

1.1.1 Policy Development, Applicability and Waivers

Introduction

The Audit Office's (the Office) purpose is to help parliament hold government accountable for its use of public resources.

The Office has developed and implemented audit and assurance policies, guidelines, methodologies and procedures, including quality and risk management systems, to establish consistently high levels of service, governance, quality, conduct and compliance with professional standards and other legislative requirements.

Policies and guidance

1. **Compliance with Office audit and assurance policies (which includes related services policies) is mandatory for all financial and performance audit staff.**
2. **The Deputy Auditor-General has primary responsibility and authority for audit and assurance policies, and is responsible for determining that proposed audit and assurance policies are up to date, fit for purpose and comply with professional standards and legislative requirements.**
3. **The Professional Services Branch (PSB), under the direction of the Executive Director, Professional Services (EDPS), has been charged by the Deputy Auditor-General for ensuring the policies and guidance applicable to financial and performance audits, and other assurance and related services meet these criteria.**
4. **Policy is presented in bold type** while guidance is presented in non-bold type.
5. Proposed audit and assurance policies may be initiated by various sources including, but not limited to, the Auditor-General, the Office Executive, and as a result of internal and external reviews of the Office.
6. Audit and assurance policies are expected to be based on long-lasting, fundamental principles, and be sufficiently broad to allow for use across various audit and assurance services. Separate guidance notes, instructions, forms and templates are developed as appropriate to aid compliance with Office audit and assurance policies and procedures.

Review process

7. **The EDPS and/or delegate is responsible for maintaining audit and assurance policies, instructions and guidance, and forms and templates.**
8. **For all audit and assurance policies, the EDPS:**
 - **must invite feedback from Assistant Auditors-General (AA-Gs) from financial and where appropriate, performance audit, where proposed changes are substantive**
 - may invite feedback from AA-Gs where proposed changes are minor
 - may invite feedback from Directors from financial and performance audit
 - will incorporate feedback where appropriate and **provide proposed audit and assurance policies to the Deputy Auditor-General for approval.**
9. For all audit and assurance instructions, guidance, forms, and templates, the EDPS:
 - may invite feedback from the AA-Gs or Directors where considered appropriate to do so
 - will incorporate feedback, where appropriate before issuing to staff.

10. Examples where consultation would be appropriate is when there is a substantive change to instructions, guidance, forms or templates.
11. **PSB will provide a timeframe for feedback where consultation is undertaken. If no feedback is provided within the stated timeframe, PSB will conclude that there was no feedback on the proposed policy, instruction, guidance, form and template.**
12. **Audit and assurance policies should be reviewed every two years, or earlier as required.**

Waivers from compliance with policy

13. **Where:**
 - any staff member, including Directors and AA-Gs, consider a member of the engagement team is unable to comply with an audit and assurance policy for any reason, or
 - the audit and assurance policy cannot be complied with on an engagement the Director or an AA-G must request a waiver from compliance with the policy from the Deputy Auditor-General where the compliance matter cannot be resolved.
14. **All waiver requests must be initially submitted to PSB for EDPS endorsement before seeking the Deputy Auditor-General's approval.**
15. Waivers from compliance with Office audit and assurance policies are expected to be rare.
16. PSB maintains a register of waiver requests.

Compliance with applicable laws

17. **Office audit and assurance policies are not intended to, nor can they, override legislative requirements. If a conflict exists between an Office audit and assurance policy and relevant legislation, the responsible Director or AA-G should consult PSB. The EDPS must bring the matter to the attention of the Deputy Auditor-General.**

Effective dates

18. **Audit and assurance policies and guidance should indicate the issue date and the effective date.**
19. **All audit and assurance policies are effective until they are withdrawn or superseded. Additional audit and assurance policies and guidance will be issued as considered appropriate.**

Effective date

Issued July 2022 and effective July 2022.