



International Peer Review of the  
Value for Money Audit Practice of the  
Office of the Auditor General of Canada

**Peer Review Good Practice  
identified by the peer review team**

National Audit Office - United Kingdom

Revisjonen - Norway

Cour des Comptes - France

Algemene Rekenkamer - The Netherlands

## **On the general approach**

**Recognise that the peer review is a review by 'peers'** – members of the review team will bring different insights and strengths to the review drawn from their own and other SAIs' approach to VFM work. This means that while the reviewed SAI may have aspects of its work which it would want the review to focus on (such as the design and operation of the quality management framework in the case of Office of the Auditor General of Canada), there are likely to be areas which the peer review team will equally want to cover in depth to ensure that the reviewed SAI is assessed against the full range of VFM work, methods and outputs including impact.

**Senior staff from the review team and the reviewed office should meet regularly** – to ensure that there is a good understanding of the scope of the review, that there are no surprises and that any potentially sensitive issues can be dealt with when they arise.

**Enable team members to learn from the experience of the review** – by exchanging views on VFM approaches, methods and good practice. An observer status is useful for SAIs who have not been involved in a review or are candidates for review.

**The lead reviewer has a key role to play in developing the approach and organising the review for the rest of the team but the composition of the team is important.** The optimum number of reviewing offices appears to three to four – any more and the team could become unwieldy but fewer would not provide the critical mass needed to explore different approaches to VFM work.

**Our review was made much more straightforward by the fact the reviewers were geographically close** – and able to have three or four face to face meetings, and by the fact that the review team spoke (and read) the same language(s) as the reviewed office. Even if it is not always possible to meet face to face some meetings are essential to build a team.

## **On planning**

**The review team, in consultation with the reviewed SAI, should decide the scope of the review,** the sources of evidence, the review methodology and reporting mechanism, but these should be discussed and agreed with the reviewed SAI at the beginning of the review and set out in a memorandum of understanding.

The peer review needs to be carefully planned, managed and focused. This means allowing time for team building, familiarisation and communication. The review team benefits from face to face contact to plan the work and the approach - although email and teleconferencing can assist in taking forward the work. Access to the reviewed SAI's intranet and key management and performance reporting information can assist in getting team members up to speed.

## **On the approach to the review**

Sending questionnaires to the reviewed SAI can enable the review team to better understand their VFM approach, organisation and functional areas such as training, resource management and press handling, and can save time in face to face discussions with staff of the reviewed SAI. This helps set agenda and questions in advance of meetings with management and staff.

An initial visit by the review team can test out the review approach, dry run audit programmes for review of specific audits, test for availability of information and likely findings and assess whether the review is achievable in the planned timescale and resources. The coverage of audits examined by the review needs to be representative of the reviewed SAI's VFM/performance audit output over the period of the review.

Much of the review can be done at the reviewers' home offices but work should also be done on site to test how systems work in practice and to discuss VFM approaches with staff. This can be enhanced by using self assessment questionnaires/audit programmes to expand the coverage of audit reports and by using focus groups to identify the main issues and to test likely recommendations.

While the review will look at the reviewed SAI's VFM systems and methods it is important that the review looks closely at the VFM outputs, their impact and client perception of quality and usefulness. Much can be made of the SAI's own quality assurance systems and surveys of stakeholders provided that the review team have ensured that such information is reliable.

## **Report and presenting the findings**

The peer review team should undertake regular discussions with the reviewed SAI's management about the likely main messages and conclusions and recommendations so that all members of the team and the SAI are kept on board and can agree the final report. Drafting the main report can take time.

Early **presen**tation of emerging findings can expedite agreement by all parties and ensure their views are reflected in the final report.

The report should provide a clear view on whether the reviewed SAI has passed the criteria set by the review but it can also be a useful device for highlighting good practice as well as areas for improvement.

## **For the reviewed SAI**

Time is needed to prepare for the peer review so that systems and VFM outputs are in a steady state over the review period

Agree a memorandum of understanding and terms of reference with the review including clear objectives for the review, criteria for assessment, reporting mechanism and whether the report is to be made public, and handling of travel and other expenses.

Establish a contact person through which the work and other questions can be directed by the review team and provide the necessary administrative support and facilities for the team to work on site such as IT equipment.

Allow the review team to determine the direction of the review and the staff they want to interview, provide any information quickly and value the input of the peer review team by being open and frank.

Recognise that the peer review will divert resources from other work and therefore it is important effective use of the review team is made, particularly during the main visits when key staff and senior management should be available to respond to questions and emerging findings.