approval process to ensure data quality and caveats are examined (Division Head, JobKeeper Division, publishing team, MO approval)</li> <li>· Quality checking of internal data sets by comparing it with external data sets</li> <li>· Data validation: Checking of data from ATO on a regular basis for unusual variances and seeking an explanation and/or correction of the error prior to using it.</li> </ul> |     | N           | Data accuracy and usefulness mitigated with other supplementary controls such as the internal Data Analysis Working Group from ref 1.17                     | N               |

<sup>1</sup> Referenced to Joint Action Plan



| Ref # <sup>1</sup> | Risk  | Control Description  | RE  | Key Control | Key Control Assessment   | Related Control |
|--------------------|---|--|-----|-------------|--|-----------------|
| 1.14               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program.  | FWC performs quality assurance activities over data and reporting including the following:<br>· Data validation: a sense check of regularly reported data for unusual variances and corrective actions taken if necessary.   | FWC | N           | This control is applied by multiple REs. We have selected one RE for testing (1.16)  | Y               |
| 1.15               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program.  | ATO performs quality assurance activities over data and reporting including the following:<br>· JobKeeper Program Board governance to validate data before it is released<br>· Data identification, matching and analysis using existing capability and reporting system processes through ATO's Smarter Data Program  | ATO | N           | This control is applied by multiple REs. We have selected one RE for testing (1.16)  | Y               |
| 1.16               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program.  | FWO performs quality assurance activities over data and reporting including the following:<br>· Executive Review<br>· Data governance activities performed by the data team<br>· Data validation: a sense check of regularly reported data for unusual variances and corrective actions taken if necessary.  | FWO | Y           | The control addresses the main objective that data meets quality requirements  | Y               |
| 1.17               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program.  | <b>Supporting data accuracy across Treasury through the internal Data Analysis Working Group.</b> Staff from across Treasury meet to manage potential inaccuracies in data before it goes to decision makers, through the Data Analysis Working Group.   | TSY | Y           | DAWG considered a key control who are specifically tasked with assessing data is appropriate for decision making - often the last step before data goes to the decision makers | Y               |
| 1.18               | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program.  | <b>Resolution of issues regarding the sharing of data with the FWO.</b> FWO approaches the entity directly or otherwise escalates to IDC of concerns over the timeliness and quality of the data being provided, for resolution.   |     | N           | Concerns over quality and timeliness are mitigated through the FWO quality assurance activities in ref 1.16  | N               |
| 3.02 – 3.06        | Failure to achieve a shared management approach across responsible entities on risk management, communications, compliance and fraud management, employer and employee experience, workforce, data management and program performance management. | <b>Reporting and sharing of information at the PISC and IDC from working groups</b><br>Members from across relevant government entities meet regularly as part of the Inter-Departmental Committee (IDC) to share information as part of their oversight responsibilities in guiding delivery of the JobKeeper Program at a strategic, policy and integration level (within the parameters determined by the Government). This sharing of information allows for matters that involve more than one agency to be better coordinated and for issues to be co-managed. | All | N           | Inter-agency meetings will be tested in ref 5.02 – 5.06  | Y               |



| Ref # <sup>1</sup> | Risk  | Control Description   | RE   | Key Control | Key Control Assessment   | Related Control |
|--------------------|---|---|------|-------------|--|-----------------|
| 3.02 – 3.06        | Failure to achieve a shared management approach across responsible entities on risk management, communications, compliance and fraud management, employer and employee experience, workforce, data management and program performance management. | <b>Policy and Implementation Sub-Committee (PISC)</b><br>Membership of the Policy and Implementation Sub-Committee (PISC) is made up of senior executives from Treasury, ATO, FWO, FWC and AGD.   |      | N           | PISC meetings will be tested in ref 5.02 – 5.06  | Y               |
| 3.02 – 3.06        | Failure to achieve a shared management approach across responsible entities on risk management, communications, compliance and fraud management, employer and employee experience, workforce, data management and program performance management. | <b>Reporting and sharing of information of these working groups</b> <ul style="list-style-type: none"> <li>• Data and Reporting Working Group, which identifies and promotes the flow of data across the APS to ensure JobKeeper reporting is of high quality and meets stakeholder needs.</li> <li>• The JobKeeper Eligibility and Implementation working group <ul style="list-style-type: none"> <li>o The FWO, FWC, ATO, Treasury and AGD meet as part of the Eligibility and Implementation working group to identify issues and propose and implement solutions to ensure the effective and efficient operation of the JobKeeper Payment across the three entities.</li> </ul> </li> <li>• The JobKeeper Program Risk and Integrity Working Group <ul style="list-style-type: none"> <li>o The key role is to identify, monitor and mitigate risks in relation to the JobKeeper Payment and to ensure the integrity and governance throughout the course of the program.</li> </ul> </li> </ul> | All  | N           | Internal communication and information sharing is tested as a part of ref 5.02 – 5.06  | Y               |
| 3.07               | Failure to achieve a shared management approach across responsible entities on risk management, communications, compliance and fraud management, employer and employee experience, workforce, data management and program performance management. | <b>Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures</b><br>Entity engagement in (and being led by AGDs and AFP) Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures (i.e. operational intelligence group and counter fraud reference group).   | CFPC | Y           | Control focuses on the CFPC keeping agencies accountable to manage fraud and corruption across stimulus measures. Key control in ensuring the harmonisation of agencies. | Y               |



| Ref # <sup>1</sup> | Risk   | Control Description   | RE  | Key Control | Key Control Assessment   | Related Control |
|--------------------|--|---|-----|-------------|--|-----------------|
| 4.01               | There is a risk that external communications fail to respond to stakeholder needs throughout the life of the program.                  | <b>The JobKeeper Eligibility and Implementation working group.</b> The FWO, FWC and ATO, Treasury and AGD, meet as part of the Eligibility and Implementation working group to identify issues and propose and implement solutions to ensure the effective and efficient operation of the JobKeeper Payment across the three entities.<br><br>Note: While each entity develops their own communications separately (i.e. fact sheets, web site guidance), they then come together to discuss external communications in this forum. |     | N           | Control will be tested as a part of ref 5.02 - 5.06  | Y               |
| 4.07 – 4.10        | There is a risk that external communications fail to respond to stakeholder needs throughout the life of the program.                  | Regular and out-of-session engagement and consultation within agencies and across agencies to ensure consistency, avoid confusion/duplication, and ensure clear user pathways   | All | N           | Regular engagement across entities is tested through mitigating controls such as 4.18 and interagency meetings.                | Y               |
| 4.17               | There is a risk that external communications fail to respond to stakeholder needs throughout the life of the program.                  | Functional enhancements to digital services to improve user experience, adding search and translation functionality and a virtual assistant   |     | N           | Evaluation of user experience and required enhancements will be considered in the agency meetings covered by ref 4.07 – 4.10   | N               |
| 4.18               | There is a risk that external communications fail to respond to stakeholder needs throughout the life of the program.                  | <b>Regularly updating live website materials to provide employers/employees with consistently reviewed advice.</b><br>Where changes to the program have been made and further clarification on JobKeeper rules are obtained, entities seek legal advice on updates to website materials (FWO)   | FWO | Y           | FWO legal team play a critical role in ensuring the more up-to-date legal advice is provided to entities regarding the Program | Y               |
| 5.02 – 5.06        | There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | <b>Cross-entity discussion at the IDC/PISC and working group meetings</b><br>The members of the IDC/PISC and the working groups meet to discuss and share information. This is the key forum in which internal discussions across entities are had. Entities then have an internal process to provide and retrieve information going to and coming out of those committees.   |     | N           | IDC meetings will be tested in ref 5.02 – 5.06 (see below)   | Y               |
| 5.02 – 5.06        | There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | Membership of the Policy and Implementation Sub-Committee (PISC) is made up of senior executives from Treasury, ATO, FWO, FWC and AGD.  | All | Y           | Senior executives ensure cross-communication between relevant agencies and high-level agreed approaches                        | Y               |
| 5.07 – 5.11        | There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | Incidental, out-of-session engagement and consultation within agencies and across agencies  |     | N           | Inter-agency meetings tested and supplemented by various controls including ref 3.02 – 3.06, 5.02 – 5.06                       | N               |



| Ref # <sup>1</sup> | Risk   | Control Description   | RE  | Key Control | Key Control Assessment  | Related Control |
|--------------------|--|---|-----|-------------|---|-----------------|
| 5.14               | There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | Learning and development packages are in place with differentiated approaches dependent on the role of individual staff in relation to JK.  | ATO | N           | Other mitigating controls exist such as 5.02 – 5.06 to minimise impact of control failure   | N               |
| 6.03 – 6.05        | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues.        | <p><b>Analysis of media and industry reports/engagement to identify key themes and monitor emerging risks and issues.</b></p> <p>Responsible entities regularly undertake media and external correspondence analysis to identify and monitor emerging risks and issues, including:</p> <ul style="list-style-type: none"> <li>- Reading daily media emails</li> <li>- Reading and responding to industry group’s correspondence</li> <li>- The Treasury Coronavirus Business Liaison Unit meeting with stakeholders to discuss issues based on the correspondence they have received</li> <li>- Similar activity is done through the AGD Industry Engagement Unit</li> <li>- Analysis of ministerial correspondence to identify key themes for reporting to senior exec and Treasurer (TSY)</li> <li>- Monitoring of Social Media (ATO)</li> <li>- Dedicated Public Relations Business line to analyse Media, Complaints, external scrutiny and Ministerial relationships (ATO)</li> <li>- Regular attendance at relevant industry groups (FWO).</li> </ul> |     | N           | Impact from the failure of this control will be minimal. There are other mitigating factors which exist such as ref 6.06 - 6.09, 6.11 and 6.13-15 | N               |
| 6.06 – 6.09        | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues.        | <p><b>Statistics and analysis of call centre trends and complaints.</b> ATO, FWC and FWO collect call centre information that is shared with Treasury and AGD. Treasury provides briefing on enquiries trends to the Treasurer. These statistics are also reported regularly to internal program oversight bodies within the delivery agencies (ATO/FWO/FWC)</p>  | All | N           | Controls around call centre processes are tested as a part of 6.15  | Y               |
| 6.11               | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues.        | Regular and out-of-session engagement and consultation with external stakeholders and employer industry groups to co-design, collaborate and ensure that there are appropriate feedback loops   |     | N           | Control is tested through the supplementary ref 4.07-4.10   | Y               |

| Ref # <sup>1</sup> | Risk  | Control Description   | RE         | Key Control | Key Control Assessment   | Related Control |
|--------------------|---|---|------------|-------------|--|-----------------|
| 6.12               | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | <b>Regularly updating live website materials to provide employers/employees with consistently reviewed advice.</b><br>Where changes to the program have been made and further clarification on JobKeeper rules are obtained, entities seek legal advice on updates to website materials (FWO).<br>Use of a Practice Leader to provide approval of all publicly available information (FWC). |            | N           | Control is tested through the supplementary control ref 4.17   | Y               |
| 6.13 - 6.15        | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | <b>Regularly reviewing and updating call centre scripts.</b><br>Staff receive coaching, call centre scripting and staff training material and reviewed regularly. Quality assurance mechanisms also exist (FWO).  | FWO<br>ATO | Y           | Control meets the main objective of managing the experience of employers   | Y               |
| 6.16               | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | <b>Documented Client Experience Pathway for the employer to guide delivery</b><br>ATO has documented the Client Experience Pathways for the employer which outlines how the employer engages with the program to ensure there are no gaps during program delivery.  |            | N           | Supplementary controls exist such as ref 6.06-09 and 6.13-15   | N               |
| 6.19               | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | <b>Appropriate compliance response for inadvertent errors.</b> In response to low-level non-compliance or inadvertent errors, the ATO has a measured response to ensure it is appropriate and proportionate to the error and is remedied.   |            | N           | Supplementary controls exist such as ref 6.06-09 and 6.13-15   | N               |
| 6.21               | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | <b>FWC dispute resolution process.</b> The FWC provide an avenue for employees and employers to manage disputes, if the employer is in receipt of JobKeeper. There are a number of methods that the FWC can assist in settling disputes, managed through a hands-on case management process.  | FWC        | N           | This control addresses employee and employer dispute management. FWC escalation processes are tested as a part of 7.12 | Y               |
| 6.22 - 6.25        | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | Regular and out-of-session engagement and consultation within agencies and across agencies to ensure consistency, avoid confusion/duplication, and ensure clear user pathways.  |            | N           | Employer experience is supplemented by other inter-agency controls including ref 4.17, 5.2-06 and 6.06-09              | N               |



| Ref # <sup>1</sup> | Risk  | Control Description  | RE                | Key Control | Key Control Assessment  | Related Control |
|--------------------|---|--|-------------------|-------------|---|-----------------|
| 7.03 – 7.06        | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | <p><b>Analysis of media and industry reports/engagement to identify key themes and monitor emerging risks and issues</b></p> <p>Responsible entities regularly undertake media and external correspondence (industry reports/engagement) analysis to identify and monitor key themes, emerging risks and issues, including:</p> <ul style="list-style-type: none"> <li>· Reading daily media emails</li> <li>· Reading and responding to industry group's correspondence</li> <li>· The Treasury Coronavirus Business Liaison Unit meeting with stakeholders to discuss issues based on the correspondence they have received</li> <li>· Similar activity is done through the AGD Industry Engagement Unit</li> <li>· Analysis of ministerial correspondence to identify key themes for reporting to senior exec and Treasurer's office (TSY)</li> <li>· Monitoring of Social Media (ATO)</li> <li>· Regular attendance at relevant industry groups (FWO)</li> </ul> |                   | N           | Impact from the failure of this control will be minimal. There are other mitigating factors which exist such as control ref 7.7-10, 7.11-13 and 7.14-16 | N               |
| 7.07 – 7.10        | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | <p><b>Statistics and analysis of call centre trends and complaints.</b> ATO, FWC and FWO collect call centre information that is shared with Treasury and AGDs. Treasury will provide a briefing on call centre trends to the Treasurer's office. These statistics are also reported regularly to internal program oversight bodies within the delivery agencies (ATO/FWO/FWC)</p>   |                   | N           | Control will be tested as a part of ref 6.06 -6.09 testing  | Y               |
| 7.11 – 7.13        | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | <p><b>Escalation processes for issues that are best dealt with by another agency (ATO/FWC/FWO).</b> The ATO, FWC and FWO have agreed handover points. The ATO also has call centre scripting cleared by FWO for simple matters</p>   | ATO<br>FWC<br>FWO | Y           | Key control in ensuring inter-agency procedures are clear to best manage the experience of employees  | Y               |
| 7.14 – 7.16        | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | <p><b>Regularly reviewing and updating call centre scripts.</b> Staff receive coaching, call centre scripting and staff training material and reviewed regularly. Quality assurance mechanisms also exist (FWO)</p>  |                   | N           | Control will be tested as a part of ref 6.13 - 6.15 testing   | Y               |

| Ref # <sup>1</sup> | Risk  | Control Description  | RE  | Key Control | Key Control Assessment                                       | Related Control |
|--------------------|---|--|-----|-------------|--|-----------------|
| 7.17               | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | <b>Regularly updating live website materials to provide employers/employees with consistently reviewed advice.</b> Where changes to the program have been made and further clarification on JobKeeper rules are obtained, entities seek legal advice on updates to website materials (FWO). Use of a Practice Leader to provide approval of all publicly available information (FWC).  |     | N           | Control is tested through the supplementary control ref 4.18 | Y               |
| 7.18               | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | <b>FWC dispute resolution process.</b> The FWC provide an avenue for employees and employers to manage disputes, if the employer is in receipt of JobKeeper. There are a number of methods that the FWC can assist in settling disputes, managed through a hands-on case management process.   |     | N           | Control will be tested as a part of ref 7.12 testing         | Y               |
| 7.19 - 7.22        | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | Regular and out-of-session engagement and consultation within agencies and across agencies to ensure consistency, avoid confusion/duplication, and ensure clear user pathways  |     | N           | Control will be tested as a part of ref 5.02 – 5.06 testing  | Y               |
| 8.02               | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program              | <b>Controls built into the policy and program design, implemented through the enrolment and application process using system-based exclusion:</b> <ul style="list-style-type: none"> <li>· Businesses and employers authenticate using credentials (MyGOVID etc)</li> <li>· Required to have an ABN prior to the program's announcement</li> <li>· ABNs linked to foreign entities, liquidation, Bank levy and Gov't automatically excluded from enrolling (manual escalation path available)</li> <li>· Integrity approach to pay JobKeeper in arrears after the employer has paid employees through existing ATO PAYG withholding system</li> <li>· Businesses and not-for-profits seeking to claim JobKeeper Payment from 28 September 2020 will be required to re-assess their eligibility for the JobKeeper extension by establishing actual decline in turnover in the prior quarter</li> <li>· Employers declaration made by the 14th day of each month, starting in May 2020, to receive reimbursements for payments made for employees in the previous month, stating that it is true and correct.</li> <li>· Employee nomination forms obtained by employers and retained on file noting the requirement for evidence and nomination forms to be kept</li> <li>· Lodgements of Tax returns up to date preventing inactive or non-compliant businesses from enrolling and those with</li> </ul> | ATO | N           | ATO control for non-compliance will be tested through 8.07   | Y               |



| Ref # <sup>1</sup> | Risk   | Control Description   | RE                       | Key Control | Key Control Assessment   | Related Control |
|--------------------|--|---|--------------------------|-------------|--|-----------------|
|                    |  | no income history<br><ul style="list-style-type: none"> <li>Exclude employers already enrolled in JobKeeper</li> <li>Stop progress of claim where employee count misaligns to existing ATO PAYG W data on hand and verification of identity rules</li> </ul>  |                          |             |  |                 |
| 8.03 – 8.06        | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | <b>Public education, guidance, instructions:</b><br><ul style="list-style-type: none"> <li>Call centres (times extended)</li> <li>Program explanatory material available on websites</li> <li>Raising awareness of the compliance/response activity <ul style="list-style-type: none"> <li>PCG 2020/4: Schemes in relation to the JobKeeper payment. <ul style="list-style-type: none"> <li><a href="https://www.ato.gov.au/General/JobKeeper-Payment/Keeping-JobKeeper-payment-fair/">https://www.ato.gov.au/General/JobKeeper-Payment/Keeping-JobKeeper-payment-fair/</a></li> </ul> </li> <li>Noting that for the ATO re employees, there is some web site information and scripting to respond to simple matters re employees cleared by FWO/FWC</li> </ul> </li> </ul>   | TSY<br>FWO<br>FWC<br>ATO | Y           | Monitoring channels for guidance assesses effectiveness of communication between the RE and JK recipients. Failure to appropriately educate increases risk of unintentional non-compliance, reducing the effectiveness of the Program.   | Y               |
| 8.07               | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | <b>Community information, referrals and tip-off line.</b> The ATO operates a 'tip-off' line and investigates potential non-compliance, fraud and corruption once received consistent with ATO internal procedures to monitor and action referrals and tip offs in place.<br><a href="https://www.ato.gov.au/general/gen/making-a-tip-off/">https://www.ato.gov.au/general/gen/making-a-tip-off/</a>   | ATO                      | Y           | 82% of information from the 27.6K tip-offs received have been suitable for further investigation. Failure to monitor outcomes of community referrals greatly increases the risk of non-compliance to go unreported, adversely impacting the JK Program's effectiveness in delivering key objectives. | Y               |
| 8.08               | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | <b>Pre-payment and Post-payment Manual checks of claims of concern</b><br>Claims of concern will be flagged in the system and a review completed manually to cross check with other data concerning:<br><ul style="list-style-type: none"> <li>Employers linked to existing financial crime watch lists</li> <li>Agents of threat with a history of non-compliance / crime</li> <li>New to business</li> <li>False turnover checks</li> <li>Overstated, ineligible employees</li> <li>Referrals from tip offs and other agencies or internal referrals</li> <li>Data matching with other agencies resulting in new case pools for post payment review (e.g. Services Australia)</li> </ul> Note: These checks may occur pre or post payment, preventing further monthly JobKeeper payments issuing where necessary. | ATO                      | N           | ATO non-compliance controls tested under 8.07  | Y               |



| Ref # <sup>1</sup> | Risk   | Control Description   | RE | Key Control | Key Control Assessment  | Related Control |
|--------------------|--|---|----|-------------|---|-----------------|
| 8.09               | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | <b>Internal procedures and systems</b><br><ul style="list-style-type: none"> <li>· Case management and work management system</li> <li>· Policies and procedures, including escalations</li> <li>· Quality assurance system</li> <li>· Intelligence system and feedback loop for insights</li> </ul>  |    | N           | The potential impact upon this control's failure is deemed immaterial.                              | N               |
| 8.10               | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | <b>The FWC settles disputes relating to JobKeeper enabling directions expressing an opinion and making recommendations.</b> The FWC settles disputes relating to JobKeeper enabling directions including expressing an opinion and making recommendations. In doing so, low-level non-compliance may be identified and corrected.   |    | N           | This control will be tested as a part of ref 7.12 testing.  | Y               |
| 8.11               | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | JobKeeper Enabling Directions with rules on how to apply them, implemented through already established systems to enforce the Fair Work Act, with additional capacity given to increase call centre numbers for the management of JK.   |    | N           | Other supplementary key controls exist to mitigate the associated risk such as ref 8.03-8.06, 8.07. | N               |
| 8.12               | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | FWO employs a system of risk-based and proportionate response to requests for assistance which prioritises advice, education and support to promptly resolve inadvertent non-compliance, with compliance tools to be used where appropriate   |    | N           | Failure of control cannot substantially expose the Program to the associated risk.                  | N               |
| 9.02               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program.    | <b>Controls built into the policy and program design, implemented through the enrolment and application process using system-based exclusion rules:</b><br><ul style="list-style-type: none"> <li>• Businesses and employers authenticate using credentials (MyGOVID etc)</li> <li>• Required to have an ABN prior to the program's announcement</li> <li>• ABNs linked to foreign entities, liquidation, Bank levy and Gov't automatically excluded from enrolling (manual escalation path available)</li> <li>• Integrity approach to pay JobKeeper in arrears after the employer has paid employees through existing ATO PAYG withholding system</li> <li>• Businesses and not-for-profits seeking to claim JobKeeper Payment from 28 September 2020 will be required to re-assess their eligibility for the JobKeeper extension by establishing their actual decline in turnover in the prior quarter</li> <li>• Employers declaration made by the 14th day of each month, starting in May 2020, to receive reimbursements for payments made for employees in the previous month, stating that it is true and correct</li> <li>• Employee nomination forms obtained by employers and</li> </ul> |    | N           | This control is supplemented by testing ref 8.03-8.06   | Y               |



| Ref # <sup>1</sup> | Risk  | Control Description   | RE | Key Control | Key Control Assessment  | Related Control |
|--------------------|---|---|----|-------------|---|-----------------|
|                    |   | retained on file noting the requirement for evidence and nomination forms to be kept <ul style="list-style-type: none"> <li>• Lodgements of Tax returns up to date preventing inactive or non-compliant businesses from enrolling and those with no income history</li> <li>• Exclude employers already enrolled in JobKeeper</li> <li>• Stop progress of claim where employee count misaligns to existing ATO PAYG W data on hand and verification of identity rules</li> </ul>  |    |             |   |                 |
| 9.03               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | <b>Public education, guidance, instructions:</b> <ul style="list-style-type: none"> <li>• Call centres (times extended)</li> <li>• Program explanatory material available on websites</li> <li>• Raising awareness of the compliance/response activity <ul style="list-style-type: none"> <li>o PCG 2020/4: Schemes in relation to the JobKeeper payment.</li> <li>o <a href="https://www.ato.gov.au/General/JobKeeper-Payment/Keeping-JobKeeper-payment-fair/">https://www.ato.gov.au/General/JobKeeper-Payment/Keeping-JobKeeper-payment-fair/</a></li> </ul> </li> </ul> Noting that for the ATO re employees, there is some web site information and scripting to respond to simple matters re employees cleared by FWO/FWC   |    | N           | This control will be tested as a part of ref 8.03-06  | Y               |
| 9.04               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | <b>Internal policies and procedures focusing on external fraud:</b> <ul style="list-style-type: none"> <li>• Training and processes for ATO staff enabling the identification and actioning of unusual scenarios e.g. escalation to Integrated Compliance team</li> <li>• All procedures to action cases, including escalation to financial crime are available on common intranet sites for each ATO group and Law Administration Practice Statement - applying the general anti-avoidance rules to JobKeeper and Cash Flow Boost (PS LA 2005/24)</li> <li>• Fraud awareness training is mandatory for all staff in the ATO with an Internal Fraud and Corruption CEI (Chief Executive Instruction) setting out responsibilities for preventing, detecting and referring suspected fraud, corruption and other offences by ATO employees.</li> <li>• Regular staff communication and internal web site material:<br/> <a href="http://sharepoint/GA1Sites/CEG/JobKeeper/Home.aspx">http://sharepoint/GA1Sites/CEG/JobKeeper/Home.aspx</a><br/> <a href="https://www.ato.gov.au/General/The-fight-against-tax-crime/In-detail/ATO-Fraud-and-Corruption-Control-Plan-2019-20/">https://www.ato.gov.au/General/The-fight-against-tax-crime/In-detail/ATO-Fraud-and-Corruption-Control-Plan-2019-20/</a> </li> </ul> |    | N           | The potential impact upon this control's failure is deemed immaterial.  | N               |
| 9.05               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | <b>Internal policies and procedures focusing on internal fraud:</b> <ul style="list-style-type: none"> <li>• CEI provides principles to be followed /responsibilities for all staff.</li> <li>• ATO Fraud and Corruption Control Plan High level detail</li> </ul>  |    | N           | The effectiveness of this control mainly assesses the volume of investigations and there are other supplementary controls aimed at preventing potential | N               |

| Ref # <sup>1</sup> | Risk  | Control Description  | RE  | Key Control | Key Control Assessment   | Related Control |
|--------------------|---|--|-----|-------------|--|-----------------|
|                    |   | <p>of range of strategies the ATO has in place to prevent, detect and respond to internal and external fraud and corruption.</p> <ul style="list-style-type: none"> <li>• ATO staff complete mandatory training as part of induction and at 12 monthly intervals.</li> <li>• A suite of self- help tools and resources for undertaking fraud risk assessments.</li> <li>• A range of communication activities to promote awareness of fraud and corruption.</li> <li>• Mechanisms are available for staff to advise of suspected fraud.</li> <li>• Mechanism available to report inappropriate disclosable conduct</li> <li>• Assessments to identify potential fraud and/ or corruption vulnerabilities in ATO activities</li> <li>• Organisational Behavioural Assessment - an aggregated view of all substantiated fraud events in a calendar year, broken down by each of the fraud event types</li> <li>• Data mining and analytics capability, integrity scans, Audit logging of system activity, Tip-offs, Intelligence Assessments</li> <li>• Investigating allegations of internal fraud with recognised technique</li> </ul> |     |             | cases of fraud or corruption such as ref 9.09. The potential impact upon this control's failure is deemed immaterial.  |                 |
| 9.07 – 9.08        | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | Ongoing engagement through the Commonwealth Fraud Prevention Centre to oversight and address suspected or actual fraud in COVID-19 response measures (Operational Intelligence Group and Counter Fraud Reference Group)  |     | N           | Failure of control cannot substantially expose the Program to the associated risk as alternate key controls exist to assist mitigation.  | N               |
| 9.09               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | ATO Cyber security prevention controls   | ATO | Y           | Pre-established review systems serve as a first line of defence against fraud and corruption. Failure of this control exposes the Program to a greater risk of fraud and places a greater burden on other controls against fraud and corruption. | Y               |
| 9.10               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | <p><b>Community information, referrals and tip-off line</b></p> <p>The ATO operates a 'tip-off' line and investigates potential non-compliance, fraud and corruption once received consistent with ATO internal procedures to monitor and action referrals and tip offs in place.</p> <p><a href="https://www.ato.gov.au/general/gen/making-a-tip-off/">https://www.ato.gov.au/general/gen/making-a-tip-off/</a></p>   |     | N           | This control will be tested as a part of ref 8.07 testing.   | Y               |
| 9.11 – 9.13        | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | Passing on requests/enquires/information to the right agency (most likely ATO or FWO) regarding issues of potential fraud  |     | N           | Supplementary key controls in place will mitigate this risk.   | N               |



| Ref # <sup>1</sup> | Risk  | Control Description  | RE  | Key Control | Key Control Assessment  | Related Control |
|--------------------|---|--|-----|-------------|---|-----------------|
| 9.14               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program.   | JobKeeper Enabling Directions with rules on how to apply them, implemented through already established systems to enforce the Fair Work Act, with additional capacity given to increase call centre numbers for the management of JK.  | FWO | N           | Supplementary key controls in place will mitigate this risk.  | N               |
| 9.15               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program.   | <b>Internal procedures and systems</b><br><ul style="list-style-type: none"> <li>· Case management and work management system</li> <li>· Policies and procedures, including escalations</li> <li>· Quality assurance system</li> <li>· Intelligence system and feedback loop for insights</li> </ul>   |     | N           | The potential impact upon this control's failure is deemed immaterial.  | N               |
| 9.16               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program.   | Serious Financial Crimes Taskforce (SFCT). The SFCT has prioritised serious financial crime affecting the government's COVID-19 economic response package  | ATO | N           | Supplementary key controls in place will mitigate this risk.  | N               |
| 9.17               | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program.   | <b>Preventing, detecting and resolving inadvertent non-compliance through FWOs established system of risk-based and proportionate response activity.</b> FWO employs a system of risk-based and proportionate response to requests for assistance which prioritises advice, education and support to promptly resolve inadvertent non-compliance, with compliance tools (e.g. investigation; issuing a compliance notice) to be used where appropriate |     | N           | Failure of the control cannot substantially expose the Program to the risk.   | N               |
| 10.02              | There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. | <b>Treasury develops JobKeeper related policy advice, in response to the potential economic, social and health impacts of COVID-19.</b> Treasury develops policy advice for the Treasurer regarding the policy settings for JobKeeper, that is responsive to the ever-changing situation that COVID-19 presents and its economic, social and health impacts, so that the program can be as effective as possible.                                      | TSY | Y           | Failure to assess the effectiveness of policy advice hinders the JK Program's ability to deliver on its key objectives. | Y               |
| 10.02              | There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning   | Cabinet submission development processes. Cabinet submission development process (including risk assessment, analysis of program constraints and priorities, comparison of like programs in other countries)   |     | N           | (n/a – a point in time event)   | N               |

| Ref # <sup>1</sup> | Risk  | Control Description  | RE  | Key Control | Key Control Assessment  | Related Control |
|--------------------|---|--|-----|-------------|---|-----------------|
|                    | payment rates more closely to employees' usual incomes.   |  |     |             |   |                 |
| 10.03              | There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. | <b>Consideration and monitoring of JobKeeper's interactions with other programs.</b> In developing policy advice or cabinet submissions, Treasury considers and then monitors the impact or interaction that JobKeeper will have with/on other program's and the Fair Work Act. Changes to programs and legislation are then made, where necessary, to remove the risk of negative outcomes. |     | N           | The potential impact upon this control's failure is deemed immaterial.  | N               |
| 10.04              | There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. | Consultation processes to obtain input from internal and external parties in the development of policy advice  | TSY | Y           | Ineffective or infrequent consultations increase the risk of the JK payments not adapting effectively or efficiently enough to achieve the intended policy objectives of the Program. | Y               |
| 10.05              | There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. | <b>Mid-program review and ongoing evaluation of the program.</b> Treasury undertake assessments of the program's performance in achieving its policy objectives, using data and feedback, to assist in developing policy advice.   |     | N           | This mid-program review is supplemented by the regular and out-of-session review controls that occur.   | N               |



| Ref # <sup>1</sup> | Risk  | Control Description  | RE         | Key Control | Key Control Assessment  | Related Control |
|--------------------|---|--|------------|-------------|---|-----------------|
| 10.07              | There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. | <b>Changes to the Fair Work Act to support JobKeeper.</b><br>Changes to the Fair Work Act to permit JobKeeper enabling directions to stand down, change duties and location of work, and permit agreements re change of days and hours of work.  | AGD<br>FWO | N           | Supplementary controls 10.02 and 10.04 are tested regarding legal advice in relation to any changes in legislation  | N               |
| 11.1.02            | There is a risk that sensitive data provided to an agency is used for an unintended purpose.  | <b>Obtaining data directly from employers to be able to further cases of potential non-compliance or fraud.</b><br>The FWO and FWC seek information from employees and employers. FWO and FWC will also refer people to the other agencies (FWC, FWO, ATO) where appropriate.  |            | N           | Other supplementary controls exist to prevent the misuse of sensitive data such as those in ref 11.1.10.  | N               |
| 11.1.10            | There is a risk that sensitive data provided to an agency is used for an unintended purpose.  | <b>Data requests require a lawful provision.</b> Identify and document legislative provision(s) which allow the data exchange.   | ATO        | Y           | Cases of fraud and non-compliance will pose great threats to the misuse of sensitive data. The legal provisions established allow for appropriate data exchange to ensure the data is used for its intended purpose.      | Y               |
| 11.1.11            | There is a risk that sensitive data provided to an agency is used for an unintended purpose.  | <b>Compulsory documentation is completed prior to the exchange of data.</b> Includes privacy impact assessments, data sharing agreements (for e.g. MOU, letters of exchange), Data Matching Protocols which includes data access and security requirements for the storage and transmission of ATO data.   | ATO        | Y           | Compulsory documentation enforces the necessary due diligence to prevent the transfer of data to unintended parties and instead ensures the correct data is transferred to the appropriate party, securely and privately. | Y               |
| 11.1.12            | There is a risk that sensitive data provided to an agency is used for an unintended purpose.  | <b>Maintain stewardship via ongoing engagement with agencies.</b> Initially intense engagement to identify and communicate data uses and data limitations. Engagement reduces as data sharing becomes regular and effortless and data value is determined. Final engagement when the data no longer has value and is not used and ATO seeks assurance that data is destroyed securely. |            | N           | Data is managed by the ATO by supplementary controls such as ref 11.1.10  | N               |

# Appendix B: Detailed CRP

The following table outlines the detailed CRP schedule over the period of the Program.

| #    | Risk                        | AO                        | RO                   | Details   | Action Description   | Proposed Testing Procedure*   | Feb | Mar | Apr |
|------|-----------------------------|---------------------------|----------------------|---|--|---|-----|-----|-----|
| 1.03 | 1. Data for decision making | TSY:<br>Belinda Robertson | TSY:<br>s 22         | Prioritising requests for ATO data  | Observe the ongoing implementation of the weekly meetings with ATO/TSY and the timeliness of obtaining priority data, using the register for tracking data requests.     | Sight signed minutes for a sample of weekly meetings<br>Sight priorities request tracker                                  |     |     | x   |
| 1.16 | 1. Data for decision making | TSY:<br>Belinda Robertson | FWO:<br>Daniel Crick | FWO quality assurance activities over data and reporting:   | Observe the number of issues/errors identified in data after it has been released or reported  | Sight FWO QA reporting number of issues / errors  |     |     | x   |
| 1.17 | 1. Data for decision making | TSY:<br>Belinda Robertson | TSY:<br>s 22         | Supporting data accuracy across Treasury through the internal Data Analysis Working Group.                            | Observe the effectiveness of the Treasury Data Analysis Working Group, implemented in early August, in ensuring that information given to decision makers is accurate.   | Sight signed minutes for a sample of weekly meetings<br>Sight members names included in distribution list & shared folder |     |     | x   |
| 3.07 | 3. Harmonising              | TSY:<br>Philippa Brown    | s 22                 | Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures | Observe ATO attendance at activities (Operation Ashiba, operational intelligence group and counter fraud reference group), and AFP's support for JobKeeper specifically. | Sight minutes marking ATO in attendance   |     |     | x   |
| 4.18 | 4. External Communications  | TSY:<br>Philippa Brown    | FWO:<br>Daniel Crick | Regularly updating live website materials to provide employers/employees with consistently reviewed advice.           | Observe the ongoing effectiveness of liaison between JK Task Force and Legal team (within FWO) to provide the most up to date and accurate information possible on       | Sight updates published on website  |     | x   |     |



| #    | Risk                        | AO                    | RO                     | Details  | Action Description  | Proposed Testing Procedure*  | Feb | Mar | Apr |
|------|-----------------------------|-----------------------|------------------------|--|---|--|-----|-----|-----|
|      |                             |                       |                        |  | live website materials. (FWO)   |  |     |     |     |
| 5.02 | 5. Internal Communications  | TSY: Philippa Brown   | TSY: Belinda Robertson | Cross-entity discussion at the PISC, IDC and working group meetings                      | Observe the ongoing effectiveness of the Committees and working group's implementation      | Sight minutes of IDC/PISC<br>Sight action item logs attached to minutes                  | x   |     |     |
| 5.03 | 5. Internal Communications  | TSY: Philippa Brown   | AGD: s 22              | Cross-entity discussion at the PISC, IDC and working group meetings                      | Observe the ongoing effectiveness of the Committees and working group's implementation      | Sight minutes of IDC/PISC<br>Sight action item logs attached to minutes                  |     |     | x   |
| 6.15 | 6. Employer experience      | TSY: Philippa Brown   | FWO: Daniel Crick      | Regularly reviewing and updating call centre scripts                                     | Monitor the effectiveness of the calls through sample call monitoring                       | Sight transcripts to compare changes made  | x   |     |     |
| 7.12 | 7. Employee experience      | TSY: Philippa Brown   | FWC: Ailsa Carruthers  | Escalation processes for issues that are best dealt with by another agency (ATO/FWC/FWO) | Monitor the effectiveness of escalation process   | Sight written escalations / referrals where issue should be dealt with by another agency |     | x   |     |
| 8.03 | 8. Low-level non-compliance | ATO: James O'Halloran | TSY: s 22              | Public education, guidance   | Monitor<br>• Call centre volumes and requests for advice received from the FWC, FWO and ATO | Sight written review by TSY on call centre trends / reports, advice, sight tracker?      | x   |     |     |
| 8.05 | 8. Low-level non-compliance | ATO: James O'Halloran | FWC: Ailsa Carruthers  | Public education, guidance   | Monitor<br>• Call centre volumes<br>• Clicks on FWC JobKeeper web site                      | Sight tracker for number of clicks on website and call centre volumes                    | x   |     |     |
| 8.06 | 8. Low-level non-compliance | ATO: James O'Halloran | FWO: Daniel Crick      | Public education, guidance   | Monitor<br>• Call centre volumes<br>• Clicks on FWO JobKeeper web site                      | Sight tracker for number of clicks on website and call centre volumes                    |     | x   |     |
| 8.07 | 8. Low-level non-compliance | ATO: James O'Halloran | ATO: s 22              | Community information, referrals and tip-off line  | Volume of community referrals and outcomes of those referrals                               | Self assessment  |     | x   |     |

| #            | Risk                          | AO                       | RO                   | Details   | Action Description   | Proposed Testing Procedure*   | Feb      | Mar      | Apr      |
|--------------|-------------------------------|--------------------------|----------------------|---|--|---|----------|----------|----------|
| 9.09         | 9. Fraud and corruption       | ATO:<br>James O'Halloran | ATO: s 22            | ATO Cyber security prevention controls  | Observe outcomes of already established corporate systems of review (i.e. compliance with Policy, testing/audit, number of cyber-attacks)  | Self assessment   | x        |          |          |
| 10.02        | 10. Policy objectives         | TSY:<br>Philippa Brown   | TSY: s 22            | Treasury develops JobKeeper related policy advice, in response to the potential economic, social and health impacts of COVID-19 | Observe the effectiveness of policy advice activities in being responsive to the COVID-19 situation as it changes, to maximise the program's ability to achieve positive outcomes. | Sight TSY requesting policy advice & corresponding changes in line with that advice |          | x        |          |
| 10.04        | 10. Policy objectives         | TSY:<br>Philippa Brown   | TSY:<br>Michelle Rak | Consultation processes to obtain input from internal and external parties in the development of policy advice                   | Observe the effectiveness of ongoing consultation activities that support policy advice for the program  | Sight key issues tracker  |          | x        |          |
| 11.1.10      | 11.1 Misuse of sensitive data | ATO:<br>James O'Halloran | ATO: s 22            | Data requests require a lawful provision  | Monitor the implementation of the data sharing agreement   | Self assessment   | x        |          |          |
| 11.1.11      | 11.1 Misuse of sensitive data | ATO:<br>James O'Halloran | ATO: s 22            | Compulsory documentations is completed prior to the exchange of data  | Monitor completion for every data request  | Self assessment   |          |          | x        |
| <b>Total</b> |                               |                          |                      |   |  |   | <b>6</b> | <b>6</b> | <b>6</b> |

\* Proposed testing procedures are subject to change once more information is known about the available types of evidence that can be obtained. Testing procedures are also limited to the ability for parties to assist and provide necessary documentation.



# Appendix C: Sample Audit Results

| Internal Control Dashboard |   |   |  |  |  |   |  |
|----------------------------|---|---|--|--|--|---|--|
| Control ID                 | Control 5.02                                | Control 6.15  | Control 8.03   | Control 8.05   | Control 9.09   | Control 11.1.10   |  |
| Control Background         | Control Name                                | Cross-entity discussion at the PISC, IDC and working group meetings   | Regularly reviewing and updating call centre scripts   | Public education, guidance   | Public education, guidance   | ATO Cyber security prevention controls  | Data requests require a lawful provision   |
|                            | Description                                 | Observe the ongoing effectiveness of the Committees and working group's implementation  | Monitor the effectiveness of the calls through sample call monitoring  | Monitor Call centre volumes and requests for advice received from the FWC, FWO and ATO   | Monitor Call centre volumes, Clicks on FWC JobKeeper web site  | Observe outcomes of already established corporate systems of review (i.e. compliance with Policy, testing/audit, number of cyber-attacks)   | Monitor the implementation of the data sharing agreement   |
|                            | Risk  | 5. Internal Communications - There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | 6. Employer experience - There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | 8. Low-level non-compliance - There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | 8. Low-level non-compliance - There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | 9. Fraud and corruption - There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | 11.1 Misuse of sensitive data - There is a risk that sensitive data provided to an agency is used for an unintended purpose. |
|                            | Responsible Entity                          | TSY   | FWO  | TSY  | FWC  | ATO   | ATO  |
|                            | Effectiveness Level Associated with Control | High  | High   | High   | High   | High  | High   |
|                            | CRP Testing Period                          | February  | February   | February   | February   | February  | February   |

| <i>Results of Testing</i> |                |            |            |            |            |            |            |
|---------------------------|----------------|------------|------------|------------|------------|------------|------------|
| Conclusions               | Control Rating | Effective* | Effective* | Effective* | Effective* | Effective* | Effective* |

\* This table is a sample only and is subject to change once the February audit is undertaken.



Australian Government

# The Treasury



JobKeeper 2.0

February Audit Report

# Contents

|   |                                       |    |
|---|---------------------------------------|----|
| 1 | Executive Summary                     | 3  |
|   | 1.1 Background                        | 3  |
|   | 1.2 Purpose                           | 3  |
|   | 1.3 Scope and Methodology             | 3  |
| 2 | Audit Findings                        | 5  |
|   | 2.1 February Controls                 | 5  |
|   | General Audit Observation and Finding | 5  |
|   | 2.2 Summary of Findings               | 6  |
|   | 2.3 Detailed Findings                 | 7  |
|   | 2.4 Deviations                        | 10 |
| 3 | Recommendations                       | 11 |
|   | 3.1 Recommendation 1                  | 11 |
|   | 3.2 Recommendation 2                  | 11 |



# 1 Executive Summary

## 1.1 Background

On 21 July 2020, the Government announced it was extending the JobKeeper Payments for a further six months until 28 March 2021 and would continue to provide targeted support to those businesses and not-for-profits who continue to be significantly impacted by the Coronavirus.

We developed a 'light-touch' audit strategy to testing the key controls (Testing) identified in the JobKeeper 2.0 – Controls Testing Audit Plan (Audit Plan) in relation to the JobKeeper Program (Program) Risk Log and Joint Action Plans (JAPs). The Testing will be performed in the months of February, March and April 2021.

Six controls have been selected for each monthly audit and the controls will be tested in line with the individual control testing procedures.

## 1.2 Purpose

The purpose of the Testing is to assess the design, implementation and operating effectiveness of key controls used by the Treasury (Treasury), Australian Tax Office (ATO), the office of the Fair Work Ombudsman (FWO), Fair Work Commission (FWC) and Attorney-**General's Department** (AGD) (all collectively referred to as the Responsible Entities (REs), to ensure that the risks, particularly those that have arisen as a result of the extension of the Program, are being managed appropriately by the Responsible Entities in line with the JAPs.

This report outlines the scope of testing and procedures performed for the February audit, a summary and assessment of the findings and recommendations for improvement. The report will also include an assessment where any instances of deviation have been identified. This could include instances where there is information to suggest that the control did not occur or perform as per expectations and include an assessment to **determine whether the deviation is considered an 'anomaly' or 'one-off' event and needs to be analysed in isolation**, or if the deviation is expected to repeat and is potentially representative of the population.

## 1.3 Scope and Methodology

**In accordance with our signed contract variation dated 2 March 2021, we designed and undertook a 'light-touch' audit testing strategy to test the design, implementation and operating effectiveness of key controls used by (REs) to mitigate identified risks associated with the Program.**

The audits are to be completed in three monthly audits from February to April. The period of assessment for the controls selected for testing in this monthly audit are from the date of implementation of those controls **until the date of fieldwork (i.e. February 2021). Following the 'light-touch' testing approach, further testing is not necessary outside of these date parameters unless the Accountable Officer for the relevant risk determines that the control deviations require further investigation.**

Each control identified will be tested in line with the individual control testing procedures. These are documented in the Audit Findings section below. Each control is assessed on each of the following:

- The control is designed and implemented as described in the JAPs; and
- The control is operating effectively to mitigate the associated risk.

Based on the findings of the testing, we assessed each of the above by using the following scale:

| Rating                      | Guide   |
|-----------------------------|---|
| Fully effective             | Nothing more to be done except review and monitor the existing controls.  |
| Substantially effective     | The control is designed correctly and is implemented. Some more work to be done to improve operating effectiveness.     |
| Largely ineffective         | Significant control gaps. Either control is not designed to address the risk or it does not operate at all effectively. |
| None or totally ineffective | Not a credible control.   |



## 2 Audit Findings

### 2.1 February Controls

The controls identified to be tested in the February audit cycle in line with the assessment outlined in the Audit Plan are as follows:

| #       | Risk                          | Accountable Officer      | Responsible Officer         | Details   | Action Description   |
|---------|-------------------------------|--------------------------|-----------------------------|---|--|
| 5.02    | 5. Internal Communications    | Treasury: Philippa Brown | Treasury: Belinda Robertson | Cross-entity discussion at the PISC, IDC and working group meetings | Observe the ongoing effectiveness of the Committees and working group's implementation   |
| 6.15    | 6. Employer experience        | Treasury: Philippa Brown | FWO: Daniel Crick           | Regularly reviewing and updating call centre scripts                | Monitor the effectiveness of the calls through sample call monitoring  |
| 8.03    | 8. Low-level non-compliance   | ATO: James O'Halloran    | Treasury: s 22              | Public education, guidance  | Monitor <ul style="list-style-type: none"> <li>• Call centre volumes and requests for advice received from the FWC, FWO and ATO</li> </ul> |
| 8.05    | 8. Low-level non-compliance   | ATO: James O'Halloran    | FWC: Ailsa Carruthers       | Public education, guidance  | Monitor <ul style="list-style-type: none"> <li>• Call centre volumes</li> <li>• Clicks on FWC JobKeeper web site</li> </ul>                |
| 9.09    | 9. Fraud and corruption       | ATO: James O'Halloran    | ATO: s 22                   | ATO Cyber security prevention controls                              | Observe outcomes of already established corporate systems of review (i.e. compliance with Policy, testing/audit, number of cyber-attacks)  |
| 11.1.10 | 11.1 Misuse of sensitive data | ATO: James O'Halloran    | ATO: s 22                   | Data requests require a lawful provision                            | Monitor the implementation of the data sharing agreement   |

### General Audit Observation and Finding

In undertaking this audit, we held initial meetings with relevant REs to obtain a better understanding of the selected control, so as to determine the sample size and type of evidence available. It was noted that several control names and procedures documented in the Risk Log and JAPs do not appear to accurately reflect the control description or procedures undertaken.

It is recommended that a review should be conducted to uplift the wording of Control Names and Action Descriptions within the Risk Log and JAPs to better reflect the actual existing controls and control procedures being undertaken by the relevant REs.

## 2.2 Summary of Findings

The below table shows a summary of the findings from the February audit cycle:

| <b>Control Dashboard</b>  |   |   |  |  |  |   |  |
|---------------------------|---|---|--|--|--|---|--|
| Control ID                | Control 5.02                                | Control 6.15  | Control 8.03   | Control 8.05   | Control 9.09   | Control 11.1.10   |  |
| <b>Control Background</b> | Control Name                                | Cross-entity discussion at the PISC, IDC and working group meetings   | Regularly reviewing and updating call centre scripts   | Public education, guidance   | Public education, guidance   | ATO Cyber security prevention controls  | Data requests require a lawful provision   |
|                           | Monitoring Activity                         | Observe the ongoing effectiveness of the Committees and working group's implementation  | Monitor the effectiveness of the calls through sample call monitoring  | Monitor Call centre volumes and requests for advice received from the FWC, FWO and ATO   | Monitor Call centre volumes, Clicks on FWC JobKeeper web site  | Observe outcomes of already established corporate systems of review (i.e. compliance with Policy, testing/audit, number of cyber-attacks)   | Monitor the implementation of the data sharing agreement   |
|                           | Risk  | 5. Internal Communications - There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | 6. Employer experience - There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues. | 8. Low-level non-compliance - There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | 8. Low-level non-compliance - There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | 9. Fraud and corruption - There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | 11.1 Misuse of sensitive data - There is a risk that sensitive data provided to an agency is used for an unintended purpose. |
|                           | Responsible Entity                          | Treasury  | FWO  | Treasury   | FWC  | ATO   | ATO  |
|                           | Effectiveness Level Associated with Control | High  | High   | High   | High   | High  | High   |
|                           | CRP Testing Period                          | February  | February   | February   | February   | February  | February   |
|                           | <i>Results of Testing</i>                   |   |  |  |  |   |  |
| <b>Conclusions</b>        | Control Rating                              | Substantially effective   | Fully effective  | Fully effective  | Fully effective  | Fully effective   | Fully effective  |

## 2.3 Detailed Findings

### Control 5.02: Cross-entity discussion at the PISC, IDC and working group meetings – Treasury

#### Procedures performed

From the discussions with Treasury staff, we obtained an understanding of the frequency and type of documents available from key meetings identified by Treasury under this control. These meetings vary in nature and frequency and relate to different decision-making aspects of the JobKeeper Program.

Treasury identified the following four working groups:

- Eligibility and Implementation Working Group
- Risk and Integrity Working Group
- Data and Reporting Working Group
- Interactions with JobKeeper and JobSeeker Working Group

We undertook testing on a sample of meetings, limiting our review to the examination of documentation including agendas and minutes to assess the effectiveness of meetings based on the nature of discussions held, attendance of members, tabling of action items and actions taken to address items.

#### Testing results

From our analysis of meeting agendas and minutes, we were able to observe the attendance and participation of various REs and the nature of the discussions. It was also noted that actions items were identified throughout the topics for discussion, summarised and tracked at the back of the minutes.

Overall, documentation appear to be detailed and appropriate as evidence that the relevant meetings were taking place, and key decisions, issues and risks that concern the REs were discussed and appear to be followed up in subsequent meetings until resolved. Additionally, our testing noted that attendance of participants from relevant agencies varies, and participants expected to attend each meeting are noted in the meeting agendas with attendees being recorded in the meeting minutes.

From further discussions with Treasury staff, it was identified that meeting minutes from the PISC and IDC meetings are circulated and formally endorsed by members. We have been informed that a decision was made early in the program that, due to the high frequency of working group meetings, meeting minutes from the working groups are not required to be formally endorsed and are therefore **circulated as 'finalised'**, although still allowing members to have an opportunity to raise any concerns.

Our testing did note that meeting minutes did not appear to have been clearly, endorsed (PISC and IDC) or marked as final (working groups) due to the inconsistent file naming convention, and where this did occur, the documents were saved in an editable format (Microsoft Word).

Without clear evidence of the endorsement of meeting minutes there is a risk that these documents could be seen as incomplete or inaccurate. In addition, by keeping the documents in an editable format, the integrity of these documents may also be questioned as being a true and final record.

#### Recommendations

It is recommended that a record be maintained of the endorsement or finalisation of meeting minutes and that these minutes are saved in a format that cannot be edited (i.e. in PDF). Refer to Section 3 – Recommendation for further details.



#### Control 6.15: Regularly reviewing and updating call centre scripts – FWO

##### Procedures performed

We obtained an understanding of the various control procedures conducted by the FWO in relation to this control. While the control name implies that a standard call centre script exists and is updated, deeper understanding of the control procedures highlight that the range of queries received are highly technical and very specific as to each Customer's ('Employers') circumstances. **Therefore, the FWO's procedures** in monitoring the effectiveness of calls include utilising existing procedures relating to conducting a fortnightly live coaching session for all Customer Service Agents, where Agents are assessed on categories such as how the Agent communicated with the Employers and whether the advice provided was accurate. It also includes an analysis of post-interaction customer insights survey responses which are included in a quarterly report.

We undertook testing on a sample of documented call quality assessments and quarterly reporting undertaken on post-interaction customer insight surveys.

##### Testing results

Our assessment of call quality assessments indicated that the assessments appeared to be taking place as designed, and categories upon which the Agents were assessed against target customer experience and accuracy of information provided. Live feedback allows Agents to reflect and focus on areas of improvement.

Additionally, our analysis of the quarterly reporting in relation to the post-interaction customer insights survey results showed reporting and analysis conducted appeared to be robust and effective.

##### Recommendations

Nil.

#### Control 8.03: Public education, guidance – Treasury

##### Procedures performed

In assessing Treasury controls in relation to the monitoring of call centre volumes and requests for advice from other REs, the control procedures highlight the Treasury's **role in keeping informed with the actions and reporting** from other REs through various mechanisms. It is noted that FWC and FWO perform their own call centre monitoring and report their statistics and trends to the Treasury for their analysis.

The Treasury also monitors requests for advice through various reporting mediums, such as PISC/IDC meetings and from ATO Ministerial Submissions.

We undertook testing on a sample of email correspondence and Ministerial Submission from REs to Treasury.

##### Testing results

Through analysis of various emails and Ministerial Submissions from these REs to the Treasury containing analysis of call centre data and trends, the Treasury appear to maintain effective oversight of the information provided by REs in relation to low-level compliance.

##### Recommendations

Nil.

#### Control 8.05: Public education, guidance – FWC

##### Procedures performed

We identified the following control procedures relating to the monitoring of call centre volumes and FWC JobKeeper website statistics:

- The FWC Client Services Team provide the FWC JobKeeper Team with COVID-19 statistics in relation to call centre volumes data
- The FWC JobKeeper Team prepare weekly statistics documents containing analysis of JobKeeper-related statistics, including those provided by the Client Services Team
- The FWC maintain an excel spreadsheet containing website feedback data and website links for relevant updated content
- The FWC JobKeeper team can review the data analytics dashboard containing website statistics at any time

We undertook testing on a sample of email correspondence between Client Services Team and JobKeeper Team, website feedback forms and FWC analysis spreadsheets and the data analytics dashboard.

##### Testing results

Through our analysis of documentation provided, it appears that the various reporting mechanisms of call centre volumes and website data are implemented and operating effectively by the FWC.

##### Recommendations

Nil.

#### Control 9.09: ATO Cyber security prevention controls – ATO

##### Procedures performed

We reviewed documentation provided by the ATO as part of their own internal audit and assurance activities.

##### Testing results

Through our analysis of the ATO self-assessment of control procedures relating to the management of fraud and corruption through cyber security prevention controls and processes, we have made the following observations:

- This control contains multiple components, performed at different frequencies. These include the following:
  - IT system changes are tested prior to every major system release (i.e. on an ad hoc (as necessary) basis).
  - The ATO have a control process in place requiring, as a part of systems testing, a Notice of Security Approval to Operate (SATO) to be provided to the Senior Responsible Officer to assure system changes can be released. The ATO have confirmed that a SATO has been completed for every release related to the Jobkeeper (and JobMaker Hiring Credit) Program board. This control (system testing & SATO) is performed on an ad hoc (as necessary) basis. The testing of IT system changes and SATO establishes that an assessment is performed in relation to the security, compliance of the system changes, and is approved (by way of issue of Notice) prior to any system changes being rolled-out.
  - The Senior Responsible Officer (SRO) is required to report any cybersecurity breaches to the Second Commissioner Economic Response Committee every fortnight.

- This risk falls under an ATO enterprise risk which has a person of appropriate authority (SES Band 2 Executive) risk owner. This risk is reviewed and monitored many times as day.
- The ATO have confirmed that there are numerous cyber security prevention controls in place to prevent the risk that failure to manage fraud and corruption will negatively impact the objectives of the program. These controls stem from already existing controls which are reviewed and monitored on a frequent basis.
- The ATO have confirmed that the SATO control has been implemented and was operating effectively for each system change in relation to the Jobkeeper Program.
- The ATO have also confirmed that there were no cybersecurity breaches (failures) identified or required to be reported to the SRO in relation to the Jobkeeper Program.

In conclusion, we have reviewed the ATO's self-assessment in relation to Control 9.09 and agree with the ATO's 'Fully Effective' rating as the control appears to be designed, implemented and operating effectively.

#### Recommendations

Nil.

Control 11.1.10: Data requests require a lawful provision – ATO

#### Procedures performed

We reviewed documentation provided by the ATO as part of their own internal audit and assurance activities.

#### Testing results

Based on the self-assessment provided by the ATO, we have made the following observations:

- In relation to this particular control and associated monitoring activities, ATO provide the following information:
  - Lawful provisions for data sharing were implemented on 3 September 2020 Treasury Laws Amendment (2020 Measures No. 2) Act 2020 (Act No. 79 of 2020) for changes to the Taxation Administration Act 1953 received Royal assent which allowed for disclosure of JobKeeper information to Fair Work Commission and Ombudsmen resolving the disclosure challenge.
  - An MOU was signed between the ATO and Services Australia on 15 May 2020.
  - A variation was made to the MOU to extend the data sharing agreement to 28 March 2021 in line with the extension of JobKeeper signed on 29 October 2020.
  - As there is now a lawful provision for the sharing of data, the active monitoring required to ensure that data requests fall within lawful provisions has been removed.
- ATO Ministerial Submission documents outline the ATO's update and self-assessment in relation to their compliance program. We reviewed the ATO Ministerial Submission documents MS20-000168 dated 22 October 2020, items 44 - 48 and MS20-000010 dated 22 January 2021, items 34 - 38 which relate to the ATO's assessment of cross agency collaboration. This self-assessment addresses the continued collaboration with the FWC, FWO and SA, as well as the data sharing arrangement with DESE and include statistics, and referral and data sharing activities for the month. This is to ensure data and referrals are shared in accordance with legal frameworks.
- The ATO are aware of which agencies they have data sharing agreements with and strictly maintain data transfer between these agencies and are monitoring the information through data tracking.

In conclusion, we have reviewed the ATO's self-assessment in relation to Control 11.1.10 and agree with the ATO's 'Fully Effective' rating as the control appears to be designed, implemented and operating effectively.

#### **2.4 Deviations**

No deviations were identified in the controls testing.



# 3 Recommendations

## 3.1 Recommendation 1

We recommend a review of the wording of Control Names and Action Descriptions in the Risk Register to accurately reflect the controls, actions and procedures taking place by the relevant RE (General / Risk Log)

As a general observation based on our discussions with REs, several control names and procedures do not appear to accurately reflect the control description or procedures undertaken. A review should be conducted to uplift the wording of Control Names and Action Descriptions within the Risk Log (i.e. JAP) to better reflect the actual existing controls and control procedures being undertaken by the relevant REs.

## 3.2 Recommendation 2

We recommend a record of endorsed (PISC and IDC) and finalised (working groups) meeting minutes be maintained, and converted to PDF when finalised using a consistent file-naming convention (Treasury)

A record of endorsed and finalised meeting minutes should be maintained. This could be captured in a table against the scheduled meetings to summarise which meeting minutes have been endorsed or finalised. Once endorsed or finalised, meeting minutes should be converted to PDF format and named using a consistent file-naming convention prior to being re-circulated to all meeting participants. This is to ensure the accuracy of the minutes are verified to reflect the discussions of the meeting, are not able to be changed subsequent to endorsement and are clearly marked as endorsed or finalised per the naming convention.



Australian Government

FOI 2979  
Document 4

# The Treasury



JobKeeper 2.0

March Audit Report

# Contents

|   |                           |    |
|---|---------------------------|----|
| 1 | Executive Summary         | 3  |
|   | 1.1 Background            | 3  |
|   | 1.2 Purpose               | 3  |
|   | 1.3 Scope and Methodology | 3  |
| 2 | Audit Findings            | 5  |
|   | 2.1 March Controls        | 5  |
|   | 2.2 Summary of Findings   | 6  |
|   | 2.3 Detailed Findings     | 7  |
|   | 2.4 Deviations            | 11 |
| 3 | Recommendations           | 12 |

## Inherent Limitations

The Services provided are advisory in nature and have not been conducted in accordance with the standards issued by the Australian Auditing and Assurance Standards Board and consequently no opinions or conclusions under these standards will be expressed.

Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The matters raised in the audits will be only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made.

Our work will be performed on a sample basis; we cannot, in practice, examine every activity and procedure, nor can we be a substitute for **management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.**

Any projections on the evaluation of the control procedures for future periods are subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Recommendations and suggestions for improvement should be assessed by management for their full commercial impact before they are implemented.

Confidential - this document and the information contained in it are confidential and should not be used or disclosed in any way without our prior consent.



# 1 Executive Summary

## 1.1 Background

On 21 July 2020, the Government announced it was extending the JobKeeper Payment for a further six months until 28 March 2021 and continued to provide targeted support to those businesses and not-for-profits who continued to be significantly impacted by the Coronavirus.

We developed a 'light-touch' audit strategy to testing the key controls (Testing) identified in the JobKeeper 2.0 – Controls Testing Audit Plan (Audit Plan) in relation to the JobKeeper Program (Program) Risk Log and Joint Action Plans (JAPs). The Testing will be performed in the months of February, March and April 2021.

Six controls have been selected for each monthly audit and the controls will be tested in line with the individual control testing procedures.

## 1.2 Purpose

The purpose of the Testing is to assess the design, implementation and operating effectiveness of key controls used by the Treasury (Treasury), Australian Tax Office (ATO), the office of the Fair Work Ombudsman (FWO), Fair Work Commission (FWC) and Attorney-General's Department (AGD) (all collectively referred to as the Responsible Entities (REs)), to ensure that the risks, particularly those that have arisen as a result of the extension of the Program, are being managed appropriately by the Responsible Entities in line with the JAPs.

This report outlines the scope of testing and procedures performed for the March audit, a summary and assessment of the findings and recommendations for improvement. The report will also include an assessment where any instances of deviation have been identified. This could include instances where there is information to suggest that the control did not occur or perform as per expectations and include an assessment to **determine whether the deviation is considered an 'anomaly' or 'one-off' event and needs to be analysed in isolation**, or if the deviation is expected to repeat and is potentially representative of the population.

## 1.3 Scope and Methodology

**In accordance with our signed contract variation dated 2 March 2021, we designed and undertook a 'light-touch' audit testing strategy to test the design, implementation and operating effectiveness of key controls used by REs to mitigate identified risks associated with the Program.**

The audits are to be completed in three monthly audits from February to April. The period of assessment for the controls selected for testing in this monthly audit are from the date of implementation of those controls until the date of fieldwork (i.e. March 2021). **Following the 'light-touch' testing approach, further testing is not necessary outside of these date parameters unless the Accountable Officer for the relevant risk determines that the control deviations require further investigation.**

Each control identified will be tested in line with the individual control testing procedures. These are documented in the Audit Findings section below. Each control is assessed on each of the following:

- The control is designed and implemented as described in the JAPs; and
- The control is operating effectively to mitigate the associated risk.

Based on the findings of the testing, we assessed each of the above by using the following scale:

| Rating                      | Guide   |
|-----------------------------|---|
| Fully effective             | Nothing more to be done except review and monitor the existing controls.  |
| Substantially effective     | The control is designed correctly and is implemented. Some more work to be done to improve operating effectiveness.     |
| Largely ineffective         | Significant control gaps. Either control is not designed to address the risk or it does not operate at all effectively. |
| None or totally ineffective | Not a credible control.   |

# 2 Audit Findings

## 2.1 March Controls

The controls identified to be tested in the March audit cycle in line with the assessment outlined in the Audit Plan are as follows:

| #     | Risk                        | Accountable Officer      | Responsible Officer            | Details   | Action Description   |
|-------|-----------------------------|--------------------------|--------------------------------|---|--|
| 4.18  | 4. External Communications  | Treasury: Philippa Brown | FWO: Daniel Crick              | Regularly updating live website materials to provide employers/ employees with consistently reviewed advice.                    | Observe the ongoing effectiveness of liaison between JobKeeper (JK) Task Force, Communications Team, and Legal team (within FWO) to provide the most up to date and accurate information possible on live website materials. |
| 7.12  | 7. Employee experience      | Treasury: Philippa Brown | FWC: Ailsa Carruthers          | Escalation processes for issues that are best dealt with by another agency (ATO/FWC/FWO)  | Monitor the effectiveness of escalation process  |
| 8.06  | 8. Low-level non-compliance | ATO: James O'Halloran    | FWO: Daniel Crick              | Public education, guidance  | Monitor <ul style="list-style-type: none"> <li>• Call centre volumes</li> <li>• Clicks on FWO JobKeeper web site</li> </ul>  |
| 8.07  | 8. Low-level non-compliance | ATO: James O'Halloran    | ATO: s 22                      | Community information, referrals and tip-off line   | Volume of community referrals and outcomes of those referrals  |
| 10.02 | 10. Policy objectives       | Treasury: Philippa Brown | Treasury: Laura Berger-Thomson | Treasury develops JobKeeper related policy advice, in response to the potential economic, social and health impacts of COVID-19 | Observe the effectiveness of policy advice activities in being responsive to the COVID-19 situation as it changes, to maximise the program's ability to achieve positive outcomes.   |
| 10.04 | 10. Policy objectives       | Treasury: Philippa Brown | Treasury: Laura Berger-Thomson | Consultation processes to obtain input from internal and external parties in the development of policy advice                   | Observe the effectiveness of ongoing consultation activities that support policy advice for the program  |



## 2.2 Summary of Findings

The below table shows a summary of the findings from the March audit cycle:

| <b>Control Dashboard</b>  |                     |   |  |  |  |   |   |
|---------------------------|---------------------|---|--|--|--|---|---|
| Control ID                | Control 4.18        | Control 7.12  | Control 8.06   | Control 8.07   | Control 10.02  | Control 10.04   |   |
| Control Background        | Control Name        | Regularly updating live website materials to provide employers /employees with consistently reviewed advice.  | Escalation processes for issues that are best dealt with by another agency   | Public education, guidance   | Community information, referrals and tip-off line  | Treasury develops JobKeeper related policy advice, in response to the potential economic, social and health impacts of COVID-19   | Consultation processes to obtain input from internal and external parties in the development of policy advice   |
|                           | Monitoring Activity | Observe the ongoing effectiveness of liaison between JK Task Force, Communications Team and Legal team (within FWO) to provide the most up to date and accurate information possible on live website materials. | Monitor the effectiveness of escalation process  | Monitor call centre volumes and clicks on FWO JobKeeper web site   | Monitor volume of community referrals and outcomes of those referrals  | Observe the effectiveness of policy advice activities in being responsive to the COVID-19 situation as it changes, to maximise the program's ability to achieve positive outcomes.  | Observe the effectiveness of ongoing consultation activities that support policy advice for the program   |
|                           | Risk                | 4. External Communications – There is a risk that external communications fail to respond to stakeholder needs throughout the life of the program.  | 7. Employee experience - Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | 8. Low-level non-compliance - There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | 8. Low-level non-compliance - There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | 10. Policy objectives - There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. | 10. Policy objectives - There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. |
|                           | Responsible Entity  | FWO   | FWC  | FWO  | ATO  | Treasury  | Treasury  |
|                           | Effectiveness Level | High  | High   | High   | High   | High  | High  |
|                           | CRP Testing Period  | March   | March  | March  | March  | March   | March   |
| <b>Results of Testing</b> |                     |   |  |  |  |   |   |
| Conclusions               | Control Rating      | Fully effective   | Fully effective  | Fully effective  | Fully effective  | Fully effective   | Fully effective   |

## 2.3 Detailed Findings

Control 4.18: Regularly updating live website materials to provide employers/employees with consistently reviewed advice – FWO

### Procedures performed

We obtained an understanding of the technical review of content processes undertaken by the FWO JK Taskforce, Communications and Legal teams. From the discussions with FWO staff, the JK Taskforce may have various forms of communication with the Legal team in discussing content to be updated on the FWO website including via email, phone calls, within meetings or face-to-face discussions. However, any written content to be updated in the website will be reviewed by the Legal team in email. The frequency of review is performed on an as needs basis.

We undertook testing on a sample of email correspondence and legal reviews in relation to updating website content concerning the JobKeeper Program to assess the effectiveness of liaison in providing the most up to date and accurate information.

### Testing results

From our analysis of email correspondence between the JK Taskforce and Legal team, we were able to observe the initial prompt to update website material by either party. A general observation was noted that the Legal team was also proactive in prompting the JK Taskforce to consider whether any changes in the economic environment (e.g. if a new restriction or lockdown is announced) would impact current published website content.

Overall, documentation appeared to be consistent, where the JK Taskforce would send a draft version of content to be reviewed by the Legal team and subsequently returned by the Legal team with their review, with comments and changes made in track changes with their approval. It was noted there were instances where the Legal team further consulted other external agencies to ensure FWO policy advice was consistent with the broader government policy advice.

Whilst we were provided with links to the relevant website content in our sampling, on most occasions there were slight discrepancies in the approved website content reviewed by Legal and the content published on the website. It is noted that this was due to subsequent updates made to the website page in order to ensure website content is the most up to date at any given time. Each page on the FWO website displays the original date the page was published and the most recent published date. It was confirmed that for every sample tested, the relevant web page was identified as being updated at a date later than the sample month/date selected for testing.

### Recommendations

Nil.

Control 7.12: Escalation processes for issues that are best dealt with by another agency – FWC

### Procedures performed

We obtained an understanding of the control procedures conducted by the FWC in relation to this control. The FWC team review applications and lodgements under the Fair Work Act and perform a triage assessment to identify if the applications or lodgements falls **under the FWC's jurisdiction or if the matter needs to be referred and escalated to a different agency.**

Based on discussions with the FWC, escalation processes in relation to JobKeeper disputes are as follows:

- JobKeeper team triages applications according to jurisdiction. Category 1 cases do not raise early jurisdictional issues, and Category 2 cases do raise jurisdictional issues.
- JobKeeper team allocates Category 1 cases to the National Practice Lead (NPL) to be further allocated to a FWC Commission Member who deals with the application (usually by conference or hearing).
- JobKeeper team retains Category 2 cases. It proposes and seeks approval of case management steps for Category 2 matters (including case management phone calls regarding the jurisdictional issues and to provide appropriate referrals and follow up by email).

Once a determination has been confirmed by the NPL to allocate to a FWC Commission Member or for further escalation, the FWC will follow-up with the applicant generally via phone call and / or email. Where an application has been retained within the FWC, a JobKeeper Service Letter will also be provided to the applicant.

We undertook testing on a sample of triage assessments performed by the FWC to assess the effectiveness of the escalation process at managing the experience of employees, complaints management and being responsive to emerging issues.

#### Testing results

Our analysis of triage assessments indicated that the initial triage assessment provided to the NPL for review appears to be sufficiently robust to allow the NPL to make an informed determination for allocation or escalation. We reviewed the triage assessment performed by the FWC provided to the NPL for review, email **evidence of the NPL's confirmation of action to be taken, evidence of the status of the case updated in the Case Management system** and the follow-up correspondence with the applicant notifying them of the action taken. We reviewed instances in our sampling that provided evidence across the possible outcomes, including:

- The NPL confirms the proposed action to escalate;
- The NPL confirms the proposed action that the application is clearly within FWC jurisdiction; and
- The NPL corrects the proposed action to escalate (when they think it's within FWC jurisdiction), or corrects the proposed action that the application is within FWC jurisdiction but they think it should be escalated.**

Based on our sampling, the number of days that it took for a response to be provided back to the applicant from the date of lodgement, ranged from the same day to up to three days.

It appears that the approach for the escalation process adopted by the FWC is designed effectively to manage the experience of employees as every JobKeeper dispute application is reviewed by a senior decision-making member (NPL) and managed in a timely manner.

#### Recommendations

Nil.

Control 8.06: Public education, guidance – FWO

#### Procedures performed

**We obtained an understanding of FWO's processes regarding monitoring call centre volumes and clicks on the FWO's website.** Based on our discussions with FWO staff, dashboard reporting of call centre and website data are created and prepared by the FWO Strategic Research and Reporting / central data reporting team in Tableau. It is noted that the FWO use this dashboard report for monitoring activities, providing updates to relevant teams (such as at the Enforcement board meetings) and further reporting these statistics and trends to the Treasury for their analysis.



We undertook testing on a sample of dashboard reports shared to relevant FWC individuals / teams and enforcement board meeting minutes (only relevant JobKeeper update items).

#### Testing results

Through analysis of dashboard reports, it appears these reports contained statistics and comparatives of call centre and website data, trends, averages, enquiries and request for assistance statistics. On each sampled occasion, these reports were circulated to other FWC team members and Treasury for monitoring. Based on discussions with FWO staff, we also note that results of call centre volume and website monitoring are reported to the broader FWO senior executive members at Enforcement board meetings. The Enforcement board meeting minutes were reviewed and were observed to have recorded relevant JobKeeper updates in relation to key statistics around calls and enquiry trends.

It appears monitoring activities related to call centre volumes and clicks on the FWO JobKeeper website are designed and operating effectively to mitigate the risk of low-level non-compliance.

#### Recommendations

Nil.

Control 8.07: Community information, referrals and tip-offline– ATO

#### Procedures performed

We reviewed documentation provided by the ATO as part of their own internal audit and assurance activities.

#### Testing results

Through our analysis of the ATO self-assessment of control procedures relating to the management of low-level non-compliance through community information, referrals and tip-off line, we have made the following observations:

- The control appears to be a component of the ATO Compliance Approach and Strategy and ongoing assurance processes, including community intelligence JobKeeper Tip-Offs put in place by the ATO across the full spectrum of behaviours, risks and populations.
- The ATO has implemented a centralised end-to-end tip-off management process to enable the ATO to:
  - have full visibility of the issues that have been raised by the community;
  - have a tailored triage process to ensure the concerning behaviours and issues that require our attention are identified and actioned;
  - risk assessment leveraging off compliance approaches for JobKeeper 2 risks and ensuring consistent risk treatment;
  - develop differentiated treatment strategy;
  - collaborate and share intelligence and referrals to the FWO, FWC and SA.
- The JobKeeper Extension Compliance Approach includes JobKeeper tip-offs and cross agency referrals as a monthly declaration activity.

We reviewed the ATO Ministerial Submissions N.MS20-000168 dated 22 October 2020 and N.MS20-000010 dated 22 January 2021 which detailed the performance reviews and updates related to the ongoing assurance monitoring activities performed in relation to tip-offs. The updates provide insight on the percentage of JobKeeper tip-offs which are made by employees raising allegations of behaviour of concern by their employer. The top five categories of JobKeeper tip-offs received have been consistent. The update includes the number of JobKeeper tip-offs received in relation to the number of entities, representing a tip-off rate of all JobKeeper organisations who have applied for JobKeeper. The report summarises the industries with the highest JobKeeper tip-off numbers. The ATO detail the number of employers who they have contacted to provide help and education in relation to the program to provide clarity on how they could better deal with situations going forward. The ATO also detail the reviews conducted around allegations of

manipulation or eligibility and the actions taken to prevent or correct incorrect applications/payments. The review further details the number of entities referred for review and potential investigation of fraudulent behaviour and which investigations or legal proceedings are currently underway, including shortfall administrative penalties.

The review and action of JobKeeper community tip-offs appear to be an integral component of the ATO's ongoing assurance processes to provide the community with confidence that they will act upon tip-offs and referrals received. While the ATO note there were some issues in the beginning of JobKeeper as there was little time to set up the process for actioning tip-offs, they detail their learnings in strategy documents and implemented additional actions, such as centralising the tip-off process, conducting an education campaign and amendments to legislation relating to the disclosure of information to other relevant agencies. This has allowed the ATO to streamline the tip-off process, triage tip-offs in near real-time and take numerous actions against the allegations and tip-offs received resulting in increased clarity regarding JobKeeper to the public (those who made honest mistakes), investigations, penalties and legal proceedings.

In conclusion, we have reviewed the ATO's self-assessment in relation to Control 8.07 and agree with the ATO's 'Fully Effective' rating as the control appears to be designed, implemented and operating effectively.

### Recommendations

Nil.

Control 10.02: Treasury develops JobKeeper related policy advice, in response to the potential economic, social and health impacts of COVID-19 – Treasury

### Procedures performed

From the discussions with Treasury staff, we obtained an understanding of the frequency and type of documents available related to policy advice activities in being responsive to the COVID-19 situation, to **maximise the program's ability to achieve positive outcomes.**

Treasury identified that there are various activities and channels of feedback or queries which are used and inform policy advice, including, but not limited to:

- Internal JobKeeper Insights products produced by the Labour Market Policy Division (LMPD)
- Analysis of call centre queries and website feedback from other agencies
- Calls made to a Treasury staff member who is the key contact for an external party
- Review of daily media summaries prepared by Treasury
- Media enquiries and responses
- Ministerial correspondence e.g. responses to letters to the Treasurer from the public.

It is noted that all policy advice is cleared by the relevant Assistant Secretary (AS) and finally by the First Assistant Secretary (FAS) of the Labour Market Policy Division prior to it being finalised.

We undertook testing on a sample of various policy advice activities identified by Treasury. Our review was limited to the review of available evidence, documentation and outputs able to be obtained in relation to these activities that were used by Treasury to inform their policy advice.

### Testing results

From our analysis of documents which are used by Treasury to inform policy advice, responses to media and the public, we were able to observe the various inputs of data analysis and feedback which Treasury receive to develop their policy advice. Many of these documents relate to feedback and the views of various stakeholders on the Program, which allow Treasury to observe the take-up of JobKeeper and community concerns and to consider the need for additional policy advice. Through our testing, we were able to verify that these various documents exist, and in addition, formal responses released by Treasury to the media are reviewed and cleared to ensure policy advice is accurate.

Whilst there appears to be a reliance on individuals or groups who are performing analysis and developing policy advice as a part of business as usual operations, the clearance processes through the relevant AS and FAS appears to provide a central point of oversight and accountability for the issuing policy advice.

#### Recommendations

Nil.

Control 10.04: Consultation processes to obtain input from internal and external parties in the development of policy advice – Treasury

#### Procedures performed

We reviewed various types of evidence of consultation processes performed by Treasury. Some of these consultation processes have been assessed in our audit, such as the cross-entity discussions / meetings (control 5.02) and call centre and website monitoring and reporting to Treasury conducted by FWC and FWO (8.03 and 8.06).

Based on our discussions with Treasury staff, LMPD consulted extensively with stakeholders throughout the life of the Program. However, due to timing constraints at the initial stages of the JobKeeper policy, Treasury was unable to undertake public consultation on the legislation and initial JobKeeper Payment rules. In addition to LMPD, the Treasury Business Liaison Unit (BLU) have oversight and perform monitoring activities for COVID-19 responses in general and communicate to LMPD on an as need basis where there is feedback involving JobKeeper. Input from external parties can also be obtained through the form of letters to the Treasurer.

We undertook testing on a sample of BLU reports, letters to the Treasurer and internal and external stakeholder engagement meeting minutes.

#### Testing results

From our analysis of BLU fortnightly reports, we were able to observe the consultation and interactions made by Treasury to various external stakeholders, such as industry representatives, businesses, associations and individuals. The reports appear comprehensive and detail feedback on what is working well and what issues stakeholders are encountering in relation to the Program and how COVID-19 is impacting them.

Overall, documentation related to stakeholder and internal meetings and letters to the Treasurer appear sufficient and detail various issues raised by stakeholders in relation to the Program. The documentation provides evidence of inputs from internal and external parties in the development of policy advice.

#### Recommendations

Nil.

## 2.4 Deviations

No deviations were identified in the controls testing.



# 3 Recommendations

Nil.



Australian Government

FOI 2979  
Document 5

# The Treasury



JobKeeper 2.0

April 2021 | Audit Report

# Contents

|   |                           |    |
|---|---------------------------|----|
| 1 | Executive Summary         | 3  |
|   | 1.1 Background            | 3  |
|   | 1.2 Purpose               | 3  |
|   | 1.3 Scope and Methodology | 3  |
| 2 | Audit Findings            | 5  |
|   | 2.1 April Controls        | 5  |
|   | 2.2 Summary of Findings   | 6  |
|   | 2.3 Detailed Findings     | 7  |
|   | 2.4 Deviations            | 11 |
| 3 | Recommendations           | 12 |

## Inherent Limitations

The Services provided are advisory in nature and have not been conducted in accordance with the standards issued by the Australian Auditing and Assurance Standards Board and consequently no opinions or conclusions under these standards will be expressed.

Because of the inherent limitations of any internal control structure, it is possible that errors or irregularities may occur and not be detected. The matters raised in the audits will be only those which came to our attention during the course of performing our procedures and are not necessarily a comprehensive statement of all the weaknesses that exist or improvements that might be made.

Our work will be performed on a sample basis; we cannot, in practice, examine every activity and procedure, nor can we be a substitute for **management's responsibility to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.**

Any projections on the evaluation of the control procedures for future periods are subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Recommendations and suggestions for improvement should be assessed by management for their full commercial impact before they are implemented.

Confidential - this document and the information contained in it are confidential and should not be used or disclosed in any way without our prior consent.



# 1 Executive Summary

## 1.1 Background

On 21 July 2020, the Government announced it was extending the JobKeeper Payments for a further six months until 28 March 2021 and would continue to provide targeted support to those businesses and not-for-profits who continue to be significantly impacted by the Coronavirus.

We developed a 'light-touch' audit strategy to testing the key controls (Testing) identified in the JobKeeper 2.0 – Controls Testing Audit Plan (Audit Plan) in relation to the JobKeeper Program (Program) Risk Log and Joint Action Plans (JAPs). The Testing will be performed in the months of February, March and April 2021.

Six controls have been selected for each monthly audit and the controls will be tested in line with the individual control testing procedures.

## 1.2 Purpose

The purpose of the Testing is to assess the design, implementation and operating effectiveness of key controls used by the Treasury (Treasury), Australian Tax Office (ATO), the office of the Fair Work Ombudsman (FWO), Fair Work Commission (FWC) and Attorney-**General's Department** (AGD) including the Commonwealth Fraud Prevention Centre (CFPC) (all collectively referred to as the Responsible Entities (REs)), to ensure that the risks, particularly those that have arisen as a result of the extension of the Program, are being managed appropriately by the Responsible Entities in line with the JAPs.

This report outlines the scope of testing and procedures performed for the April audit, a summary and assessment of the findings and recommendations for improvement. The report will also include an assessment where any instances of deviation have been identified. This could include instances where there is information to suggest that the control did not occur or perform as per expectations and include an assessment to **determine whether the deviation is considered an 'anomaly' or 'one-off' event and needs to be analysed in isolation**, or if the deviation is expected to repeat and is potentially representative of the population.

## 1.3 Scope and Methodology

**In accordance with our signed contract variation dated 2 March 2021, we designed and undertook a 'light-touch' audit testing strategy to test the design, implementation and operating effectiveness of key controls used by REs to mitigate identified risks associated with the Program.**

The audits are to be completed in three monthly audits from February to April. The period of assessment for the controls selected for testing in this monthly audit are from the date of implementation of those controls until the date of fieldwork (i.e. April 2021). **Following the 'light-touch' testing approach, further testing is not necessary outside of these date parameters unless the Accountable Officer for the relevant risk determines that the control deviations require further investigation.**

Each control identified will be tested in line with the individual control testing procedures. These are documented in the Audit Findings section below. Each control is assessed on each of the following:

- The control is designed and implemented as described in the JAPs; and
- The control is operating effectively to mitigate the associated risk.

Based on the findings of the testing, we assessed each of the above by using the following scale:

| Rating                      | Guide   |
|-----------------------------|---|
| Fully effective             | Nothing more to be done except review and monitor the existing controls.  |
| Substantially effective     | The control is designed correctly and is implemented. Some more work to be done to improve operating effectiveness.     |
| Largely ineffective         | Significant control gaps. Either control is not designed to address the risk or it does not operate at all effectively. |
| None or totally ineffective | Not a credible control.   |

# 2 Audit Findings

## 2.1 April Controls

The controls identified to be tested in the April audit cycle in line with the assessment outlined in the Audit Plan are as follows:

| #       | Risk                          | Accountable Officer         | Responsible Officer | Details   | Action Description   |
|---------|-------------------------------|-----------------------------|---------------------|---|--|
| 1.03    | 1. Data for decision making   | Treasury: Belinda Robertson | Treasury: s 22      | Prioritising requests for ATO data  | Observe the ongoing implementation of the weekly meetings with ATO/TSY and the timeliness of obtaining priority data, which will be informed by internal and external tracker. |
| 1.16    | 1. Data for decision making   | Treasury: Belinda Robertson | FWO: Daniel Crick   | FWO quality assurance activities over data and reporting  | Observe the number of issues/errors identified in data after it has been released or reported.   |
| 1.17    | 1. Data for decision making   | Treasury: Belinda Robertson | Treasury: s 22      | Supporting data accuracy across Treasury through the internal Data Analysis Working Group.                            | Observe the effectiveness of the Treasury Data Analysis Working Group, implemented in early August, in ensuring that information given to decision makers is accurate.         |
| 3.07    | 3. Harmonising                | TSY: Philippa Brown         | CFPC: s 22          | Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures | Observe ATO attendance at activities (Operation Ashiba, operational intelligence group and counter fraud reference group), and AFP's support for JobKeeper specifically.       |
| 5.03    | 5. Internal Communications    | TSY: Philippa Brown         | AGD: s 22           | Cross-entity discussion at the PISC, IDC and working group meetings   | Observe the ongoing effectiveness of the Committees and working group's implementation.  |
| 11.1.11 | 11.1 Misuse of sensitive data | ATO: James O'Halloran       | ATO: s 22           | Compulsory documentation is completed prior to the exchange of data   | Monitor completion for every data request.   |



## 2.2 Summary of Findings

The below table shows a summary of the findings from the April audit cycle:

| <b>Control Dashboard</b> |   |  |  |  |  |   |  |
|--------------------------|---|--|--|--|--|---|--|
| Control ID               |   | Control 1.03   | Control 1.16   | Control 1.17   | Control 3.07   | Control 5.03  | Control 11.1.11  |
| Control Background       | Control Name                                | Prioritising requests for ATO data   | FWO quality assurance activities over data and reporting   | Supporting data accuracy across Treasury through the internal Data Analysis Working Group  | Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures  | Cross-entity discussion at the PISC, IDC and working group meetings   | Compulsory documentations is completed prior to the exchange of data   |
|                          | Monitoring Activity                         | Observe the ongoing implementation of the weekly meetings with ATO/TSY and the timeliness of obtaining priority data, using the register for tracking data requests.               | Observe the number of issues/errors identified in data after it has been released or reported  | Observe the effectiveness of the Treasury Data Analysis Working Group, implemented in early August, in ensuring that information given to decision makers is accurate.             | Observe ATO attendance at activities (Operation Ashiba, operational intelligence group and counter fraud reference group), and AFP's support for JobKeeper specifically.   | Observe the ongoing effectiveness of the Committees and working group's implementation  | Monitor completion for every data request  |
|                          | Risk  | 1. Data for decision making - There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | 1. Data for decision making - There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | 1. Data for decision making - There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program. | 3. Harmonising - Failure to achieve a shared management approach across responsible entities on risk management, communications, compliance and fraud management, employer and employee experience, workforce, data management and program performance management. | 5. Internal Communications - There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | 11.1 Misuse of sensitive data - There is a risk that sensitive data provided to an agency is used for an unintended purpose. |
|                          | Responsible Entity                          | Treasury   | FWO  | Treasury   | CFPC   | AGD   | ATO  |
|                          | Effectiveness Level Associated with Control | High   | High   | High   | High   | High  | High   |
|                          | CRP Testing Period                          | April  | April  | April  | April  | April   | April  |
|                          | <b>Results of Testing</b>                   |  |  |  |  |   |  |
| Conclusions              | Control Rating                              | Fully effective  | Fully effective  | Fully effective  | Fully effective  | Fully effective   | Fully effective  |

## 2.3 Detailed Findings

### Control 1.03: Prioritising requests for ATO data – Treasury

#### Procedures performed

From the discussions with Treasury staff, we obtained an understanding of the weekly meetings with the ATO and Treasury and the type of documents available under this control.

We undertook testing on a sample of meetings, limiting our review to the examination of documentation including the Labour Market Policy Division (LMPD) data requests tracker and meeting summaries to assess the effectiveness of meetings based on the nature of discussions held and tabling and updates of action items.

#### Testing results

From our analysis of meeting summaries, we were able to observe the nature of the discussions held. Discussions appear to relate to various key data requests, any roadblocks or issues to be worked on, progress updates against data priorities and any action items.

From further discussions with Treasury staff, it was identified that the data requests tracker is updated and circulated prior to each weekly meeting. We have been informed that there was a period around February – March 2021 where the tracker was temporarily not in circulation as the tracker was being updated to reflect a more comprehensive tracker for internal Treasury reporting purposes. We have sighted versions of the tracker before and after the update and note the detailed additional reporting fields and information.

#### Recommendations

Nil.

### Control 1.16: FWO quality assurance activities over data and reporting – FWO

#### Procedures performed

We obtained an understanding of the type of evidence available and procedures conducted by the FWO in relation to this control. From our discussions with FWO staff, the FWO did not identify any issues or errors in the JobKeeper data after it had been released or reported. Therefore, as we were not able to observe the control implemented by the FWO, we performed indirect audit testing on the quality assurance governance documents and activities conducted prior to the release of data, particularly from the Strategic Research and Analysis Reporting (SRAR) Team, who are the centralised authority within the FWO who manage COVID-19/JobKeeper data reporting. We reviewed the following FWO frameworks, procedural documents and undertook testing on a sample of other assurance activities:

- Information and Data Governance Framework
- Data Handling and Transfer Policy
- FWO Data Principles
- Data Protection Policy
- Information, Data and Records Disposal Policy
- Daily COVID-19/JobKeeper Reporting SOP
- FWO Data Governance Group meeting minutes
- QA spot checks (conducted by SRAR)

## Testing results

Our review of FWO frameworks, procedural documents and guidelines indicated that the FWO have an extensive suite of procedures and policies which govern the way data is managed in the Agency. These documents serve as **guidelines for FWO staff in upholding the FWO's data principles (the most relevant being the principle of 'Accuracy' for the purposes of this control)**. The Daily COVID-19/JobKeeper Reporting SOP also provides instructions for troubleshooting and processes when data issues are found prior to the release of data.

Based on our conversations with FWO staff, the FWO do not require the SRAR team to report or keep records of instances where no issues have been found with the data; i.e. reporting is only performed on an exception basis. Similarly, when the SRAR perform their weekly QA spot checks, they only report on instances where issues are found. We have been informed that there were less than five instances where the SRAR identified potential issues in the data or systems. As these were all rectified prior to the release of data, they are not considered as an error related to this control activity. Our sample testing performed on QA spot checks supported this conclusion.

Based on our discussions with FWO staff, the Data Governance Group reports to the Accountability Committee and meets quarterly to discuss the management of data across the Agency. Our assessment of Data Governance **meeting minutes indicated that the discussions related to FWO's COVID-19 response** captured various challenges related to systems, the management of JobKeeper data and any impacts on reporting of data that require attention.

Our review of the various quality assurance activities taking place appeared to be appropriately implemented and operating effectively.

## Recommendations

Nil.

Control 1.17: Supporting data accuracy across Treasury through the internal JobKeeper Analytical Working Group – Treasury

## Procedures performed

We obtained an understanding of the types of evidence available and procedures conducted by Treasury in relation to this control. From our discussions with Treasury staff, the JobKeeper Analytical Working Group is an internal Treasury working group established as an informal forum for discussions within Treasury. As a result, there are no formal meeting minutes taken.

In assessing the control, we undertook testing on a sample of email agendas circulated to participants in the JobKeeper Analytical Working Group distribution list and noted the various email recipients / attendees from various Treasury Divisions, including JobKeeper Division (now LMPD), Macroeconomic Analysis and Policy Division, Tax Analysis Division, Macroeconomic Conditions Division and Environment, Industry and Infrastructure Division.

## Testing results

Through analysis of meeting agendas circulated to working group participants, information, discussion and action items listed appear sufficient and relate to various data progress updates, documents in review or for approval for publication and analytical insights. The documentation provides evidence of the nature of discussions held internally to support the timeliness and accuracy of JobKeeper data to be used for decision making.

## Recommendations

Nil.

Control 3.07: Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures – CFPC

#### Procedures performed

**Based on our discussions with CFPC staff, the CFPC monitor the ATO's attendance at the following key meetings that the CFPC lead or participate in:**

- Operational Intelligence Group (OIG)
- Counter Fraud Reference Group (CFRG)
- Senior Officials Fraud Forum (SOFF)

The CFPC also provide Treasury with updates through the monthly review of the JAP. From further discussions with CFPC staff, while it is not mandatory that the ATO attend the above meetings, the CFPC will change the control status in the JAP (green, amber or red) to reflect the **ATO's attendance**.

We undertook testing on a sample of meeting minutes or attendance forms for the OIG, CFRG and SOFF to **verify the ATO's attendance in line with the CFPC's tracker of ATO attendance**.

#### Testing results

**We were provided with a table tracker, outlining the ATO's participation and relevant records or comments** for each of the above key meetings. We also obtained the relevant meeting minutes or attendance sheet to **verify the CFPC's tracker**.

We also noted the **veracity of the CFPC's reporting to Treasury** through updates in the JAP. Per the CFPC ATO attendance tracker, the CFPC noted that the ATO did not attend the CFRG in December 2020. We sighted JK Risk Log Version 2.5 (which was updated in January 2021) and sighted the Amber status (for mirror control **9.08**) in relation to the **ATO's non-attendance** at the previous CFRG.

Through our analysis of documentation provided, it appears that the tracking and reporting activities are implemented and operating effectively by the CFPC.

#### Recommendations

Nil.

Control 5.03: Cross-entity discussion at the PISC, IDC and working group meetings – AGD

#### Procedures performed

We tested a similar control (5.02: Cross-entity discussion at the PISC, IDC and working group meetings – Treasury) as a part of the February audit. As this control was identified as a key control, we have selected control 5.03 for testing as a part of the April audit. When testing control 5.02, we examined documentation including agendas and minutes to assess the effectiveness of meetings based on the nature of discussions held, attendance of members, tabling of action items and actions taken to address items. Additionally, based on our discussions with Treasury staff, the AGD was identified as a secretariat for one of the working groups. Therefore, in order to gain comfort over this key control for the full duration of the Program, we performed further testing procedures over PISC, IDC and working group meetings.

These procedures included obtaining an understanding from AGD staff, as the responsible entity for this control, on the purpose and frequency of the JobKeeper Eligibility and Implementation working group. We also undertook testing on a sample of email correspondence containing the meeting minutes circulated to members for PISC, IDC and JobKeeper Eligibility and Implementation working group (where AGD is the secretariat) meetings. We have taken this approach to testing this key control, as meeting minutes provide a



historical and transparent record of the discussion and also provides all meeting members with the opportunity to make corrections to ensure final records reflect an accurate depiction of the discussions that took place.

#### Testing results

We obtained PISC and IDC correspondence from Treasury. We observed the attendance (and apologies) of meeting participants and cross-examined these to the recipients listed in the minute distribution email correspondence. On numerous occasions, we identified members who were not listed as a recipient on the email containing minutes for circulation, but were listed in attendance or sent their apologies. However, in these instances, it was noted that at least one member from each Department / Agency received the circulated minutes.

We obtained JobKeeper Eligibility and Implementation working group correspondence from AGD. We observed the attendance (and apologies) of meeting participants and cross-examined these to the recipients listed in the minute distribution email correspondence. On some occasions, we identified members who were not listed as a recipient on the email containing minutes for circulation, but were listed in attendance or sent their apologies. However, in these instances, it was noted that at least one member from each Department / Agency received the circulated minutes. On one sampling occasion, it was identified that the minutes had not been circulated to members. However, as the Department has subsequently distributed the minutes to members for comment, this does not represent a deviation.

#### Recommendations

Nil.

Control 11.1.11: Compulsory documentation is completed prior to the exchange of data – ATO

#### Procedures performed

We reviewed documentation provided by the ATO as part of their own internal audit and assurance activities. We also undertook a review of a sample of Services Australia's MOU Statement of Compliance, provided by the ATO.

#### Testing results

Based on the self-assessment provided by the ATO, we have made the following observations:

- Various formal arrangements (MOUs) have been established to govern the exchange of data
- The ATO have an MOU Statement of Compliance which is required to be completed and signed by both parties each month per Clause 4 of the MOU.
- The Statement of Compliance document is confirmation by each party of their compliance with the MOU obligations. It also requires each party to identify any instances of non-compliance.

Our review of MOU Statement of Compliances identified no instances of non-compliance identified by either parties and compliance with obligations were supported by commentary and responses from the parties where required. All completed MOU Statement of Compliances were also signed and dated by MOU Managers and SES Sponsors from both parties.

In conclusion, we have reviewed the ATO's self-assessment in relation to Control 11.1.11 and rate the control as 'Fully Effective' as the control appears to be designed, implemented and operating effectively.

#### Recommendations

Nil.

## 2.4 Deviations

No deviations were identified in the controls testing.

# 3 Recommendations

Nil.

# The Treasury

FOI 2979  
Document 6



## **JobKeeper 2.0** Review of Strategic and Shared Risks

28 September 2020



# Contents

|  |    |
|--|----|
| Review of strategic and shared risks – JobKeeper 2.0 | 3  |
| Background   | 3  |
| Approach   | 3  |
| Review of strategic and shared risks                 | 3  |
| Risk 11.1 – Misuse of sensitive data                 | 6  |
| JobKeeper 2.0 Risk Log                               | 10 |

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Our work is performed on a sample basis; we cannot, in practice, examine every activity and procedure, nor can we be a substitute for **management's responsibility** to maintain adequate controls over all levels of operations and their responsibility to prevent and detect irregularities, including fraud.

Any projection of the evaluation of the control procedures to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Recommendations and suggestions for improvement should be assessed by management for their full commercial impact before they are implemented.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy, or reliability is given in relation to the statements and representations made by, and the information and documentation provided by Treasury, ATO, AGD, FWO and FWC personnel. We have not attempted to verify these sources independently unless otherwise noted within the report.

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# Review of strategic and shared risks – JobKeeper 2.0

## Background

With the six-month extension of the JobKeeper Payment to 28 March 2021, there have been some changes made to the Payment to make it more targeted and responsive to the needs of the Australian economy and as a result, the level of complexity has increased. The amendments to the Payment and the increased complexity involved in the administration of the payments has resulted in changes to the risk and control environment associated with JobKeeper 1.0.

It is therefore appropriate to review **the impact of those changes to the program's Strategic and Shared Risks** and undertake a risk assessment of the changes to policy and program design to ensure that new and changed risks are identified, assessed and appropriately managed and monitored.

## Approach

Stakeholder discussions were held in the first two weeks of September 2020 and included the Responsible **Officer's from Treasury, Australian Taxation Office (ATO), the office of the Fair Work Ombudsman (FWO), Fair Work Commission (FWC) and Attorney-General's Department (AGD).**

The risk discussions focused on the increased complexity of JobKeeper 2.0 due to the implementation of the two-tiered payment structure, changes to eligibility criteria for both employers and employees and changes to supporting legislation and the impact these would have on the strategic and shared risk and control environment.

## Review of strategic and shared risks

The review identified that whilst there is additional complexity being introduced into the JobKeeper Payment, the Responsible agencies appear to be well placed to be able to manage the increased complexity, through leveraging the mechanisms already established during the implementation of the initial phase of JobKeeper.

The review has identified a number of changes within the strategic and shared risk environment and profile. These include:

### Changing key source of risk

During the initial stage of the JobKeeper Payment, a key source of risk was the constrained timeframes available for the design and implementation of JobKeeper. As the program has progressed and agencies have matured in their capacity and capability in implementing and administering the program, this source has reduced. However, with the subsequent extension and amendments being made to the JobKeeper Payment, the level of complexity in administering the Payment has increased resulting in a new source across many of the strategic and shared risks. This changing source (increased complexity) has been captured within the updated risk assessment and risk artefacts.

- Increased complexity of the program with the transition into JobKeeper 2.0 provides challenges in ensuring the mechanisms for the identification, evaluation and escalation of risks and issues are still fit for purpose. Changes include:
  - **Two-tiered payment system based on employees' hours worked;**
  - Changes to eligibility criteria (including turnover based on actual decline rather than projected decline); and
  - Changes to Fair Work Act 2009 introducing new rules for legacy employers based on decline in turnover.

### Reduction of risk rating

**'Risk 2 – Identifying emerging risks and issues' had been rated as a 'Medium' risk with a 'Moderate' Consequence and 'Likely' Likelihood. A treatment strategy was developed to further mitigate the risk through the implementation of the JobKeeper Strategic and Shared Risk Strategy. With the endorsement of this Strategy, in September 2020; the standing up of the Policy and Implementation Sub-Committee (PISC); and the imbedding of a risk culture through the continued engagement of the JobKeeper working groups, the**

Likelihood of this event occurring has been reassessed as 'Unlikely'. This has resulted in the risk rating being reduced to 'Low'. As a result, a Risk Response Plan is no longer required in the ongoing management of this risk.

It was also identified that 'Risk 12 – Privacy' had been previously incorrectly rated as a 'Medium' risk. With an assessed Consequence of 'Moderate' and a Likelihood of 'Unlikely', this should have resulted in a risk rating of 'Low'. This has now been amended as part of the updated risk assessment and risk artefacts. As a result, a Risk Response Plan is no longer required in the ongoing management of this risk.

**Retirement of Risk 11 – Sharing of sensitive data**

The only material change to the risk and control environment is in the retirement of 'Risk 11 – Sharing of sensitive data'. The focus of this risk was around the inability for agencies, primarily the ATO, in not being able to share JobKeeper Payment data with other agencies for the purpose of compliance and dispute resolution. With the passing of amendments to the tax secrecy provisions within the Taxation Administration Act 1953, the legislative barriers, which were the primary source of this risk, were removed allowing protected data relating to JobKeeper to be disclosed to Australian government agencies for the purposes of the administration of Australian law. This has therefore resulted in this risk being retired as an active risk.

**New risk – Risk 11.1 Misuse of sensitive data**









Now that Government agencies can share protected data relating to JobKeeper, this has resulted in the identification of a new strategic and shared risk. There is a risk that sensitive data provided to an agency is used for an unintended purpose.






Consultations on this emerging risk were held with Responsible Officers within the Risk and Integrity Working Group. As the ATO is the primary agency that has ownership and control over the protected information, the Accountable Officer assigned to this risk is the Deputy Commissioner, JobKeeper Payment Program (James O'Halloran).

In assessing the risk rating, it was determined that the Consequence of this event occurring would be 'Major' including a period of adverse publicity and significant reputational damage. In determining the Likelihood of this event occurring, consideration was given to the current control environment including the ATO's current governance requirements for sharing of information and it was determined to be 'Unlikely – The risk may eventuate at some time but not likely to occur in the foreseeable future'. This results in a 'Medium' risk rating.

As stipulated in the JobKeeper Strategic and Shared Risk framework, a Risk Response Plan has been developed (see attached) for endorsement by the Accountable Officer.

The following table summarises the changes to the strategic and shared risk environment:

| # | Risk                                  | Changes to Risk environment  | Risk Rating  |
|---|---------------------------------------|--|--|
| 1 | Data for decision making              | [-] Source – short timeframes for implementation<br>[+] Source – Increased complexity  | Medium  |
| 2 | Identifying emerging risks and issues | [-] Source – short timeframes for implementation<br>[+] Source – Increased complexity<br>[+] Control – Policy and Implementation Sub-Committee<br>[-] Risk rating – reduction from Medium to Low | Low     |
| 3 | Harmonising                           | [+] Source – Increased complexity<br>[+] Control – Policy and Implementation Sub-Committee   | Medium  |
| 4 | External Communications               | [+] Source – Increased complexity  | Medium  |
| 5 | Internal Communications               | [+] Source – Increased complexity  | Medium  |
| 6 | Employer experience                   | [+] Source – Increased complexity  | Medium  |
| 7 | Employee experience                   | [+] Source – Increased complexity  | Medium  |
| 8 | Low-level non-compliance              | [-] Source – short timeframes for implementation<br>[+] Source – Increased complexity  | Medium  |

| #    | Risk                      | Changes to Risk environment   | Risk Rating   |
|------|---------------------------|---|---|
| 9    | Fraud and corruption      | [-] Source – short timeframes for implementation<br>[+] Source – Increased complexity | Medium   |
| 10   | Policy objectives         | [+] Source – Increased complexity   | Medium   |
| 11   | Sharing of sensitive data | [-] Source – removal of legislative restrictions                                      | Retired  |
| 11.1 | Misuse of sensitive data  | [+] New risk  | Medium   |
| 12   | Privacy risk              | [-] Incorrectly rated. Changed from Medium to Low                                     | Low      |

Refer to the updated Risk Log attached for details.



# Risk Response Plan and Analysis

## Risk 11.1 – Misuse of sensitive data

Version: [draft] 2.2

Date 24/9/2020

Accountable Officer: s 22 (ATO)

| Current             |                    |                     |
|---------------------|--------------------|---------------------|
| Current Consequence | Current Likelihood | Current Risk Rating |
| Major               | Unlikely           | Medium              |

### Risk Statement:

There is a risk that sensitive data provided to an agency is used for an unintended purpose.

### Key Source:

- Ready access to bulk data on program participants and the lack of control over the use once shared
- Insecure sharing of data and reliance on difference storage systems.

### Key Impact:

- Unauthorised use or misuse of bulk data resulting in loss of confidence in governments ability to manage data and the reluctance for industry to voluntarily share sensitive data with agencies
- Reputational damage to the government and program relating to the misuse of data.

### Rationale for the risk:

Amendments to Taxation Administration Act 1953 (TAA) have passed, which allow JobKeeper data from the ATO to be shared with other government agencies. There is a risk that sharing bulk data with other agencies could lead to uses that are contrary to the intended purpose.

### A note on Specific Entity Impacts:

- FWO: The FWO do not currently foresee the need to gain access to bulk data, as specific data will only be requested to support specific compliance and investigative activities/ actions.
- FWC: FWC have implemented alternative mechanisms in gaining access to data – requiring that complainants provide them with evidence of involvement in the JobKeeper payments.
- TSY: Treasury receive deidentified data from various stakeholders and have in place mechanisms to secure and handle this data appropriately.
- ATO: As the key administrative agency for the program, it has a role in ensuring that where possible the lawful sharing of information under Div. 355 of Schedule 1 to the TAA is done to support the objectives of the program.

**Risk Response:** Accept.

### Controls

| Description of control   | Entity      | Type <ul style="list-style-type: none"> <li>• Preventative</li> <li>• Detective</li> <li>• Responsive</li> </ul> | Monitor/Evaluate<br><i>Is this done on a regular basis to review the controls effectiveness? How?</i> | Effectiveness <ul style="list-style-type: none"> <li>• Insufficient evidence</li> <li>• High</li> <li>• Medium</li> <li>• Low</li> </ul> |
|--|-------------|--|---|--|
| <b>Obtaining data directly from employers to be able to further cases of potential non-compliance or fraud</b><br>The FWO and FWC seek information from employees and employers. FWO and FWC will also refer people to the other agencies (FWC, FWO, ATO) where appropriate. | FWO/FWC     | Preventative   | Monitor the effectiveness and efficiency of the resolution of cases (FWO)                             | High (FWO)   |
| <b>Entities own enterprise wide governance and risk management frameworks (including processes) to manage privacy risk that provide an existing control</b>  | ATO/FWC/FWO | Preventative<br>Detective<br>Responsive  | Privacy risk management frameworks in place   | Medium   |

| Description of control   | Entity          | Type <ul style="list-style-type: none"> <li>Preventative</li> <li>Detective</li> <li>Responsive</li> </ul> | Monitor/Evaluate<br>Is this done on a regular basis to review the controls effectiveness? How? | Effectiveness <ul style="list-style-type: none"> <li>Insufficient evidence</li> <li>High</li> <li>Medium</li> <li>Low</li> </ul> |
|--|-----------------|--|--|--|
| <p><b>framework for the program to exist within.</b><br/>All entities are required to have privacy risk management frameworks in place, including information governance and reporting to the information commissioner<br/>More specifically, the FWO receives some information received through the ATO 'Tip-off' line, and in its normal course of work of case management, for which it has applied its existing protocols and training to the JobKeeper program.</p> |                 |  |  |  |
| <p><b>Dedicated 'Smarter data' business line</b><br/>The dedicated 'Smarter data' business line within the ATO develops JobKeeper data and analytics capability to enable identity matching, data extraction and mining, analytics and reporting with checks built in. This provides some data governance mechanisms over the data being shared with other agencies.</p>   | ATO             | Preventative   | Smarter data business line within the ATO  | Medium   |
| <p><b>Use of existing or abridged MOUs on data sharing arrangements between ATO and other agencies</b><br/>Use of existing MOU between other government agencies and ATO to support the effectiveness of the data sharing arrangements (i.e. type, frequency, use, storage and destruction of data consistent with law/policy) between the two.</p>  | ATO/TSY/FWO     | Preventative   | The ATO monitors lawful data sharing arrangements under Div. 355 of Schedule 1 to the TAA.     | Medium   |
| <p><b>Specific JobKeeper program Privacy Impact Assessments</b><br/>Specific JobKeeper program Privacy Impact Assessments are required for activities and initiatives that may be a high privacy risk s) and consideration of Commonwealth vs State and Territory requirements. They complement existing enterprise privacy risk management controls.</p>  | ATO/FWO         | Preventative<br>Responsive   |  | Medium   |
| <p><b>Publishing of Data Matching Protocols for any data matching activities</b><br/>External agencies must comply with the OAIC's Guidelines for the Conduct of the Data Matching Program which includes the completion and publishing of a Data Matching Protocols where the circumstances warrant in including in relation to JobKeeper data that is shared with other agencies.</p>  | ATO             | Preventative   |  | Medium   |
| <p><b>Verification of the external government agency's adequate data storage, data access restrictions and appropriate staff security clearance prior to releasing data.</b><br/>The ATO must be satisfied that the external government agency has the required data storage, data access restrictions and appropriate staff security clearance, prior to the sharing of data.</p>   | ATO             | Preventative   |  | Medium   |
| <p><b>Secure data transfer systems</b> – for data transfers between agencies.</p>  | ATO / FWO / TSY | Preventative   |  | Medium   |
| <p><b>Data requests require a lawful provision</b><br/>Identify and document legislative provision(s) which allow the data exchange.</p>   | ATO             | Preventative   | Monitor the implementation of the data sharing agreement                                       | High   |

| Description of control   | Entity | Type <ul style="list-style-type: none"> <li>Preventative</li> <li>Detective</li> <li>Responsive</li> </ul> | Monitor/Evaluate<br>Is this done on a regular basis to review the controls effectiveness? How? | Effectiveness <ul style="list-style-type: none"> <li>Insufficient evidence</li> <li>High</li> <li>Medium</li> <li>Low</li> </ul> |
|--|--------|--|--|--|
| <b>Compulsory documentation is completed prior to the exchange of data</b><br>Includes privacy impact assessments, data sharing agreements (for eg MOU, letters of exchange), Data Matching Protocols which includes data access and security requirements for the storage and transmission of ATO data.   | ATO    | Preventative   | Monitor completion for every data request  | High   |
| <b>Maintain stewardship via ongoing engagement with agencies</b><br>Initially intense engagement to identify and communicate data uses and data limitations. Engagement reduces as data sharing becomes regular and effortless and data value is determined. Final engagement when the data no longer has value and is not used and ATO seeks assurance that data is destroyed securely. | ATO    | Preventative   | Monitor completion for every data request  | High   |

## Guidance

The RRP will be circulated for final comment to relevant working group members and then endorsed by the Accountable Officer. Where a risk is High or Very High the IDC members of the Responsible Entities will also be required to endorse the RRP.

Note the timings for response plan development per risk severity rating:

- Severe — the risk response plan must be defined and executed immediately
- High — the risk response plan must be defined and executed as soon as possible
- Medium — the risk response plan can be developed any time before the working group’s agreed due date
- Low — a risk response plan is not required
- Very Low — a risk response plan is not required

Further information can be found in the *JobKeeper Program Strategic and Shared Risk Strategy* document, held by Treasury but accessible to all.

### Risk Tolerance table

| Rating   | Level of action required and reporting to the IDC   |
|----------|---|
| Very Low | <i>Very low risks are acceptable</i><br>Managers to continue using routine procedures to manage the risk and report to the IDC as part of normal reporting procedures.                        |
| Low      | <i>Low risks are acceptable</i><br>Managers continue using routine procedures to manage the risk and report to the IDC as part of normal reporting procedures.                                |
| Medium   | <i>Medium risks are acceptable if the possible benefits of the activity outweigh the costs.</i><br>Managers to develop a risk response plan for endorsement by the Accountable Officer.       |
| High     | <i>High risks are acceptable if the possible benefits of the activity outweigh the costs. However, it may be determined that Treatments should be implemented to reduce the risk further.</i> |

| Rating | Level of action required and reporting to the IDC   |
|--------|---|
|        | Managers to develop a risk response plan to be endorsed by the responsible entities of the IDC and the Accountable Officer.   |
| Severe | <p><i>Severe risks may not be acceptable</i></p> <p>Managers to develop a risk response plan to be endorsed by the responsible entities of the IDC and the Accountable Officer.</p> |



# JobKeeper 2.0 Risk Log

| Status  | Risk # and name                          | Risk  | Key Risk Source  | Key Risk Impact   | Accountable Officer    | Responsible Officer   | Key Controls  | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|--|---|--|---|------------------------|---|---|---------------------|--------------------|---------------------|
| Current | 1. Data for decision making              | There is a risk that timely and quality data is not available to inform ongoing decisions about the design, delivery and performance of the program.  | <ul style="list-style-type: none"> <li>Increased complexity of the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring that the mechanisms for capturing, analysing and reporting on program performance are robust and continue to be fit for purpose.</li> </ul> | <ul style="list-style-type: none"> <li>Decisions cannot be made in a timely manner, which is crucial in a program with such a short time frame and need to adapt to a changing economic environment.</li> </ul> | TSY: Belinda Robertson | TSY: § 22<br>ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick  | <b>Preventative</b><br><b>All</b><br>-Supporting the effective use of data through the Data Reporting Working Group<br>-Sharing of insights drawn from external data requests and correspondence, at the IDC<br><b>Treasury</b><br>-Prioritising requests for ATO data<br>-Creating combined data sets using existing ATO data and -JobKeeper data to meet specific data needs<br>-Use of ABS data, including specific COVID-19 datasets, for developing policy advice<br>- Supporting data accuracy across Treasury through the internal Data Analysis Working Group.<br><b>ATO</b><br><b>Treasury/ATO</b><br>-Use of existing or abridged MOUs on data sharing arrangements between ATO and the Treasury and Services Australia<br><b>FWC</b><br>-Use Power BI dashboarding on FWC JobKeeper data, to obtain program performance information<br>-Quality assurance activities over data and reporting:<br><b>FWC/FWO/ATO</b><br>-Use of systems to capture performance data on JobKeeper for reporting within their agency and to Treasury<br><b>Detective</b><br><b>Treasury/ATO/FWO</b><br>Quality assurance activities over data and reporting<br>- Supporting data accuracy across Treasury through the internal Data Analysis Working Group.<br><b>FWO</b><br>-Resolution of issues regarding the sharing of data with the FWO<br><b>Responsive</b><br><b>Treasury/FWO</b><br>Quality assurance activities over data and reporting<br><b>FWO</b><br>-Resolution of issues regarding the sharing of data with the FWO | Moderate            | Likely             | Medium              |
| Current | 2. Identifying emerging risks and issues | There is a risk that Responsible Entities do not actively seek to identify emerging risks, issues and unintended consequences associated with the program and have mechanisms in place to enable a timely and appropriate response. | Increased complexity of the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring the mechanisms for the identification, evaluation and escalation are still fit for purpose.  | Reduced capacity to act which may result in risks being realised and unintended consequences that have with greater impact  | TSY: Philippa Brown    | TSY: Belinda Robertson (Operations)<br>TSY: Michelle Rak (Policy)<br>ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick<br>AGD: § 22<br>CFPC: § 22 | <b>Preventative</b><br><b>All</b><br>-Implementing the JobKeeper Strategic and Shared Risk Strategy and the Risk and Integrity and Working Group activities to identifying and managing risk.<br>-IDC oversight, discussion of risks and sharing of information<br>- Policy Implementation Sub-Committee (PISC) managing of risk environment<br>- Escalation of risks and issues (refer, endorsed risk and issues pathway)<br><b>AGD, FWO</b><br>- Consultation with External Stakeholders<br><b>ATO/AGD/FWC/FWO</b><br>-Implementation of JobKeeper Governance and Risk activities and risk logs in each entity<br><b>Detective</b><br><b>All</b><br>- Policy Implementation Sub-Committee (PISC) managing of risk environment<br>-Escalation of risks and issues (refer, endorsed risk and issues pathway)<br>-Analysis of media and industry reports to identify and monitor emerging risks and issues<br><b>Treasury</b><br>The analysis of data and information to identify risks and unforeseen consequences, through undertaking the program's mid-term review and ongoing program evaluation<br><b>Responsive</b><br><b>All</b><br>-Escalation of risks and issues (refer, endorsed risk and issues pathway)<br><b>ATO/AGD/FWC/FWO</b><br>-Implementation of JobKeeper Governance and Risk activities and risk logs in each entity  | Moderate            | Unlikely           | Low                 |



| Status  | Risk # and name | Risk  | Key Risk Source  | Key Risk Impact   | Accountable Officer | Responsible Officer  | Key Controls   | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|-----------------|---|--|---|---------------------|--|--|---------------------|--------------------|---------------------|
| Current | 3. Harmonising  | Failure to achieve a shared management approach across responsible entities on risk management, communications, compliance and fraud management, employer and employee experience, workforce, data management and program performance management. | <ul style="list-style-type: none"> <li>Successful design and delivery of the program requires the actions of multiple agencies.</li> <li>Increased complexity of the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring responsible entities achieve a consistent approach to managing the program</li> </ul> | Program performance suffers, issues occur, program outcomes are negatively impacted | TSY: Philippa Brown | TSY: Belinda Robertson<br>AGD: § 22<br>ATO: James O'Halloran<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick | <p><b>Preventative</b></p> <p><u>All</u></p> <ul style="list-style-type: none"> <li>-Reporting and sharing of information at the IDC</li> <li>- Policy Implementation Sub-Committee (PISC) managing of risk environment</li> <li>-Reporting and sharing of information of the four working groups (Eligibility and Implementation; Risk and Integrity; Data and Reporting; JK and JS Interactions)</li> <li>-COO's from across the APS meet as part of the COO Committee to manage the workforce during this COVID-19 response period.</li> <li>-Informal, operational meetings between agencies</li> <li>-Use of pre-existing, good relationships between agencies for similar activities</li> <li>-Articulation of roles and responsibilities in legislation.</li> <li>-Various program wide strategies</li> </ul> <p><u>ATO</u></p> <ul style="list-style-type: none"> <li>-Portfolio Management Office activities</li> <li>-ATOs JobKeeper Program Board</li> </ul> <p><u>AGD</u></p> <ul style="list-style-type: none"> <li>-AGDs JobKeeper steering committee</li> </ul> <p><u>CFPC</u></p> <ul style="list-style-type: none"> <li>-Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures</li> </ul> <p><b>Detective</b></p> <p><u>All</u></p> <ul style="list-style-type: none"> <li>-Reporting and sharing of information at the IDC</li> <li>- Policy Implementation Sub-Committee (PISC) managing of risk environment</li> <li>-Reporting and sharing of information of the four working groups (Eligibility and Implementation; Risk and Integrity; Data and Reporting; JK and JS Interactions)</li> <li>-COO's from across the APS meet as part of the COO Committee to manage the workforce during this COVID-19 response period.</li> <li>-Informal, operational meetings between agencies</li> <li>-Use of pre-existing, good relationships between agencies for similar activities</li> </ul> <p><u>ATO</u></p> <ul style="list-style-type: none"> <li>-ATOs JobKeeper Program Board</li> </ul> <p><u>AGD</u></p> <ul style="list-style-type: none"> <li>-AGDs JobKeeper steering committee</li> </ul> <p><u>CFPC</u></p> <ul style="list-style-type: none"> <li>-Operation Ashiba and other APS wide governance activities to manage fraud and corruption across the stimulus measures</li> </ul> <p><b>Responsive</b></p> <p><u>All</u></p> <ul style="list-style-type: none"> <li>-Reporting and sharing of information at the IDC</li> <li>- Policy Implementation Sub-Committee (PISC) managing of risk environment</li> <li>-Reporting and sharing of information of the four working groups (Eligibility and Implementation; Risk and Integrity; Data and Reporting; JK and JS Interactions)</li> <li>-COO's from across the APS meet as part of the COO Committee to manage the workforce during this COVID-19 response period.</li> <li>-Informal, operational meetings between agencies</li> <li>-Use of pre-existing, good relationships between agencies for similar activities</li> </ul> | Moderate            | Possible           | <b>Medium</b>       |



| Status  | Risk # and name            | Risk   | Key Risk Source   | Key Risk Impact  | Accountable Officer                          | Responsible Officer  | Key Controls  | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|----------------------------|--|---|--|--|--|---|---------------------|--------------------|---------------------|
| Current | 4. External Communications | There is a risk that external communications fail to respond to stakeholder needs throughout the life of the program.                  | <ul style="list-style-type: none"> <li>A large and broad range of stakeholders requiring information in a changing COVID-19 environment</li> <li>Failure to recognise the need to respond to the public's criticisms/issues or unforeseen information gaps</li> <li>Increased complexity of the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring external stakeholders are being provided consistent messaging.</li> </ul> | Confusion and anxiety among stakeholders, resulting in increased number of calls/queries and criticism of government | TSY: Philippa Brown<br>ATO: James O'Halloran | TSY: Belinda Robertson<br>ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick              | <p><b>Preventative</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>The JobKeeper Eligibility and Implementation working group</li> <li>Regular and out-of-session engagement and consultation within agencies and across agencies to ensure consistency, avoid confusion/duplication, and ensure clear user pathways</li> <li>Review and approval processes for external communications before they are released</li> <li>Communications teams or website managers in each entity control the quality of the content online</li> <li>Regularly updating live website materials to provide employers/employees with consistently reviewed advice.</li> </ul> <p><b>Treasury</b></p> <ul style="list-style-type: none"> <li>The Service Delivery Coordination Committee review process</li> </ul> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>ATO JobKeeper specific Communications Strategy</li> </ul> <p><b>FWO</b></p> <ul style="list-style-type: none"> <li>Functional enhancements to digital services to improve user experience, adding search and translation functionality and a virtual assistant</li> </ul> <p><b>FWO/FWC/ATO</b></p> <ul style="list-style-type: none"> <li>Regularly reviewing and updating call centre scripts</li> </ul> <p><b>Detective</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>The JobKeeper Eligibility and Implementation working group</li> <li>Regularly updating live website materials to provide employers/employees with consistently reviewed advice.</li> </ul> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>The ATO monitors the media, and complaints and client enquiries for insights on the effectiveness of their external communications</li> </ul> <p><b>Responsive</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>The JobKeeper Eligibility and Implementation working group</li> </ul> | Major               | Possible           | Medium              |
| Current | 5. Internal Communications | There is a risk that there is a failure to communicate internally on key decisions and events that concern other responsible entities. | <ul style="list-style-type: none"> <li>The program is delivered across a number of entities with Treasury being the key accountable agency and with oversight responsibilities</li> <li>Increased complexity of the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring communications across responsible entities remain effective and efficient.</li> </ul>   | Reduced capacity to act to issues at a strategic level   | TSY: Philippa Brown                          | TSY: Belinda Robertson<br>AGD: § 22<br>ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick | <p><b>Preventative</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>Policy Implementation Sub-Committee (PISC) managing of risk environment</li> <li>Cross-entity discussion at the IDC and working group meetings</li> <li>Archive and record keeping specialised teams and processes</li> <li>Incidental, out-of-session engagement and consultation within agencies and across agencies</li> </ul> <p><b>AGD</b></p> <ul style="list-style-type: none"> <li>AGD JobKeeper steering committee</li> </ul> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>JobKeeper specific Internal Communications Strategy</li> <li>ATO communications quality review and approval processes</li> <li>Learning and development packages</li> </ul> <p><b>Detective</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>Policy Implementation Sub-Committee (PISC) managing of risk environment</li> <li>Timely retrospective documenting or reporting of decisions</li> </ul>   | Major               | Unlikely           | Medium              |



| Status  | Risk # and name        | Risk  | Key Risk Source   | Key Risk Impact   | Accountable Officer                          | Responsible Officer   | Key Controls   | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|------------------------|---|---|---|--|---|--|---------------------|--------------------|---------------------|
| Current | 6. Employer experience | There is a risk that there is a failure to effectively manage the experience of employers and be responsive to emerging issues.   | Increasing complexity of the JobKeeper Payment from 28 September 2020 onwards could cause additional concerns, risks and issues for employers as the program (and COVID-19 environment) progresses. | Exacerbation of what already is a stressful situation for businesses and eligible employers not participating in the program. | TSY: Philippa Brown<br>ATO: James O'Halloran | ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick                           | <p><b>Preventative</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>- Regular and out-of-session engagement and consultation within agencies and across agencies to ensure consistency, avoid confusion/duplication, and ensure clear user pathways.</li> </ul> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>- Regular and out-of-session engagement and consultation with external stakeholders and employer industry groups to co-design, collaborate and ensure that there are appropriate feedback loops</li> <li>- Documented Client Experience Pathway for the employer to guide delivery</li> <li>- Adequate system capacity for applications and claims processing, and engagement</li> <li>- Agile workforce for peak demand periods</li> </ul> <p><b>FWO/FWC/ATO</b></p> <ul style="list-style-type: none"> <li>- Regularly reviewing and updating call centre scripts</li> </ul> <p><b>Detective</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>- Analysis of media and industry reports/engagement to identify key themes and monitor emerging risks and issues</li> </ul> <p><b>TREASURY/ATO/FWC/FWO</b></p> <ul style="list-style-type: none"> <li>- Statistics and analysis of call centre trends and complaints</li> </ul> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>- Data analytics capability to monitor employer population trends and changes</li> <li>- Regular and out-of-session engagement and consultation with external stakeholders and employer industry groups to co-design, collaborate and ensure that there are appropriate feedback loops</li> </ul> <p><b>Responsive</b></p> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>- Data analytics capability to monitor employer population trends and changes</li> <li>- Employer review and dispute resolution pathway for applications to obtain the JobKeeper payment</li> <li>- Appropriate compliance response for inadvertent errors</li> </ul> <p><b>FWC</b></p> <ul style="list-style-type: none"> <li>- FWC dispute resolution process</li> </ul> | Major               | Possible           | Medium              |
| Current | 7. Employee experience | Failure to effectively manage the experience of employees, including complaints management, and be responsive to emerging issues. | Increasing complexity of the JobKeeper Payment from 28 September 2020 onwards could cause additional concerns, risks and issues for employees as the program (and COVID-19 environment) progresses. | Exacerbation of what already is a stressful situation for individuals.  | TSY: Philippa Brown<br>AGD: § 22             | ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick<br>TSY: Belinda Robertson | <p><b>Preventative</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>- Regularly updating live website materials to provide employers/employees with consistently reviewed advice.</li> <li>- Regular and out-of-session engagement and consultation within agencies and across agencies to ensure consistency, avoid confusion/duplication, and ensure clear user pathways</li> </ul> <p><b>TREASURY/ATO/FWC/FWO</b></p> <ul style="list-style-type: none"> <li>- Escalation processes for issues that are best dealt with by another agency (ATO/FWC/FWO)</li> <li>- Regularly reviewing and updating call centre scripts</li> </ul> <p><b>Detective</b></p> <p><b>All</b></p> <ul style="list-style-type: none"> <li>- Analysis of media and industry reports/engagement to identify key themes and monitor emerging risks and issues</li> <li>- Regularly updating live website materials to provide employers/employees with consistently reviewed advice.</li> </ul> <p><b>TREASURY/ATO/FWC/FWO</b></p> <ul style="list-style-type: none"> <li>- Statistics and analysis of call centre trends and complaints</li> </ul> <p><b>Responsive</b></p> <p><b>FWC</b></p> <ul style="list-style-type: none"> <li>- FWC dispute resolution process</li> </ul>  | Major               | Possible           | Medium              |



| Status  | Risk # and name                | Risk   | Key Risk Source  | Key Risk Impact  | Accountable Officer   | Responsible Officer   | Key Controls  | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|--------------------------------|--|--|--|-----------------------|---|---|---------------------|--------------------|---------------------|
| Current | 8.<br>Low-level non-compliance | There is a risk that failure to manage low-level non-compliance will negatively impact the objectives of the program | Increased complexity of the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring mechanisms are in place to actively manage the risk of low-level non-compliance. | Businesses and individuals are put under unreasonable financial stress due to the requirement to pay money back; financial loss to the government; financial loss and grievances for employees; and reputational damage. | ATO: James O'Halloran | TSY: § 22<br>ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick<br>AGD: § 22<br>CFPC: § 22 | <p><b>Preventative</b></p> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>- Controls built into the policy and program design, implemented through the enrolment and application process using system-based exclusion rules <u>TREASURY/FWO/FWC/ATO</u></li> <li>- Public education, guidance, instructions:</li> </ul> <p><b>FWO</b></p> <ul style="list-style-type: none"> <li>- JobKeeper Enabling Directions with rules on how to apply them, implemented through already established systems to enforce the Fair Work Act, with additional capacity given to increase call centre numbers for the management of JK.</li> <li>- FWO employs a system of risk-based and proportionate response to requests</li> </ul> <p><b>Detective</b></p> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>- Community information, referrals and tip-off line</li> <li>- Targeted audit and compliance activity using continuously reviewed risk profiling and modelling</li> <li>- Pre-payment and Post-payment Manual checks of claims of concern</li> <li>- Internal procedures and systems</li> </ul> <p><b>FWC/ATO/FWO</b></p> <ul style="list-style-type: none"> <li>- Passing on requests/enquires/information to the right agency (most likely ATO or FWO) regarding issues of potential non-compliance</li> </ul> <p><b>FWC</b></p> <ul style="list-style-type: none"> <li>- The FWC settles disputes relating to JobKeeper enabling directions including expressing an opinion and making recommendations.</li> </ul> <p><b>FWO</b></p> <ul style="list-style-type: none"> <li>- JobKeeper Enabling Directions with rules on how to apply them, implemented through already established systems to enforce the Fair Work Act, with additional capacity given to increase call centre numbers for the management of JK.</li> <li>- FWO employs a system of risk-based and proportionate response to requests</li> </ul> <p><b>Responsive</b></p> <p><b>ATO</b></p> <ul style="list-style-type: none"> <li>- ATO debt collection process (or similar for under payment if found)</li> </ul> <p><b>FWC</b></p> <ul style="list-style-type: none"> <li>- The FWC settles disputes relating to JobKeeper enabling directions including expressing an opinion and making recommendations.</li> </ul> <p><b>FWO</b></p> <ul style="list-style-type: none"> <li>- JobKeeper Enabling Directions with rules on how to apply them, implemented through already established systems to enforce the Fair Work Act, with additional capacity given to increase call centre numbers for the management of JK.</li> <li>- FWO employs a system of risk-based and proportionate response to requests</li> </ul> | Moderate            | Likely             | <b>Medium</b>       |

| Status  | Risk # and name         | Risk  | Key Risk Source   | Key Risk Impact  | Accountable Officer   | Responsible Officer   | Key Controls  | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|-------------------------|---|---|--|-----------------------|---|---|---------------------|--------------------|---------------------|
| Current | 9. Fraud and corruption | There is a risk that failure to manage fraud and corruption will negatively impact the objectives of the program. | <ul style="list-style-type: none"> <li>Extension of program results in increased time to plan and facilitate fraud on the program</li> <li>Increased complexity of the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring the mechanisms are in place to prevent, detect and respond to fraud.</li> <li>The attraction of the large size of the program to fraudsters</li> <li>The COVID-19 environment intensifies the conditions that lead to fraud</li> </ul> | <ul style="list-style-type: none"> <li>Financial loss</li> <li>Reputational damage</li> <li>Funds not being spent for the purpose of the program, limiting the achievement of the program objectives.</li> </ul> | ATO: James O'Halloran | TSY: § 22<br>ATO: § 22<br>FWC: Ailsa Carruthers<br>FWO: Daniel Crick<br>AGD: § 22<br>CFPC: § 22 | <b>Preventative</b><br><b>ATO</b><br><ul style="list-style-type: none"> <li>Pre-payment or post-payment manual checks of claims of concern</li> <li>Internal policies and procedures focusing on external fraud</li> <li>Internal policies and procedures focusing on internal fraud</li> <li>ATO Cyber security prevention controls</li> </ul> <b>FWO</b><br><ul style="list-style-type: none"> <li>Preventing, detecting and resolving inadvertent non-compliance through FWOs established system of risk-based and proportionate response activity</li> </ul> <b>CFPC</b><br><ul style="list-style-type: none"> <li>Distributed guidance material, including the Fraud Control in COVID-19 factsheet and toolkit</li> </ul> <b>TREASURY/ATO</b><br><ul style="list-style-type: none"> <li>Controls built into the policy and program design, implemented through the enrolment and application process using system-based exclusion rules</li> </ul> <b>CFPC/TREASURY/ATO</b><br><ul style="list-style-type: none"> <li>CFPC's engagement with Treasury (and ATO) through CSOFF to provide support and guidance</li> <li>Ongoing engagement through the Commonwealth Fraud Prevention Centre</li> </ul> <b>ATO/TREASURY/FWO/FWC</b><br><ul style="list-style-type: none"> <li>Penalties, powers, criminal proceedings</li> <li>Public education, guidance, instructions</li> </ul> <b>Detective</b><br><b>ATO</b><br><ul style="list-style-type: none"> <li>Community information, referrals and tip-off line</li> <li>Targeted audit and compliance activity using continuously reviewed risk profiling and modelling</li> <li>Internal procedures and systems</li> <li>Serious Financial Crimes Taskforce (SFCT). The SFCT has prioritised serious financial crime affecting the government's COVID-19 economic response package</li> <li>Established ongoing ATO audit activity</li> </ul> <b>FWO</b><br><ul style="list-style-type: none"> <li>Preventing, detecting and resolving inadvertent non-compliance through FWOs established system of risk-based and proportionate response activity</li> </ul> <b>FWC</b><br><ul style="list-style-type: none"> <li>The FWC settles disputes relating to JobKeeper enabling directions including expressing an opinion and making recommendations.</li> </ul> <b>ATO/AUSTRAC/Banks</b><br><ul style="list-style-type: none"> <li>Suspect monetary report</li> </ul> <b>AGD/AUSTRAC/ASIC/ATO</b><br><ul style="list-style-type: none"> <li>Information from AGD, AUSTRAC, ASIC to assist in identifying fraud activity is shared with the ATO</li> </ul> <b>FWC/ATO/FWO</b><br><ul style="list-style-type: none"> <li>JobKeeper Enabling Directions with rules on how to apply them, implemented through already established systems to enforce the Fair Work Act, with additional capacity given to increase call centre numbers for the management of JK.</li> </ul> <b>Responsive</b><br><b>FWC</b><br><ul style="list-style-type: none"> <li>The FWC settles disputes relating to JobKeeper enabling directions including expressing an opinion and making recommendations.</li> </ul> <b>FWO</b><br><ul style="list-style-type: none"> <li>Preventing, detecting and resolving inadvertent non-compliance through FWOs established system of risk-based and proportionate response activity</li> </ul> <b>ATO/FWO/AFP/CDPP</b><br>Charging employers with an offence and court proceedings | Major               | Unlikely           | Medium              |

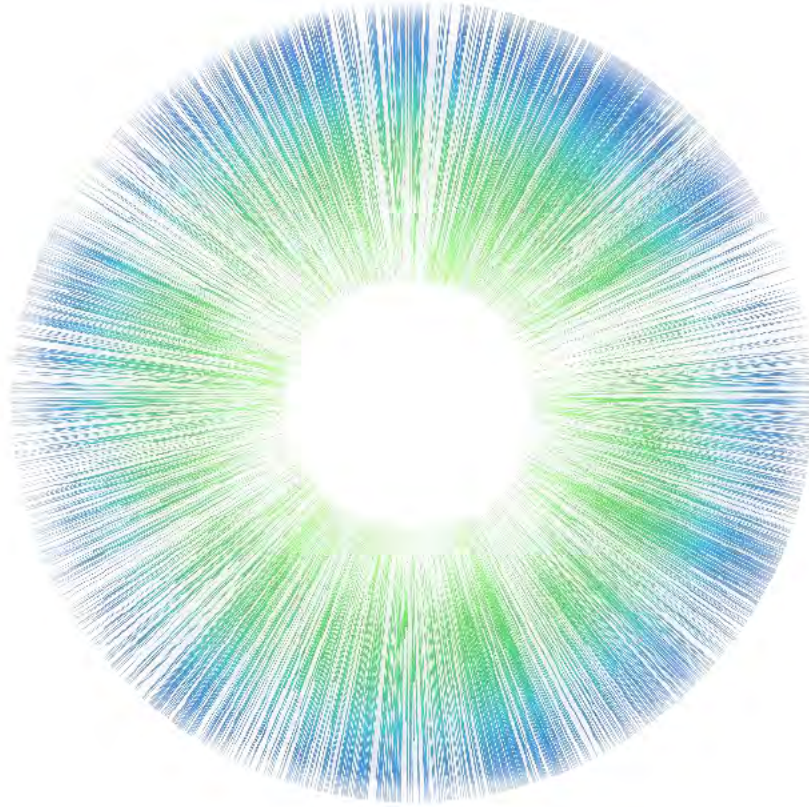


| Status  | Risk # and name               | Risk  | Key Risk Source  | Key Risk Impact   | Accountable Officer   | Responsible Officer  | Key Controls   | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|-------------------------------|---|--|---|-----------------------|--|--|---------------------|--------------------|---------------------|
| Current | 10. Policy objectives         | There is a risk that the JobKeeper Payment does not achieve its policy intent of supporting a gradual transition to economic recovery by continuing to support businesses that are most significantly impacted by COVID-19 health restrictions and aligning payment rates more closely to employees' usual incomes. | <ul style="list-style-type: none"> <li>Increased complexity of targeting the JobKeeper Payment from 28 September 2020 onwards comes with additional challenges in ensuring the policy objectives are achieved, including that an appropriate balance is achieved between continuing to support businesses and their employees, and a gradual transition to economic recovery.</li> <li>A constantly changing and uncertain pandemic situation</li> </ul> | <ul style="list-style-type: none"> <li>Greater economic downturn</li> <li>Greater burden on the welfare system.</li> </ul>  | TSY: Philippa Brown   | TSY: Michelle Rak<br>AGD: Alison Durbin<br>ATO: § 22                 | <p><b>Preventative</b><br/><u>TREASURY</u></p> <ul style="list-style-type: none"> <li>Treasury develops JobKeeper related policy advice, in response to the potential economic, social and health impacts of COVID-19</li> <li>Cabinet submission development processes</li> <li>Consideration and monitoring of JobKeeper's interactions with other programs</li> <li>Consultation processes to obtain input from internal and external parties in the development of policy advice</li> <li><u>TREASURY/AGD</u></li> <li>The legislative process including putting JobKeeper legislation through the Parliamentary (or otherwise) process.</li> <li><u>FWC/FWO/AGD</u></li> <li>Changes to the Fair Work Act to support JobKeeper</li> </ul> <p><b>Detective</b><br/><u>TREASURY</u></p> <ul style="list-style-type: none"> <li>Mid-program review and ongoing evaluation of the program</li> <li><u>TREASURY / ATO</u></li> <li>Regular formal and informal discussions with the ATO to check that ATO's implementation of the JobKeeper legislation is consistent with its intent</li> </ul> <p><b>Responsive</b><br/><u>TREASURY</u></p> <ul style="list-style-type: none"> <li>Treasury develops JobKeeper related policy advice, in response to the potential economic, social and health impacts of COVID-19</li> <li><u>TREASURY / ATO</u></li> <li>Regular formal and informal discussions with the ATO to check that ATO's implementation of the JobKeeper legislation is consistent with its intent</li> </ul>   | Major               | Unlikely           | Medium              |
| Current | 11.1 Misuse of sensitive data | There is a risk that sensitive data provided to an agency is used for an unintended purpose.  | <ul style="list-style-type: none"> <li>Ready access to JobKeeper data on recipients and the lack of control over its use once shared.</li> <li>Insecure sharing of data and reliance on different storage systems</li> </ul>   | <ul style="list-style-type: none"> <li>Unauthorised use or misuse of bulk data resulting in loss of confidence in government's ability to manage data and the reluctance for stakeholders to voluntarily share sensitive data with agencies.</li> <li>Reputational damage to the government and program resulting from the misuse of data.</li> </ul> | ATO: James O'Halloran | ATO: § 22<br>FWO: Daniel Crick<br>FWC: Ailsa Carruthers<br>TSY: § 22 | <p><b>Preventative</b><br/><u>ATO</u></p> <ul style="list-style-type: none"> <li>Dedicated 'Smarter data' business line</li> <li>Publishing of Data Matching Protocols for any data matching activities</li> <li>Verification of the external government agency's adequate data storage, data access restrictions and appropriate staff security clearance prior to releasing data.</li> <li>Data requests require a lawful provision</li> <li>Compulsory documentation is completed prior to the exchange of data</li> <li>Maintain stewardship via ongoing engagement with agencies</li> <li><u>ATO/FWO</u></li> <li>Specific JobKeeper program Privacy Impact Assessments</li> <li><u>ATO/TREASURY/FWO</u></li> <li>Use of existing or abridged MOUs on data sharing arrangements between ATO and other agencies</li> <li>Secure data transfer systems</li> <li><u>FWO/FWC</u></li> <li>Obtaining data directly from employers to be able to further cases of potential non-compliance or fraud</li> <li><u>ATO/FWC/FWO</u></li> <li>Entities own enterprise wide governance and risk management frameworks (including processes) to manage privacy risk that provide an existing control framework for the program to exist within.</li> </ul> <p><b>Detective</b><br/><u>ATO/FWC/FWO</u></p> <ul style="list-style-type: none"> <li>Entities own enterprise wide governance and risk management frameworks (including processes) to manage privacy risk that provide an existing control framework for the program to exist within.</li> </ul> <p><b>Responsive</b><br/><u>ATO/FWC/FWO</u></p> <ul style="list-style-type: none"> <li>Entities own enterprise wide governance and risk management frameworks (including processes) to manage privacy risk that provide an existing control framework for the program to exist within.</li> <li><u>ATO/FWO</u></li> <li>Specific JobKeeper program Privacy Impact Assessments</li> </ul> | Major               | Unlikely           | Medium              |

| Status  | Risk # and name  | Risk   | Key Risk Source  | Key Risk Impact   | Accountable Officer    | Responsible Officer  | Key Controls   | Current Consequence | Current Likelihood | Current Risk Rating |
|---------|------------------|--|--|---|------------------------|--|--|---------------------|--------------------|---------------------|
| Current | 12. Privacy risk | There is a risk that the ATO JobKeeper eligibility and payment data is not managed in compliance with Division 355 of Schedule 1 to the Taxation Administration Act 1953, and the Privacy Act and policy, across responsible entities. | The collection and sharing of sensitive information/data between agencies regulated by Division 355 of Schedule 1 to the Taxation Administration Act 1953 and the Privacy Act. | <ul style="list-style-type: none"> <li>Privacy breaches and the unauthorised disclosure of protected information impacting on individuals, business' reputation and the Commonwealth's reputation.</li> </ul> | TSY: Belinda Robertson | TSY: § 22<br>ATO: § 22<br>FWO: Daniel Crick<br>FWC: Ailsa Carruthers | <b>Preventative</b><br><b>All</b><br>- Entities own enterprise wide governance and risk management frameworks (including processes) to manage privacy risk that provide an existing control framework for the program to exist within.<br><b>ATO</b><br>- Legislation with controls stipulated<br><b>FWO</b><br>- Confining information requests to critical information or information not otherwise readily obtainable<br>- Published Privacy Statement<br><b>TREASURY/ATO</b><br>- Use of existing or abridged MOUs on data sharing arrangements between ATO and the Treasury and other government agencies<br><b>Detective</b><br><b>All</b><br>- Entities own enterprise wide governance and risk management frameworks (including processes) to manage privacy risk that provide an existing control framework for the program to exist within.<br><b>ATO/FWO</b><br>- Specific JobKeeper program Privacy Impact Assessments<br><b>Responsive</b><br><b>All</b><br>- Entities own enterprise wide governance and risk management frameworks (including processes) to manage privacy risk that provide an existing control framework for the program to exist within. | Moderate            | Unlikely           | Low                 |



**Deloitte.**



**Provision of risk and integrity  
services**

JobKeeper Program

12 May 2020

12 January

**Date correction: This document  
was received by the Treasury on  
12 May 2021**

s 22

Treasury

Treasury Building, 1 Langton Crescent  
Parkes ACT 2600

Submitted via email [riskandfraud@treasury.gov.au](mailto:riskandfraud@treasury.gov.au)

Dear s

22

Re: Risk and integrity advice and services – JobKeeper program

**Thank you for the opportunity to respond to the JobKeeper Division's request for risk and integrity services. We recognise that the JobKeeper program is one of the most significant programs in Australia's history as it serves to support Australia's economy during the enforcement of COVID-19 mitigation measures as well as position it for a fast recovery.**

Myself and my proposed team have many years of experience providing valuable support to a variety of Australian public service entities in managing risks on their most complex programs. Most relevantly we have done so through program risk management, program assurance and shared risk engagements. Our clients, including yourselves, have known us to bring a valuable independent perspective, perform our work to the highest standard and to be authentic in our interactions. We are confident that we can provide you with the right team and approach to the services you seek, that will contribute to your **program's success**.

We propose:

- A tailored approach to meeting your requirements;
- A senior risk manager with experience, knowledge and skills in managing Australian Government program risks; and
- Access to **Deloitte's many** specialist risk professionals to provide additional insights and capacity as required and **Deloitte's** risk management accelerators, methodologies and technologies to provide efficient and effective services.

We are committed to supporting you **at this crucial time in Australia's history and** our proposed fees that demonstrate that commitment and investment in our relationship with you, as well as being committed in providing you with risk and integrity advice and services that will drive diligent and robust administration of the JobKeeper program.

If you would like to discuss any aspect of this proposal, please contact me on s 47F or s 47F.

Yours sincerely

s 47F

Partner

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# 1 Our Services

## Introduction

We would be delighted to assist you in strengthening the governance and management of the JobKeeper program through the provision of these services, and ongoing advice in relation to risk management and integrity. We recognise the JobKeeper program is one **of the most significant programs in Australia's history and serves to support Australia's economy during the COVID-19 pandemic** and position the economy for a rapid and enduring recovery. As with all Australian Government payments programs, the integrity of those payments is at the forefront of managing risks to the program. In addition, managing shared risks across the many departments and agencies that form the ecosystem responsible for designing, implementing and managing the JobKeeper program is of critical importance.

The management of risks and recording of risk decisions are key activities supporting the proper administration of the JobKeeper program. After the urgency and prioritisation of establishing the legislation and delivering the first payments to eligible businesses, it is a timely decision to take the necessary steps towards taking stock of how risk has been, and is being, managed. Having done this, it will then be critical to establish what the current risk profile of the program is and to design and implement an effective framework for managing risk through to the end of the closing stage of the program. That framework must consider all three aspects of risk, integrity and assurance.

Deloitte means to strengthen governance and risk management by focusing on **"What must go right"**, as opposed to **"what could go wrong"**. Our clients have found that this is an optimal way of identifying, assessing and verifying the effectiveness of controls. This is because it is easier to align business objectives with process objectives which are essentially the **"what must go right"**. It sidesteps the idea that there are certain ways of doing things, a predefined list of risks and controls, by focusing on the objectives that are trying to be achieved.

We understand that no program is exactly like another; however, through our experience in providing risk and assurance services across many Commonwealth programs we have found that the following key success factors (the **"what must go right"**) could also apply to the JobKeeper program:

- Management of the integrity of payments through program design and use of data.
- Complexity of the program adequately matched with experience and maturity of controls.
- Good governance especially transparency and auditability.
- Collaboration and willingness to share risk information.
- **Management of reputation risk especially at the time when payments reach the 'end user'. This is where a successful program may be perceived as a failure if not managed well.**
- Continuous, vigilant oversight of program integrity risks.
- Assessment of risk and the economic and social impacts of program policy and delivery strategy.

The following sets out our understanding of the Services which you require.

## Purpose

The purpose of this engagement is to provide independent risk expertise to assist in the administration and **management of the program's risks and to provide ongoing risk advice to Treasury's JobKeeper Division and the program's Inter-Departmental Steering Committee**, so as to better meet the programs objectives across its life cycle. The benefits of doing this will extend to delivering the program in a way that meets the expectations on a government program for auditability and accountability.

## Requirements

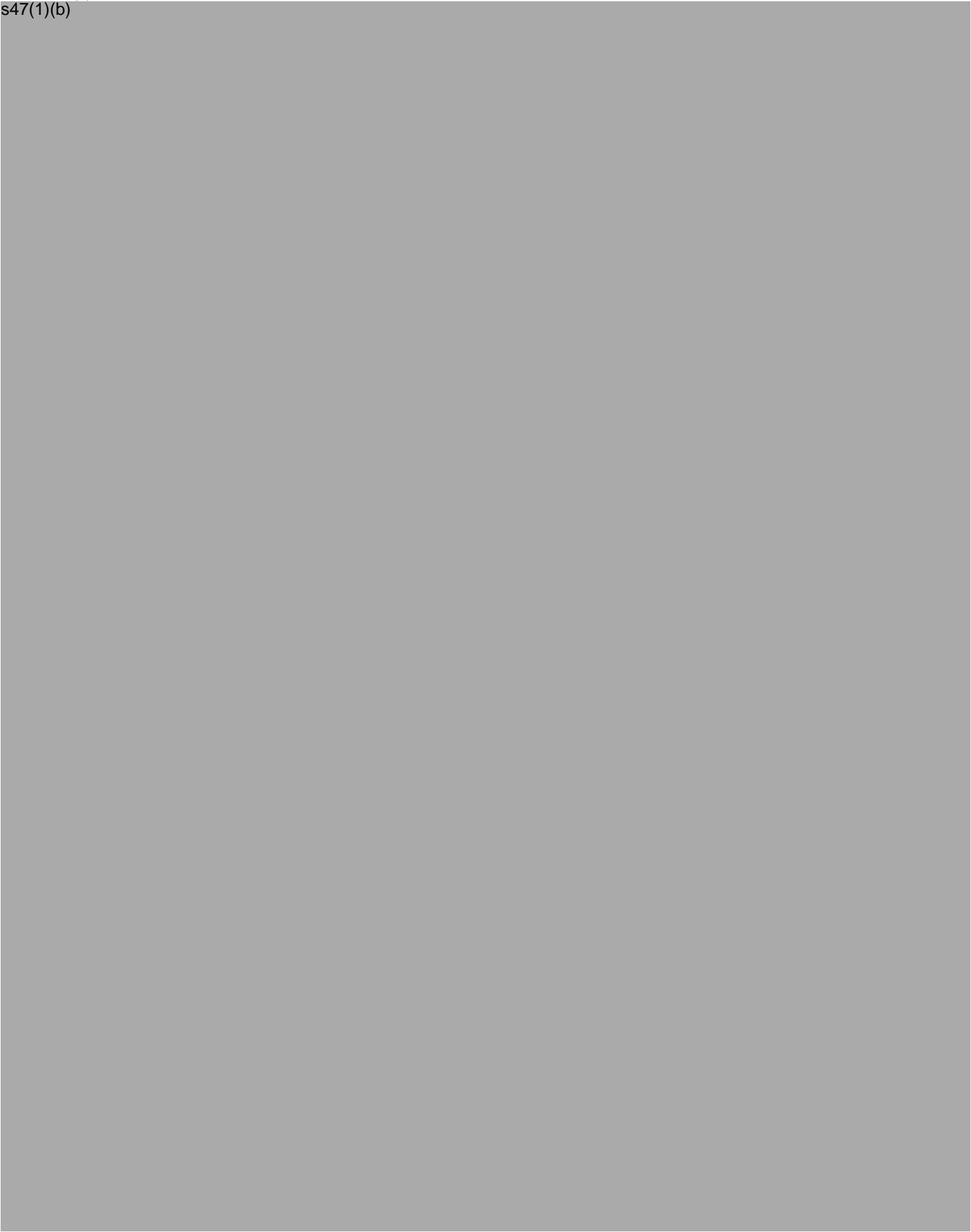
The specific requirements of this engagement include:

- Develop a JobKeeper program risk framework, which brings together frameworks across the different entities involved in the program and provides an approach to manage shared risks within the program.
- Provide risk advice and support to the **program's inter-departmental risk and integrity working group**.
- Conduct, and provide ongoing risk assessment services, including a workshop on 19 May 2020 and further assessments throughout the program.
- Capture and centralise risk work done to date in the division, including controls and work on integrity.



Our Approach

s47(1)(b)



s47(1)(b)

### Out of scope

The following is considered out of scope:

- Review of the risks associated with the development and implementation of the JobKeeper payments solution implemented by the ATO.

### How we will work with you

We are passionate about working together with you, providing an independent perspective and developing tailored solutions to meet your risk and integrity service needs. s 47F is highly skilled in facilitation of risk workshops for both large and small groups. She will oversight the engagement and ensure it is being delivered to the highest standard. She will perform quality reviews of key deliverables and provide her valuable insights.

s 47F, a Director and an experienced risk and assurance practitioner will undertake the work with support from an analyst. s 47F is known for excellent client services and will be your day to day contact while projects are running. She will be supported by an Analyst in her team, who will also have a background in Risk and Governance. s 47F will ensure your experience with Deloitte will be consistently high-quality, inspiring your confidence and trust in us. s 47F CV is provided at Appendix A.

Deloitte is a global practice and therefore, while s 47F already has broad experience across most risk categories, she also has the support of specialist risk professionals with the deepest of expertise in many relevant aspects of risk including Fraud, Commonwealth Risk Management and Technology. These experts can either advise s 47F or if there is a specific need, provide services to you as well. Appendix B provides more about our expertise across key risk areas.

## 2 Timeline and fees

s 47F, s 47G(1)(a)





# Appendix A

s 47F



s 47F



# Appendix B

Our Risk Advisory Services across key risk areas

Our experienced risk management professionals bring a deep understanding across the key risk areas of Strategic, Reputation, Operation, Regulatory, Financial, Operational and Cyber risk, as shown in the diagram below.



Figure 1: Deloitte's key risk areas

Identifying and Managing Shared Risk

s47(1)(b)



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## **SCHEDULE 2 — OFFICIAL ORDER— C02337**

This Official Order is issued by Treasury (ABN 92 802 414 793) (Agency) in accordance with the Deed of Standing Offer for Capability Support Services (SON3538332), executed between the Commonwealth of Australia as represented by the Australian Federal Police (ABN 17 864 931 143) and Deloitte Touche Tohmatsu (ABN 74 490 121 060) (Service Provider) executed on 18 May 2020.

| Item | Item Description                               | Item Detail   |
|------|--|---|
| A    | <b>Commencement and Term</b><br>(cl 1.4.3)     | <b>Commencement Date:</b><br>15 May 2020<br><br><b>Expiry Date:</b><br>30 October 2020  |
| B    | <b>Services</b><br>(cl 3.1.1)                  | Service Category 1 - Business Management Services<br><br>1.1 Strategic Risk Management and Assessments<br><br><ul style="list-style-type: none"> <li>Through the delivery of the agreed activities and outputs, as outlined in the <i>Deloitte Response – JobKeeper Division</i>, dated 12 May 2020 (Attachment A).</li> </ul>  |
| C    | <b>Service Levels</b><br>(cl 3.9)              | The Service Provider must meet or exceed the following Service Levels when performing the Services:<br><br><ul style="list-style-type: none"> <li>Delivery of the agreed activities and outputs, as outlined in the <i>Deloitte Response – JobKeeper Division</i>, dated 12 May 2020 (Attachment A).</li> </ul> The Service Provider must report its performance measurements in the following manner:<br><br><ul style="list-style-type: none"> <li>Delivery of the agreed activities and outputs, to the satisfaction of the Treasury project officer.</li> </ul> |
| D    | <b>Purpose(s) of Services</b><br>(cl 3.2.1(e)) | The Agency intends to use the Services for, and requires the Services to be fit for strategic risk management, including effective shared risk and program risk management.   |
| E    | <b>Specified Personnel</b><br>(cl 3.4)         | s 47F ██████████, Engagement Partner<br>s 47F ██████████, Director<br>Analyst   |

|   |   |   |
|---|---|---|
| <p style="text-align: center;"><b>F</b></p> | <p style="text-align: center;"><b>Fees,<br/>Allowances and<br/>Costs</b><br/><br/>(cl 4)</p>  | <p>s47G(1)(a)</p>   |
| <p style="text-align: center;"><b>G</b></p> | <p style="text-align: center;"><b>Facilities and<br/>Assistance to be<br/>Provided by the<br/>Agency</b><br/><br/>(cl 4.1.1(c))</p> | <p>Nil</p>  |
| <p style="text-align: center;"><b>H</b></p> | <p style="text-align: center;"><b>Agency Material</b><br/><br/>(cl 5.1.1)</p>   | <p>The Agency will provide the following Material to the Service Provider to perform the Services:</p> <p>Access to Treasury plans, procedures and documentation, as required.</p> <p>The Service Provider must comply with the following directions and requirements when using Agency Material in relation to this Contract:</p> <p>Maintaining appropriate confidentiality requirements.</p> |
| <p style="text-align: center;"><b>I</b></p> | <p style="text-align: center;"><b>Security<br/>Obligations</b><br/><br/>(cl 7.1)</p>  | <p>The Service Provider must comply with the following security obligations detailed in the deed of standing offer:</p> <p>As outlined in the deed.</p>   |
| <p style="text-align: center;"><b>J</b></p> | <p style="text-align: center;"><b>Additional<br/>Contract Terms</b></p>   | <p>Nil.</p>   |
| <p style="text-align: center;"><b>K</b></p> | <p style="text-align: center;"><b>Confidential<br/>Information</b></p>  |   |

**Agency Confidential Information**

| <b>Item</b>                     | <b>Reason for Confidentiality</b>  | <b>Period of Confidentiality</b> |
|---------------------------------|--|----------------------------------|
| Agency Confidential Information | All information howsoever received or obtained (including orally or in writing) by the Service Provider in the course of performing services or supplying goods to the Agency pursuant to this Contract. | Perpetual                        |
| Agency Data                     | All data howsoever received or obtained by the Service Provider in the course of performing services or supplying goods to the Agency pursuant to this Contract.   | Perpetual                        |

**Service Provider Confidential Information**

| <b>Item</b>         | <b>Reason for Confidentiality</b> | <b>Period of Confidentiality</b> |
|---------------------|-----------------------------------|----------------------------------|
| Suppliers fee rates | Internal costing information      | Perpetual                        |



**I acknowledge receipt of this Official Order for and on behalf of Deloitte Touche Tohmatsu**  
(ABN 74 490 121 060)

s 47F



.....  
(Signature of Service Provider's representative)

19 May 2020

.....  
(Date)

s 47F, Partner

.....  
(Name and position)

**From:** s 47F  
**To:** s 22  
**Cc:** [Risk and Fraud](#); s 47F  
**Subject:** RE:Request for assistance - Tsy program risk and integrity advice [SEC=OFFICIAL]  
**Date:** Monday, 11 May 2020 12:42:11 PM

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Thank you s  
We will do<sup>22</sup> just to confirm – do you want this by 5pm today? Or 9am tomorrow (or someother time).

Kind regards

s 47F



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**From:** s 22  
**Sent:** Monday, 11 May 2020 12:17 PM  
**To:** s 47F  
**Cc:** Risk and Fraud <[riskandfraud@TREASURY.GOV.AU](mailto:riskandfraud@TREASURY.GOV.AU)>; s 47F  
**Subject:** [EXT]RE: Request for assistance - Tsy program risk and integrity advice [SEC=OFFICIAL]

Dear s 47F

Thank you for your time this morning to discuss the role of Treasury's newly created JobKeeper Division. To support its objectives the division is seeking risk and integrity advice and services to:

- Develop a JobKeeper program risk framework, which brings together frameworks across the different entities involved in the program and provides an approach to manage shared risks within the program
- Provide risk advice and support to the program's inter-departmental risk and integrity working group
- Conduct, and provide ongoing risk assessment services, including a workshop on 19 May 2020 and further assessments throughout the program
- Capture and centralise risk work done to date in the division, including controls and work on integrity
- Minimum baseline clearance, and preferably Canberra-based personnel, with the majority of the work to take place over the coming month ahead of a program end date late September.

Under Treasury's existing official order C02195 with Deloitte, executed on 26 February 2020, would you please provide a quotation for up to 45 days of work (to be invoiced on a time and materials basis), identifying key personnel to develop these outputs, and any suggested additional activities to support the work of the division as discussed.

Please let me know if you have any questions.

Kind regards,

s 22

Manager, Risk and Governance  
People, Organisational Strategy and Parliamentary Division | Corporate and Foreign Investment  
Group  
Phone: s 22

Current work arrangements: I am working remotely Monday, Wednesday and Friday.

---

**From:** s 22  
**Sent:** Friday, 8 May 2020 2:57 PM  
**To:** s 47F  
**Cc:** Risk and Fraud <[RiskAndFraud@TREASURY.GOV.AU](mailto:RiskAndFraud@TREASURY.GOV.AU)>  
**Subject:** Request for assistance - Tsy program risk and integrity advice [SEC=OFFICIAL]

**OFFICIAL**

Hi s 47F

Hope you're keeping well!

We've been asked to check with a couple of providers to see if you might have capacity to provide some risk and integrity support to a new policy area working on a COVID-19 payments program.

Broadly, this would be:

- Develop a program risk framework, which brings together frameworks across the different entities involved in the program and provides an approach to manage shared risks within the program
- Provide risk advice and support to the program's inter-departmental risk and integrity working group
- Conduct, and provide ongoing risk assessment services, including a workshop on 19 May 2020 and further assessments throughout the program
- Capture and centralise risk work done to date in the division, including controls and work on integrity.

Minimum baseline clearance, and preferably Canberra-based personnel, with the majority of the work to take place over the coming month ahead of a program end date late September.

Is this something you would have capacity to do? I appreciate it's a very tight timeframe. If so, I can arrange a short chat with the business area on Monday if you're available between 10-2 and we can refine further from there.

Happy to chat if you have any questions.

Regards,

s 22

Manager, Risk and Governance  
People, Organisational Strategy and Parliamentary Division | Corporate and Foreign Investment Group  
The Treasury, Langton Crescent, Parkes ACT 2600  
Phone s 22  
Follow us: [Twitter](#) | [LinkedIn](#) | [Facebook](#)

Current work arrangements: I am working remotely Monday, Wednesday and Friday.

The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders both past and present.

## OFFICIAL

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**From:** s 22  
**To:**  
**Subject:** FW: FOR REVIEW & APPROVAL: Engagement of Risk Management Consultancy for JobKeeper [SEC=OFFICIAL]  
**Date:** Wednesday, 4 August 2021 5:56:37 PM

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**OFFICIAL**

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**From:** Robertson, Belinda <[Belinda.Robertson@TREASURY.GOV.AU](mailto:Belinda.Robertson@TREASURY.GOV.AU)>  
**Sent:** Friday, 15 May 2020 10:35 AM  
**To:** s 22 England, Cristy  
<[Cristy.England@TREASURY.GOV.AU](mailto:Cristy.England@TREASURY.GOV.AU)>  
**Cc:** s 22 ; Brown, Philippa  
<[Philippa.Brown@TREASURY.GOV.AU](mailto:Philippa.Brown@TREASURY.GOV.AU)>  
**Subject:** FW: FOR REVIEW & APPROVAL: Engagement of Risk Management Consultancy for JobKeeper [SEC=OFFICIAL]

**OFFICIAL**

H s 22 & Cristy

Please proceed with Deloitte. s 22 will be the contact for the engagement.

Thanks for the advice that s 47F has also been briefed on the engagement and is supportive of the risk and assurance work for the Program.

Thanks again for your help and for sorting out the procurement.

Cheers  
Belinda

**Belinda Robertson**

Principal Advisor | JobKeeper Division  
[The Treasury](#), 1 Langton Cres. Parkes, ACT 2603  
P 02 6263 4657 | M s 22  
E [Belinda.Robertson@treasury.gov.au](mailto:Belinda.Robertson@treasury.gov.au)  
Follow Treasury [@Treasury\\_AU](#) and [LinkedIn](#) and [Facebook](#)

**OFFICIAL**

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**From:** Robertson, Belinda  
**Sent:** Wednesday, 13 May 2020 4:32 PM  
**To:** Brown, Philippa ; Rak, Michelle  
**Cc:** s 22  
**Subject:** FOR REVIEW & APPROVAL: Engagement of Risk Management Consultancy for JobKeeper [SEC=OFFICIAL]

**OFFICIAL**

Hi Pip & Michelle

As discussed, I have been working with Corporate on engaging some risk expertise to assist us in JobKeeper to do the following:

- Develop a JobKeeper program risk framework, which brings together frameworks across the different entities involved in the program and provides an approach to manage shared risks within the program
- Provide risk advice and support to the program's inter-departmental risk and integrity working group
- Conduct, and provide ongoing risk assessment services, including a workshop on 19 May 2020 and further assessments throughout the program
- Capture and centralise risk work done to date in the division, including controls and work on integrity
- Minimum baseline clearance, and preferably Canberra-based personnel, with the majority of the work to take place over the coming month ahead of a program end date late September.

In addition, I have established the Risk/Integrity Working Group and we had our first meeting last Friday. All agencies on the WG (AGD, FWO, FWC, ATO & Tsy) were very supportive of Treasury putting an overarching risk framework across the Program, ensuring all agencies are managing risk, but where Program level risks occur, that they are escalated and managed.

We will be running a Risk WG, risk identification workshop next Tuesday. The output of this workshop would then be taken to an IDC meeting.

### **Risk Management Services - Treasury**

We have a panel of Risk/Integrity Advisors already established in Treasury. I have been working with s 22 and I have met with the two providers (Deloitte & Yardstick) earlier this week.

They have subsequently provided a quote (attached above) and I have reviewed their offerings and discussed with s 22

### **Recommendation**

I would recommend that we proceed with engaging Deloitte for the scope of work above, and as set out in their response.

The initial engagement would be to 30 June, but we have advised that we would reassess the ongoing requirement to the end of the program before the end of June, and that we would potentially utilise services (in a reduced manner) to the end of the Program.

When I met with Yardstick, I believe they could offer us exceptional services for an Independent Integrity/Assurance/Risk Advisor, so if we feel that the engagement of this type of role is required (as we move through the next few weeks), then I would recommend we use them for these services.

Happy to discuss. Can you please provide me your thoughts and or approval? I would like to engage Deloitte asap this week to ensure we have them on board for the Risk Workshop on

Tuesday.

Cheers

Bel

**Belinda Robertson**

Principal Advisor | JobKeeper Division

[The Treasury](#), 1 Langton Cres. Parkes, ACT 2603

P 02 6263 4657 | M 

E [Belinda.Robertson@treasury.gov.au](mailto:Belinda.Robertson@treasury.gov.au)

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