

Statement of Forecast Service Performance for Output Class D1

Reports and Advice Arising from the Exercise of the Function of Legislative Auditor

Description

Output Class D1 includes the following products and services of the Auditor-General:

Reports to Parliament and other constituencies –
on matters arising from annual audits, performance audits and special studies,
and inquiries.

Reports and advice to Select Committees –
to assist in their reviews of performance, Estimates examinations, or other inquiries
for which our assistance is sought.

Reports to portfolio ministers on the results of annual financial report audits.

Responses to enquiries from taxpayers, ratepayers and
Members of Parliament.

Advice to government bodies and other agencies –
on auditing, accountability, and financial management in the public sector.

Administration of the provisions of the Local Authorities (Members' Interests) Act 1968.

Development of a written history of the Audit Office.

The products and services contained in this class of outputs are either demand-driven (e.g. enquiries or advice to Select Committees), or are subject to the discretion of the Auditor-General as to the particular audit undertaken and reported (e.g. performance audits). Given the discretionary element in this class of outputs, we have provided additional detail in our Proposed Work Programme (see Part Two on pages 37-70).



Planned Activities and Costs

THREE

Reports to Parliament and Other Constituencies

\$000

Results of annual audits:

- Audit results for central government, local government, and selected other sectors
- Specific issues arising from particular audits or in relation to sectors generally.

Results of programmed performance audits and special studies (see pages 49-64 for more detail).

Matters arising from unprogrammed inquiries initiated in response to particular concerns brought to the attention of the Auditor-General during 2005-06.

5,712

Reports and Advice to Select Committees³/Ministers

\$000

Advice to Select Committees/Ministers to assist their financial reviews of:

- Government departments and Offices of Parliament
- State-owned enterprises and Crown entities
- Reports to portfolio Ministers on the results of annual financial report audits.

Advice to Select Committees to assist their examination of the Estimates.

Advice or assistance (as requested) for other inquiries conducted by Select Committees.

770

³ The extent and cost of these activities is largely determined by the demands made by Select Committees.

Responses to Enquiries from Taxpayers, Ratepayers, and Members of Parliament

\$000

Acknowledgement, investigation⁴ and reporting the results of enquiries directed to the Auditor-General by:

- Taxpayers
- Ratepayers
- Members of Parliament.

1,200

Advice to Government Bodies and Other Agencies

\$000

Responding to specific requests from, and participating in working parties on matters related to financial management and accountability with, organisations including⁵:

- Central agencies
- Government departments, local authorities, and other public entities
- Professional bodies, such as the Institute of Chartered Accountants of New Zealand
- Sector organisations, such as Local Government New Zealand and the Society of Local Government Managers
- Foreign delegations
- Other audit institutions and related organisations, such as INTOSAI.

770

4 Not all enquiries will result in an investigation. Enquiries assessed as warranting investigation may be considered either at the time of the next annual audit or by way of an immediate, specific enquiry.

5 The cost associated with each area of advice is difficult to predict with any reliability, as it is largely demand-driven. Accordingly, the cost of these activities has been estimated, based on past experience.



Administration of the Provisions of the Local Authorities (Members' Interests) Act 1968

\$000

Responding to specific requests in relation to the Auditor-General's powers to:⁶

- Approve increased limits for contract payments
- Grant dispensations in certain circumstances from the prohibition against discussing and voting where members have a pecuniary interest
- Consider alleged breaches of the Act.

 80

History of the Audit Office

\$000

Development of a written history of the Audit Office in conjunction with the Ministry for Culture and Heritage.

 55

⁶ This activity is demand-driven. The nature and extent of the activity is determined by the number and complexity of the requests made to the Auditor-General.

Performance Measures and Targets

Output	Quantity ⁷	Cost \$000	Timeliness ⁸	Quality
<p>1. Reports to Parliament and other constituencies, comprising results of:</p> <ul style="list-style-type: none"> • annual audits • performance audits and special studies • inquiries • other activities. 	<p>We expect to deliver at least:</p> <ul style="list-style-type: none"> • 2 reports on the results of annual audits. • 19 to 21 reports covering performance audits or special studies, and inquiries. <p>Performance auditors will spend a minimum of 20,500 hours undertaking performance audits.</p>	5,712	<p>All reports will be provided within the deadlines agreed in the:</p> <ul style="list-style-type: none"> • terms of reference for enquiries where applicable; • performance audit plans. 	<p>We will have an independent review of 2 performance audits and special studies.</p> <p>We will conduct a study covering a range of stakeholders to ascertain the quality, relevance and responsiveness of our reporting and advice.</p>
<p>2. Reports and advice to Select Committees/Ministers, comprising:</p> <ul style="list-style-type: none"> • financial reviews • Estimates examinations • reports to portfolio Ministers on the results of annual financial report audits • other reports. 	<p>We expect to deliver:</p> <ul style="list-style-type: none"> 80-90 reports 40-50 reports 120-130 reports 20-30 reports 	770	<p>All reports will be provided:</p> <ul style="list-style-type: none"> • at least 2 days before an examination, unless otherwise agreed with a Committee. • to Ministers before Select Committee scrutiny of departmental and Crown entity performance. • according to the terms of reference for other reports. 	

⁷ The quantity of reports and enquiries handled, and their consequent cost, are largely demand-driven. Accordingly, these figures have been estimated based on past experience.

⁸ "Working days" are as defined in the Official Information Act 1982.

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Output	Quantity ⁷	Cost \$'000	Timeliness ⁸	Quality
3. Responses to enquiries from: <ul style="list-style-type: none"> • taxpayers • ratepayers • Members of Parliament. 	60 enquiries 180 enquiries 30 enquiries	1,200	We will: <ul style="list-style-type: none"> • provide an initial response within 5 working days • complete 80% within 30 working days • advise 100% if the enquiry will take longer than 30 working days. 	
4. Advice to government bodies and other agencies.	We will provide advice on demand	770	We will deliver the advice in accordance with any terms of reference agreed.	
5. Administration of the provisions of the Local Authorities (Members' Interests) Act 1968.	80 enquiries	80	We will: <ul style="list-style-type: none"> • provide an initial response within 5 working days • complete 80% within 30 working days • advise 100% if the enquiry will take longer than 30 working days. 	
6. Audit Office history.	Over the next 3 years we will produce a written history of the Audit Office, in conjunction with the Ministry for Culture and Heritage.	55	The written history will have achieved the agreed project milestone by 30 June 2006.	We will use personnel with the appropriate professional skills, qualifications and experience to undertake the history project.
TOTAL COST		8,587		

THREE