



## **Senator the Hon Simon Birmingham**

Minister for Finance  
Leader of the Government in the Senate  
Senator for South Australia

REF: MS21-000674

Mr Grant Hehir  
Auditor-General  
Australian National Audit Office  
GPO Box 707  
CANBERRA ACT 2601

Dear Auditor-General

I am writing to request that you, under section 40 of the *Public Governance, Performance and Accountability Act 2013* (PGPA Act), continue and expand the audits of selected annual performance statements. Funding to support the Australian National Audit Office (ANAO) undertake this work was provided by the Government in the 2021–22 Budget.

I understand the ANAO has advised the Department of Finance that you propose to continue the audits of the 2020-21 annual performance statements of the Attorney-General's Department, the Department of Social Services and the Department of Veterans' Affairs. Further, you propose to expand the program to a total of six departments in 2021–22.

On completion of these audits, as required by section 40 of the PGPA Act, I will arrange for the tabling of your reports and the related annual performance statements.

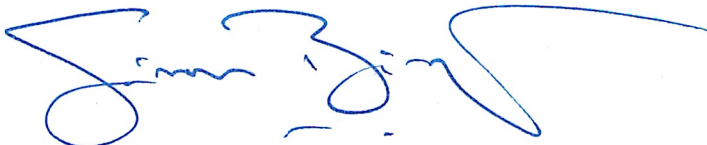
My request under section 40 of the PGPA Act will be required for future audits of annual performance statements until the necessary changes are made to both the PGPA Act and *Auditor-General Act 1997* to mandate these audits.

The program and methodology is still in an early stage and the first year of work made limited findings about best practice and areas for improvement. I consider that a Joint Committee of Public Accounts and Audit (JCPAA) inquiry to review the audit methods and outcomes each year during the ramp-up of this new stream of work would inform incremental improvements in the program and practice.

Any findings on the approach and scope of performance statement audits arising from the JCPAA inquiries could inform the design of legislation to permanently embed them as part of the audit program going forward.

I am writing separately to the Chair of the Joint Committee for Public Accounts and Audit, Ms Lucy Wicks MP, to propose that they consider undertaking such an inquiry, as the body responsible for the oversight of the ANAO.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Simon Birmingham', with a large, sweeping flourish extending to the right.

**Simon Birmingham**

22 October 2021