KPMG

Public Records Act 2005 Audit Report for the Real Estate Agents Authority

Prepared for Archives New Zealand

November 2021

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The information presented in this report is based on that made available to us in the course of our work, publicly available information, and information provided by Archives New Zealand and the Real Estate Agents Authority. We have indicated within this report the sources of the information provided. Unless otherwise stated in this report, we have relied upon the truth, accuracy and completeness of any information provided or made available to us in connection with the Services without independently verifying it.

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Independence

We are independent of Archives New Zealand in accordance with the independence requirements of the Public Records Act 2005.

Contents

1. Executive summary

The Real Estate Agents Authority (the REAA) is responsible for licensing people who work in real estate (licensees), setting rules to govern their conduct, dealing with complaints and allegations about licensees, and providing information for consumers. In addition, the REAA keeps the record of registrations, licences and complaints assessment committee documentation.

The REAA predominantly store information about licensees within their CMS system. Other corporate records are contained within an EDRMS which was introduced during 2021. Historical documents are kept within shared drives.

The REAA has approximately 50 FTEs. Due to the size of the REAA, there is no dedicated information management Governance Group or staff members. Instead, the day-to-day responsibility for information management sits with the Executive Sponsor and Senior Leadership Team. All records are maintained electronically by the REAA.

The REAA's information management maturity is summarised below. Further detail on each of the maturity assessments can be found in sections 4 and 5 of this report.

Beginning	4
Progressing	7
Managing	2
Maturing	6
Optimising	0

Topic 22 – Transfer to Archives New Zealand is not applicable.

2. Introduction

KPMG was commissioned by Archives New Zealand to undertake an independent audit of the Real Estate Agents Authority (the REAA) under section 33 of the Public Records Act 2005 (PRA). The audit took place in November 2021.

The REAA's information management practices were audited against the PRA and the requirements in the Information and records management standard as set out in Archives New Zealand's Information Management Maturity Assessment.

Archives New Zealand provides the framework and specifies the audit plan and areas of focus for auditors. Archives New Zealand also provides administrative support for the auditors as they undertake the independent component of the audit process. The auditors are primarily responsible for the onsite audit, assessing against the standard, and writing the audit report. Archives New Zealand is responsible for following up on the report's recommendations with your organisation.

3. This audit

This audit covers all public records held by the Real Estate Agents Authority including both physical and digital information.

The audit involved reviews of selected documentation, interviews with selected staff, including the Executive Sponsor, Information Management staff, the Information Technology team, and a sample of other staff members from various areas of the REAA. Note that the Executive Sponsor is the senior responsible officer for the audit.

The audit reviewed the REAA's information management practices against the PRA and the requirements in the Information and records management standard and provides an assessment of current state maturity. Where recommendations have been made, these are intended to strengthen the current state of maturity or to assist with moving to the next level of maturity.

The summary of maturity ratings can be found at section 4, with detailed findings and recommendations following in section 5. The REAA has reviewed the draft report, and a summary of their comments can be found in section 6.

4. Maturity Assessment

This section lists all assessed maturity levels by topic area. For further context about how each maturity level assessment has been made, refer to the relevant topic area in the report in Section 5.

Category	No.	Topic	Maturity				
			Beginning	Progressing	Managing	Maturing	Optimising
Governance							
	1	IM strategy		●			
	2	IM policy and processes			●		
	3	Governance arrangements & Executive Sponsor				●	
	4	IM integration into business processes				●	
	5	Outsourced functions and collaborative arrangements	●				
	6	Te Tiriti o Waitangi	●				
Self-monitoring							
	7	Self-monitoring				●	
Capability							
	8	Capacity and capability		●			
	9	IM roles and responsibilities		●			
Creation							
	10	Creation and capture of information				●	
	11	High-value / high-risk information	●				
Management							
	12	IM requirements built into technology systems		●			
	13	Integrity of information				●	
	14	Information maintenance and accessibility			●		
	15	Business continuity and recovery				●	
Storage							
	16	Appropriate storage arrangements		●			
Access							
	18	Information access, use and sharing		●			
Disposal							
	20	Current organisation-specific disposal authorities		●			
	21	Implementation of disposal decisions	●				
	22	Transfer to Archives New Zealand	Not Applicable				

Note: Topics 17 and 19 in the Information Management Maturity Assessment are applicable to Local Authorities only and have therefore not been assessed.

5. Audit findings by category and topic

Governance

The management of information is a discipline that needs to be owned from the top down within a public office. The topics covered in the Governance category are those that need senior-level vision and support to ensure that government information is managed to ensure effective business outcomes for the public office, our government and New Zealanders.

TOPIC 1 – IM strategy   Progressing

Summary of findings

The REAA is currently developing an "Information Roadmap", which will be the strategy for information management once finalised. The roadmap will outline what changes are required and when they need to be actioned to get to the REAA's desired future state. The roadmap is currently a work in progress and will be informed by this audit.

Although there is currently no finalised strategy, senior management support's the strategic direction for information management. This is demonstrated by investment into IT improvements as required and ensuring new systems incorporate relevant information management settings. An example of this is support for the new EDRMS which will eventually replace shared drives.

Recommendations

Finalise the Information Roadmap and ensure it is reviewed periodically to ensure it continues to align with the REAA's business activity.

TOPIC 2 – IM policy and processes   Managing

Summary of findings

There is a current information management policy approved by senior management and the Board. It is consistent with relevant legislation and Archives New Zealand's standard and requirements. The policy documents roles and responsibilities for information management and is linked to other policies and strategies within the REAA.

There are up-to-date, approved, and documented business processes that have been communicated and are available to all staff along with the information management policy. However, information management responsibilities are not included in all job descriptions.

Recommendations

Include information management responsibilities in all job descriptions.

TOPIC 3 – Governance arrangements and Executive Sponsor   **Maturing**

Summary of findings

The senior leadership team takes responsibility for information management, and the Executive Sponsor understands and performs their oversight and monitoring role. There is regular information management activity reporting to Executive Sponsor. The value and importance of information management is actively promoted by senior leadership.

Recommendations

Due to the assessment of maturing for this topic, and given the small nature of the organisation, we have not made a recommendation for this topic.

TOPIC 4 – IM integration into business processes   **Maturing**

Summary of findings

Responsibility for the management of information within business units is consistently assigned to business owners, and the business owners understand and act upon their information management responsibilities. The requirements for managing information are integrated into core business processes and activities. Any issues with information management that impact business processes and activities are directed to appropriate staff for action. Information management expertise is regularly involved in business process change and development.

Recommendations

Due to the assessment of maturing for this topic, and given the small nature of the organisation, we have not made a recommendation for this topic.

TOPIC 5 – Outsourced functions and collaborative arrangements   **Beginning**

Summary of findings

In the sample of contracts reviewed as part of this audit, the requirements for managing information and information management roles and responsibilities are not identified in contracts for outsourced functions and collaborative arrangements. There is no recognition of the public records status of information held by contracted parties.

Recommendations

Ensure that information management roles and responsibilities are clearly identified in future contracts for outsourced functions and collaborative arrangements.

TOPIC 6 – Te Tiriti o Waitangi   **Beginning**

Summary of findings

The REAA has identified some information of importance to Māori, for example Māori real estate transaction and demographics. The REAA has indicated that it would like to progress in this area as part of their information management roadmap and to actively improve access and use of information of importance to Māori. However, there is further work required to enhance the capability within the REAA to incorporate and maintain metadata in Te Reo Māori to assist the identification of information that is of importance to Māori.

Recommendations

Undertake an exercise in consultation with Māori to identify and assess whether the information held by the REAA is of importance to Māori. The outcome of this exercise will inform the REAA as to whether further actions are required to address this topic.

Self-monitoring

Public offices are responsible for measuring and monitoring their information management performance for planning and improvement purposes. This helps to ensure that IM systems and processes are working effectively and efficiently. It also ensures that public offices are meeting the mandatory Information and records management standard as well as their own internal policies and processes.

TOPIC 7 – Self-monitoring   Maturing

Summary of findings

There is regular monitoring of compliance with internal information management policy and processes, the Public Records Act requirements, standards, and other relevant legislation. Results of monitoring activities are regularly reported to the senior leadership team and Executive Sponsor, and there is evidence of a structured approach to implementing corrective actions to address compliance.

Recommendations

Due to the assessment of maturing for this topic, and given the small nature of the organisation, we have not made a recommendation for this topic.

Capability

Information underpins everything our public offices do and impacts all functions and all staff within the public office. Effective management of information requires a breadth of experience and expertise for IM practitioners. Information is a core asset, and all staff need to understand how managing information as an asset will make a difference to business outcomes.

TOPIC 8 – Capacity and capability   Progressing

Summary of findings

Information management capability and capacity is regularly assessed and monitored against business needs and Information management capability requirements are currently appropriately addressed and resourced. Staff with information management responsibilities have access to professional development. However, specific information management professional development opportunities have not been identified.

Recommendations

The Executive Sponsor should have regular access to information management related professional development opportunities.

TOPIC 9 – IM roles and responsibilities   Progressing

Summary of findings

Information management roles and responsibilities are documented in some, but not all, job descriptions, performance plans and codes of conduct for staff and contractors, which are communicated to some staff and contractors. A formal induction to information management roles, responsibilities and practices is given to all staff and contractors as part of onboarding.

Recommendations

Information management roles and responsibilities for staff and contractors should be included in all job descriptions.

Creation

It is important to take a systematic approach to the management of government information, and this starts with an understanding of what information must be created and captured. It is expected that public offices create and capture complete and accurate documentation of the policies, actions and transactions of government. Knowing what information assets are held by public offices is essential to IM practice.

TOPIC 10 – Creation and capture of information   Maturing

Summary of findings

Staff and contractors actively ensure that the right information is created and captured as part of all business functions and activities. Information is managed in reliable and corporate-approved environments and the use of uncontrolled and individual environments to manage information is actively discouraged.

Recommendations

Due to the assessment of maturing for this topic, and given the small nature of the organisation, we have not made a recommendation for this topic.

TOPIC 11 – High-value / high-risk information   Beginning

Summary of findings

The REAA has created organisation specific disposal authority that is yet to be finalised. As part of this work, an inventory of information held in digital and physical systems is in development.

Recommendations

Create and maintain an information asset register with a focus on high-value and high-risk information.

Management

Management of information should be designed into systems to ensure its ongoing management and access over time, including following a business disruption event. Information must be reliable, trustworthy and complete and managed to ensure it is easy to find, retrieve and use, as well as protected and secure.

TOPIC 12 – IM requirements built into technology systems   Progressing

Summary of findings

Information management expertise is involved in design and configuration decisions relating to new and upgraded business systems and decommissioning of business systems to ensure information management requirements are met. Information management requirements are addressed during the design and configuration decisions relating to some new and upgraded business systems and include minimum metadata requirements where applicable. However, there are no standardised information management requirements for business systems documented.

Recommendations

Create standardised information management requirements for new and upgraded business systems. These should be included in information management procedure documents in connection with Topic 2 – *IM policy and processes*.

TOPIC 13 – Integrity of information   Maturing

Summary of findings

Organisation-wide information management practices are in place and routinely followed to ensure that information is reliable and trustworthy. Management controls are in place and regularly tested to maintain the integrity, accessibility and usability of information, for example, audit trails and document versioning. The REAA take initiative to ensure all information is reliable, usable, comprehensive and complete are identified and underway.

User-experience issues with finding and retrieving information are identified and addressed. Staff have confidence that the information they find and retrieve from across the organisation is comprehensive and complete.

Recommendations

Due to the assessment of maturing for this topic, and given the small nature of the organisation, we have not made a recommendation for this topic.

TOPIC 14 – Information maintenance and accessibility   Managing

Summary of findings

Preservation needs for physical information are addressed.

Digital continuity needs for digital information are identified, and plans are in place to address these. Technology obsolescence risks have also been identified with mitigations planned. There are strategies in place to manage and maintain digital information during business and system changes. However, there is no formally documented strategy for the management and maintenance of information.

Recommendations

Ensure strategies for the management and maintenance of information will be included in the roadmap in connection with Topic 1 – *IM Strategy.*

TOPIC 15 – Business continuity and recovery   Maturing

Summary of findings

Critical information is stored in digital format to enable business continuity and recovery. A clear plan is in place for restoring business information as part of a phased approach to business continuity. Information management expertise is involved in prioritisation of information that is required following a business disruption event. Remediation processes are in place to mitigate problems identified during testing.

Recommendations

Due to the assessment of maturing for this topic, and given the small nature of the organisation, we have not made a recommendation for this topic.

Storage

Good storage is a very important factor for information protection and security. Appropriate storage arrangements for both physical and digital information ensures information remains accessible and usable for as long as it is required for business and legal purposes and for accountable government.

TOPIC 16 – Appropriate storage arrangements   Progressing

Summary of findings

The storage environment for physical and digital information has appropriate physical protection against hazards. There is appropriate protection and security in place to protect physical and digital information against unauthorised access. There is appropriate protection against authorised deletion or destruction of information stored in the EDRMS.

There is some protection of digital information stored in shared drives against unauthorised deletion or destruction, however, this could be improved, with reliance placed on backups for recovery. Protection and security processes are tested regularly.

Recommendations

Investigate system functionality to prevent information from being deleted from shared drives without appropriate authority or user access.

Access

Ongoing access to and use of information enables staff to do their work and the public to hold government accountable. To facilitate this, public offices need mechanisms for finding and using this information efficiently. Information and/or data sharing between public offices and with external organisations should be documented in specific information sharing agreements.

TOPIC 18 – Information access, use and sharing   **Progressing**

Summary of findings

An ontology/taxonomy/file plan/metadata schema is used to facilitate consistent management and discovery of information. Staff and contractors know how to use systems and tools that contain and facilitate access to information. Metadata used to find and manage information complies with Archives New Zealand's minimum metadata requirements. Information management processes are applied to incoming and outgoing information and data shared with external parties. However, access controls for digital information are not formally documented.

Recommendations

Document access controls for digital information for all systems.

Disposal

Disposal activity must be authorised by the Chief Archivist under the Public Records Act. Public offices should have their own specific disposal authority as well as actively use the General Disposal Authorities for disposal of general or more ephemeral information. Disposal should be carried out routinely. Information of archival value, both physical and digital, should be regularly transferred to Archives New Zealand (or have a deferral of transfer) and be determined as either "open access" or "restricted access".

TOPIC 20 – Current organisation-specific disposal authorities   **Progressing**

Summary of findings

In August 2021, the REAA created a draft retention and disposal schedule (Schedule). The Schedule was developed using the guidelines issued by Chief Archivist. The draft Schedule has been completed and reviewed by senior management but has not yet been shared with the Chief Archivist for review and approval.

Recommendations

Complete the work to obtain a disposal authority from the Chief Archivist and implement a regular review process to ensure the disposal authority reflects business and legislative changes.

TOPIC 21 – Implementation of disposal decisions   **Beginning**

Summary of findings

The information held by the REAA is retained indefinitely and there is currently no formal disposal authority in place.
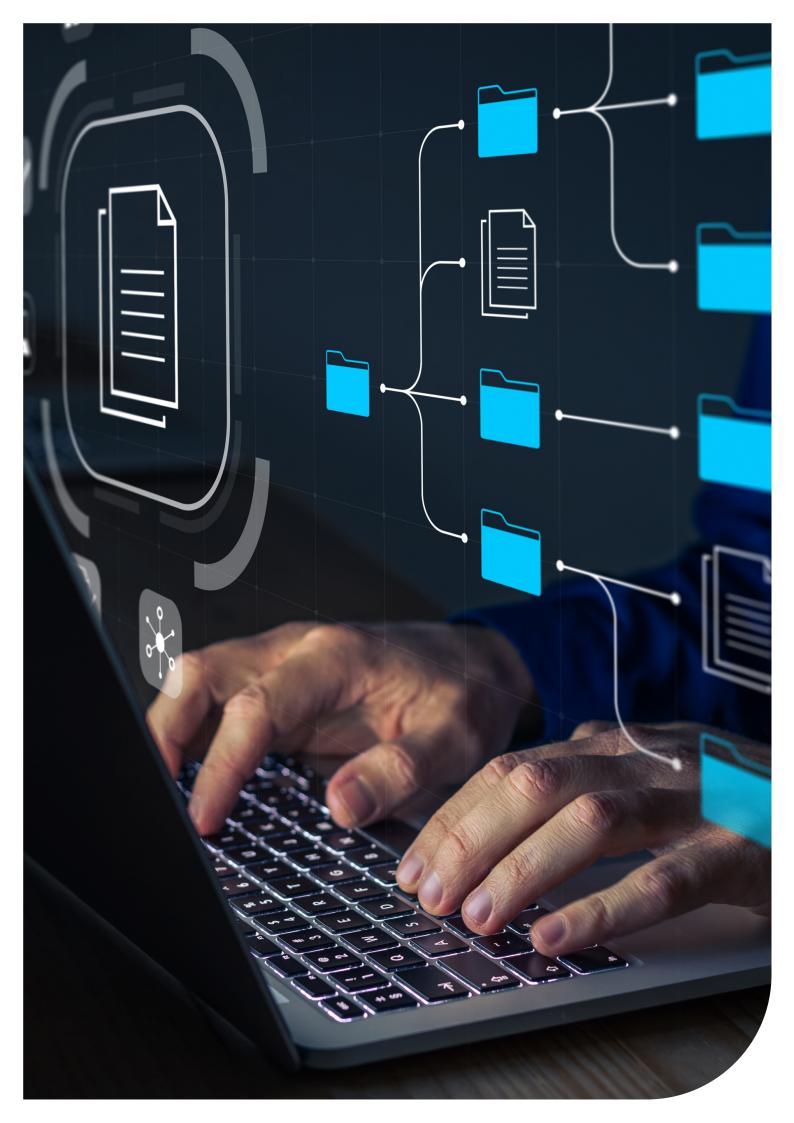
Recommendations

In connection with Topic 20, once an organisation-specific disposal authority is in place, create a plan to regularly carry out disposal decisions.

TOPIC 22 – Transfer to Archives New Zealand   **N/A**

Summary of findings

The REAA was established in 2008 and therefore does not have any information that is over 25 years old. Therefore, we have not provided an assessment for this topic.

6. Summary of feedback

REA appreciates the careful consideration applied in this Public Records Act Audit. As reflected in the Audit Report, REA has a strong focus on the importance of data and information management and its responsibilities under the Public Records Act. As a relatively new and small entity, we work hard to ensure that we protect, preserve and ensure access to the information that we hold and strive to meet the standards expected of us.

We acknowledge the audit outcomes and will take steps to continue to enhance and improve our information management practices with the benefit of this report.

We do, however, have some observations on some of the findings and our response to those findings are as follows:

- Topic 5 – Outsourced functions and collaboratiave arrangements. We note that this has been assessed based on whether our contracts refer specifically to the standards promoted by Archives NZ for managing information and roles and responsibilities. We acknowledge that the contracts reviewed do not expressly incorporate the Archives Standards. However, the contracts do provide for management and safe keeping of information, and address obligations owed with respect to information obtained and held through the contract.

- Topic 6 – Te Tiriti o Waitangi. The findings in the report that we have further work to do to maintain metadata in Te Reo Māori. We do not agree with this finding, as we do not have any technical limitations in maintaining such metadata. As stated in the report we are committed to engaging with Maori to identify and assess information of importance and to determine how that information may be used to support the interests of Māori.

- Topic 9 – IM Roles and Responsibilities. As well as providing induction to information management as part of onboarding, training is provided to all staff on an ongoing basis throughout the year.

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4 March 2022

Belinda Moffat
Chief Executive
Real Estate Agents Authority
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Tēnā koe Belinda

Public Records Act 2005 Audit Recommendations

This letter contains my recommendations related to the recent independent audit of the Real Estate Agents Authority (REAA) by KPMG under section 33 of the Public Records Act 2005 (PRA). Thank you for making your staff and resources available to support the audit process.

Introduction

Archives New Zealand (Archives) is mandated by the PRA to regulate public sector information management (IM). The audit programme is a key regulatory tool in our Monitoring Framework.

Monitoring IM practice across the public sector gives assurance that the government is open, transparent and accountable by providing visibility of public sector IM practices. Full, accurate and accessible information improves business efficiency and government decision-making and accountability, which in turn enhances public trust and confidence. Information that is well managed unlocks the value of government information for the benefit of everyone.

We are confident that you and your organisation are committed to delivering high-quality, trusted information to decision-makers, other government organisations, customers and stakeholders. We trust that the audit process will support this commitment. The audit report and this letter recommend changes to support improvement of your organisation's IM practices.

Audit findings

In the audit report, the auditor has independently assessed your information maturity against the framework of our IM Maturity Assessment. Prior to the audit, your organisation completed the Maturity Assessment. This provided a self-assessment of IM maturity for your own use and as context for the auditor about your organisation.

Kia pono ai te rua Mahara – Enabling trusted government information

Auckland Regional Office, 95 Richard Pearse Drive, Mangere, Auckland
Christchurch Regional Office, 15 Harvard Avenue, Wigram, Christchurch
Dunedin Regional Office, 556 George Street, Dunedin

Organisations that are assessed as having a maturity level of 'Managing' across all IM topics are broadly meeting the minimum requirements expected by the PRA and Archives' mandatory Information and records management standard.

The REAA's senior leadership is reported as actively promoting the value and importance of information management and the audit reflects the benefit of that as some areas of IM are rated at the 'Maturing' level. This is excellent for a small organisation. There is uplift needed for areas rated at 'Beginning' or 'Progressing' level but overall the REAA has relatively few recommendations to deal with. We note the comments that REAA provided in Section 6 of the report.

The audit report lists 13 recommendations to improve your organisation's IM maturity. We endorse all recommendations as appropriate and relevant. To focus your IM improvement programme, we consider that your organisation should prioritise the six recommendations as identified in the Appendix.

What will happen next

The audit report and this letter will be proactively released on the Archives website shortly. We would be grateful if you would advise of any redactions that your organisation considers are necessary for the release within 10 working days.

As required by the PRA, I will also provide the Minister of Internal Affairs with a report on the results of the audit programme for each financial year, which is tabled in the House of Representatives.

We will follow up this letter with a request to your Executive Sponsor that your organisation provides us with an action plan to address the prioritised recommendations. Our follow up process will track your progress against the action plan.

Thank you again for your support with the audit. We would greatly appreciate further feedback on the audit process and the value it provides to organisations, and we will contact your Executive Sponsor shortly in relation to this.

Nāku noa, nā

Antony Moss
Acting Chief Archivist Kaipupuri Matua
Archives New Zealand Te Rua Mahara o te Kāwanatanga

Cc Victor Eng, Head of Corporate Services, victor.eng@rea.govt.nz (Executive Sponsor)

APPENDIX

Category	Topic Number	Auditor's Recommendation	Archives New Zealand's Comments
Governance	1: IM strategy	*Finalise the Information roadmap and ensure it is reviewed periodically to ensure it continues to align with the REAA's business activity.*	This will also help determine the amount of IM specialist support that is need by the REAA.
Capability	8: Capacity and capability	*The Executive Sponsor should have regular access to information management related professional development opportunities.*	Sourcing external IM expertise is also useful when specialist knowledge is needed by a small organisation.
Creation	11: High-value/high-risk information	*Create and maintain an information asset register with a focus on high-value and high-risk information.*	The work so far on disposal authority development can assist with this. Knowing your high-value/high-risk records can help to prioritise IM work.
Management	12: IM requirements built into technology systems	*Create standardised information management requirements for new and upgraded business systems. These should be included in information management procedure documents in connection with Topic 2 – IM policy and processes.*	Document the requirements for IM to ensure that they are understood and built into systems (including the new retention and disposal schedule when completed).
Storage	16: Appropriate storage arrangements	*Investigate system functionality to prevent information from being deleted from shared drives without appropriate authority or user access.*	Shared drives are an uncontrolled environment. When the disposal authority is agreed the historical information remaining in the shared drives should be migrated to the new EDRMS if required to be retained or deleted and the shared drives decommissioned.
Disposal	20: Current organisation-specific disposal authorities	*Complete the work to obtain a disposal authority from the Chief Archivist and implement a regular review process to ensure the disposal authority reflects business and legislative changes.*	This is fundamental for the REAA to understand the records it creates and manages, including how long they should be kept.