

Threats to SAI independence – mitigation strategies¹

We set out below some threats to SAI independence and possible mitigation strategies. However, it is noted that not all the mitigation strategies will be available to all SAIs.

Risk	SAI mitigation strategy
Low funding levels meaning can't fulfil mandate	<p>A SAI could:</p> <ul style="list-style-type: none"> • Discuss low funding levels with the legislature and Ministry of Finance and how the low funding levels are adversely affecting the SAIs performance • Obtain an external opinion, or advice, on the amount of funding required to fulfil the SAI's mandate • Make best use of current resources by prioritising resources into the most important areas
Poor quality audits leading to reputational risks	<p>A SAI could:</p> <ul style="list-style-type: none"> • Have in place a robust audit methodology including audit manuals to provide guidance to audit staff and to promote consistency in audit work • Have in place robust quality control review arrangements • Have in place a staff professional development programme
Delaying nomination of a SAI head (pro-longed vacancy)	<p>A SAI could:</p> <ul style="list-style-type: none"> • Engage the support of the Public Accounts Committee to facilitate the nomination and appointment of a SAI head • Engage the support of media and civil society, for example, by holding press conferences and issuing media releases describing the adverse implications of the pro-longed vacancy
Low staffing levels meaning can't fulfil mandate	<p>A SAI could:</p> <ul style="list-style-type: none"> • Get external review of SAI to confirm number of staff required to fulfil mandate. This could be done by a donor organisation

¹ This part is based on the INTOSAI paper “Strengthening External Public Auditing in INTOSAI Regions”, INTOSAI Conference 26 -27 May 2010, Vienna (pages 81 - 84)

Risk	SAI mitigation strategy
SAI accused of being biased	<p>A SAI could:</p> <ul style="list-style-type: none"> • Ensure its audit work is carried out in accordance with international auditing standards • Ensure the SAI is viewed by the public and media as a credible institution. This requires the SAI to have exhibited high ethical standards, as well as being transparent and accountability in its previous actions
Political interference in audit selection	<p>A SAI could:</p> <ul style="list-style-type: none"> • Publish a list of its proposed audits and work plans before the commencement of each year • Get the Public Accounts Committee input into work plans and also inform the PAC of the proposed work programme • Establish a strong and mutually respectful relationship with the legislature, including the Public Accounts Committee. For example, provide the Public Accounts Committee with audit reports and brief the Public Accounts Committee on their key findings, obtain the Public Accounts Committee's input into the SAI work programme, and provide advice and assistance to the Public Accounts Committee when the opportunity arises
An external party frequently imposing new work tasks on SAI without allocation additional resources	<p>A SAI could:</p> <ul style="list-style-type: none"> • Make explicit the trade-offs, costs and consequences of doing the unfunded work
Trying to influence the results of a SAI's audits	<p>A SAI could</p> <ul style="list-style-type: none"> • Engage the support of the Public Accounts Committee to ensure the SAI's independence
Politically engaged media that may attack SAI's to destroy its credibility	<p>A SAI could:</p> <ul style="list-style-type: none"> • Ensure it has a history of acting openly, transparently and ethically • Ensure it has a history of producing robust and high quality audit reports