

## Legal Framework & Operationalization

### Financial Autonomy Not Operational

The Niger State Office of the Auditor-General of the State Law 2021 enacted in July 2021 provides for financial autonomy of the Office of the Auditor-General. S.17(a) of the law provides that “the Auditor General shall prepare and submit to the House of Assembly in respect to the Office of the Auditor-General estimates of revenue and expenditure. Also, S.16(1)(a) states that “the funds of the Office of the Auditor-General shall consist of sums appropriated or granted to the fund from time to time by the State.

Furthermore, S.16(2)(b) indicates that “any amount appropriated to the Office of the Auditor-General shall be paid to it monthly on a first line charge basis. The Executive shall not control or limit access to these resources”.

Feedback<sup>17</sup> collected showed that the legal provisions stated above are not operational and the Office of the Auditor-General for Niger State is dependent on its auditee (the Executive arm) for finances relating to its annual budget. The inability of the Executive arm to effectively implement the audit law to allow for fiscal independence as provided for in the Audit Law continues to hinder the optimal performance of the foremost accountability institution in Niger State as it is unable to implement freely and without interference its audit plans and programs.

### Administrative Independence Not Activated

The Niger State Establishment Committee of the Office of the Auditor-General has not been inaugurated despite enacting the Audit Law since July 2021. S.22(1) of the Audit Law provided for the Establishment Committee while S.22(2)(a-c) provided for its functions including being responsible for employment, promotion and discipline of employees of the Office of the Auditor-General among others.

Response<sup>18</sup> received showed that the Committee has not been constituted by the Executive to begin performing its statutory functions of supporting the Office of the Auditor-General in Niger State administratively.

Administrative independence is crucial to effective functioning of Supreme Audit Institutions at subnational level and to ensure administrative

autonomy for the Office of the Auditor-General for Niger State, it is expected that the Establishment Committee would have been constituted to limit reliance on the Civil Service Commission of the State for all human resource matters relating to recruitment, discipline, promotion, and remuneration for staff of the Office of the Auditor-General.

### Appointment Procedure for the State Auditor-General is Transparent

The process for appointing the Auditor-General in Niger State as provided for in the Audit Law is transparent and competitive. S.4(2) of the audit law states that “in recommending persons for appointment as Auditor-General, the Commission shall subject to section 4 advertise the vacancy, interview the applicants and recommend three (3) successful candidates to the Governor, one of whom shall be appointed as Auditor-General.

### Tenure of Office for the Auditor-General is Partially Secured

The Niger State Office of the Auditor-General of the State Law 2021 only provided a secured tenure for an Auditor-General appointed from the private sector. S.6(1) indicates that “an Auditor-General appointed from the public service shall remain in office until retirement as may be prescribed by Law” while S.6(2) states that “where the Auditor-General is appointed from the private sector, he shall hold the Office of the Auditor-General for a period of four (4) years subject to renewal for another period of four (4) years only”.

Not specifying the number of years an Auditor-General appointed from the public service will spend in office will create opportunities for inconsistencies which could negatively affect policy implementation at the office of the Auditor-General in Niger State. The Niger State Office of the Auditor-General of the State Law 2021 needs amendment to provide for a definitive term of office for the Auditor-General appointed from the public service and such term of office should be clearly stated, consistent and predictable.

### Legal Mandate to Publish Audit Reports Online Not Available

There is no provision in the Niger State Office of the Auditor-General of the State Law 2021 that

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provides the legal basis for reports of the Auditor-General to be published on an electronic portal to enable citizens access freely. While the 2021 report of the Auditor-General for Niger State is currently online, providing the legal basis for it in the Audit Law is required to sustain such best practice.

### **Annual Activity Report For 2022 Not Published**

The Office of the Auditor-General for Niger State did not publish its annual activity report for the 2022<sup>19</sup> fiscal year and it is not evident if the report was submitted to the State House of Assembly. However, S.18(1)(b) provides that “the Auditor-General shall prepare and submit the following reports to the House of Assembly in accordance with section 8 of this Law; an account of the implementation of the annual activity report required under section 15”

An annual activity report for the Audit Office/Institution should include the specific initiatives and activities undertaken during the previous/outgoing calendar year to strengthen the office and improve its performance as well as any impacts (financial and non-financial) that were achieved through audit.

### **Audit Report for 2022 Published Online**

The Niger State Office of the Auditor-General published the audit report for 2022 financial year on a dedicated website. The published report contains audit issues, observations and recommendations. Making the audit report freely available to citizens enhances civic advocacy and investigative journalism using audit information.

### **Implementation of Audit Recommendations for 2021 Ongoing**

Feedback<sup>20</sup> received showed that implementation of audit recommendations and House resolutions for the 2021 financial year is ongoing. However, it is not evident if the Office of the Auditor-General and House of Assembly have effective mechanisms for monitoring implementation of audit recommendations and resolutions.

### **No Evidence of Performance Audit for 2022**

The Office of the Auditor-General for Niger State claimed to have conducted performance audit in 2022. However, the performance audit report was not published. Best practice requires that a separate report on performance audit conducted be produced, submitted to Parliament and published online.

Performance audit refers to an independent examination of a program, function, operation or the management systems and procedures of a governmental entity to assess whether the entity is achieving economy, efficiency, and effectiveness in the employment of available resources.

### **Citizens' Accountability Report for 2022 Not Available**

The Niger State Government did not publish the Citizens' Accountability Report for 2022.

A Citizens' Accountability Report (CAR) is a series of graphic and tabular illustrations of the contents of the Audited Financial Statements prepared by a government agency on behalf of the government to the citizens to ensure accountability of public funds. This report details the government's performance in carrying out the duties assigned to it and the utilization of funds in the coffers of the government.

### **PAC Review of 2022 Audit Report Ongoing**

Response<sup>21</sup> received showed that the Public Accounts Committee of Niger State House of Assembly commenced review of the 2022 report of the Auditor-General on November 6, 2023 and the PAC does not have a backlog of audit reports yet to be reviewed.

The role of the Public Accounts Committee in ensuring timeous review of annual audit reports cannot be overemphasized and very crucial to concluding the audit action cycle for proper accountability. Recommendations of the Public Accounts Committee and House resolutions to improve accountability in the utilization of public funds must be implemented as quickly as possible by Executive agencies. The PAC also has the duty to involve civil society and media actors during review of audit reports.

19 <https://www.nigerstate-gov.ng/uploads/NIGER%20STATE%202022%20AUDITED%20FINANCIAL%20STATEMENTS.pdf>

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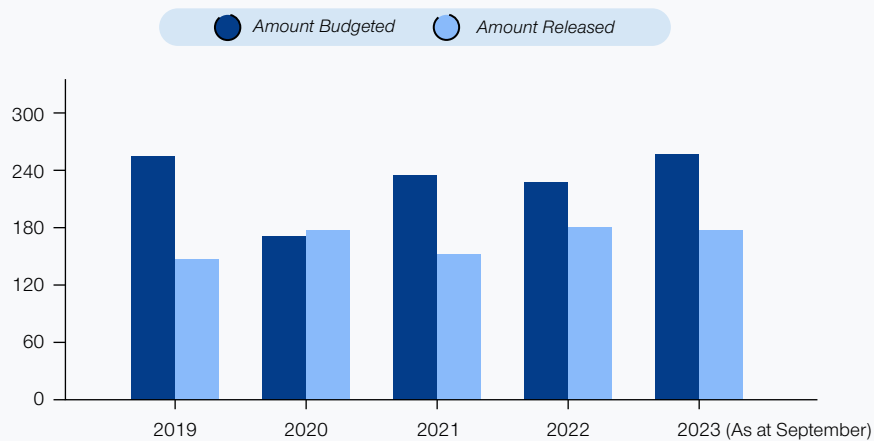
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### CS/Media Actors Less Involved in the Audit Process

Civil society and media actors are less involved in the audit process of Niger State. Although the Public Accounts Committee affirmed their readiness to invite representatives from the civil society and media to attend review of the 2022 audit report as part of effort to enhance civic participation in the audit process, a civil society organization working in Niger State confirmed the non-inclusion of civic and media actors in the activities of the Office of the Auditor-General and the Public Accounts Committee.

It is important that civic groups who are mostly affected by audit issues and public finance management gaps can use audit information to engage with the Office of the Auditor-General and Public Accounts Committee to ensure their opinions and experiences reflect in planning and executing audit functions as well as the oversight role of the State's Parliament.

SAI Budgets and Releases (NGN'm) (2019 - 2023)



SOURCE: OAI/IGS