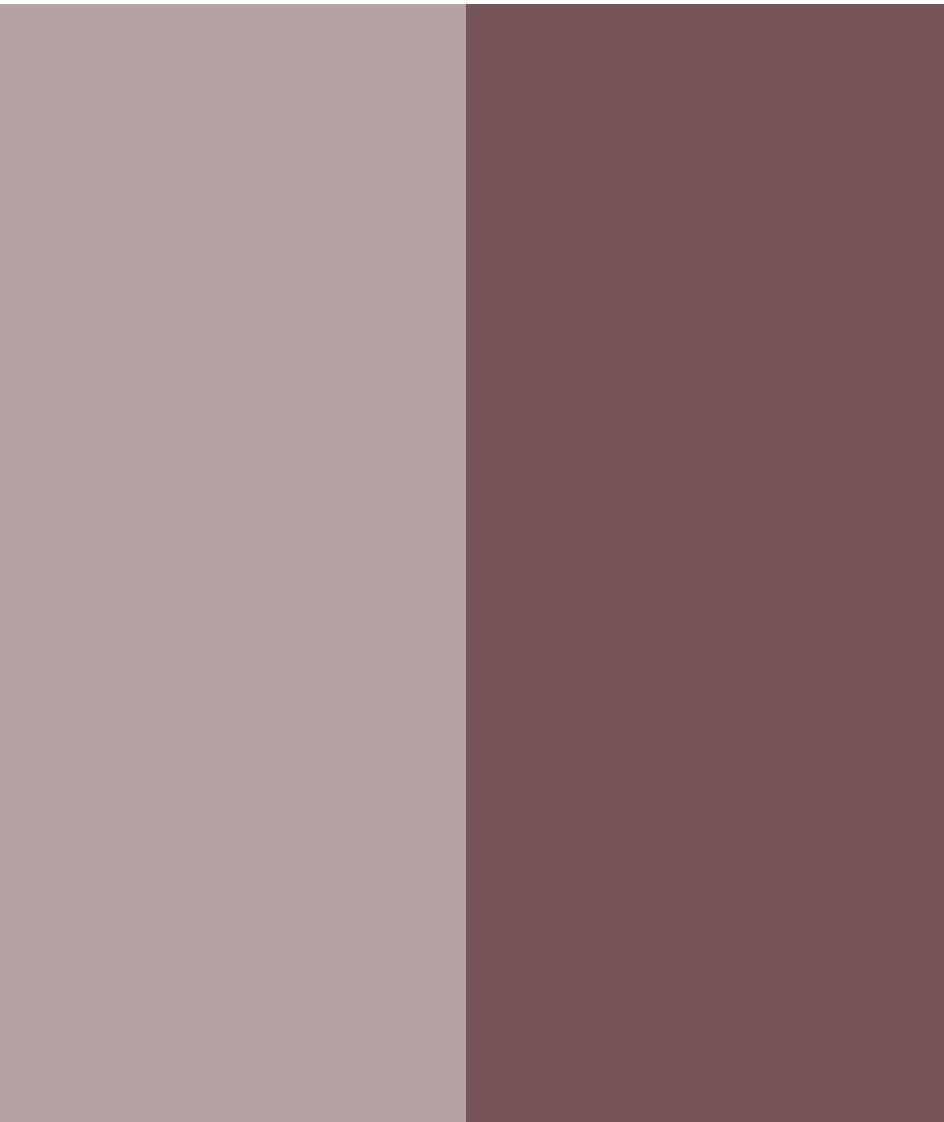




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# Annual plan 2019/20



# Annual plan 2019/20

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# Contents

Auditor-General's overview	3
Part 1 – About us	5
Part 2 – Our multi-year work programme	9
What we aim for through our work	9
How we plan our work	9
How we manage risks to achieving our work programme	9
Outcomes for Māori	10
The content of our work programme	10
Part 3 – Performance audits and other work we intend to complete in 2019/20	16
1. Theme-based work	16
2. Issues of ongoing interest	24
3. Regular reports	26
4. Sharing good practice	26
5. Influencing improved performance and accountability	27
Appendices	
1 – Summary of the public entities we audit, at June 2019	29
2 – Overview of our multi-year work programme	30

# Auditor-General's overview

Tēnā koutou katoa.

I am pleased to present my Office's Annual plan 2019/20. This plan sets out the work that my Office intends to carry out in 2019/20 and indicates the work that we are considering for the following two years.

Our job is to help Parliament to hold public organisations to account for their use of public money. We aim to improve trust in government, including the public sector, and to promote value in public spending.

This is no small task.

To ensure that our resources are targeted at the areas where we can have the maximum effect, we carefully consider and consult widely on the preparation of our Annual plan. As part of this process, we presented a draft of this plan in April and have actively sought feedback on it from a range of stakeholders, including Parliament.

I have been very pleased with the level of engagement we have had and the helpful feedback we have received from Parliament, public organisations, auditors and the broader public. All of the feedback has been useful to refine our thinking and will be used as part of the detailed scoping of the work we do.

Overall, there was strong support for the plan. Completing our work on water, progressing our procurement work, and starting our work on initiatives aimed at improving the lives of New Zealanders were endorsed. There was also particular support for two other areas we have indicated in the plan – building a work plan around ethics and integrity, and providing new and updated best practice materials to help organisations to do the right thing.

The plan highlights our ongoing work on researching what public accountability means in the 21st century and how current accountability mechanisms compare to that. It also highlights our ongoing reporting on sectors and following up on how well our recommendations are being implemented.

The core work of the Office, consuming nearly 90% of our resources, continues to be our annual audits of nearly 3500 public organisations. While we briefly summarise this work in the plan, it is the annual audit that fundamentally supports the integrity of the financial and performance reporting of public organisations. All our work is built on this very solid foundation. We spend considerable time in ensuring that New Zealanders can rely on the independence and the quality of all the work we do.

I thank everyone who has taken time to consider this plan and provide feedback on it. I also want to acknowledge the work my staff have done to prepare the plan and support the finalisation of it.

I am confident that we have developed a plan that will have a significant and positive effect on the trust and confidence New Zealanders have in their public sector. I look forward to reporting the outcome of our work to Parliament and New Zealanders over the coming year.

Nāku noa, nā

A handwritten signature in black ink, appearing to read 'JMR Ryan', with a stylized flourish at the end.

John Ryan  
Controller and Auditor-General

24 June 2019

# About us

## Why is there an Auditor-General?

Parliament authorises all government spending and gives statutory powers to public entities. Public entities are accountable to Parliament (and their communities in the case of local government) for how they use the resources and powers that Parliament gives them. Parliament seeks independent assurance from the Controller and Auditor-General (the Auditor-General) that public entities are using these resources and powers, and are accountable for their performance in the way Parliament intended.

The Auditor-General's role is to help Parliament in its scrutiny of executive government, to ensure that public entities are effective, efficient, and accountable. To be effective and credible in this role, the Auditor-General is independent of the Government and operates in an apolitical manner. The Auditor-General is an Officer of Parliament and does not comment on the policies of the Government or of local authorities.

The Auditor-General reports findings and makes recommendations so that those with responsibility for making improvements can take action. The Auditor-General does not have the power to enforce the recommendations from his work. Rather, the Auditor-General influences improvement through the independent and objective nature of the work, the scrutiny by Parliament that it supports, and effective working relationships between the Auditor-General's Office and public entities.

Consulting with members of Parliament on our proposed work programme is one way in which the Auditor-General supports Parliament's scrutiny of executive government. To preserve independence however, the Auditor-General makes the final decisions about the work programme.

## Annual audits

The Auditor-General is responsible for auditing every public organisation in New Zealand that is required to publicly report (about 3500), many of which are funded by rates or taxes. Each year, our auditors carry out audits in every part of the public sector. This includes, for example, every government department, district health board, state school, university and polytechnic, local authority, and every State-owned enterprise.

Our annual audits make up nearly 90% of our work. Appendix 1 provides a summary of the number and type of public organisations in our audit portfolio at June 2019. The number of public organisations that we audit has declined by about 300 during the past four years. This is mainly because of the removal of legislative requirements for many subsidiaries of Crown entities and some

companies to report separately, and so there is no need for a separate audit of these mainly small public organisations.

Each year, our auditors also expect to carry out audits of:

- the financial statements of the Government;
- the Government of Niue, its subsidiaries, and other associated entities;
- the Government of Tokelau and related entities; and
- organisations the Auditor-General has agreed to audit under section 19 of the Public Audit Act 2001.

Our public accountability system places responsibility on public organisations to account annually for their performance. They do this mainly through publishing their annual reports, which include financial information and, where relevant, performance information. The Auditor-General's work gives assurance to Parliament, public organisations, and the public that public organisations' financial statements and performance information fairly reflect the results of their activities.

The Auditor-General can also consider whether public entities are carrying out their work effectively and efficiently, and whether they act with due probity, comply with legislation, and are financially prudent.

Our annual audits of public organisations give us direct interaction with, and insight into, how the public sector is operating. The information we gather from our annual audits gives us a unique view of the challenges, emerging issues, and trends throughout the public sector. We use this information to advise select committees in their work in holding public organisations to account as part of Parliament's scrutiny of executive government. We also use this information to help us plan our work programme. It helps us to understand the environment public sector organisations are working in, and to determine where we can best focus our efforts to improve public sector performance and accountability.

Each year, we consolidate the results of our annual audits in central and local government and other sectors and publish the key findings in our regular suite of sector reports. The sector-based reports we plan to complete in 2019/20 are described in Part 3.



## Controller function

In conjunction with our annual audits of government departments, we carry out appropriation audits. These are designed to ensure that government spending is within the authority of Parliament. To increase the profile and emphasise the significance of this function, in 2018/19 we launched a separate Controller report. This report summarised our Controller work and highlighted two appropriation breaches for the six months ended 31 December 2018. Our Controller function is a core part of the Controller and Auditor-General's role as "public watchdog." We intend to continue to publish 6-monthly reports on our Controller function work.

## Performance audits, inquiries, and other work

The Auditor-General also carries out in-depth performance audits on public sector efficiency and effectiveness, inquiries into how a public organisation uses its resources, and studies on other matters affecting the public sector.

Performance audits are a key part of our work programme. We also monitor public organisations' progress in implementing the recommendations from our previous performance audits and include this work in our work programme.

Inquiries are not included in our work programme because, in contrast to our planned work, our inquiries work typically reacts to matters of current concern and is therefore largely unpredictable. We make decisions about whether issues warrant investigation as matters of concern arise.

Our inquiries work is an important mechanism for improving Parliament and New Zealanders' trust and confidence in the public sector. Inquiries are often complex and involve matters of high public interest. We recently reported on procurement of work by Westland District Council at Franz Josef to address concerns about the Council's decision-making processes that involved significant public expenditure, and we carried out additional assurance work to address concerns about the Waikato Institute of Technology's use of public resources. While not formal inquiries, there is also other work we carry out into matters of public interest – for example, publishing letters on the Greater Wellington Regional Council's changes to the regional bus system, and on the Kāpiti Coast District Council's intention to borrow money in order to set up investment funds.

## Reporting to Parliament

Each year, we publish reports on the results of our annual audits, performance audits, major inquiries, and other work. Through this reporting to Parliament and other stakeholders, we are able to consider matters in greater depth than we can during an annual audit, and examine ways that public organisations can perform better.

We also:

- advise Parliament and select committees in order to support annual reviews and Estimates examinations;
- carry out and report on our responsibility under the Local Government (Auckland Council) Act 2009 to review the service performance of Auckland Council; and
- consider enquiries from ratepayers, taxpayers, and members of Parliament.

### **Our international work**

Each year, we make a significant contribution to the international auditing community. We aim to strengthen public sector accountability and promote good governance by sharing our knowledge, skills, and expertise with other audit bodies throughout the world.

For example, the Auditor-General of New Zealand is currently the Secretary-General of the Pacific Association of Supreme Audit Institutions (PASAI). We also take part in international efforts to develop accounting and auditing guidance and standards, and we are active members of the Global Audit Leadership Forum (GALF) and the International Organisation of Supreme Audit Institutions (INTOSAI).

The Auditor-General is also the Auditor-General of Niue and Tokelau under their respective accountability arrangements.

# Our multi-year work programme

## What we aim for through our work

The ultimate outcome that we seek from our work is that Parliament and New Zealanders can have trust and confidence in the public sector. To contribute to that outcome, we aim to achieve the following impacts:

- Parliament provides effective scrutiny of the public sector;
- New Zealanders are better informed about the performance and accountability of the public sector; and
- the public sector improves its performance and accountability.

## How we plan our work

The processes we use to plan our work programme enable us to identify and prioritise work that we consider will best contribute to achieving our impacts, and to our ultimate outcome. We have very limited resources and so we must ensure that we target our work for maximum effect, in terms of both what we do and when we do it.

We draw on information from a range of sources to help inform our work. We use the information our auditors collect about the challenges, emerging issues, and trends across the public sector, alongside our ongoing monitoring of risks and our independent analysis of public sector performance and issues. Also, our central and local government advisory groups help us to better understand the common themes and issues across the central and local government sectors. In addition, we draw on our previous work and knowledge – for example, our reflections reports, themes from our inquiry reports, performance audit reports, and follow-up reports on progress in implementing the Auditor-General’s recommendations.

## How we manage risks to achieving our work programme

We recognise that there are risks to achieving our work programme, including:

- that we do not have sufficient capacity or capability to do the work;
- that we do not achieve the right balance in quality, timeliness, and cost of our work; and
- that we do not achieve the impacts we are aiming for.

Our planning helps to mitigate these risks. Additional funding has also been provided as part of Budget 2019 to increase our resources in key delivery areas. Our business plans are well aligned with our strategic priorities and are supported by our Organisation Development Plan. The focus we have placed on building our capability and increasing our resources helps to ensure that we are in the best possible position to complete our work.

Also, there is flexibility in our work programme to respond to changes. Our work is planned to be achieved based on what we know at present. If new information or risks come to light, the Auditor-General may decide to change some of our planned work.

## **Outcomes for Māori**

The public sector has a key role to play in ensuring a successful and effective relationship between the Crown and Māori. Being effective for Māori is an important aspect of public sector performance that we consider when planning our work.

The effectiveness of the public sector in improving outcomes for Māori is included in many aspects of our work programme. For example, our work on the public sector accountability system will consider Māori approaches to accountability and what learnings there are to help achieve a more relevant public sector accountability system for New Zealand. We are interested in how public sector reforms will strengthen accountability for the Treaty partnership between Māori and the Crown.

Improving outcomes for Māori is a significant component of our work under the theme, *Improving the lives of New Zealanders*. For example, Māori are more likely to be the victims of many crimes, including family violence. In 2019/20 we plan to start examining performance in achieving reductions in family violence. This work will assess how effectively agencies are consulting and involving Māori in different initiatives and programmes. In addition, our work in 2020/21 on the effectiveness of Whānau Ora will look at how well programmes and initiatives are delivering better outcomes for whānau. As we further identify and scope topics under this theme, a fundamental consideration will be outcomes for Māori.

## **The content of our work programme**

Appendix 2 provides a summary of the work we plan to complete in 2019/20 in the context of a multi-year overview of our work. In that Appendix, the work is grouped in categories, which we describe below.

### **1. Theme-based work**

Applying a theme across aspects of our work enables us to increase the impact of our work, and to more effectively use our unique role to influence improvements in public sector performance and accountability.

In any given year, our theme-based work includes both work that we are completing from previous years' themes and work that we are starting under a new theme. In 2019/20, we plan to:

- complete several reports about our *Water management* theme;
- complete work from the first year of our three-year *Procurement* work programme;
- start the second year of work on our three-year *Procurement* work programme; and
- start work on our *Improving the lives of New Zealanders* theme.

In Part 3, we explain more about our *Procurement* theme. We also outline our *Improving the lives of New Zealanders* theme and the work we plan to carry out. We are still exploring and scoping work under this latter theme. We expect that future themes will emerge from our work during 2019/20.

## 2. Issues of ongoing interest

Alongside our theme-based work, we carry out work on issues that we consider warrant scrutiny, or where we are required to carry out ongoing work. In 2019/20, we intend to carry out work on:

- **Ethics and integrity**

Through our work, we have observed examples where public entities have not had the right culture, leadership, or systems in place to ensure the high levels of integrity and ethical behaviour that Parliament and the public expect. There have also been a number of high-profile instances of fraud in the public sector. Unethical behaviour, dishonesty, and corruption erode New Zealanders' trust and confidence in our public sector, and can affect New Zealand's international reputation. We therefore consider that public sector ethics and integrity is a critical issue for us to focus on now and in future years.

We plan to carry out work to better understand and describe the public sector ethics and integrity landscape, examining what expectations, advice, and support are available to public entities to ensure that they put in place an appropriate ethical culture, and controls for preventing and detecting wrongdoing.

We anticipate that our work will involve greater collaboration with other integrity agencies where appropriate – for example, the Serious Fraud Office and the State Services Commission.

- **Review of service performance – Auckland Council**

Section 104 of the Local Government (Auckland Council) Act 2009 requires the Auditor-General to review the service performance of the Auckland Council and each of its council-controlled organisations from time to time. In 2019/20, we intend to examine how effectively and efficiently Auckland Council is building its resilience and preparedness to respond to disasters, working in partnership with other agencies, local iwi, and communities to reduce disaster risks and prepare for disaster response.

- » **Our ongoing focus on Auckland matters**

Alongside the work required by legislation, we have an ongoing interest in examining issues affecting Auckland because of its significance to New Zealand. About 33% of New Zealand's population lives in the Auckland region, and nearly 600,000 more people are expected to be living in the Auckland region within the next 20 years. The Auckland population is one of the most diverse in the world. A large proportion of central government capital and social investment is in Auckland to address transport and housing issues. We intend to carry out work on the Auckland City Rail Link in 2019/20 and the Tāmaki regeneration programme in 2020/21 as part of our *Procurement* themed work. We are also considering an examination of public housing provision in Auckland.

- **Risk management in local government**

Historically, reviews have found that some councils have weak practices for risk management. Through our audit work, we have also identified that there is room for councils to improve their management of risk.

Starting in 2019/20, we intend to further examine how councils approach risk management. We will examine information about councils' understanding of risk, the approaches they use to manage risk, including the role of councils' audit and risk committees, and how councils communicate risk to their communities.

Our stocktake will inform potential future areas of work. We want to identify where we can best add value, given the work of others (for example, Local Government New Zealand and the New Zealand Society of Local Government Managers) in supporting councils to improve their management of risk.

- **Inland Revenue Department's Business Transformation programme**

Building on our previous work in 2015/16 and 2017/18, we are interested in knowing whether the public spending on Inland Revenue's Business Transformation programme is delivering the intended benefits. The Business Transformation programme is significant because of the large amount of public funds being spent (which is estimated to be in excess of \$1.3 billion), the critical role that Inland Revenue carries out in collecting Crown revenue, and the effect that the tax system has on New Zealanders and businesses. We had planned to carry out this work in 2020/21. We now plan to carry it out in 2019/20 so that we can provide more timely assurance and relevant advice to Parliament and Inland Revenue.

- **The Treasury's 2020 Statement on New Zealand's Long-term Fiscal Position**

The long-term financial sustainability of government is critical for New Zealanders' inter-generational well-being. The choices that governments make about public spending, tax, and borrowing, and the balance between them, affect New Zealand's economic, social, and environmental outcomes and the Government's long-term resilience.

- At least every four years, the Treasury is required to prepare a statement on the Government's long-term fiscal position. It is an important part of the good financial management of government. We intend to review the Treasury's next long-term fiscal statement. We are interested in understanding and commenting on:
  - the approach that the Treasury takes;
  - the Treasury's long-term fiscal model and how it is used; and
  - the links between the long-term fiscal model and the information presented in the Statement on New Zealand's Long-term Fiscal Position.

- **Controller function**

Our Controller function is a core part of the Controller and Auditor-General's role as "public watchdog" and provides assurance to Parliament and New Zealanders that the Government has spent public money in line with Parliament's authority. We will continue to publish six-monthly updates about our Controller work.

We provide more detail about our planned work on these issues in Part 3.

### 3. Regular reports

Each year, we publish a suite of reports on the results of our work across different sectors. Using information from our audits, including our understanding of the entities and their control systems, our sector reports discuss key issues and trends, systemic issues, and opportunities for improvement within sectors.

We prepare reports on some sectors every year – for example, we report on the results of the local government and central government audits. We also report on the results of our annual audit of the Financial Statements of the Government and on the Controller function. Reports on other sectors are prepared periodically. We decide which other sectors to report on based on matters arising in particular sectors or the theme we have chosen to focus on.

### 4. Sharing good practice

To improve their performance, public entities need to understand what is expected of them and have access to good practice guidance that is relevant to the New Zealand context. Public entities tell us that they would welcome more good practice guidance. As the auditor of every public entity, we are well positioned to guide public entities on what “good” looks like. Improving the performance of individual public entities will help contribute to improvement in the performance of the entire public sector.

In 2019/20, we intend to be more active in sharing good practice with public entities. We will update our good practice guidance material, and implement a range of approaches to share good practice more. We will regularly host meetings and other events to share our good practice guidance and examples of activities being done well or that others can learn from. We will also point entities to other organisations that do similar activities “better” or “well”. We plan to work more with other agencies who prepare good practice on similar topics to ensure that we maximise our influence and help public entities improve.

### 5. Influencing improved performance and accountability

How effective the public sector accountability system is in providing assurance that public entities are meeting their required responsibilities and standards is critical to New Zealanders’ trust and confidence in government.

Our increased focus on influencing improvements in the public sector accountability system will continue in 2019/20 and beyond. Following publication of our *Annual Plan 2018/19*, reforms to different aspects of New Zealand’s performance and accountability systems were proposed by the central agencies. In response, we reassessed the work we had planned to carry out and undertook



other work to influence positive change in the future public management system. Appendix 2 describes the work we completed in 2018/19 and the work we intend to complete in 2019/20.

In 2019/20, building on our previous work, we intend to examine the state of the public sector accountability system. We want to influence and support future public sector management reforms to strengthen the accountability system.

Our work will also include an assessment of the state of public sector performance reporting. We want to assist public entities to improve their performance frameworks and reporting practices. We will consider this in the context of the increasing focus on outcomes.

# 3

## Performance audits and other work we intend to complete in 2019/20

### 1. Theme-based work

#### Procurement

Our 2018 report *Introducing our work on procurement* described our three-year focus on procurement and summarised what we see as the main issues and opportunities for improving procurement practice in the public sector. The report drew from our audit work across the entire public sector, from our procurement guidance, and from work by others.

Procurement is particularly important in developing effective public services. Through our work, we want to promote good practice procurement of goods and services and a focus on achieving value for money for New Zealanders. This can be challenging as the public sector moves towards contracting for outcomes.

We aim to:

- improve procurement practice in the public sector, focusing on procurement outcomes;
- support a principled approach to procurement;
- strengthen public sector accountability for procurement;
- influence public organisations to achieve better value for money from procurement; and
- improve trust and confidence in public sector procurement, including how public sector procurement takes into account the Crown's Treaty obligations.

#### First year of work on procurement

As our first year of procurement-related work has progressed, we have deliberately increased our engagement with public sector agencies about procurement matters and have shared examples of good practice. We have drawn on our annual audits and procurement-related inquiries work for good practice examples to share. We have:

- put additional focus in our annual audit work on the administration of grants by the Ministry for Business, Innovation and Employment (MBIE)<sup>1</sup>;
- put more focus on the management and monitoring of the Provincial Growth Fund in our annual audit work on MBIE, the Ministry of Transport, and the Ministry for Primary Industries;
- completed our survey on the public sector's use of panels of suppliers;
- carried out the field work for our work on MBIE's functional leadership for procurement, and expect to report our findings in the first quarter of 2019/20; and

- carried out preliminary scoping for our proposed work in 2019/20, including considering the public sector's management of contracts for the delivery of critical or significant services to New Zealanders.

### Our procurement work in 2019/20 and 2020/21

Our proposed work for 2019/20 and 2020/21 is described below. We have planned our work based on our knowledge of priorities at this time. We might make changes to the work proposed for 2019/20 and 2020/21 if new information or risks come to light. For example, we will monitor progress with implementation of the firearms buy-back scheme and report our findings in a timely way. Currently, we plan to report on this in 2020/21, with work likely to start in 2019/20.

Procurement work – 2019/20	
MBIE procurement functional leadership: Enabling effective and efficient procurement across the State sector	<p>In 2015/16, the total value of local and central government procurement was about \$42 billion, which represented about 17% of GDP.</p> <p>The Ministry for Business, Innovation and Employment (MBIE) is a functional leader for government procurement and has a critical role in enabling effective and efficient procurement across the State sector through collaboration. Functional leadership is aimed at maximising the benefits and reducing the overall costs to the Government of common business activities that may not be achieved through an agency-by-agency approach.</p> <p>We have combined the two performance audits proposed in our <i>Annual Plan 2018/19</i> on MBIE's functional leadership role. Our audit examines how well MBIE's functional leadership drives efficiencies and improves services and service delivery. Our audit also examines how well MBIE develops procurement workforce expertise and capability in central government.</p> <p>This audit is under way, and we anticipate that our report will be published near the end of the first quarter of 2019/20.</p>
Effectiveness of panels of suppliers	<p>Based on our analysis of the results from our 2018/19 survey<sup>2</sup>, we plan to identify aspects of the effectiveness of panels of suppliers that warrant further examination. Potential aspects for examination include:</p> <ul style="list-style-type: none"> <li>• Are public entities following good procurement practice in establishing and operating panels of suppliers?</li> <li>• Do public entities have the capabilities needed to use panels of suppliers effectively?</li> <li>• Is the use of panels of suppliers by public entities realising the expected benefits?</li> </ul>

<sup>2</sup> We have reported a summary of the survey to participants. We are considering further reporting on the issues raised by the survey.

Contracts for significant services	<p>In parts of the public sector, there is a dependence on suppliers for the delivery of significant services. Some of these services are critical to the health, well-being, and security of New Zealanders. We intend to review how the public sector manages the risks to contracts for significant services. Our work will highlight good practice and recommend areas where there is room to strengthen the management of such contracts.</p>
Auckland City Rail Link: Project governance	<p>City Rail Link Limited is a Crown entity jointly funded and owned by Auckland Council and the Government to deliver the city rail link project. The project consists of a 3.45km twin-tunnel underground rail link up to 42 metres below the city centre, changing the downtown Britomart Transport Centre into a two-way through-station that better connects the Auckland rail network. It also includes two new stations, redevelopment of Mt Eden station, and various other work to maximise the benefits of the project and the efficiency of the rail network.</p> <p>The project is expected to be completed in 2024 at a cost of about \$4.4 billion. The expected benefits from completing the project include reduced travelling time and congestion, improved reliability, and other wider economic benefits.</p> <p>Problems with procurement often stem from poor governance arrangements. We plan to focus on how well the governance arrangements are supporting the effective and efficient delivery of the city rail link. We are interested in City Rail Link Limited as an example of a collaboration between local and central government to deliver major infrastructure, and any lessons learned for the use of joint local/central government arrangements to deliver significant projects.</p>
Provincial Growth Fund: Management, monitoring, and evaluation of the Fund	<p>The Provincial Growth Fund (the Fund) was launched in 2018. It represents a significant investment (\$3 billion) of public funding over three years to lift productivity potential in New Zealand's regions. We carried out some preliminary work on this topic during our 2017/18 examination of MBIE's management of the Fund, and we will continue to follow up on the recommendations we made then.</p> <p>Because of the size, scope, complexity, and ambition of the Fund, we are extending this work to broader and more in-depth annual audit and review work on the management and monitoring of the Fund, including MBIE's reporting on the effectiveness of the Fund. This work will cover the three agencies most involved: MBIE, the Ministry for Primary Industries, and the Ministry of Transport. We aim to provide further recommendations to improve how the Fund operates.</p> <p>We plan to continue this work during the next 2-3 years, reporting regularly during the annual audit and the parliamentary Estimates and annual review processes. During this time, we will also consider further audit work focused on the effectiveness of the Fund.</p>

<p>Procurement workforce capacity and capability in local government</p>	<p>Local authorities have a vital role in providing infrastructure, facilities, and services for their communities. This often means contracting with third parties for a wide variety of goods and services (for example, construction, technology, waste collection, and public transport).</p> <p>We have been investigating how local authorities manage and support their procurement functions to understand the drivers of good procurement practice. We now plan to look in detail at a few examples of where local authorities have changed their procurement approach to achieve better procurement outcomes. We intend to share our findings to support improved procurement practices and to encourage greater collaboration between local authorities and other public sector agencies.</p>
<p>Partnerships with the private sector to deliver public sector outcomes – how effective are they?</p>	<p>A range of collaborative procurement methods are used in New Zealand to deliver key infrastructure and other large-scale projects. One such method has been public private partnerships (PPPs), which have been used in the transport, education, and justice sectors in recent years.</p> <p>We propose to investigate further how collaborative procurement methods, including PPPs, are being used. We will select some significant procurements to examine how they are being managed and whether they are achieving the expected benefits. We will aim to share lessons that are applicable to high-value, collaborative contracting.</p>
<p>Procurement of assets to support effective health care</p>	<p>There are a number of asset-related issues in the health sector, and we will take this opportunity to influence improvements in this important area. District health boards (DHBs) currently own more than \$6 billion worth of assets, such as hospitals, clinical equipment, and information technology, which the Ministry of Health estimates have a replacement value of approximately \$16 billion. New Zealand's health care system can be effective only with the right assets to support effective healthcare. Some DHB facilities (including hospitals) will be unable to meet future service demand in some areas, and much of the existing building portfolio will need updating or replacing in the near to medium term.</p> <p>The significant investment required in assets increases risk, which must be managed through effective strategy, planning, governance, procurement, contract management, project management, and relationship management.</p> <p>We will examine how well the health sector plans for the procurement of essential assets to support effective healthcare, and identify what improvements are needed for procurement to better support effective healthcare.</p> <p>We recognise recent developments in the health sector, including establishing a (health sector) National Asset Management Plan and an intent to establish the New Zealand Infrastructure Commission (Te Waihanga) and a health infrastructure unit within the Ministry of Health. We will keep in touch with how these developments influence investment and procurement in the health sector, with a view to carrying out some work in 2019/20. With these and other changes pending, we will keep the focus, timing, and scope of our proposed audit work under review.</p>

<p>How well does the NZTA procurement model manage long-term procurement risks to ensure future value and sustainable procurement?</p>	<p>Procurement to maintain the state highway network is important to all New Zealanders. The network is over 11,000km long and extends the length and breadth of the country. It plays a strategic role in linking our towns and communities, with about 50% of all road usage through the state highway network. A significant proportion of investment in transport infrastructure is spent on state highway maintenance contracts.</p> <p>In 2013, the New Zealand Transport Agency (NZTA) introduced the Network Outcomes Contract model. The design principles of the new contract model were for fewer, bigger, and longer maintenance contracts. In 2014, we followed up our 2011 performance audit on maintenance of the state highway network and noted that there was a risk that the new Network Outcomes Contract model could reduce competition in the maintenance and renewals market, and that this could have adverse long-term effects on the procurement environment.</p> <p>Given the significance of the state highway network, and the risk we identified in our 2014 report, we plan to carry out a performance audit to examine how effectively and efficiently NZTA is maintaining state highways through the use of Network Outcomes Contracts.</p>
<p>KiwiBuild: Implementation</p>	<p>The KiwiBuild programme has three core aims:</p> <ul style="list-style-type: none"> <li>• to increase home ownership in New Zealand;</li> <li>• to increase the supply of affordable homes in parts of New Zealand where there is a shortage; and</li> <li>• to use government procurement to foster innovation and reduce the cost of building new homes.</li> </ul> <p>We plan to assess the implementation of KiwiBuild, including the systems and processes for managing KiwiBuild. This work will form the basis for future work.</p>
<p>Defence procurement: Effectiveness of integrated capability delivery</p>	<p>Defence spending represents approximately 1% of GDP and includes a \$20 billion programme of capital investment to 2030. We propose to undertake a programme of audit work between now and 2023 examining how effectively a defence capability is acquired and brought into service.</p> <p>This will involve an assessment of the P-8A Poseidon project scope, leading up to and including the Foreign Military Sales process. In subsequent years, we plan to look at the broader capability (including infrastructure) needed to support the introduction into service of the P-8A Poseidon. This will include the necessary estate regeneration to support relocation of 5 Squadron from Whenuapai to Ohakea and also include capability and development requirements (including simulators).</p> <p>This is a high-value (\$2.346 billion initial capital cost), long-term procurement project (that extends out to 2023), with multiple interdependencies and risks. Through our work, we hope to effect positive change and identify good practice that will be shared with other organisations that manage large and complex procurement acquisitions.</p>

Review of <i>Defence Major Projects Report 2018</i> and <i>Defence Major Projects Report 2019</i>	Since 2010, the Ministry of Defence and the New Zealand Defence Force have produced a major projects report annually, setting out the status of the management of major defence acquisitions. We have reviewed these reports to provide independent assurance on the project information being disclosed. We plan to carry out a review of the information describing the progress of projects in the <i>Defence Major Projects Report 2019</i> . (At the time of printing, we were waiting on Defence before finalising our review for 2018.)
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#### Procurement work – 2020/21

Government Chief Digital Officer (GCDO): Information and Communication Technology (ICT) procurement functional leadership	The Government is considering how to give effect to digital transformation, and this could result in changes to the GCDO's digital, data, and technology leadership roles. We have an ongoing interest in ICT procurement and will consider examining ICT procurement when the Government's current review is completed and any changes made to the GCDO's role have been embedded. We are still scoping this work.
Managing contracts to achieve better outcomes	Public entities contract with a range of other entities, including non-government organisations (NGOs) to deliver public services. Increasingly, these arrangements with NGOs and other entities are focused on outcomes.  We are considering an audit that examines contracting for outcomes. Our intention is to identify good practice and risks that agencies can learn from. We are particularly interested in contracts for outcomes that support Māori. We are still scoping this work.
Auckland City Rail Link: Procurement model and delivery	We propose to examine City Rail Link Limited's use of an alliance model to deliver aspects of the city rail link, including the main stations and tunnels. The balance between risk transfer and the public sector paying a fair price is critical, given the size and nature of this project. We are still scoping this work.
Tāmaki regeneration programme	Tāmaki Redevelopment Company Limited Group (TRC) has the lead on the urban regeneration programme in Tāmaki for its shareholders – the Government and Auckland Council. TRC's subsidiary, Tāmaki Regeneration Limited, took on ownership and management of 2800 Housing New Zealand homes, for redevelopment into about 7500 homes. The Group's role and business model is now very complex, with challenging regeneration goals over the next 15-20 years. HLC (2017) Limited, a wholly-owned subsidiary of Housing New Zealand Corporation, is now also involved in the building development aspect of the regeneration project.  We will carry out work to consider whether the intended or desired results of the Tāmaki regeneration programme in terms of housing volumes, quality, and social outcomes are being achieved, and what the lessons are for addressing regeneration in other localities. We are still scoping this work.

Provincial Growth Fund: Benefits realisation	The Provincial Growth Fund represents a significant investment of public funding over three years to lift productivity potential in New Zealand's regions. In 2020/21, we will continue the work we began in 2018/19 looking at the systems and processes for managing and monitoring the Fund. We will also consider further audit work focused on the effectiveness of the Fund in delivering expected benefits.
KiwiBuild: Benefits realisation	We plan to examine how well the KiwiBuild programme is achieving its aims. We will take into account any change in context, such as the planned reset of KiwiBuild including targets for building new houses and the Government's building programme, when we decide the scope and focus of this work.
Effectiveness of the firearms buy-back scheme	We intend to examine the effectiveness of the firearms buy-back scheme. The scheme is subject to recent legislative changes and any associated changes to regulations. We have been monitoring the design of the scheme and plan to begin scoping this work when the parameters of the scheme have been finalised.
Defence procurement	Building on our previous defence work, we propose to continue our programme of work examining the procurement of defence capability in the context of Defence's \$20 billion programme of capital investment (topic to be determined).

## Improving the lives of New Zealanders

Alongside the second year of our work on *Procurement*, we will start work based on the theme of *Improving the lives of New Zealanders*.

The ultimate objective of public expenditure is achieving positive change in the lives of New Zealanders. Achieving positive change means better outcomes for New Zealanders, through improvements to our society, the economy, and the environment. We propose to focus on outcomes that are important for New Zealanders' quality of life, their communities, environment, and living standards.

Through our work, we intend to examine how well public entities are achieving outcomes for New Zealanders. For 2019/20, we will focus on two topics as part of our theme-based work on *Improving the lives of New Zealanders*:

- performance in achieving reductions in family violence; and
- progress towards implementation of the sustainable development goals.

We provide more information about our proposed work in the table below.

Work under this theme for 2020/21 and 2021/22 is still being scoped. However, we expect that our work on performance in achieving reductions in family violence will be ongoing. We also intend to look at the effectiveness of Whānau Ora in achieving better outcomes for whānau. Other topics will be confirmed following further planning over the next year. We intend to examine whether key



outcomes are achieved for New Zealanders in a way that delivers value for money from the public resources used. The areas we are considering include:

- reducing disparities in social outcomes between demographic groups;
- reducing poverty; and
- improving resilience of infrastructure to natural hazards.

<i>Improving the lives of New Zealanders – 2019/20</i>	
Performance in achieving reductions in family violence	<p>Family violence affects half a million New Zealanders every year, is a driver of violent crime overall, and is implicated in both youth crime and youth suicide. Rates of violence are highest among some of our most vulnerable communities. Addressing family violence places a heavy burden on multiple government agencies and numerous government-funded service providers. Most of that work is on crisis response, offender management, and mitigating life-long effects of violence.</p> <p>Responsibility for addressing family violence rests with a number of government agencies. A cross-government joint venture has been set up to develop new ways of working across government and with iwi and communities, to reduce family violence through an integrated response. We acknowledge that the cross-government joint venture has only recently been set up, but we consider that we can add value by reviewing the programme in its early stages.</p> <p>Our audit will examine how well family violence is being reduced through national and regional initiatives to address it, and what changes could be implemented to improve the effectiveness of work under way. We expect to report at different stages of our work, with the first of these reports to be completed in 2019/20.</p>
Progress towards implementing the United Nations' sustainable development goals	<p>In 2015, all United Nations members adopted the 2030 Agenda for Sustainable Development with its 17 sustainable development goals (SDGs). The SDGs are an important indicator of progress that countries have made towards significant improvement to the well-being of their people, covering a number of areas including poverty reduction, education, employment, and the environment. In July 2019, the Government intends to publish its first report on progress towards implementing the 17 SDGs.</p> <p>We will carry out a performance audit of how effectively agencies have co-ordinated activities so far towards implementing the 17 SDGs by 2030. We expect our findings to promote:</p> <ul style="list-style-type: none"> <li>• improvements in how government agencies are measuring and reporting outcomes;</li> <li>• improved collaboration between government agencies in working towards implementing the SDGs; and</li> <li>• improved engagement with private sector organisations, academic institutions, NGOs, and communities in working towards implementing the SDGs.</li> </ul>

<i>Improving the lives of New Zealanders – 2020/21</i>	
Performance in achieving reductions in family violence	We expect the second of our reports on performance in achieving reductions in family violence to be completed in 2020/21.
Effectiveness of Whānau Ora in achieving better outcomes for whānau	The purpose of Whānau Ora is to achieve improved well-being for whānau using a whānau-centred, aspirational, and self-determining approach. Since 2015, Whānau Ora outcomes have been commissioned through three non-Government agencies (called commissioning agencies). Te Puni Kōkiri has also been working with other government agencies to encourage the adoption of the Whānau Ora approach across the public sector. Our audit will examine how effectively the Whānau Ora approach has been used to help whānau achieve positive changes to their lives. We will also consider how lessons learnt from our 2015 performance audit about Whānau Ora have been addressed.

## Concluding work from previous years' theme-based work

In 2019/20, we intend to complete the work under our *Water management* theme:

- Clean-up of significant water bodies;
- Progress on freshwater quality management since 2011; and
- Reflections report on *Water management* theme.

## 2. Issues of ongoing interest

<i>Issues of ongoing interest – 2019/20</i>	
Ethics and integrity landscape	<p>New Zealand consistently rates highly on the Transparency International Corruption Perceptions Index as being one of the least corrupt countries in the world. Despite that, there is a risk that fraud and corruption in New Zealand might be more pervasive than is generally acknowledged. There have been a number of high-profile cases of wrongdoing in the public sector in recent years, and the Serious Fraud Office estimates that, based on international comparisons, up to 5% of government funding (or approximately \$5 billion) could have been used or obtained fraudulently in 2017.</p> <p>Preventing and detecting fraud and corruption is key to ensuring that Parliament and New Zealanders' trust and confidence in the public sector is maintained. It is the responsibility of public entities, governors, and leaders to promote high ethical standards and integrity across the public sector, and to put systems and policies in place to prevent and detect fraud and unethical behaviours of all kinds. We intend to undertake some work to better understand and describe the public sector landscape, examining what expectations, advice and support is available to public entities to ensure that they put in place an appropriate ethical culture, framework, and controls for preventing and detecting wrongdoing and unethical behaviour.</p> <p>From our landscape work, we will identify further areas of work to influence improved ethical standards and integrity across the public sector, and will provide increased guidance for public entities in tackling fraud and other unethical behaviour.</p>

Auckland Council review of service performance: Disaster resilience and preparedness	We intend to examine how effectively and efficiently Auckland Council is building its resilience and preparedness to respond to disasters, working in partnership with other agencies, local iwi, and communities to reduce disaster risks and prepare for disaster response.
Local government risk management: Stocktake of approach and reporting results	<p>We intend to examine the risk-management practices of councils. We will consider the risk-management practices of a sample of councils. We are interested in identifying examples of good practice to share with councils, and identifying what would support councils to improve their management of risk, including how to strengthen the operation of audit and risk committees where required.</p> <p>The long-term effect we are seeking is improving risk management by councils, acknowledging the different maturity levels appropriate for different councils.</p>
Inland Revenue Department: Benefits from the Business Transformation programme	<p>Inland Revenue's Business Transformation programme is significant because of the large amount of public funds being spent and because of the critical role Inland Revenue carries out in collecting Crown revenue. We are interested in knowing whether the public spending on the Business Transformation programme is delivering the intended benefits from Stages 1 and 2. We intend to provide assurance to the public and Parliament about the benefits achieved. We also intend to assess how well placed Inland Revenue is to measure and report on the intended benefits from the future stages of the programme.</p> <p>We propose to examine how well Inland Revenue has established indicators and systems for assessing and reporting on the benefits derived from the Business Transformation programme to itself, its customers, the Crown, and others.</p>
Commentary on the Treasury's 2020 Statement on New Zealand's Long-term Fiscal Position	<p>At least every four years, the Treasury is required to produce a statement on the long-term fiscal position of the Government. The long-term fiscal statement provides long-term financial projections covering a period of at least 40 years. It identifies and analyses a range of options to address the long-term fiscal position but, importantly, does not make recommendations. There have been four long-term fiscal statements produced to date – in 2006, 2009, 2013, and 2016. The Treasury plans to publish the next long-term fiscal statement in March 2020.</p> <p>As we did in 2013 and 2016, we intend to review the next long-term fiscal statement produced by the Treasury, which we expect will have a greater inter-generational well-being focus than in previous statements. We are interested in understanding and commenting on:</p> <ul style="list-style-type: none"> <li>• the approach that the Treasury takes;</li> <li>• the Treasury's long-term fiscal model and how it is used; and</li> <li>• the links between the long-term fiscal model and the information presented in the long-term fiscal statement.</li> </ul>
Controller updates	We will publish six-monthly updates about our Controller work.

## Future work on issues of ongoing interest

Topics for our future work are still being considered.

## 3. Regular reports

Work on sector-based reporting – 2019/20	
Sector reports	<p>We plan to prepare the following suite of sector reports:</p> <ul style="list-style-type: none"> <li>• Central government: Results of the 2018/19 audits;</li> <li>• Summary of results of the 2018/19 central government audits for Chief Executives;</li> <li>• Results of the 2018 school audits;</li> <li>• Results of the 2018 audits of tertiary education institutions;</li> <li>• Results of the 2017/18 district health board audits;</li> <li>• Results of the 2018/19 district health board audits; and</li> <li>• Local government: Results of the 2018/19 audits.</li> </ul>

## Future work on regular reports

We will report on the results of the local government and central government audits. We will also report on the results of our annual audit of the Financial Statements of the Government and on the Controller function. Future reports on other sectors are still being considered.

## 4. Sharing good practice

Work on sharing good practice – 2019/20	
Updating good practice guidance	<p>Our ongoing programme of updating our existing good practice guidance will continue. We intend to update the following good practice guides:</p> <ul style="list-style-type: none"> <li>• <i>Managing conflicts of interest: Guidance for public entities;</i></li> <li>• <i>Guidance for members of local authorities about the Local Authorities (Members' Interests) Act 1968;</i></li> <li>• <i>Charging fees for public sector goods and services;</i> and</li> <li>• <i>Controlling sensitive expenditure: Guidelines for public entities.</i></li> </ul>
Reporting on the progress of public entities in implementing the Auditor-General's recommendations from previous reports	<p>We will follow up on whether the recommendations from some of our earlier reports have been implemented and whether improvements have been made in the areas we identified as needing attention. The reports we intend to follow up on are:</p> <ul style="list-style-type: none"> <li>• <i>Using information to improve social housing services;</i> and</li> <li>• <i>Accident Compensation Corporation: Using a case management approach to rehabilitation.</i></li> </ul> <p>We will report on the progress we find and share good practice where we find it.</p>

## Future work on sharing good practice

At this stage, our proposed topics are:

- for 2020/21:
  - We intend to update the following good practice guides:
    - *Procurement guidance for public entities*; and
    - *Public sector purchases, grants, and gifts: Managing funding arrangements with external parties*,
 and report on the progress of public entities in implementing the Auditor-General's recommendations from previous reports (programme of follow-up work to be determined); and
- for 2021/22:
  - continue our programme of updating good practice guidance; and
  - report on the progress of public entities in implementing the Auditor-General's recommendations from previous reports (programme of follow-up work to be determined).

## 5. Influencing improved performance and accountability

Work on influencing improved performance and accountability – 2019/20	
Landscape of the public accountability system: First and second reports	<p>In 2019/20, we will publish our first and second reports about the future of public accountability.</p> <p>The first report summarises what existing literature can tell us about public accountability, how it evolves over time, and what this might mean for our system of public accountability and the role of public audit within that system.</p> <p>The second report will assess the current system of public accountability, discuss how well the system is positioned to meet these challenges, and explore the implications for the role of the Auditor-General. The objective of this work is to influence and support future public sector management reforms to strengthen the public accountability system.</p>
Making performance reporting more effective	<p>Drawing on our previous work, and the results from our annual audits, we propose to assess the state of performance reporting across the public sector. We will consider recent work to develop a living standards framework, the accompanying indicators, and how performance reporting could reflect contributions to the well-being of New Zealanders more generally. We will also look at how well public entities provide meaningful information to the public about efficiency, productivity, and value for money of their services.</p> <p>The objective of this work is to support entities to improve their own performance indicators and reporting practices, and assist them in adapting performance frameworks to take account of the Government's emphasis on well-being.</p>

### Future work on influencing improved performance and accountability

Topics for our future work are still being considered.



# Appendix 1

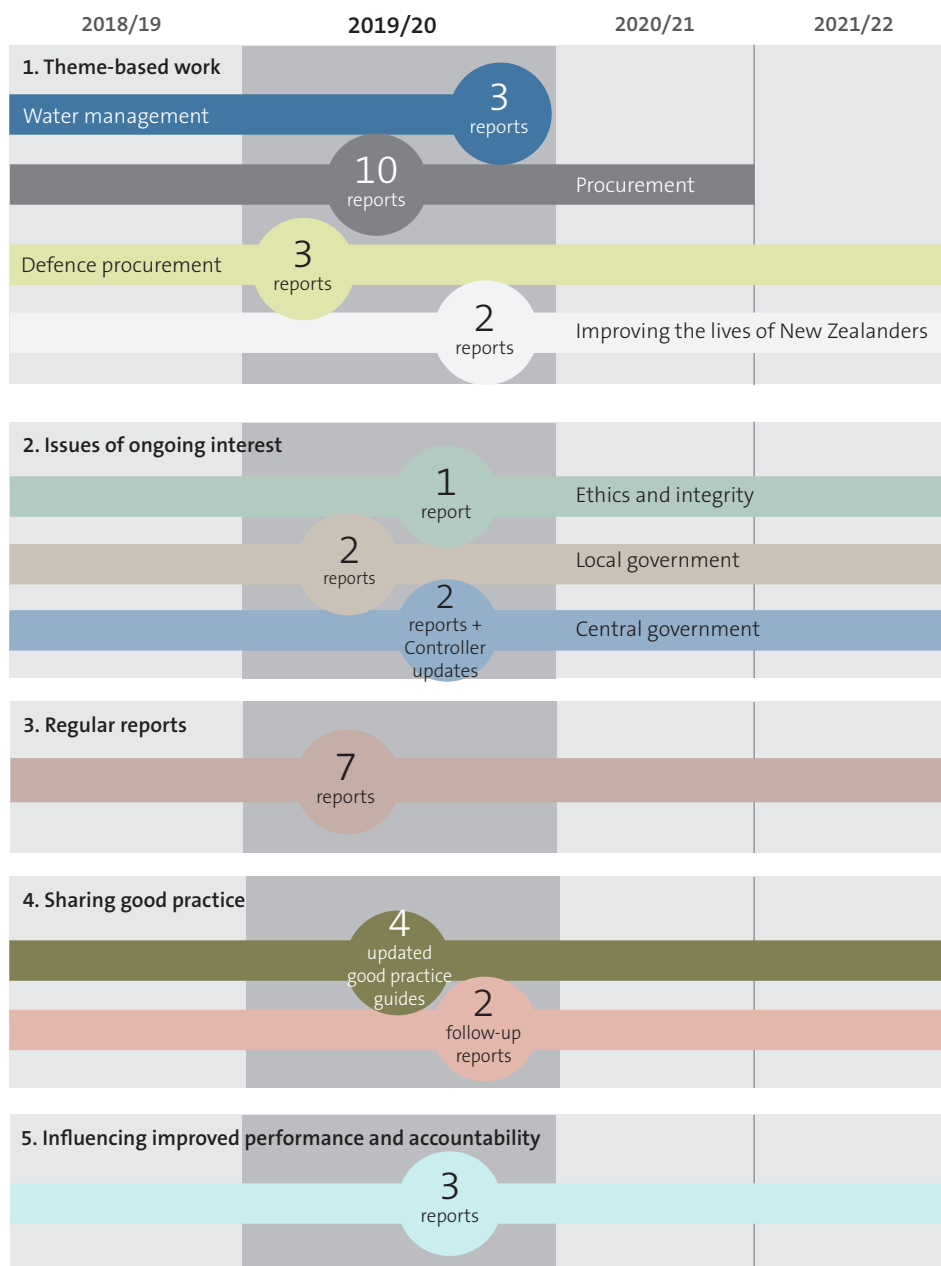
## Summary of the public entities we audit, at June 2019

Entity categories	Entities	Subsidiaries and related entities	Total
<b>Central government entities</b>			
Government departments	39	17	<b>56</b>
Crown research institutes	7	7	<b>14</b>
District health boards	20	20	<b>40</b>
Tertiary education institutions	27	42	<b>69</b>
Other Crown entities	63	23	<b>86</b>
Other central government entities	99	20	<b>119</b>
State-owned enterprises and mixed-ownership model companies	17	26	<b>43</b>
Rural education activities programmes	14	-	<b>14</b>
Schools	2426	47	<b>2473</b>
<b>Local government entities</b>			
Local authorities	78	-	<b>78</b>
Council-controlled organisations	-	154	<b>154</b>
Exempt council-controlled organisations	-	23	<b>23</b>
Other local government entities	-	44	<b>44</b>
<b>Electricity lines, airport, and port companies</b>			
Electricity lines companies	20	19	<b>39</b>
Airport companies	18	4	<b>22</b>
Port companies	12	9	<b>21</b>
<b>Other public entities</b>			
Fish and game councils	15	-	<b>15</b>
Licensing and community trusts	18	14	<b>32</b>
Administering bodies and boards	36	-	<b>36</b>
Cemetery trusts	91	-	<b>91</b>
<b>Total</b>	<b>3000</b>	<b>469</b>	<b>3469</b>

# Appendix 2

## Overview of our multi-year work programme

The work we intend to complete in 2019/20 in the context of our multi-year work programme is shown in this Appendix.





	Work we completed in 2018/19	Work we intend to complete in 2019/20	Work we propose for 2020/21	Work we propose for 2021/22	
1. Theme-based work	<b>Information</b>	<ul style="list-style-type: none"> <li>Reflecting on our work about information</li> </ul>	<ul style="list-style-type: none"> <li>Clean-up of significant water bodies</li> <li>Progress on freshwater quality management since 2011</li> <li>Reflections report on <i>Water management</i> theme</li> </ul>		
	<b>Water management</b>	<ul style="list-style-type: none"> <li>Managing the supply of and demand for drinking water</li> <li>Sea Change – Tai Timu Tai Pari: Creating a marine spatial plan for the Hauraki Gulf</li> <li>Managing stormwater systems to reduce the risk of flooding</li> <li>Using different processes to protect marine environments</li> </ul>	<ul style="list-style-type: none"> <li>MBIE procurement functional leadership: Enabling effective and efficient procurement across the State sector</li> <li>Effectiveness of panels of suppliers</li> <li>Contracts for significant services</li> <li>Auckland City Rail Link: Project governance</li> <li>Provincial Growth Fund: Management, monitoring, and evaluation of the Fund</li> <li>Procurement workforce capacity and capability in local government</li> <li>Partnerships with the private sector to deliver public sector outcomes – how effective are they?</li> <li>Procurement of assets to support effective health care</li> <li>How well does the NZTA procurement model manage long-term procurement risks to ensure future value and sustainable procurement?</li> <li>KiwiBuild: Implementation</li> </ul>	<ul style="list-style-type: none"> <li>GCDO ICT procurement functional leadership</li> <li>Managing contracts to achieve better outcomes</li> <li>Auckland City Rail Link: Procurement model and delivery</li> <li>Tāmaki regeneration programme</li> <li>Provincial Growth Fund: Benefits realisation</li> <li>KiwiBuild: Benefits realisation</li> <li>Effectiveness of the firearms buy-back scheme</li> </ul>	<ul style="list-style-type: none"> <li>Reflections report on <i>Procurement</i> theme</li> </ul>
	<b>Procurement</b>	<ul style="list-style-type: none"> <li>Introducing our work about procurement</li> <li>Management of MBIE's grant programmes</li> <li>Panels of suppliers survey</li> </ul>			
	<b>Defence procurement</b>	<ul style="list-style-type: none"> <li>Review of <i>Defence Major Projects Report 2017</i></li> </ul>	<ul style="list-style-type: none"> <li>Defence procurement: Effectiveness of integrated capability delivery</li> <li>Review of <i>Defence Major Projects Report 2018</i></li> <li>Review of <i>Defence Major Projects Report 2019</i></li> </ul>	<ul style="list-style-type: none"> <li>Defence procurement (topic to be determined)</li> </ul>	<ul style="list-style-type: none"> <li>Defence procurement (topic to be determined)</li> </ul>
	<b>Improving the lives of New Zealanders</b>		<ul style="list-style-type: none"> <li>Performance in achieving reductions in family violence</li> <li>Progress towards implementing the UN sustainable development goals</li> </ul>	<ul style="list-style-type: none"> <li>Performance in achieving reductions in family violence</li> <li>Effectiveness of Whānau Ora in achieving better outcomes for whānau</li> <li>Programme of work examining how well the public sector achieves better outcomes for New Zealanders (topics are indicative only): <ul style="list-style-type: none"> <li>reducing disparities in social outcomes between demographic groups</li> <li>reducing poverty</li> <li>improving resilience of infrastructure to natural hazards.</li> </ul> </li> </ul>	
2. Issues of ongoing interest	<b>Ethics and integrity</b>	<ul style="list-style-type: none"> <li>Summary of fraud findings 2017/18</li> </ul>	<ul style="list-style-type: none"> <li>Ethics and integrity landscape</li> </ul>	<ul style="list-style-type: none"> <li>Promoting high ethical standards and integrity across the public sector (work to be determined)</li> </ul>	
	<b>Local Government</b>	<ul style="list-style-type: none"> <li>Auckland Council review of service performance: <i>Effectiveness of Auckland Council's post-implementation review process</i></li> </ul>	<ul style="list-style-type: none"> <li>Auckland Council review of service performance: Disaster resilience and preparedness</li> <li>Local government risk management: Stocktake of approach and reporting results</li> </ul>	<ul style="list-style-type: none"> <li>Auckland Council review of service performance (topic to be determined)</li> <li>Influence improved risk management across local government (work to be determined)</li> </ul>	<ul style="list-style-type: none"> <li>Auckland Council review of service performance (topic to be determined)</li> </ul>
	<b>Central Government</b>	<ul style="list-style-type: none"> <li>Controller update: July to December 2018</li> </ul>	<ul style="list-style-type: none"> <li>Inland Revenue Department: Benefits from the Business Transformation programme</li> <li>Commentary on the Treasury's 2020 Statement on New Zealand's Long-term Fiscal Position</li> <li>Controller updates</li> </ul>	<ul style="list-style-type: none"> <li>Work on other issues of interest arising (issues and work to be determined)</li> <li>Controller updates</li> </ul>	<ul style="list-style-type: none"> <li>Controller updates</li> </ul>
3. Regular reports	<ul style="list-style-type: none"> <li>Central government: Results of the 2017/18 audits</li> <li>Summary of results of the 2017/18 central government audits for Chief Executives</li> <li>Results of the 2017 school audits</li> <li>Tertiary education institutions: Results of the 2017 audits</li> <li>Our 2018 work about local government</li> <li>Long-term plans: Our audits of councils' consultation documents</li> <li>Matters arising from our audits of the 2018-28 long-term plans</li> </ul>	<ul style="list-style-type: none"> <li>Central government: Results of the 2018/19 audits</li> <li>Summary of results of the 2018/19 central government audits for Chief Executives</li> <li>Results of the 2018 school audits</li> <li>Results of the 2018 audits of tertiary education institutions</li> <li>Results of the 2017/18 district health board audits</li> <li>Results of the 2018/19 district health board audits</li> <li>Local government: Results of the 2018/19 audits</li> </ul>	<ul style="list-style-type: none"> <li>Central government: Results of the 2019/20 audits</li> <li>Summary of results of the 2019/20 central government audits for Chief Executives</li> <li>Results of the 2019 school audits</li> <li>Results of the 2019 audits of tertiary education institutions</li> <li>Results of the 2019/20 district health board audits</li> <li>Local government: Results of the 2019/20 audits</li> </ul>	<ul style="list-style-type: none"> <li>Central government: Results of the 2020/21 audits</li> <li>Summary of results of the 2020/21 central government audits for Chief Executives</li> <li>Results of the 2020 school audits</li> <li>Results of the 2020 audits of tertiary education institutions</li> <li>Results of the 2020/21 district health board audits</li> <li>Local government: Results of the 2020/21 audits</li> <li>Matters arising from our audits of the 2021-31 local authority long-term plans and consultation documents</li> </ul>	
4. Sharing good practice	<ul style="list-style-type: none"> <li>Update <i>Severance payments: A guide for the public sector</i></li> <li>Accident Compensation Corporation: How it deals with complaints – Progress in responding to the Auditor-General's recommendations</li> </ul>	<ul style="list-style-type: none"> <li>Update <i>Managing conflicts of interest: Guidance for public entities</i></li> <li>Update <i>Guidance for members of local authorities about the Local Authorities (Members' Interests) Act 1968</i></li> <li>Update <i>Charging fees for public sector goods and services</i></li> <li>Update <i>Controlling sensitive expenditure: Guidelines for public entities</i></li> </ul>	<ul style="list-style-type: none"> <li>Update <i>Procurement guidance for public entities</i></li> <li>Update <i>Public sector purchases, grants, and gifts: Managing funding arrangements with external parties</i></li> </ul>	<ul style="list-style-type: none"> <li>Continued programme of updating good practice guidance</li> </ul>	
5. Influencing improved performance and accountability	<ul style="list-style-type: none"> <li>Submission on the Treasury's Public Finance System Strategy</li> <li>Submission on the State Services Commission's review of the State Sector Act 1988</li> <li>Submission on the Treasury's proposal to establish an Independent Fiscal Institution</li> <li>Submission on establishing an independent infrastructure body</li> <li>Submission to the Taskforce for the Review of Tomorrow's Schools</li> <li>Submission on safeguarding the future of our financial system: The role of the Reserve Bank and how it should be governed</li> <li>Comments on local government funding and financing issues paper (released by the Productivity Commission)</li> <li>Timeliness of reporting by public entities</li> <li>Tertiary education institutions: Changes to the requirements for performance reporting in annual reports</li> <li>Submission on proposal to create a NZ Institute of Skills and Technology</li> <li>Submission to the Public Inquiry into the Earthquake Commission</li> </ul>	<ul style="list-style-type: none"> <li>Report on the progress of public entities in implementing the Auditor-General's recommendations from previous reports: <ul style="list-style-type: none"> <li>Using information to improve social housing services</li> <li>Accident Compensation Corporation: Using a case management approach to rehabilitation</li> </ul> </li> <li>Landscape of the public accountability system: First report</li> <li>Landscape of the public accountability system: Second report</li> <li>Making performance reporting more effective</li> </ul>	<ul style="list-style-type: none"> <li>Reporting on the progress of public entities in implementing the Auditor-General's recommendations from previous reports (programme of follow-up work to be determined)</li> <li>Influencing improvements in the public sector accountability system (work to be determined)</li> </ul>	<ul style="list-style-type: none"> <li>Report on the progress of public entities in implementing the Auditor-General's recommendations from previous reports (programme of follow-up work to be determined)</li> </ul>	

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