

## 10. NATIONAL AUDIT OFFICE

- 10.1 The National Audit Office (NAO), is an independent public office set up under the Constitution. It is referred to as the country's Supreme Audit Institution as it has the prime responsibility to audit all public accounts, including those of Courts of Law, authorities and offices of the Government. The NAO, thus, plays a pivotal role in the public sector good governance framework.
- 10.2 To deliver on its mission, the NAO ensures the timely production of audit reports and provides assurance to the National Assembly on the proper accounting and use of public resources. It also ensures that money appropriated or otherwise disbursed is applied to the purpose for which parliament intended it to be provided and that the expenditure conforms to the authority which governs it.
- 10.3 The Director of Audit is the head of the NAO and he is assisted by the Deputy Director of Audit, Assistant Directors of Audit, and a cohort of professional and technical staff of the Auditors Cadre and Examiner of Accounts Cadre respectively, in the effective and efficient discharge of his statutory duties. The activities of the NAO have been grouped under a number of divisions for efficiency and effectiveness purposes. These divisions are under the direct control and supervision of either Assistant Directors of Audit, Principal Auditors or Head, Examiner of Accounts Cadre. Necessary support to the Director is also provided by the other units such as Administration and HR, Finance, IT and Support.
- 10.4 In the 2016 PRB Report, recommendations were made for the schemes of service of the grades of Deputy Chief Examiner of Accounts and Examiner of Accounts/Senior Examiner of Accounts to be amended. For this review, the main proposals of the Union of the Auditor's Cadre have been to review the salaries of the grades; payment of appropriate allowances; restyling of the grades; and provision of enhanced conditions of service. For the Examiner of Accounts Cadre, proposals were made for the entry requirement of the base grade to be reviewed; creation of a new level of Assistant Deputy Head, Examiner of Accounts; restyling of the grades and grant of duty remission facilities.
- 10.5 On the other hand, Management submitted for the creation of a grade of Audit Assistant to provide support to the Auditor's Cadre and payment of an appropriate allowance to staff going on tours of service to Rodrigues.
- 10.6 All these representations have been scrupulously examined and lengthily discussed during the consultative meetings. Parties concerned were also informed of proposals which could not be favourably considered together with the justifications thereof. For instance, the Bureau could not agree to the creation of the grades of Audit Assistant and Assistant Deputy Head of Examiner of Accounts for lack of functional justifications. Similarly, the request for restyling of the various positions could not be retained as they did not meet our set criteria for restyling of grades. We also consider the qualifications requirement of the grade of Examiner of Accounts/Senior Examiner of Accounts, which was reviewed in our last Report to be appropriate.

- 10.7 At the request of the Union, we also conducted a site visit to better understand the nature of duties devolving on officers of the Auditor's Cadre. During the visit, we were apprised that the officers are called to work under immense pressure to meet deadlines due to insufficient manpower at the NAO. The Bureau was also urged to demarcate the salary of the grade from that of Accountant/Senior Accountant on account of the nature of duties performed by these two grades being different. It was also represented that when they report to other Ministries/Departments/Organisations for auditing purposes, they are often accommodated in deplorable offices and not provided with enough support to facilitate their work. They also laid emphasis on the need to review their salary scales.
- 10.8 After careful consideration of the existing structure, we consider the present set up to be adequate to enable the NAO meet its statutory obligations. Further, on the basis of the findings of our job evaluation exercise, the overall job responsibilities and existing relativities, we consider the salaries of the different levels at the NAO to be appropriate. As regards specific conditions of service, we are, in this Report, making provision for the payment of an appropriate allowance to staff on mission to Rodrigues based on the strength of the case. In so far as the representations made regarding inadequate workforce, due to which the existing officers are operating under immense pressure to meet deadlines, we strongly advise Management to conduct a Human Resource Planning exercise to ensure that the manpower requirement matches the prevailing workload. Further, we consider that the Ministries/Departments/Organisations where the officers of the NAO are required to perform audit duties should **make necessary arrangements to provide these officers, with a conducive working environment as well as the necessary logistics support.**

#### **Payment of allowance for audits at the RRA**

- 10.9 It has been submitted that every fiscal year, a team of five to six officers from different grades at the NAO proceeds to Rodrigues Island for a period of six to seven weeks to conduct audit of all the accounts of the Rodrigues Regional Assembly (RRA). Due to time constraints to meet the statutory deadline of the Finance and Audit Act, the team is called upon to work unusually long hours on Weekdays, during Weekends and even on Public Holidays.
- 10.10 Presently, the officers are entitled to three types of allowances, namely subsistence, out of pocket and *adhoc* for their posting at the RRA. While the first two allowances are paid in accordance with existing provisions, the *adhoc* allowance is paid for the extra hours performed. It has been reported that the quantum of the *adhoc* allowance is inadequate. Management has, therefore, requested for a review of the present allowances so that a fair package is paid to the officers for the extra efforts put in.
- 10.11 After careful consideration of the information submitted and based on the strength of the case, we are making recommendation for the payment of an appropriate allowance to officers who proceed to Rodrigues on a tour of service for auditing purposes.

## Recommendation 1

**10.12 We recommend that officers in the following grades, who put in extra hours of work during their posting to Rodrigues, should be paid a daily *adhoc* allowance as hereunder:**

Grade	Quantum of Allowance (Rs)
Assistant Director of Audit	670
Principal Auditor	620
Senior Auditor	560
Auditor	495
Chief Examiner of Accounts	560
Deputy Chief Examiner of Accounts	485
Principal Examiner of Accounts	455
Examiner of Accounts/Senior Examiner of Accounts	370

## Refund of mileage to officers not entitled to travel grant

10.13 Officers in the technical and professional cadres who are, in the course of their work, required to travel to different sites by car for the performance of their duties, but are not eligible to travel grant, are at present, refunded mileage at the prescribed rates. This provision should continue to prevail.

## Recommendation 2

**10.14 We recommend that officers in the grades of Examiner of Accounts/Senior Examiner of Accounts; Principal Examiner of Accounts; Deputy Chief Examiner of Accounts and Auditor who are required to move regularly to different sites of work by car but who are not entitled to a travel grant, should be refunded Mileage Allowance as per recommendations set under paragraph 16.2.68 (No. 5) of Volume 1 of this Report.**

## Examiner of Accounts/Senior Examiner of Accounts

10.15 In the 2016 PRB Report, following Management's contention to reinstate the recommendation made in the 2013 PRB Report regarding the entry requirements to the grade of Examiner of Accounts/Senior Examiner of Accounts, recommendation was made to the effect that the scheme of service of the grade be amended so that recruitment be made from a larger panoply of qualified candidates. However, after taking into consideration the salary structure, the equivalence of qualification prescribed as well as the incentive provided for higher qualification, we are bringing some amendments to the qualifications requirement of the grade.

**Recommendation 3**

**10.16 We recommend that appointment to the grade of Examiner of Accounts/Senior Examiner of Accounts should, henceforth, be made by selection from among candidates possessing a pass in any one of the following:**

- (i) the Knowledge Module of the Professional Stage of the Institute of Certified Accountants of England and Wales;**
- (ii) the Test of Competence Examination of the Institute of Chartered Accountants of Scotland;**
- (iii) the CA Proficiency 1 of the Chartered Accountants of Ireland;**
- (iv) the complete Knowledge Module and two subjects in the Skills Module of the Fundamentals Level of the Association of Chartered Certified Accountants;**
- (v) the Certificate Level of the Chartered Institute of Management Accountants; and**
- (vi) the Certificate Level of the Chartered Institute of Public Finance Accountancy.**

**Movement beyond Top salary**

10.17 The provision for movement beyond top salary to Examiners of Accounts/Senior Examiners of Accounts based on certain set criteria should continue to be in force. Specific provision has also been made for the grade of Deputy Chief Examiner of Accounts.

**Recommendation 4**

**10.18 We recommend that officers in the grade of Examiner of Accounts/Senior Examiner of Accounts possessing a Diploma in the field of Accountancy or Finance from a recognised institution or an equivalent qualification should be allowed to move incrementally in the Master Salary Scale up to salary point Rs 47675 provided they satisfy the performance criteria as set out in the Introductory Chapter of this Volume.**

**Specific Provision for Deputy Chief Examiner of Accounts****Recommendation 5**

**10.19 We recommend that officers in the grade of Deputy Chief Examiner of Accounts possessing a Degree in Accounting or Finance or an equivalent qualification should be allowed to move incrementally in the Master Salary Scale up to salary point Rs 64400 provided they satisfy the performance criteria as set out in the Introductory Chapter of this Volume.**

## NATIONAL AUDIT OFFICE

## SALARY SCHEDULE

Salary Code	Salary Scale and Grade
01 000 120	<b>Rs 163250</b> Director of Audit
01 000 110	<b>Rs 119500</b> Deputy Director of Audit
01 091 102	<b>Rs 68000 x 1800 - 69800 x 2000 - 75800 x 2150 - 82250 x 3000 - 88250 x 3125 - 94500</b> Assistant Director of Audit
01 080 096	<b>Rs 49250 x 1650 - 54200 x 1700 - 64400 x 1800 - 69800 x 2000 - 75800 x 2150 - 77950</b> Principal Auditor
01 073 092	<b>Rs 40300 x 950 - 42200 x 1300 - 46100 x 1575 - 49250 x 1650 - 54200 x 1700 - 64400 x 1800 - 69800</b> Senior Auditor
01 062 088	<b>Rs 30700 x 825 - 35650 x 900 - 37450 x 950 - 42200 x 1300 - 46100 x 1575 - 49250 x 1650 - 54200 x 1700 - 62700</b> Auditor
01 091 102	<b>Rs 68000 x 1800 - 69800 x 2000 - 75800 x 2150 - 82250 x 3000 - 88250 x 3125 - 94500</b> Head, Examiner of Accounts Cadre
01 080 096	<b>Rs 49250 x 1650 - 54200 x 1700 - 64400 x 1800 - 69800 x 2000 - 75800 x 2150 - 77950</b> Deputy Head, Examiner of Accounts Cadre
01 075 092	<b>Rs 42200 x 1300 - 46100 x 1575 - 49250 x 1650 - 54200 x 1700 - 64400 x 1800 - 69800</b> Chief Examiner of Accounts

Salary Code	Salary Scale and Grade
01 068 088	<p><b>Rs 35650 x 900 - 37450 x 950 - 42200 x 1300 - 46100 x 1575 - 49250 x 1650 - 54200 x 1700 - 62700</b></p> <p>Deputy Chief Examiner of Accounts</p>
01 062 085	<p><b>Rs 30700 x 825 - 35650 x 900 - 37450 x 950 - 42200 x 1300 - 46100 x 1575 - 49250 x 1650 - 54200 x 1700 - 57600</b></p> <p>Principal Examiner of Accounts (Personal to incumbents in post as at 31.12.15)</p>
01 062 081	<p><b>Rs 30700 x 825 - 35650 x 900 - 37450 x 950 - 42200 x 1300 - 46100 x 1575 - 49250 x 1650 - 50900</b></p> <p>Principal Examiner of Accounts</p>
01 041 078	<p><b>Rs 19850 x 325 - 21475 x 375 - 22225 x 400 - 23425 x 525 - 26050 x 675 - 27400 x 825 - 35650 x 900 - 37450 x 950 - 42200 x 1300 - 46100</b></p> <p>Examiner of Accounts/Senior Examiner of Accounts</p>
24 025 058	<p><b>Rs 15485 x 260 - 17825 x 275 - 18925 x 300 - 19525 x 325 - 21475 x 375 - 22225 x 400 - 23425 x 525 - 26050 x 675 - 27400</b></p> <p>Driver</p>

