

PGPA Act – section 16

Duty to establish and maintain systems relating to risk and control

The accountable authority of a Commonwealth entity must establish and maintain:

(a) an appropriate system of risk oversight and management for the entity; and

(b) an appropriate system of internal control for the entity;

including by implementing measures directed at ensuring officials of the entity comply with the finance law.

Note 1: An example of a measure directed at ensuring officials of the entity comply with the finance law is a measure:

(a) requiring, as a condition of employment of an official of the entity, that the official complies with the finance law; and

(b) specifying sanctions (such as termination) that apply to the official for contravening that condition.

Such a measure would not be needed for officials to whom the *Public Service Act 1999* or *Parliamentary Service Act 1999* applies because, under that Act, sanctions may be imposed on those officials for contravening the finance law: see section 32 of this Act.

Note 2: This duty includes managing consultants and independent contractors who work for the entity, even if they are not officials of the entity.