



25 February 2016

[Section 41](#) of the *Auditor-General Act 1997* establishes the position of the Independent Auditor.

The Independent Auditor report, *Review of Communications Processes*, was tabled in Parliament on 18 December 2015 and can be accessed on the ANAO website [here](#).

The report included 3 recommendations for the ANAO to enhance current communication processes. The ANAO's response to the recommendations and current status are outlined below.

## Recommendation 1

The ANAO should build on the initial work undertaken to identify the activities and methods currently used by the ANAO to communicate with its key stakeholder groups through:

- a) developing a communications strategy and plan to meet stakeholder preferences, with consideration of social media presence and including measures to monitor and evaluate the ANAO's communications;
- b) identifying opportunities for communicating insights and emerging themes across all engagements; and
- c) periodically evaluating performance of the ANAO's communications.

## ANAO response included in report

*Agreed.* The ANAO plans to finalise a communications strategy and plan as a priority that will include measures to periodically evaluate the effectiveness of the ANAO's communications with internal and external stakeholders. The ANAO will also identify opportunities to disseminate common issues and themes arising from our financial statement and performance audits for the benefit of our stakeholders.

## Current status

The ANAO communications strategy that includes measures to monitor and evaluate the ANAO's communications has been distributed for internal consultation. We will consider and respond to feedback received and finalise the strategy and plan during March. In parallel, the ANAO is updating our social media policy that formalises our organisational position and presence on social media.

Through our audit work, the ANAO is in a unique position to provide insights and key themes on the effectiveness of public administration. In November 2015 the ANAO hosted an Audit Committee Chairs Forum, a jointly run forum with the Department of Finance. In this forum our Assurance and Performance Audit groups shared insights and themes emerging from our work and our forward thinking on a range of matters. This month we have also convened a similar forum and provided a briefing to entity Chief Finance Officer's in which we gave an overview of our end of year report and the issues which arose in the most recent assurance audit cycle.

As a key entity communication tool, ANAO Audit Committee reports are under review with future reports to be more comprehensive and include corporate messages, technical updates

and audit briefing notes. The ANAO will be surveying Audit Committee Members in the coming months to measure our 2015-19 Corporate Plan performance measure: percentage of Audit Committee members who acknowledge the value added by ANAO audit services. Evaluating the effectiveness and performance of ANAO's communications will be an important part of this survey.

## Recommendation 2

Aligned to the communication strategy, the ANAO should review the need for hard copy reports other than those required for tabling purposes and increase efforts to meet the needs of stakeholders through electronic communication of reports. A key driver of this will be to improve the usability of the ANAO website, and enhance search functionality across the website and within published documents.

### ANAO response included in report

*Agreed.* The ANAO has now adopted a digital first policy. The delivery of audit reports that are digitally accessible across a variety of electronic platforms has been identified in the ANAO Corporate Plan 2015–19 as an area of immediate focus. The number of hard copy reports printed will be reduced to meet the minimum number required to satisfy Parliamentary tabling requirements. The number of discretionary hard copy audit reports printed will be substantially reduced and requests from external parties for hard copy publications will be requested to access publications from the ANAO's website.

### Current status

The ANAO has implemented our digital first policy as from Audit Report No. 11 2015-16 *Indigenous Home Ownership Program* that tabled on 3 December 2015. We are no longer printing and distributing additional hard copy audit reports. The ANAO is currently redeveloping our website to provide easier navigation, enhanced search capability and to make our reports digitally accessible across a variety of electronic platforms. The website has recently undergone user acceptance testing and subject to timeframes to address some of the testing results, we plan to release the website by end of March 2016.

The next audit work program will be fully integrated into the new website instead of a standalone product. This will allow visitors to the website to more easily search across not only complete and in progress audit work but also planned and proposed audit topics. In addition, we will be increasing the visibility of smaller scope limited assurance reviews and responses to requests from Parliamentarians for audits. We expect that this will improve visitors understanding of and access to the full breadth of work undertaken by the office.

Following the release of the website the ANAO will offer to assist, or be a pilot entity, with the Department of Finance and the Department of Prime Minister and Cabinet scoping and development of a system for the centralised electronic tabling of documents in Parliament.

### Recommendation 3

The ANAO reviews the current performance audit reporting processes with a view to:

- a) provide greater clarity on suggested improvements outside of formal recommendations, making better use of data visualisation techniques, and preparing more succinct performance audit reports; and
- b) utilising the audit summary document currently provided to Parliamentarians to communicate audit results more directly to its broader stakeholders.

### ANAO response included in report

*Agreed.* The delivery of audit reports that are presented clearly, succinctly and directly to engage a broad range of stakeholders has been identified in the ANAO Corporate Plan 2015–19 as an area of immediate focus. The ANAO’s revised approach to the presentation of its performance audit reports and other reviews involves producing reports that reflect the nature of the engagement and the complexity of the topic or issues involved. The use of visual techniques in will be increased and chapter summaries will be included in all performance audit reports. The ANAO will also identify ways in which to give greater visibility to suggested improvements made in reports and to make greater use of existing audit report summaries.

### Current status

The ANAO adopted a new reporting format from Audit Report No.5 2015-16 [Implementation of Audit Recommendations](#) that tabled on 22 October 2015. The style includes summaries at the start of each chapter that are designed to be ‘at a glance’ boxes, use of a question and answer structure within each chapter to highlight key findings and a noticeable decrease in overall report length. The ANAO is continuing to refine the reporting style and is seeking feedback on changes implemented to date. The ANAO is also continuing to identify ways in which to give greater visibility to suggested improvements made in reports and to make greater use of existing audit report summaries.