

LEGAL FRAMEWORK & OPERATIONALIZATION

FINANCIAL AUTONOMY NOT OPERATIONAL

The principal Audit Law for Kano State enacted in 2020⁵⁹ and the amendment signed into law in 2021 provides for financial autonomy for the Office of the Auditor-General. S.31(1) of the principal law states that “the Auditor-General shall prepare his budget proposal containing revenue and expenditure after receiving call circular and submit the proposal to the Ministry of planning and budget as part of the budget process”.

Also, amendment 8(b) of the Kano State Audit (Amendment No. 2) Law 2021 states that “all funds appropriated by the House of Assembly to defray expenses incurred by the office of the Auditor-General shall be a first line charge on the Consolidated Revenue Fund of the State. Any amount standing in credit of the office of the Auditor-General in the annual budget shall be paid directly to the Auditor-General for management and disbursement as approved by the House of Assembly” .

The legal provisions stated above to guarantee fiscal independence for the Office of the Auditor-General for Kano State are not operational and the Office of the Auditor-General for Kano State is dependent on its auditee (the Executive arm) for its finances. The inability of the Executive to ensure effective implementation of the audit law to allow for financial autonomy for the Audit Office continues to hinder the optimal performance of the foremost accountability institution in Kano State as it is unable to implement its audit plans and programs freely and without interference.

ADMINISTRATIVE INDEPENDENCE NOT ACTIVATED

The Audit Service Commission of Kano State has not been inaugurated since assenting to the Audit Law in 2020 and enacting additional amendments in 2021. S.3 (1) of the State Audit Law established the Audit Service Commission with functions to include the power to promote, transfer and confirm appointment of persons employed by the Commission. The Commission is also empowered to dismiss or exercise disciplinary control over such persons holding or acting in

such offices among others.

A fully functional Audit Service Commission would guarantee administrative independence for the Office of the Auditor-General for Kano State and 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 NOT TRANSPARENT

The procedure for appointing Auditor-General in Kano State as provided for in the Audit Law is not transparent and competitive. S.24(1) of the Principal Law states that “the Auditor General shall be appointed by the Governor on the recommendation of the Audit Service Commission, subject to the confirmation by the House of Assembly in accordance with the provision of section 126 of the 1999 Constitution of the Federal Republic of Nigeria as amended”. Although Section 24(1) was amended to replace “Audit Service Commission” with “Civil Service Commission”, section 24(2) as stated in the Amendment Law provided for the attributes, professional qualification, and experience of a person to be appointed as Auditor-General for Kano State.

The provisions stated above, or other sections of the Audit Law for Kano State did not mention explicitly the procedure to be followed in appointing the Auditor-General. 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. Stating and 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 emerges.

TENURE OF OFFICE FOR THE AUDITOR-GENERAL IS SECURED BUT LACKS CONSISTENCY

The Kano State principal audit law (2020) and amendment (2021) provides for a secured tenure for the Auditor-General. S.4(2)(d) of the amendment (which amends S.24 of the principal law) states that “a person shall be

59. https://plsinitiative.org/audit_laws/kano-state/

60. <https://financekanostate.files.wordpress.com/2021/12/kano-state-audit-amendment.pdf>

qualified to be appointed as Auditor-General if the person is of proven professional ability and expertise. Where an applicant is from the public service, he shall have at least four years to serve before he is due for retirement. If the applicant is not from the public service, he shall not be less than 45 years old at the date of appointment”.

The term of office for the Auditor-General appointed in Kano State is secured to the extent that any Auditor-General will have a minimum of four years to serve but lacks consistency and predictability to the extent that an Auditor-General appointed at 45 years old could spend as much as 15 years in office.

LEGAL MANDATE TO PUBLISH AUDIT REPORTS ONLINE NOT AVAILABLE

The Kano State Audit Law and amendment did not mandate the State Auditor-General to publish his/her reports online as soon as it is submitted to the State House of Assembly. S.36(2) indicates that “the Auditor-General’s report shall be published and made available to any person(s) on demand and upon payment of prescribed fees”.

The legal provisions stated above allows the Auditor-General to decide whether or not to publish audit reports online. This negates the notion that the annual reports of the Auditors-General is considered a public document. Best practice requires the legal framework to mandate the Auditor-General to publish annual audit reports on an electronic portal as soon as it is submitted to the House of Assembly for citizens to access freely and this should not be subject to the discretion of the Auditor-General especially because audit reports are public documents.

ANNUAL ACTIVITY REPORT FOR 2023 NOT PUBLISHED

There is no evidence the Office of the Auditor-General for Kano State submitted its annual activity report for 2023 to the House of Assembly. The report is also not available to the public. However, S.38(1)(c) of the principal audit law mandates the Auditor-General to submit an “interim report” for the outgoing financial year.

An annual activity report for the Audit Office

should include the specific initiatives and activities undertaken during the previous or 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 2023 PUBLISHED ONLINE

The Office of the Audited-General for Kano State published online the audit report for the 2023 financial year. The report published contained audit issues, observations and recommendations. Making the audit report freely available to citizens enhances civic advocacy and investigative journalism on public finance management practices using audit information.

IMPLEMENTATION REPORT OF AUDIT RECOMMENDATIONS FOR 2022 NOT AVAILABLE

There is no evidence showing that audit recommendations and resolutions of the House of Assembly for the 2022 financial year have been implemented. Also, it is not clear what effective mechanisms the Office of the Auditor-General or the House of Assembly Public Accounts Committee in Kano State has in place to monitor implementation of audit recommendations and resolutions.

NO EVIDENCE OF PERFORMANCE AUDIT FOR 2023

There is no evidence showing that the Office of the Auditor-General for Kano State conducted performance audit on the government’s programs, projects and policies in 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 NOT AVAILABLE

The Kano State Government did not publish the Citizens’ Accountability Report for the 2023 financial year.

61. <https://audit.kn.gov.ng/wp-content/uploads/2024/09/2023-Accts-September-18-2024-Signed.pdf>

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 NOT STARTED

There is no proof the Public Accounts Committee has started the review of the 2023 report of the Auditor-General on the accounts of Kano State Government. Relevant officials did not respond to the SAE Index research questionnaire despite repeated engagements. Also, it is not evident if the PAC has completed review of pending audit reports.

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 State Auditor-General for 2023 and other pending audit reports are given expeditious consideration. The PAC should also continue to involve civic society and media actors when reviewing 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 MUCH INVOLVED IN THE AUDIT PROCESS

Civil society and media actors are less involved in the audit process of Kano State. Although the report of the Auditor-General for 2023 containing audit issues, observations and recommendations is publicly available, there is no proof that civil society and media actors are significantly involved in the state audit process including engaging with the Office of the Auditor-General or the Public Accounts Committee.

Although there was indication that the Office of the Auditor General for Kano State organized two-day technical session on the 2023 Citizens Accountability Report (CAR) with participation from civil society to demonstrate the sustainability of the strategic subset of reform processes and publications of the World Bank's Strengthening Fiscal Sustainability, Transparency, and Accountability (SFTAS) Initiative, there is no evidence the 2023 CAR was published on any dedicated website for public access.

The Office of the Auditor-General and Public Accounts Committee need to intentionally create more opportunities for engaging civil society and media actors. It is important for the Office of the Auditor-General and the Public Accounts Committee to ensure civic actors participate actively in the audit process to enable those affected by audit issues and public finance management gaps 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.

