

LEGAL FRAMEWORK & OPERATIONALIZATION

FINANCIAL AUTONOMY NOT OPERATIONAL

The Edo State Audit Repeal Law 202162 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”.

Response 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 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 its audit plans and programs freely and without interference.

ADMINISTRATIVE INDEPENDENCE ACTIVATED

The Ogun State Audit Service Commission has not been inaugurated despite enacting the Audit Law since May 2022. S.3(1) and (2) of the audit law provided for the establishment of the Audit Service Commission while S.11(2)(a-g) provided for its functions including carrying out periodic assessment and promotion of staff of the office of the Auditors-General as provided in the Public Service and handling pension and retirement matters of the staff of the Auditor-General.

Response received showed that the 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 inauguration of the Commission being one of the positive impacts of the enacted Audit Law contributes to strengthening the Office of the Auditor-General in Edo State administratively especially by ensuring that human resource issues are addressed 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 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

117. <https://www.edostate.gov.ng/edo-state-audit-repeal-amendment-law-2021/>
 118. SAE Index 2024 Research Survey
 119. SAE Index 2024 Research Survey
 120. https://plsinitiative.org/audit_laws/edo-state/

secured tenure. Amendment to S.24 of the Edo State Audit (Repeal)⁶⁵ 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 2023 NOT PUBLISHED

Although response received indicated that the Office of the Auditor-General for Edo State submitted an annual activity report for 2022 to the House of Assembly, no evidence was provided to show the report was published online or 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 annual 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.

INCOMPLETE AUDITED REPORT FOR 2023 PUBLISHED ONLINE

The Edo State Government published the audit report for 2023 financial year on a dedicated website. However, the published report did not contain audit issues, observations and recommendations of the Auditor-General. Making the audit report including audit issues, observations and recommendations freely available to citizens enhances civic advocacy and investigative journalism using audit information.

IMPLEMENTATION REPORT OF AUDIT RECOMMENDATIONS FOR 2022 NOT AVAILABLE

Response received showed that the implementation of audit recommendations and resolutions of the House of Assembly for the 2022 financial year are ongoing and the implementation report is not available. It is not evident if the Auditor-General for Edo State submitted any follow-up report on implementation of audit recommendations for 2022 to the State House of Assembly in compliance with S.34(3)(b) of the State audit law. Also, it is not evident what effective mechanisms the Office of the Auditor-General for Ebonyi State or the State House of Assembly has in place to monitor implementation of audit recommendations and resolutions.

NO EVIDENCE OF PERFORMANCE AUDIT FOR 2023

The Office of the Auditor-General for Edo State did not publish performance audit report on government programs, projects, or policies for 2023. 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 2023

121. SAE Index 2024 Research Survey
122. https://edostate.gov.ng/wp-content/uploads/2024/07/threat_extracted_2023-AUDITOR-GENERAL-REPORT-ON-ACCOUNTS-AND-FINANCIAL-STATEMENTS-OF-EDO-STATE-GOVERNMENT-2.pdf
123. SAE Index 2024 Research Survey
124. <https://edostate.gov.ng/edo-state-2023-citizens-accountability-report/>

The Edo State Government published the Citizens' Accountability Report for 2023⁶⁹ on a dedicated website.

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 2023 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 2023 report of the Auditor-General on the accounts of the Edo State Government.

The role of the Public Accounts Committee in ensuring timeous review of annual audit reports cannot be over-emphasized 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 is encouraged to improve its effectiveness and ensure reports of the Auditor-General for 2023 and other pending audit reports are given expeditious consideration. The PAC should also involve civic society and media actors when reviewing all outstanding audit reports and ensure its resolutions reflect the experiences and feedback from citizen groups particularly those

who are victims of audit findings and other public accountability gaps.

CS/MEDIA ACTORS LESS INVOLVED IN THE AUDIT PROCESS

The Civil Society and media actors are less involved in the audit process of Edo State especially as the 2023 audit report published did not contain audit issues, observations and recommendation of the Auditor-General.

Feedback received from state actors indicated that CSOs and media actors are engaged during the presentation of citizens' accountability reports. "Civil Societies Organisation (CSO) and Media Actors are usually involved during the Annual Citizen Accountability Report where the highlight of the Auditor-General's Audited Financial Report is presented to them and opportunity given to them to make input to the Audit processes". Representative of a Civil Society Organization working in Edo State noted that while citizens sometimes get the opportunity to express their concerns, acting on such concerns to improve the public finance management process in Edo State is another issue entirely. The representative also noted poor participation in the activities of the Public Accounts Committee.

It is important that citizens, civic groups and journalists who are mostly affected by audit issues and public finance management gaps can 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 legislature.

