



ACT AUDITOR-GENERAL'S OFFICE



MEDIA RELEASE

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Performance Audit Report

Agency Implementation of Audit Recommendations

The Auditor-General, Mrs Tu Pham, has today presented a Performance Audit report titled **Agency Implementation of Audit Recommendations**, to the Speaker for tabling in the Legislative Assembly.

This performance audit assessed whether ACT Government agencies have addressed recommendations and findings from selected audit reports presented to the ACT Legislative Assembly by the Auditor-General.

The absence of adequate public reporting on the implementation of audit recommendations raised concerns that audit recommendations were accepted by the agencies and Government, but may not be subsequently implemented, with little effect on improved agency performance and accountability.

Audit Opinion and Findings

- Progress made by agencies in implementing recommendations from Auditor-General's performance audits varied significantly between agencies and from audit to audit. Certain agencies had made significant progress in the implementation of Audit recommendations, while others did not achieve similar results.
- In some cases, delays in the implementation of recommendations of nearly three years have occurred, with the implementation of some recommendations from audit reports tabled in 2004 still pending.
- Overall, current review and reporting arrangements adopted by the agencies are not adequate to provide assurance to the Government and the Assembly that recommendations arising from performance audit reports are implemented consistently across agencies and in a timely manner. In a number of agencies:
 - management and staff were not clear about their roles and responsibilities for the implementation of specific recommendations;
 - little formal documentation existed, and no timetable was set out, for the implementation of agreed recommendations, and

- there was a lack of accountability from the business areas to act, and report on the progress of implementation.
- Recommendations from Audit reports that examined operational areas specific to an individual agency received more robust implementation action. By comparison, audit reports that focussed on corporate issues common across agencies (e.g. leave and travel arrangements) did not receive the same attention from all agencies in the implementation of recommendations. This highlights the need for central agencies to play a more effective leadership role and oversight the implementation of Audit recommendations on whole-of-government issues.
- Currently, a formal Government position on audit recommendations is dependent on the Government's consideration of the report of any inquiry by the Public Accounts Committee (PAC) into the Auditor-General's reports. This could result in delays to the full implementation of Audit recommendations of two years or more. If the PAC does not hold an inquiry into an Auditor-General's report, there may be no formal government position on, or implementation of, the Audit recommendations.

Recommendations

The audit made four recommendations to address the issues raised. The audited agencies generally agreed or agreed-in-principle to all recommendations.

Further Information

For further information, please contact Rod Nicholas, Director, Performance Audits and Corporate Services on 6207 0833. Copies of the report are available from the ACT Auditor-General's Office (Level 4, 11 Moore Street, Canberra City) and from its website, www.audit.act.gov.au.