

Score	Minimum requirements for scores
D	Performance is less than required for a C score.

Coverage

CG.

Time period

Last three completed fiscal years.

Measurement guidance

The legislature has a key role in exercising scrutiny over the execution of the budget that it approved. A common way in which this is done is through a legislative committee(s) or commission(s) that examines the external audit reports and questions responsible parties about the findings of the reports. A report on the results of review of the external audit report(s) by any mandated committee should be submitted for consideration (and ideally debated) in the full chamber of the legislature in order to constitute a completed scrutiny. This is usually necessary before the executive can formally respond, though corrective action may be taken at any time. The operation of the committee(s) will depend on adequate financial and technical resources, and on adequate time being allocated to keep up-to-date on reviewing audit reports.

Dimension 31.1 assesses the timeliness of the legislature’s scrutiny, which is a key factor in the effectiveness of the accountability function. Timeliness can be affected by a surge in audit report submissions, where external auditors are catching up on a backlog. In such situations, the committee(s) may decide to give first priority to audit reports covering the last completed reporting periods and audited entities that have a history of poor compliance. The assessment should favorably consider such elements of good practice and not be based on the resulting delay in scrutinizing reports covering more distant periods.

Dimension 31.2 assesses the extent to which hearings on key findings of the SAI take place. Hearings on key findings of external audit reports can only be considered ‘in-depth’ if they include representatives from the SAI to explain the observations and findings as well as from the audited agency to clarify and provide an action plan to remedy the situation. ‘A few’ refers to between 10 and 25 percent (by value) of government units with qualified, adverse or disclaimer of opinions, in line with the standard orders of magnitude applied across the PEFA Framework referred to in section 2.1.4.

Dimension 31.3 assesses the extent to which the legislature issues recommendations and follows up on their implementation. The responsible committee may recommend actions and sanctions to be implemented by the executive, in addition to adopting the recommendations made by the external auditors, refer to PI-30, and would be expected to have a follow-up system to ensure that such recommendations are appropriately considered by the executive.

‘Systematically’ is defined as: where a system for tracking recommendations exists and it is used to record recommendations and to record action or lack of action taken on recommendations, and where for every recommendation, the executive and the legislature is notified during subsequent hearings whether recommendations have or have not been implemented.