



Auditor-General for Australia

24 September 2015



Senator Glenn Lazarus
Senator for Queensland
Parliament House
CANBERRA ACT 2600

Dear Senator Lazarus

Request regarding the National Stronger Regions Fund

Thank you for your letter of 10 September 2015 in which you requested the Australian National Audit Office (ANAO) to conduct a performance audit of the award of funding under the first round of the National Stronger Regions Fund.

A potential audit of the National Stronger Regions Fund is included in the ANAO's *Audit Work Program July 2015*. The decision to include this topic was consistent with the Joint Committee of Public Accounts and Audit having identified to the ANAO that this topic was an audit priority of the Parliament. In addition, in its recent Report 449, that Committee recommended that the ANAO consider including in its schedule of performance audits a standing priority focus on regional grants administration.

In the light of the Parliament's continuing interest in audits of regional grants programmes, and also taking into account the concerns you have raised, I anticipate that the ANAO will commence an audit of the National Stronger Regions Fund following the completion of the second funding round (the announcement of the results of the second funding round are expected in December 2015). It is expected that an audit would examine the effectiveness of the design and administration of the Fund, including the processes by which projects were awarded funding under both the first and second rounds.

Yours sincerely

Rona Mellor PSM
Acting Auditor-General