

**Submission
No 1**

EFFICIENCY AND EFFECTIVENESS OF THE AUDIT OFFICE OF NSW

Organisation: Director of Public Prosecutions
Name: Mr Lloyd Babb
Position: Director
Date Received: 12/04/2013

OUR REFERENCE

DIRECTOR'S CHAMBERS



YOUR REFERENCE

DATE
9 April 2013

Mr Jonathan O'Dea MP
Chair,
Public Accounts Committee (PAC)
Parliament House, Macquarie St
Sydney NSW 2000

Dear Mr O'Dea

I am writing in response to your letter of 12 March 2013 in which you requested my views of the Audit Office in relation to their audits of the ODPP.

The Audit Office conducts the annual Financial review of the ODPP and in 2008 the Audit Office conducted a performance review.

In relation to the annual audits, they are conducted in a professional manner with good communication between the Auditors and ODPP staff. The Audit Office commences each audit by meeting with the ODPP CFO and senior financial staff. The purpose of this meeting is to review prior year management letter item progress, discuss management and other operational changes, discuss the upcoming audit and agree the timetable. It is in this meeting that the Audit Office will discuss the topics that have been selected as areas of focus for the audit.

Following the initial meeting, the Audit Office will then provide a Client Service letter for the upcoming audit. The timetable outlined in this letter is then typically followed closely by both the Audit Office and ODPP. Any concerns or issues along the way are also typically resolved quickly and amicably. In relation to the audit staffing levels and costs charged, they seem reasonable and adequate given the professional quality required for such an audit.

The 2008 Performance Audit was an extensive review into the efficiency of the ODPP. The foreword of the report states that:

"The ODPP has the independence to make prosecutorial decisions without fear or favour, which is a cornerstone of our justice system. This independence does not remove the need for it to manage public resources appropriately, to be accountable for its performance and deliver value for money. This audit examines how well the ODPP can demonstrate its efficiency."

The audit produced 16 recommendations in key areas such as demonstrating efficiency, improving information management and improving management practices. Following the acceptance of the report, the ODPP worked to implement all 16 recommendations from the report. In general, the objectives of the review were unable to be met but the recommendations by the Audit Office were helpful to the ODPP, bringing about change and enabling it to focus on improving key areas of the agency.

Overall it is the view of the ODPP that the Audit Office provides value for money financial audit services; the Audit Office has adequate resources to carry out its functions; and communication by the Audit Office with the ODPP is considered effective.

Yours sincerely



Lloyd Babb SC
Director of Public Prosecutions