

Senate Rural and Regional Affairs and Transport References Committee

Auditor-General's reports on Tasmanian Forestry Grants Programs

Correction

Appendix 7, which is referred to in paragraph 3.73 on page 32, was omitted from the report.

Insert, after page 80:

Appendix 7

Response from the Auditor-General regarding the possible inclusion of the Department of Agriculture, Fisheries and Forestry in a future ANAO cross-entity audit



File Reference: 2012/411

27 May 2013



Senator the Hon Richard Colbeck
Liberal Senator for Tasmania
Parliament House
CANBERRA ACT 2600

Dear Senator Colbeck

Monitoring and Implementation of ANAO and Internal Audit Recommendations

Thank you for your letter of 6 May 2013 outlining your request for an external audit to assess the effectiveness of the Department of Agriculture, Fisheries and Forestry's (DAFF's) monitoring and implementation of Australian National Audit Office (ANAO) and internal audit recommendations.

As you will appreciate, the primary obligation to implement agreed ANAO recommendations rests with the entity subject to audit coverage. In a limited number of cases, however, we conduct follow-up audits to determine the extent to which our recommendations from specific audits have been implemented. There is also scope to examine progress against recommendations in subsequent audits of similar areas of activity, such as grant programs. An example relates to the recent performance audit of the Tasmanian Forests Intergovernmental Agreement Contractors Voluntary Exit Grants Program, which commented on the measures taken by the DAFF in response to earlier audits covering the administration of forestry-related grants.

We are also currently conducting a cross-entity audit examining several public sector entities' implementation of our recommendations, with the audit report scheduled to table in the Parliament later this year. This approach enables us to examine the arrangements that entities have established to monitor and implement agreed ANAO recommendations in a more cost effective manner than entity-specific audits.

On the basis of recent Parliamentary interest in the extent to which DAFF has responded to audit recommendations, specifically in relation to grants administration, and the concerns that you have raised, we will give careful consideration to the inclusion of DAFF in subsequent cross-entity audits.

Yours sincerely

Ian McPhee