


30 Years of Service
2013



**Consultation on our
Future Performance
Audit Programme**
June 2013



Our independent work
promotes good governance,
transparency and
accountability in the use
of public funds

INTRODUCTION

Under the constitution and the PMFL the Auditor General has the power and the duty to report the results of his work to the Legislative Assembly, and then make the results of his work public. The Auditor General meets these obligations through:

- General reports each year on the outcomes of the OAG's audit work, with progress reports during the year as necessary.
- Performance audit reports issued throughout the year on work instigated by his Office or at the request of the Legislative Assembly.

Performance audit reports are generally focused on value for money - economy, efficiency, effectiveness - and on governance and accountability. The Office of the Auditor General carries these out and reports through two mechanisms:

- Performance audits based on a planned and published programme of work, covering efficiency, effectiveness, economy, governance and accountability.
- Public interest audits focused on issues that are identified or investigations that are requested during the year, and which in the public interest, should be reported to the Legislative Assembly in as short a time frame as possible. In general these are reactive, will cover single issues at an individual entity, and to an extent, will draw from issues identified through our audit of the financial statements.

WHAT ISSUES DO YOU THINK WE SHOULD LOOK INTO

We are currently consulting on which performance audit topics we should consider over the next three years. Your views will help us ensure our work is broad and balanced, focuses on where we can have most impact and is responsive to the concerns of stakeholders. Our focus continues to be on value for money - economy, efficiency, effectiveness - and on governance and accountability.

The topics we have listed in this consultation document are based on our preliminary assessment of significance and risk across Government operations, and consideration of those areas where we believe we can provide greatest impact and added value. The potential audits vary in size and scope, and it is our intention to balance our programme between larger government wide audits and smaller more discrete ones.

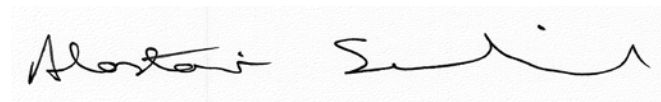
Your views on the topics and their priority are important to ensure these are the right areas that we should be concentrating on or if there others in which we could have greater impact and added value.

After completing our consultation, we will publish our proposed programme of performance audits for the next three years. However, as we live in a dynamic environment, we will continue to reflect and consult on our programme, in particular with senior managers in the Government and with the Public Accounts Committee, and as appropriate it will be amended to reflect up to date information and assessment. For instance the programme is subject to change depending on the availability of audit resources, the significance of new topics or issues that arise from time to time and become a priority (including public interest reports).

Please send us your feedback by **31 August 2013** either by emailing auditorgeneral@oag.gov.ky or writing to:

The Auditor General
Office of the Auditor General
PO Box 2583
Grand Cayman KY1-1103
Cayman Islands

I also welcome your phone calls to discuss this document. If that is your preference, please call me at (345) 244-3201.



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12 June 2013

POTENTIAL PERFORMANCE AUDITS FOR THE NEXT THREE YEARS

Audit Topic	Brief Description
Major Capital Projects Part 2	We will examine how the Government has managed major capital projects (including the procurement and financing) and whether due consideration was given to achieving value for money. This could include the completion phase of the high schools, the primary schools and the hurricane shelter on Cayman Brac.
Human Resource Management	This audit will examine the arrangements the Government has in place to manage its human capital efficiently, economically and effectively in line with the requirement of the <i>Public Service Management Law</i> .
Government revenues (including fees, customs and duties)	The audit will examine the arrangements in place to determine, manage and collect Government revenues transparently, efficiently, effectively and economically. Processes such as those used for providing duty waivers will be included.
Information Technology Governance	We will examine information technology governance and investments, and whether due consideration is given to achieving value for money.
Environment and Sustainable Development	The audit will examine how the Cayman Islands Government considers environmental impact in its decision making and policy development in order to promote sustainable development.
Public Sector Pensions	The audit will examine the arrangements in place to manage the public sector pensions and consider whether current arrangements are sustainable in the longer term
Sustainable Healthcare	The audit will examine the arrangements in place to fund and manage Government funded healthcare and consider whether it is sustainable.
Public Debt Management	The audit will examine how the Cayman Islands Government manages public debt to ensure that it obtains value for money and meets the requirements of the <i>Public Management and Finance Law</i> .
Social Welfare Benefits and Payment	The audit will examine whether social welfare benefits, payments and financial assistance were managed effectively with due regard for value for money, accountability and transparency.

Audit Topic	Brief Description
Scholarships	The audit will examine whether scholarships and bursaries were managed effectively with due regard for value for money, accountability and transparency.
Management of Crown Assets	We will examine the management of crown assets and consider whether this was done effectively with due regard for value for money, accountability and transparency.
Dealing with Fraud	The audit will examine the arrangements in place to mitigate, investigate and report fraud across the public service.
Governance – Boards, Commissions and Committees	The audit will examine the governance arrangements in place to appoint, support and manage the various boards, commissions and committees of government, for example the Central Planning Authority (excluding statutory authorities and government companies).
Management of Consultants	We will examine how the Government manages consultants (including engaging and managing their services) and whether due consideration was given to achieving value for money.
Services provided by external organisations (NGOs, Charities etc.) on behalf of Government	The audit will examine the arrangements that Government has in place to manage the agreements it has in place with external organisations, such as NGOs and charities, to provide services on its behalf and consider whether this is done effectively with due regard for value for money, accountability and transparency.
Effectiveness of Internal Audit across the Public Sector	We will examine the internal audit arrangements in place across the public sector and consider whether they are managed effectively and in line with the relevant standards.
For Cayman Investment Alliance	We will examine how the Government has managed the For Cayman Investment Alliance and whether due consideration was given to achieving value for money.
Procurement (Follow up)	The audit will follow up on how the Cayman Islands Government has addressed the recommendations from our report on the Management of Government Procurement published in July 2011.
Legal Aid (Follow up)	The audit will follow up on how the Cayman Islands Government has addressed the recommendations from our report on the Legal Aid Program published in March 2010.
Ex Gratia/Compensation Payments	We examine whether Government has made ex-gratia and/or compensation payments with due regard for value for money.

Audit Topic	Brief Description
Governance Review - Cayman Airways	The audit will examine the arrangement in place to govern and manage the performance and operations of Cayman Airways efficiently, effectively and economically, and in a manner which is accountable and transparent.
Governance Review - Cayman Islands Development Bank	The audit will examine the arrangement in place to govern and manage the performance and operations of the Cayman Islands Development Bank efficiently, effectively and economically, and in a manner which is accountable and transparent.
Governance Review - District Administration	We will review the governance and management arrangements in place to manage and deliver services for the sister islands efficiently, effectively and economically.
Governance Review – Cayman Islands Airports Authority	The audit will examine the arrangement in place to govern and manage the performance and operations of the Cayman Islands Airports Authority efficiently, effectively and economically, and in a manner which is accountable and transparent.
Governance Review – Civil Aviation Authority	The audit will examine the arrangement in place to govern and manage the performance and operations of Civil Aviation Authority efficiently, effectively and economically, and in a manner which is accountable and transparent.
Governance Review – Port Authority of the Cayman Islands	The audit will examine the arrangement in place to govern and manage the performance and operations of Port Authority of the Cayman Islands efficiently, effectively and economically, and in a manner which is accountable and transparent.
Governance Review – National Housing and Development Trust	The audit will examine the arrangement in place to govern and manage the performance and operations of National Housing and Development Trust efficiently, effectively and economically, and in a manner which is accountable and transparent.

Contact us

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Business hours:

8:30am - 4:30pm

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CAYMAN ISLANDS
Email: auditorgeneral@oag.gov.ky
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Complaints

To make a complaint about one of the organisations we audit or about the OAG itself, please contact Garnet Harrison at our address, telephone or fax number or alternatively email: garnet.harrison@oag.gov.ky

Freedom of Information

For freedom of information requests please contact Garnet Harrison at our address, telephone or fax number. Or alternatively email: foi.aud@gov.ky

Media enquiries

For enquiries from journalists please contact Martin Ruben at our phone number or email: Martin.Ruben@oag.gov.ky



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