ACT Audit Office

AUDITOR-GENERAL AN OFFICER OF THE ACT LEGISLATIVE ASSEMBLY

SENSITIVE:AUDITOR-GENERAL

Ms Joy Burch MLA
Speaker
Legislative Assembly for the ACT
GPO Box 1020
CANBERRA ACT 2601

Dear Madam Speaker

Thank you for your letter of 4 June 2020. You refer to the Review of the performance of the Three Branches of Government in the Australian Capital Territory against Latimer House Principles and Report 16 (the report) of the Standing Committee on Administration and Procedure into that review. In particular you have sought my comments or reflections on the report statements in relation to the Public Accounts Committee (PAC). As you note in your letter, I have significant interaction with this Committee.

This interaction occurs mainly in relation to the audit reports tabled in the ACT Legislative Assembly and the role of the PAC in relation to those reports. You might recall that an independent strategic review of the ACT Audit Office was recently conducted by Mr Des Pearson and in his report to the Assembly he offered some commentary on opportunities available to further improve the interaction between the Audit Office and the PAC.

An area where I believe there is an opportunity to work in collaboration with the PAC is in relation to follow up of action taken in response to audit recommendations and this was the subject of recommendation 5 of Mr Pearson’s report.

Options to consider in relation to addressing outstanding audit recommendations range from a periodic briefing by the Audit Office to the PAC through to developing an additional report to the Legislative Assembly which could be examined consistent with other reports of the Auditor-General in terms of the resolution establishing the PAC. Both the Audit Office and the PAC have limited resources however it may be possible to leverage the existing work of the Audit Office, for example, as an adjunct to developing the Performance Audit Program.

In developing that program, the Office undertakes an environmental scan to identify matters of interest and concern. The scope of this scan could be expanded, and a by-product could be a briefing to the PAC on exceptions and anomalies identified in relation to outstanding audit recommendations. Alternatively, a periodic, probably annual, review of the status of outstanding recommendations around two years after the ACT Government response to each audit report has been tabled could be undertaken and a factual report tabled in the Legislative Assembly.

There are already effective practices in place to support public accountability, but there is scope to consider further avenues which should not impose particular imposts on the Audit Office and could assist the PAC in furthering its role. The Audit Office would be happy to work with the PAC to identify potential options and preferences.

Yours sincerely

M. L. Harris

Michael Harris
ACT Auditor-General
26 June 2020