

Legal Framework and Operationalization

Financial Autonomy not Operational

The Edo State Audit Repeal Law 2021⁵⁷ enacted in June 2021 provides for financial autonomy for the Office of the Auditor-General. S.38(1) provides that "The Auditor-General shall prepare and submit to the State House of Assembly, the estimated revenue and expenditures pertaining to the office of the Auditor-General of Edo State for inclusion in the Appropriation Bill of Edo State at least ninety (90) days before the beginning of each year, via Public Accounts Committee".

Also, S.38(3) of the Law states that "Any sum appropriated to the Office by the House of Assembly of the State in each Financial Year shall be charged upon the Consolidated Revenue Fund of the State and paid as a First (1st) Line Charge in equal installment every month of the year".

Response⁵⁸ received indicates that the provision for financial autonomy has not been implemented and the Office of the Auditor-General for Edo State which is supposed to be an independent institution is still routinely dependent on its auditee (the Executive arm) for its finances. The inability of the Executive arm to ensure effective implementation of the audit law to allow for fiscal independence for the Audit Office continues to hinder the optimal performance of the foremost accountability institution in Edo State as it is unable to implement freely and without interference its audit plans and programs.

Administrative Autonomy Activated

Evidence⁵⁹ gathered revealed that the Audit Service Commission for Edo State was inaugurated in 2021 in compliance with S.4 of Edo State audit law which established the Commission. Also, S.12(a-d) provided for functions of the Commission to include the power to: appoint persons to Offices of the Auditor-General; handle all matters on recruitment, promotion and

discipline of Members of Staff of the Office of Auditor-General; formulate and implement guidelines; perform such other duties and functions as are necessary or expedient for the discharge of its function under this Law; and review from time to time, the administrative structure of the Office to meet prevailing needs of the Office.

The activation of the Commission being one of the positive impacts of the newly enacted audit law will contribute to strengthening the Office of the Auditor-General in Edo State administratively especially by ensuring that human resource issues are coordinated through the Audit Service Commission rather than through the Civil Service Commission as it was previously done prior to the audit law.

Appointment Procedure for the State Auditor-General not Transparent

The procedure for appointing Auditor-General in Edo State is not transparent. S.22(2) of the Edo State Audit (Repeal) Law provides that "The Auditor-General shall be appointed by the Governor on the recommendation of the Commission, subject to confirmation by the House of Assembly".

Also, S.22(1) states that "The appointment of Auditor-General for the State and Local Government, and all other matters not covered by this Law relating to the Office of the Auditor-General of the State shall be, pursuant to the Constitution of the Federal Republic of Nigeria, 1999 (as amended) and any other Law concerning audit of Public Accounts in the State".

The audit legal framework ought to have provided for the procedure to be followed in appointing the Auditor-General for Edo State. Such procedure would include advertising the vacancy online and in newspaper publication for a minimum number

57-<https://www.edostate.gov.ng/edo-state-audit-repeal-amendment-law-2021/>
58-SAE Index 2022 Research Survey
59-SAE Index 2022 Research Survey

of weeks and setting a date for interview of shortlisted candidates. Clarifying procedures to be followed in appointing who becomes Auditor-General is very important to ensure the best candidate for such a sensitive and important position is appointed.

Tenure of Office for the Auditor-General is Secured

The legal provisions governing the tenure of the Auditor-General in Edo State provides for a secured tenure. Amendment to S.24 of the Edo State Audit (Repeal)⁶⁰ provides that “the Auditor-General shall hold office for four years, and may, subject to the confirmation of the House of Assembly, be re-appointed for a further four years only. The Auditor-General appointed from the Public Service will retire at the end of their fixed terms whether one term or renewed for a maximum second term”.

The legal provisions stated above clarifies the maximum term an Auditor-General can spend in

office. Term of office for an Auditor-General must be well defined, consistent, and predictable to guarantee their independence. This will further ensure that an Auditor-General is not subjected to the direction or control of any person on the account of tenure instability.

Legal Mandate to Publish Audit Reports Online is Available

The Edo State audit law provides the legal basis for reports of the Auditor-General to be published online for citizens to access freely. S.34(2) (a) & (b) states that “The Auditor-General's Report shall: be published and made available to the public once they are submitted to the State House of Assembly; and be freely downloaded by the public from the Office website once published. payment of a minimal fee shall be charged only for hard copy publication.”.

Publishing reports of the Auditor-General online to enable citizens access freely will enhance use of audit information to demand accountability.

Annual Activity Report for 2021 not Submitted to HoA

Although response⁶¹ received indicated that the Office of the Auditor-General for Edo State produced an annual activity report for 2021, no evidence was provided to show the report was submitted to the House of Assembly. However, the Edo State audit law in S.34(3)(a) empowered the Auditor-General to submit an annual activity report to the State House of Assembly.

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

Full Audit Report for 2021 Published Online

The Edo State Office of the Auditor-General produced and published the full audit report for 2021⁶² financial year electronically on a dedicated

website. Making the full audit report freely available to citizens enhances civic advocacy and investigative journalism using audit information.

Implementation of Audit Recommendations for 2020 Ongoing

Response⁶³ received showed that the implementation of audit recommendations and House resolutions for 2020 financial year are ongoing. It is however not evident if the Auditor-General for Edo State submitted any follow-up

report on implementation of audit recommendations for 2020 to the State House of Assembly in compliance with S.34(3)(b) of the State audit law.

60-https://plsinitiative.org/audit_laws/edo-state/

61-SAE Index 2022 Research Survey

62-<https://docs.google.com/viewerng/viewer?url=https://www.edostate.gov.ng/wp-content/uploads/2022/07/2021-AUDITOR-GENERAL-REPORT.pdf&hl=en>

63-SAE Index 2022 Research Survey

No Evidence of Performance Audit for 2021

The Office of the Auditor-General for Edo State did not conduct a performance audit on government programs/projects/policies for 2021. 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 2021 Published Online

The Edo State Government produced and published online the Citizens' Accountability Report for 2021⁶⁴.

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.

CS/Media Actors Less Involved in the Audit Process

Participation of Civil Society and media actors in the audit process of Edo State is low and there is no evidence that civic actors and journalists are well engaged by the Office of the Auditor-General or the Public Accounts Committee. Although no response to our SAE Index 2022 survey from any civil society organization working in Edo State, it is expected that the report of the Auditor-General for 2021 as well as the Citizens Accountability Report for 2021 published online will facilitate some engagements by civil society and media actors in the State.

However, it is important for the Office of the Auditor-General and the Public Accounts Committee to intentionally create opportunities for civic actors to participate in the audit process so as to ensure those mostly affected by audit issues and public finance management gaps are able to engage with the Office of the Auditor-General and Public Accounts Committee and provide feedback that will enhance planning and executing audit and oversight functions.

PAC Review of 2021 Audit Report is Ongoing

The Public Accounts Committee of Edo State House of Assembly is said to have started but not completed the review of the 2021 report of the Auditor-General on the accounts of Edo State Government. The PAC did not respond to the SAE Index 2022 survey despite repeated engagements, and it is not evident how much backlog of reports the Committee is yet to review.

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 to improve accountability in the utilization of public funds must also be taken seriously and implemented as quickly as possible by Executive agencies. The PAC must also involve civil society and media actors during review of audit reports.

64-<https://www.edostate.gov.ng/edo-state-citizens-accountability-report-for-fy2021/>