NSW Police Force

NSW GOVERNMENT

Region Audit Model Manual

Governance, Audit & Risk Directorate

July 2026

Document Control Sheet

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1.0	July 2026	Risk & Compliance Team, GARD	Creation of Region Audit Model Manual.

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Purpose and Scope

The NSW Police Force Region Audit Model establishes a consistent, risk-based approach to auditing across field operations regions. It ensures coverage of key risks, improves consistency in audit delivery, and provides visibility of issues, trends, and emerging risks at both regional and organisational levels. It also supports stronger performance and accountability by providing clearer insight into how effectively key processes and obligations are being met.

Region Audit Model Manual

The Region Audit Model Manual (RAMM) sets out the requirements and methodology for implementing the Model. It provides a structured framework for planning, conducting, and reporting region audits, while enabling regions to identify and address local risks and operating priorities.

The RAMM:

- Provides a consistent and flexible compliance approach to conducting audits across the regions.
- Applies a risk-based approach aligned with the Corporate Risk Management Manual.
- Establishes baseline requirements for audit planning, execution, and reporting.
- Defines the delegations and responsibilities of personnel involved in the audit program.
- Improves the transparency of the audit program.

The RAMM does not apply to specialist commands or to additional compliance or process improvement activities developed within commands.

Unless expressly stated otherwise, the RAMM sets out mandatory requirements the regions must apply when conducting region audits.

Region Evaluation Audit and Compliance Tool

The RAMM is operationalised through the Region Evaluation Audit and Compliance Tool (REACT). The Region Audit Team uses the REACT to plan, conduct, and document region audits. The REACT provides defined audit tests and methodologies, an in-built mechanism for risk rating findings, and functionality to record and track evidence, findings, management actions, and follow-up activities.

Region Audit Work Program

The Region Audit Work Program is the annual program that provides the framework for the planning and delivery of audits in accordance with the RAMM. It sets the schedule and scope of audits to ensure coverage of key risk areas across Police Area Commands (PACs) and Police Districts (PDs).

The Work Program is delivered through a cycle of scheduling, planning, execution, reporting, follow-up, and oversight activities. Through this program, the NSW Police

Force obtains assurance that commands are operating in a manner that is accountable, transparent, and compliant with legislative, regulatory, and internal requirements.

1. Governance of Region Audits

1.1 Roles and Responsibilities

This section outlines the governance arrangements that support the effective oversight, delivery, and continuous improvement of the Region Audit Model.

Role	Responsibility
Commissioner's Executive Team (CET)	• Approves the RAMM and any material changes. • Approves the Region Audit Work Program. • Reviews significant audit findings and management responses as referred by the Governance, Audit & Risk Directorate (GARD). • Ensures the GARD has the authority, access, and resources required to govern the Region Audit Program. • Sets expectations for compliance, accountability and assurance across the NSW Police Force.
Director, Governance, Audit & Risk Directorate	• Oversees the Region Audit Work Program. • Sets the baseline standard within the Region Audit Work Program. • Monitors and reports significant issues, risks, themes, and trends to the CET annually or as required. • Approves or declines requests for exemption from mandatory audit requirements.
Governance, Audit & Risk Directorate	• Maintains the RAMM and associated procedures and templates. • Develops and maintains the Region Audit Work Program. • Maintains independence from the regions.
Field Operations Deputy Commissioners (DCOP)	• Reviews significant audit findings, risk ratings, and management responses relevant to their command. • Promotes a strong compliance culture across the NSW Police Force.
Region Commanders	• Promotes a strong compliance culture within the region. • Assigns appropriately skilled personnel to Region Audit Teams. • Ensures Region Audit Teams are familiar with, and apply, the RAMM and REACT. • Ensures the Region Audit Work Program addresses key risks relevant to the region and its priorities. • Ensures management actions are implemented within agreed timeframes. • Reports on Region Audit performance to the GARD (including Mid-Year and Annual Reports).

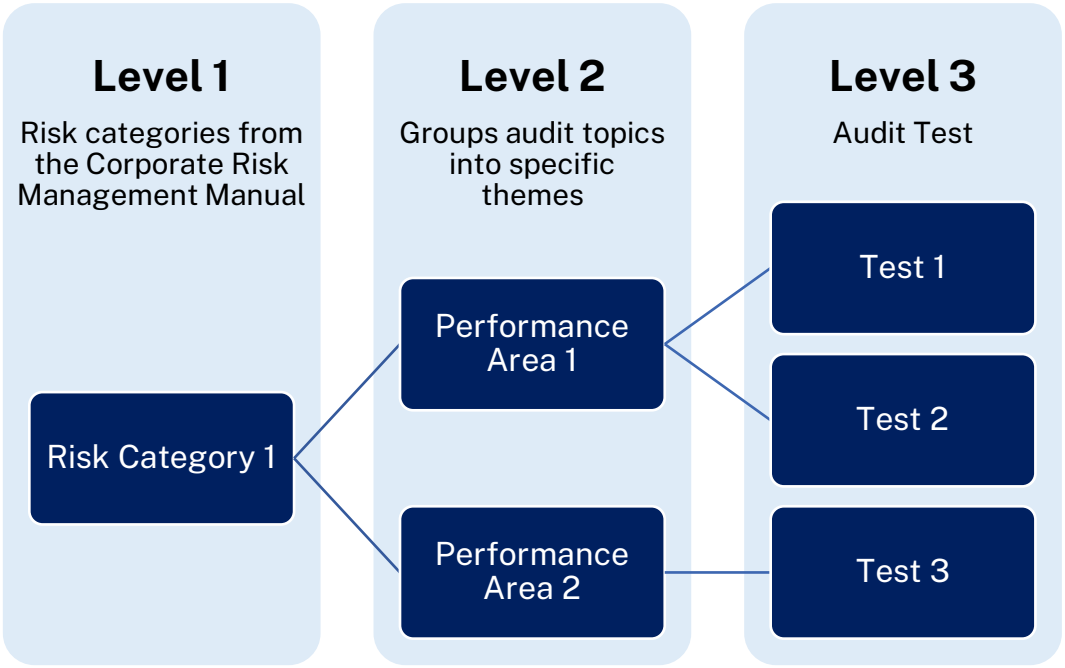
Role	Responsibility
	• Escalates overdue or significant risk issues to the relevant DCOP and notifies the GARD. • Oversees quality assurance processes and the continuous improvement of region audit practices.
Region Commander's Delegate	• Notifies PACs and PDs of upcoming audits and required support. • Reports audit findings to the Region Commander following each PAC/PD audit. • Escalates issues to the Region Commander where risk exposure exceeds tolerance levels. • Provides recommendations and monitors the implementation of management actions. • Monitors emerging issues and escalates where required. • Facilitates benchmarking and shares better practice and lessons learned across the region.
Region Audit Team	• Conducts audits in accordance with the approved Region Audit Work Program and REACT. • Gathers sufficient, reliable, and relevant evidence to support audit conclusions. • Maintains objectivity and exercises due care when conducting testing and recording results. • Accurately documents audit results, findings, and supporting evidence in the REACT. • Evaluates risk exposure for each Audit Test Area. • Contributes to the preparation of PAC/PD audit reports, including identifying findings and potential management actions. • Identifies and records better practice opportunities.
Police Area Command or Police District Commanders	• Provides timely access to information, systems, and personnel to support audit activities. • Reviews and responds to audit findings and recommendations. • Implements management actions within approved timeframes.
All Region Staff	• Supports and cooperates with Region Audit Teams. • Provides accurate and complete information in a timely manner. • Participates in audit activities, including interviews, as required.

1.2 Region Audit Categorisation Structure

The RAMM categorises audit topics into 3 levels to support a consistent and structured approach to audit planning, testing, and reporting:

- **Level 1: Risk Category** – The NSW Police Force's corporate risk categories, as outlined in the ***Corporate Risk Management Manual***.
- **Level 2: Performance Area** – A sub-category within a Risk Category that groups related audit topics into specific themes.
- **Level 3: Audit Test Area** – A specific area of activity assessed through defined audit tests within the REACT, developed in consultation with Subject Matter Experts (SMEs), to determine whether internal controls are in place and operating effectively.

As illustrated below, Risk Categories (Level 1) are broken down into Performance Areas (Level 2), which are assessed through Audit Test Areas (Level 3) and associated testing within the REACT.



Where non-compliances are identified within a Performance Area, the outcome is aligned to the Risk Category associated with the most significant potential consequence under the Corporate Risk Matrix and informs the residual risk rating assigned within the REACT.

Refer to Appendix 1 for a list of Level 1 Risk Categories and Level 2 Performance Areas relevant to the Region Audit Model.

1.3 Audit Test Area Selection

Mandatory Test Areas

The Director, GARD establishes the baseline standard across the Region Audit Work Program. These baseline requirements may be updated in response to changes in the risk environment and/or the Commissioner's strategic direction.

Each year, the mandatory Audit Test Areas will be communicated to the regions through the REACT.

Where a Region Commander considers that a mandatory Audit Test Area is not relevant or appropriate to their region, they may request an exemption. Exemption requests must be made in writing to the relevant DCOP and the Director, GARD.

Non-Mandatory Test Areas

To address local risks, Region Commanders may add additional, non-mandatory Audit Test Areas to their Region Audit Work Program.

To ensure clarity and consistency of reporting, any additional Audit Test Areas should be aligned to the appropriate Risk Category (Level 1) and Performance Area (Level 2).

Reviewing Audit Topics

The GARD will review Performance Areas and Audit Test Areas annually to ensure they remain fit-for-purpose and aligned to strategic risks and the Commissioner's priorities. Where appropriate, this review will be guided by consultation with the CET, relevant SMEs, and region representatives.

The GARD will update the REACT to reflect any changes.

Annually, Region Commanders must review any additional, non-mandatory Audit Test Areas and ensure they remain fit-for-purpose and aligned to relevant regional risks and priorities.

1.4 Adding, Changing or Removing Audit Test Areas

Mandatory Audit Test Areas

Changes to mandatory Audit Test Areas must be approved by the Director, GARD, in consultation with the relevant SME. This includes proposals to add, remove, or modify mandatory Audit Test Areas.

Any request to add, modify, or remove a mandatory Audit Test must be made in writing to the Director, GARD via the Region Commander. The request must identify the Audit Test in question, set out the proposed change, and include a clear justification for it. The Director, GARD will consider the request in consultation with the relevant SME and will advise the Region Commander of the outcome in writing.

Non-Mandatory Audit Test Areas

Changes to any region or PAC/PD-specific Audit Test Areas should be approved by the relevant Region Commander in line with their preferred process. This includes the addition, removal, or modification of non-mandatory Audit Test Areas.

2. Region Audit Planning

2.1 Audit Frequency

Each year, every region must complete at least 1 region audit for each PAC and PD within its command. The Region Audit Model operates on a financial year basis and aligns with NSW Police Force annual reporting processes.

Region Commanders may conduct any additional reviews or audit engagements they consider necessary, without consulting the GARD. They may determine the frequency of these additional reviews.

This approach to scheduling may be based on emerging risks, operational matters, or areas of concern identified in previous PAC and PD audits.

2.2 Audit Scope

Each region audit of a PAC/PD must cover all mandatory Audit Test Areas as identified in the REACT.

Region Commanders have discretion to add additional Audit Test Areas to address risks or issues specific to their command. These additions must be aligned to the appropriate Risk Category (Level 1) and Performance Area (Level 2).

2.3 Audit Schedule and Resourcing

Scheduling

Region Commanders are responsible for scheduling region audits and informing relevant stakeholders of any changes to the schedule.

Each region must have an annual Region Audit Schedule (the Schedule). Resources and times should be allocated in advance to ensure the right personnel and sufficient capacity are available to complete the audits within the required reporting periods.

Region Commanders (or their delegates) should review and update the Schedule as required to ensure audit work is appropriately timed and evenly distributed. When planning the Schedule, Region Commanders should consider NSW Police Force annual reporting timelines (see Appendix 2 (Indicative Schedule) for guidance).

Resourcing

Region Commanders must ensure that personnel assigned to Region Audit Teams have the appropriate knowledge and capability to perform audit activities in accordance with this manual. This includes ensuring their Region Audit Team members are familiar with the requirements of the RAMM and the effective use of the REACT.

2.4 Audit Communication

To support the success of the Region Audit Work Program, Region Commanders must ensure that relevant stakeholders receive accurate and timely information about their roles and responsibilities throughout the audit lifecycle.

For example, the Schedule and any changes to it, should be communicated to relevant stakeholders as soon as practicable.

Typical stages of communication include:

- Notification of upcoming audit.
- Auditor briefing sessions.
- Desktop review information requests (see Section 3 Execution of Region Audits).
- Site visit entry and exit meetings (see Section 3 Execution of Region Audits).
- Reporting (see Section 4 Reporting of Region Audits).

Audit Notification

Region Commanders (or their delegates) should send an audit notification memorandum to Commanders to initiate the audit process for a particular PAC/PD.

The notification should be provided to the relevant PAC/PD Commander at least 1 month prior to the scheduled site visit. The memorandum may include the following information:

- The purpose and scope of the upcoming audit.
- Stakeholders to be interviewed and the proposed interview dates.
- Expectations of those stakeholders.
- The timeline of fieldwork and the issuance of the final report.
- An initial document request list.

Auditor Briefing Sessions

It may be helpful for the Region Quality Assurance Manager or Business Manager to organise a briefing session with the Region Audit Teams. This may provide an opportunity to discuss logistics and resolve any questions.

3. Execution of Region Audits

3.1 Audit Methodology

The main objective of the execution phase of region audits is to obtain sufficient, reliable, and relevant evidence to determine whether PACs and PDs are compliant with NSW Police Force policies and processes.

To ensure consistency, the Region Audit Team must follow the test steps provided in the REACT.

The REACT defines the Audit Test Areas to be assessed and provides guidance on how evidence is to be gathered, reviewed, and recorded. Audit testing may involve a combination of activities, including document review, system interrogation, observation, and interviews with relevant personnel. Region Audit Teams must apply professional judgement when performing testing and ensure that audit conclusions are supported by sufficient, reliable, and appropriately documented evidence referenced in the REACT.

3.2 Gathering Information for Analysis and Evaluation

Desktop Review

The Region Audit Program should include both a pre-audit desktop review and a site visit.

By performing a desktop review ahead of the site visit, Region Audit Team members can:

- Increase the efficiency of site visits, including by reducing on-site time and minimising disruption to operational staff.
- Identify high-risk areas and potential control deficiencies that can be followed up during the site visit.
- Pre-select samples for testing.
- Use the site visit to better understand the operating context and culture within the PAC/PD and focus on tests that require a physical inspection or presence.

Site Visits

Site visits should focus on verification of controls, engagement with personnel, and gaining assurance over the operation of controls within the audited PACs/PDs.

An example site visit agenda is provided below. Some regions may choose to combine the PAC/PD performance review with the region audit process. In these circumstances, the site visit agenda can be adapted to accommodate both activities and maximise efficiency.

Stage	Site Visit Agenda Item	Participants
1	Entry meeting and introductions	Region Commander/Delegate Region Audit Team PAC/PD Senior Leadership Team and nominated personnel
2	Stakeholder interviews	Region Audit Team PAC/PD nominated personnel
3	Sample testing and on-site inspections	Region Audit Team PAC/PD nominated personnel
4	Clarification of non-compliances and sharing of better practice	Region Commander/Delegate Region Audit Team PAC/PD nominated personnel
5	Preliminary findings discussion and agreement of management actions	Region Commander/Delegate Region Audit Team PAC/PD Senior Leadership Team
6	Exit meeting and presentation (e.g., informal communication of audit findings)	Region Commander/Delegate Region Audit Team PAC/PD Senior Leadership Team

3.3 Sampling Methodology

Sample Type

Audit sampling allows an auditor to draw conclusions about an entire population by examining only a subset of it. This means auditors do not review every item but instead test a portion and use the results to draw conclusions about the population. Sampling is used when testing 100% of a population is not practical or cost-effective.

Unless the audit test steps in the REACT specify otherwise, Region Audit Teams may use their professional judgement to select an appropriate sampling method. The chosen method must be documented in the REACT.

Different sampling methods may be used depending on the context of the test. Examples include:

- **Random Sampling**: Every item in the population has an equal chance of being selected.
- **Systematic Sampling**: The auditor selects a random starting point and then chooses items at a fixed interval (e.g. every 20th application).
- **Block Sampling**: The auditor selects a continuous block of items (e.g. all transactions from a specific week).
- **Attribute Sampling**: The auditor selects items that contain a specific characteristic.

Sample Type	When to Use	Why it Fits	Sample Application Example
Random	Routine assurance for a uniform population where items are similar in nature and risk.	Provides a representative view of the population and minimises selection bias.	Search a sample of male and female lockers to ensure they are locked.
Systematic	Ordered datasets where periodic patterns are unlikely.	Simple to apply and suited to sequential logs or regularly issued reports.	Payroll Costing Report – assess at regular intervals across the year (e.g., every fourth report).
Block (consecutive)	When items occur in natural clusters or when reviewing a continuous time period.	Captures a complete cluster or time slice, giving a realistic view of how the process operates in practice.	Fleet Management - verify consecutive month-end completions and verification across a continuous period (e.g., 3-month block).
Attribute (targeted)	Where the presence or absence of the required item, flag or control directly changes the level of risk.	Directly measures how often the required action is performed, results translate immediately into risk exposure.	• Rejected Incidents (high-risk categories) — select incidents flagged as DV or sexual assault to test correctness of rejection decisions. • Secondary employment approvals flagged high-risk — test only those with the high-risk attribute.

Sample Size

If the audit test steps do not specify the sample size, Region Audit Teams must select samples in proportion to the size of the population. The table below outlines the number of samples to be tested based on the frequency with which the activity is performed.

Frequency of Activity Performed	Number of Samples
Many times a day	25
Daily or 365 instances in an annual cycle	15
Weekly or 52 instances in an annual cycle	5
Monthly or 12 instances in an annual cycle	2
Quarterly or 4 instances in an annual cycle	1
Annually	1

3.4 Evaluation of Findings

Rating Audit Test Findings

During audit testing, the Region Audit Team will make findings, which may be positive (e.g., no issues with compliance) or negative (e.g. non-compliance, errors, or irregularities).

The Region Audit Team must apply the compliance failure rating system set out below. Findings must be recorded in the 'Findings' field of the REACT using the available dropdown options.

Compliance Failure Rating	Description	Failure Rate
No issues	No concerns or deficiencies are identified.	0% failure rate
Minor issues	Small and/or isolated concerns or deficiencies are identified but do not impact overall performance or test outcomes.	Less than 10% failure rate
Inconsistent	Isolated concerns or deficiencies are identified that indicate an inconsistent level of compliance which impacts some aspect of performance or test outcomes.	Up to 20% failure rate
Insufficient	Concerns or deficiencies are identified that indicate an inadequate level of compliance or systemic failures such that performance goals or test outcomes are not being met.	Between 21% to 40% failure rate
Significant	Critical and/or systemic deficiencies or failures are identified that severely impact performance or test outcomes.	41% or higher failure rate

The Compliance Failure Rate is calculated by first defining the population (all items eligible for testing), selecting the required sample size, and recording the number of items actually tested (sample tested). The tester then identifies how many of the tested items did not meet the requirement (deviations found). The Failure Rate is calculated as:

$$\textbf{\textit{Failure Rate}} = \frac{\textbf{\textit{Deviations Found}}}{\textbf{\textit{Sample Tested}}} \textbf{\textit{x}}\ \mathbf{100\%}$$

For example, 1 deviation identified in a sample of 20 items results in a Failure Rate of 5%, which is assessed as a minor issue (1/20×100%=5%).

Region Audit Team members must apply professional judgement when assigning a compliance failure rating. In making this assessment, they should consider both qualitative indicators ('Description') and the Failure Rate above.

Where the Region Audit Team identifies non-compliances, they must document them in the REACT under 'Findings'. Under 'Rationale for Findings,' the Region Audit Team must describe each non-compliance clearly and in sufficient detail to allow another auditor to reasonably understand and trace the issue. References to supporting evidence must also be recorded in the 'Evidence' field.

Analysing Results

When the Region Audit Team identifies a non-compliance, they must identify the primary cause of the non-compliance, and where the Audit Test Area has been tested in the past, the previous residual risk rating.

The identified cause and previous rating help determine the type and urgency of the required actions.

The diagram below outlines the cause categories and previous rating information that must be recorded in the REACT to support this analysis.

Factor	Description
Cause	List the primary cause of the non-compliance identified. If not immediately evident, Region Audit Team members may need to consult relevant stakeholders. The cause should be categorised as one of the following: • **People:** Driven by behavioural issues, resourcing, prioritisation, or a lack of awareness or capability/skills. • **Process:** A deficiency with the current process, documentation, or rules that contributed to the failure. • **System:** A system or technology deficiency that contributed to the failure (when considering potential management actions, note that systems may be difficult to update or change). • **External:** Events in the external environment that impacted the conditions and outcomes of the test objective. This may relate to external factors on the day of testing or ongoing factors that stopped PAC/PD personnel from performing required tasks. • **Insufficient Evidence:** Stakeholders provided auditors with evidence that was limited or not sufficiently detailed to draw a conclusion. • **Inconsistent Evidence:** Auditors obtained multiple sources of contradictory evidence.
Previous Rating	If the test has been performed previously, the Residual Risk Rating should be recorded to provide a comparison (see Residual Risk Rating below). If the rating has not improved since the last audit, this may inform the urgency or nature of the proposed management action (for example, where previous actions have not made an impact).

Allowing Stakeholders to Review and Verify Non-Compliances

When the Region Audit Team identifies non-compliance during testing, they should give the personnel responsible for the Performance Area an opportunity to review and validate the findings before the results are formally reported.

Better Practice

The REACT includes an option to flag better practices identified during testing at a PAC or PD. If the Region Audit Team believes a practice should be shared more broadly, they should record this in the REACT under 'Better Practice Identified' and provide a brief description of the practice. This allows the region to maintain a record of better practices that can be shared across PACs, PDs, and other regions.

Residual Risk Rating

Each Audit Test Area in the REACT is assigned a Residual Risk Rating. Residual Risk Ratings are system-generated and cannot be manually adjusted.

The Residual Risk Rating is automatically generated based on 2 factors:

1. The inherent consequence (i.e. how serious the impact would be if the Performance Area failed to meet its objectives), and
2. The size of the compliance failure.

The inherent consequence rating is taken from the ***NSWPF Corporate Risk Matrix*** (below) and is determined by the GARD in consultation with SMEs.

The table below explains how the REACT combines the inherent consequence and the extent of non-compliance to determine the Residual Risk Rating.

Consequence Ratings					
Compliance Failure Rating	**Insignificant**	**Minor**	**Moderate**	**Major**	**Severe**
Significant	**Medium**	**Medium**	**High**	**Extreme**	**Extreme**
Insufficient	**Low**	**Medium**	**High**	**High**	**Extreme**
Inconsistent	**Low**	**Low**	**Medium**	**High**	**High**
Minor	**Very Low**	**Low**	**Low**	**Medium**	**High**
No Issues	**Very Low**	**Very Low**	**Low**	**Low**	**Medium**

3.5 Management Action

When the Region Audit Team makes a finding, they must determine the appropriate Management Action required to address each compliance failure and reduce the relevant risk. In forming the Management Action, the Region Audit Team should seek targeted input from the affected stakeholder to ensure the proposed action is practical and achievable.

In the REACT, the Management Action must identify the:

- **Action Owner:** The person responsible for implementing or overseeing the Management Action.
- **Due Date:** The deadline for completing the action (note: due dates should follow the guidance below unless there is a compelling and documented reason to depart from it.)

On receipt of the PAC/PD Audit Report and associated REACT, the Region Commander must endorse (or modify and endorse) the proposed Management Actions.

On formal endorsement by the Region Commander, Management Actions will be provided to the PAC/PD Commander for implementation.

The Region Commander's delegate must track the progress of all Management Actions, including by following up with Action Owners prior to due dates and recording completed actions or approved extensions in the REACT.

Management Action Timeframes

The table below sets out the period that a Management Action may remain incomplete. The Residual Risk Rating determines the maximum allowable timeframe.

By exception, the Region Commander (or delegate) may set an earlier due date. For example, the Region Commander may nominate an earlier date when the cause of the non-compliance can be resolved quickly and with minimal effort, or where a previous audit suggests the Audit Test Area is either not improving or deteriorating.

Residual Risk Rating	Timeframe
Very Low	6 Months
Low	6 Months
Medium	6 Months
High	3 Months
Extreme	1 Month

Extension Requests

The Action Owner may request an extension from their Region Commander (or delegate). The request must be in writing and must include a reason (e.g. new process or system being implemented and the project completion date exceeds the due date).

The Action Owner should nominate the updated due date having regard to the above timeframes.

If an extension is granted, the Region Commander (or delegate) must record the extension in the REACT.

Escalation Requirements

If testing identifies non-compliance in a Performance Area that results in a High or Extreme Residual Risk Rating, the Region Audit Team must escalate the result to the Region Commander as soon as possible. High and Extreme Residual Risks generally fall outside the NSW Police Force Risk Tolerance and should be addressed urgently.

The Region Commander (or delegate) will work with the PAC/PD Senior Leadership Team to develop a Management Action Plan to remediate the issue.

3.6 Evidence Documentation

The Region Audit Team is responsible for obtaining the evidence needed to determine whether the PAC or PD is compliant with each Audit Test Area.

The Region Audit Team may maintain local files during the audit. However, at audit completion, all test evidence must be stored in the Records Management System (RMS), clearly labelled and referenced in the REACT. The evidence collected must be sufficient to enable an independent auditor to review the information and reach the same conclusion.

GARD to Establish Folders to Record Evidence

Each year, the GARD will establish the relevant RMS folders for each PAC/PD audit. However, the Region Audit Team is responsible for appropriately labelling audit evidence for filing against the relevant Audit Test Area in RMS.

Use Consistent Naming Conventions for Audit Test Areas

To ensure audit evidence can be located quickly and easily, the Region Commander's delegate must use the standard document naming conventions (below).

[Audit Test Area – Evidence Description (date obtained)]

Any reviewer should be able to understand the evidence collected based on the simple and concise evidence description. Multiple pieces of evidence can be recorded for each test.

For example,

- Test Area – List of police lockers dip sampled (DDMMYYYY).xlsx
- Test Area – Photo of locker no.1234 (DDMMYYYY).jpeg

3.7 Quality Assurance

Once the REACT is complete, the Region Commander's delegate must ensure a Quality Assurance (QA) check is performed over the REACT. The review should confirm that:

- The audit was conducted in line with this manual.
- All required REACT fields are complete.
- Findings are described in sufficient detail to clearly explain the non-compliances.
- Appropriate evidence has been referenced and saved to RMS.

The Region Commander's delegate must make a record of the QA in the REACT Summary Sheet. The record must include the name of the quality reviewer and date of completion.

Region Commanders are responsible for monitoring the progress of their region's audits, ensuring the audits are conducted to a high standard.

4. Reporting of Region Audits

4.1 Final Region Audit Communication

On completion of the audit, the Region Audit Team must prepare a final PAC/PD Region Audit Report using the approved template.

The report must include:

- An overview of the PACs/PDs performance.
- An analysis of Level 3 Audit Test Areas that have Medium, High, and Extreme Residual Risk Ratings.
- Reasons for any changes to Residual Risk Ratings since the previous audit.
- How Management Actions address the root causes of key findings.
- Themes or emerging issues requiring the Region Commander's attention.

Once the Region Commander has endorsed the final PAC/PD Region Audit Report, it must be provided to the PAC/PD Commander for consideration and implementation of Management Actions.

4.2 Action Follow Up

The Region Commander's delegate must track the status of all Management Actions in the REACT, using the dropdown options, 'Complete' or 'Incomplete'.

The Region Commander's delegate will follow up with the Action Owner responsible for implementing Management Actions. This follow-up will occur at intervals determined by the region, with reference to the due date.

Before marking an action as complete, the Region Commander's delegate must obtain sufficient detail from the Action Owner to assure themselves the Management Action has in fact been implemented. Any supporting evidence should be recorded in RMS.

Any actions that are incomplete by the due date will require the PAC/PD Commander to provide a written explanation to the Region Commander explaining the reasons for non-completion and proposing a revised due date and/or additional actions to address the finding.

4.3 Continuous Improvement

As part of the audit cycle, the Region Commander, supported by their Senior Leadership Team, should embed lessons learned and opportunities for improvement into PAC, PD, and region practice.

To support this process, the Region Audit Team should identify:

- Successes and challenges in the audit process (i.e., governance, planning, execution, and reporting).
- Lessons learned and/or examples of preventative measures implemented.
- Recommendations for process improvement, training needs, or procedural updates.

The Region Commander's delegate should share appropriate learnings across the region.

Closure

Before closing the audit, the Region Audit Team must ensure all evidence, working papers, and supporting documentation have been stored in RMS and that the REACT is complete and ready for future reference.

Integration with Risk Registers

At the conclusion of each Region Audit, or at least annually, the region should review the outcomes of the PAC/PD testing to identify any possible updates required to the Region Risk Register. A testing outcome review is particularly important if High or Extreme Risk Residual Rating findings were identified.

4.4 Region Audit Reporting to the GARD

Region Audit Mid-Year Snapshot

At the halfway point of the audit cycle each year (January), the regions must submit to the GARD a completed Region Audit Mid-Year Snapshot. The Snapshot will include a list of audits completed and scheduled for the year, as well as a summary of High and Extreme audit findings to date. For audits already completed, the regions must attach the associated REACTs.

At the beginning of the financial year (July), each region must submit an Annual Region Audit Report to the GARD (for the previous year), using the approved template provided

by the GARD. As an appendix, the region must submit the REACT for each audit undertaken during the financial year.

Annual Region Audit Report

In July, each region will provide the GARD with a completed Annual Region Audit Report.

This report provides a consolidated analysis of the outcomes of the region audits. It summarises compliance, risk exposure, and key observations across PACs/PDs within the region. The report should enable the executive to rapidly understand whether the region is facing isolated issues, emerging patterns, or systemic weaknesses that require organisational intervention.

4.5 GARD Reporting to CET

Each year, the GARD will prepare the Annual GARD Region Audit Report and provide it to the CET. The report consolidates the 6 regions' audit outcomes and provides the CET with a strategic overview of organisation-wide compliance, risk exposure, and emerging issues requiring executive oversight.

5. Glossary

Terms	Description
Region Audit Work Program	The Region Audit Work Program is the annual program that provides the framework for the planning and delivery of audits in accordance with the RAMM. It sets the schedule and scope of audits to ensure coverage of key risk areas across the regions.
Audit Topic	The Level 2 and Level 3 requirements that form the annual audit work program.
Findings	An issue, gap, or non-compliance identified during an audit that requires attention or corrective action.
Governance	The combination of processes and structures implemented by management to inform, direct, manage, and monitor the activities of the NSW Police Force toward the achievement of its objectives.
Objectivity	An unbiased mental attitude that allows auditors to make professional judgments without being influenced by personal feelings or opinions.
Quality Assurance	The process of checking that audit work has been carried out correctly, consistently, and to the required standard.
Residual Risk	The remaining risk exposure to the organisation after considering the inherent consequence and Compliance Failure Rating.
Region Commander's Delegate	The role that acts on behalf of the Region Commander in region audits, typically, but not limited to, the Quality Assurance Manager or the Business Manager.
Region Audit Team	The nominated group of auditors charged with carrying out the region audit testing procedures and reporting results.
Subject Matter Expert	Subject matter experts responsible for the performance or test domain.
Senior Leadership Team	The regions or PACs/PDs senior management team, comprising key leaders as nominated by the Region Commander or PAC/PD Commander.

Appendix 1: Level 1 and 2 Audit Categories

This appendix outlines the Level 1 Risk Categories aligned to the NSW Police Force Corporate Risk Matrix and the corresponding Level 2 Performance Areas assessed through the Region Audit Program. Each Performance Area is mapped to the primary risk consequence.

Level 1	Level 2
Risk Category	**Performance Area**
Operational Areas related to the delivery of core policing services (e.g., crime prevention, public safety).	Accountable Books
	Arms and Appointments
	Business Continuity and Management
	CAD Management
	Child Protection Register
	Court Notices
	Domestic and Family Violence
	Electronic Surveillance
	Exhibits and Exhibit Management
	Intelligence
	Investigation Management
	Prevention, Disruption, Response (PDR)
	Public Order
	Rostering and Deployment
	Search Warrants
	Taser Management
	Traffic Management
Strategic Environment Areas related to the external operating environment.	Community Engagement
	Customer Service
	Emergency Management
Human Resources Areas related to the management of NSW Police Force personnel (e.g., workplace safety, education and training, workforce planning).	Declarable Associations
	Gifts and Benefits
	HR Information
	Injury Management
	Leave Management
	Medals and Awards
	Performance and Development
	Safety Management System (SMS)
	Secondary Employment
	Sick Leave Management
	Wellbeing and Culture

Level 1	Level 2
Risk Category	**Performance Area**
Governance and Compliance Areas related to way NSW Police Force is structured, operated, directed, and controlled; compliance with regulatory or administrative practices and procedures; and misconduct and corruption, including fraud.	CMF System and Compliance
	Complaints and Misconduct Management
	COPS Management
	Custody
	Leadership and Communication
	Professional Standards
	Risk Register
	Safe Driver
Infrastructure Areas related to the physical assets of NSW Police Force (e.g., properties, assets, equipment).	Asset Management
	Building Access
	Fleet Management
	Other Equipment
	Portable Equipment
Information, Communication and Technology Areas related to systems and processes for information management, communications, and technology.	Computer Access
	e@gle.i
	Intranet
	Records Management System
Financial Areas related to financial management, controls, and systems.	Financial Management
	User Charges

Appendix 2: Indicative Schedule

The following table is an example activity schedule included in an annual Region Audit Schedule.

Phase	Action	Time
Planning	The GARD issues the annual REACT to region stakeholders.	May FY (-1)
	Region Commander's delegate drafts the Schedule and identifies audit requirements based on the REACT and any region or PAC/PD specific requirements. (i.e., non-mandatory test areas, resourcing requirements, key staff availability, order of PAC/PD visits, logistics.)	May FY (-1)
	Region Commander approves the Schedule.	June FY (-1)
	Region Commander's delegate notifies PAC/PD stakeholders of indicative timeframes and establishes placeholders.	July FY1
	Region Commander or delegate provides agreed Schedule and timeframe to the GARD for awareness.	July FY1
Execution	Region Commander's delegate sends formal audit notification memorandum.	Per Schedule
	Region Audit Teams conduct annual audit process with the Region Commander's delegate's oversight: pre-audit desktop testing.	Per Schedule
	Region Audit Teams conduct the annual audit process with Region Commander's delegate's oversight: in-person testing and stakeholder consultation.	Per Schedule
	Region Audit Teams summarise the audit findings for their relevant Performance Areas and provide them to the Region Commander's delegate for quality assurance.	Post Testing Execution
	Region Commander's delegate and Region Audit Teams present PAC/PD audit findings to the PAC/PD SLT and Region Commander.	Per Schedule
Reporting	Region Commander's delegate drafts the Region Audit Mid-Year Snapshot and provides it to the GARD.	Jan FY1
	Region Commander's delegate drafts the Annual Region Audit Report for the Region Commander's review and endorsement.	July FY2
	Region Commanders provide the Annual Region Audit Report to the GARD with supporting completed REACTs. This may include updates on actions implemented to address any detected issues.	July FY2
Publication	The GARD reviews the Annual Region Audit Reports and REACTs and prepares the Annual GARD Region Audit Report for CET.	July FY2
	The GARD provides the Annual GARD Region Audit Report to CET and presents key risks and insights.	July FY2

Appendix 3: Region Evaluation Audit and Compliance Tool Guidance

Sheet	Description
Mandatory and Non-Mandatory Summary	Uses formulas to summarise information extracted from the PAC/PD Test Sheet.
PAC/PD Test Sheet	Region Audit Team and Region Commander's delegate use this sheet to track the completion of annual audits.

The table below provides guidance on how to complete the REACT. The REACT is used to complete audit testing and manage audit progress.

REACT Column	Explanation	Completed By
Auditor Name	The auditor who completes the test.	Auditor
Findings	Select the most appropriate result based on the number and/or complexity of issues detected. Use Section 3.4 Evaluation of Findings for guidance.	Auditor
Rationale for Findings	Use free text to provide the rationale for the finding.	Auditor
Evidence	Insert the link or reference number to the applicable RMS folder where evidence has been saved.	Auditor
	Use this saved evidence to support the quality assurance process.	Region Commander's delegate
Root Cause	Select the most appropriate cause based on the available list. If there are multiple causes, select the most applicable definition and include any further information the Region Commander may want to know as free text under 'Rationale for Findings'.	Auditor
Previous Rating	Where the test has been performed within the last 2 years, insert the previous risk rating. Disregard for 2026-2027.	Region Commander's delegate

REACT Column	Explanation	Completed By
Residual Risk	The level of risk remaining after controls are in place, reflecting how effective those controls are in managing the risk. The Residual Risk rating is automatically generated by the REACT and cannot be changed.	REACT
Better Practice Identified	Where better practice has been identified, provide details. Where no better practice has been identified, select 'No' or leave cells blank.	Auditor
Management Action	Describe proposed treatment based on the issues and causes identified. Ensure you consult with affected stakeholders when developing Management Actions.	Auditor / Region Commander's delegate
Action Owner	Insert the name of the person responsible for implementing the Management Action.	Region Commander's delegate
Due Date	Insert the Management Action due date.	Region Commander's delegate
Follow Up Date	Insert the date the Region Commander's delegate followed up with the Action Owner responsible for implementing Management Actions.	Region Commander's delegate
Management Action Status	Record the Management Action Status as not yet complete, complete, or overdue.	Region Commander's delegate
Completion	Record the date on which the Management Actions were completed.	Region Commander's delegate

Appendix 4: Region Evaluation Audit and Compliance Tool: Adding New Non-Mandatory Tests into the REACT

1. In consultation with the SME, draft the new audit test. Region Commanders must approve any region or PAC/PD-specific tests.

2. Navigate to the last row of the PAC/PD Test Sheet and add a new line for the approved test. Only the GARD can add mandatory tests to the REACT.

3. Complete **Columns D – I** for each test added. Ensure the correct test type is recorded (i.e. non-mandatory).