

LEGAL FRAMEWORK & OPERATIONALIZATION

FINANCIAL AUTONOMY NOT OPERATIONAL

The Rivers State Audit Law 2020 and the Rivers State Audit (Amendment) Law 2021¹²⁵ enacted in December 2020 and December 2021 respectively provides for financial autonomy for the Office of the Auditor-General. S.25(1)(a) of the principal law indicates that “the Office of the Auditor-General shall prepare and submit to the House of Assembly not later than 90 days before the beginning of each year its estimates of revenue and expenditure for the next financial year”.

Furthermore, S.25(3) provided for in the amendment indicates that “the sum appropriated for the Office of the Auditor-General by the House of Assembly of the State in each financial year shall be charged on the Consolidated Revenue Fund of the State and paid as a first line charge in twelve equal installments for each month of that financial year”.

No evidence was provided to show the legal provisions stated above are operational in Rivers State. Also, none of the officials from the Office of the Accountant-General, Office of the Auditor-General and House of Assembly responded to the SAE Index assessment despite repeated engagements. Effectively implementing the Audit Law to allow for fiscal independence as provided for in the legal framework is necessary to enhance the optimal performance of the foremost accountability institution in Rivers State and enable it to implement its audit plans and programs freely and without interference.

ADMINISTRATIVE INDEPENDENCE NOT ACTIVATED

There is no indication the Audit Service Board in Rivers State has been inaugurated since assenting to the amended Audit Law in 2021. However, S.29A(1) of the State Audit Law established the State Audit Service Board with functions to include promotion of staff as recommended by the Auditor-General and commence disciplinary processes against any staff as requested by the Auditor-General among others.

A fully functional State Audit Service Board would guarantee administrative independence for the Office of the Auditor-General of Rivers 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 IS TRANSPARENT

The process for appointing the Auditor-General in Rivers State as provided for in the legal framework is transparent and competitive. S.2(2) of the State Audit Law provides that “the Civil Service Commission shall 6 months prior to the expiration of the term of a substantive Auditor-General: (a) advertise the vacancy for interested and qualified persons to apply and (b) schedule examination and interviews for the applicants and recommend the 3 best qualified candidates to the Governor”.

TENURE OF OFFICE FOR THE AUDITOR-GENERAL IS SECURED

The Rivers State Audit (Amendment) Law 2021 provides for a secured tenure for the Auditor-General. S.3 of the Law amended S.3(1) of the principal law by providing for a new paragraph (f) which states that “a candidate applying for the position of Auditor-General shall not be more than 56 years of age on the date of appointment”.

Also, S.4 of the principal audit law indicates that “subject to section 127(2) of the Constitution, the Auditor-General and Auditor-General for Local Government shall remain in office until he has attained the retirement age of 60 years”.

The legal provisions stated above clarifies the maximum number of years 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.

125. https://plsinitiative.org/audit_laws/rivers-state/

LEGAL MANDATE TO PUBLISH AUDIT REPORTS ONLINE NOT AVAILABLE

Neither the Rivers State Audit Law 2020 nor the Rivers State Audit (Amendment) Law 2021 provides the legal mandate for reports of the Auditor-General to be published on an electronic portal to enable citizens access freely.

While S.11(1) of the Audit (Amendment) Law provides that “subject to the Constitution and in the exercise of his function under this Law, the Auditor-General shall be independent and shall not be subject to the direction or control of any other authority or person including but not limited to the following areas: (h) publishing and disseminating audit reports, once they have been formally submitted to the House of Assembly”, the section did not provide for audit reports to be published online.

ANNUAL ACTIVITY REPORT FOR 2023 NOT PUBLISHED

The Office of the Auditor-General for Rivers State did not publish its annual activity report for the 2023 fiscal year and it is not evident if the report was submitted to the State House of Assembly. However, S.11(6) of the Audit (Amendment) Law indicates that “the Auditor-General shall submit Annual Activity Reports to the House of Assembly setting out: (a) the financial and non-financial impact achieved by the Office; (b) progress made with improving its human capital; (c) challenges and mitigations in course of fulfilling its mandates; (d) support received from various sources and (e) any other relevant information on the activities of the Audit Office in the year”.

AUDIT REPORT FOR 2023 PUBLISHED ONLINE

The Rivers State Government published the report of the Auditor-General for the 2023¹⁴⁴ financial year on a dedicated portal. However, the document published did not contain audit issues, observations and recommendations of the Auditor-General for 2023. Making the audit report which includes audit issues, observations and recommendations 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 indicating that audit recommendations and resolutions of the House of Assembly for the 2022 financial year have been implemented. Also, it is not evident if the Office of the Auditor-General and House of Assembly in Rivers State have effective mechanisms for monitoring implementation of audit recommendations and resolutions.

NO EVIDENCE OF PERFORMANCE AUDIT FOR 2023

The Office of the Auditor-General for Rivers State did not publish performance audit report on any government project, program or policy in 2023 that is separate from the annual audit report. Best practice requires that performance audit be conducted on projects, programs or policies implemented by the Executive and a report produced, submitted to Parliament and published online for members of the public.

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 Rivers State Government did not publish the Citizens' Accountability Report for the 2023 financial year.

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.

126. <https://www.riversstate.gov.ng/wp-content/uploads/2024/07/NEW-UPDATED-AUD-GEN-REPORT-31st-dec-2023-CORRECTED-2.pdf>

PAC REVIEW OF 2023 AUDIT REPORT NOT STARTED

There is no proof indicating that the Public Accounts Committee of the House of Assembly in Rivers State has commenced review of the 2023 report of the Auditor-General on the accounts of the Rivers State Government. Also, it is not evident if the PAC has reviewed 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 civil 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 NOT INVOLVED IN THE AUDIT PROCESS

Participation of civil society and media actors in the audit process of Rivers State is low and it is crucial for state actors including the Office of the Auditor-General and the Public Accounts Committee to intentionally create more opportunities for engaging civil society and media actors.

Although the report of the Auditor-General for 2023 was published on a dedicated website for public access, the audit report published does not contain audit issues/queries, audit findings and recommendations of the Auditor-General to improve public finance management in Rivers State. These are crucial accountability information that will enhance civic engagement and involvement in the audit process.

