



Inquiry into the Ministry of Economic Development's expressions of interest process for proposals to establish an international convention centre

13 June 2012

The Deputy Auditor-General, Phillippa Smith,¹ has decided to carry out an inquiry into the expressions of interest (EOI) process for proposals to establish an international convention centre. This document sets out the terms of reference for the inquiry.

Background

In 2010, the Ministry of Economic Development carried out an EOI process, on behalf of the Government, seeking proposals to build an international convention centre. On 12 June 2011, the Government announced that it was negotiating with SKYCITY Entertainment Group Limited, whose proposal had been selected as the best option.

Metiria Turei MP, Co-Leader of the Green Party, wrote to the Auditor-General on 24 April 2012 to ask for an investigation, in light of concerns raised about the fairness and adequacy of the process.

The inquiry

The inquiry will examine:

- the overall process for seeking and assessing proposals for an international convention centre;
- the adequacy of the assessment of the likely costs and benefits of each proposal; and
- any other matters the Auditor-General considers it desirable to report on.

The inquiry is being carried out under sections 16 and 18(1) of the Public Audit Act 2001. We will not comment while the inquiry is under way, but will publish a report when the inquiry is completed.

Contact for queries

For media queries, please contact Tamar McKewen, Communications Advisor (Media), on (04) 917 1879.

For general queries about the inquiry, please contact Nicola White, Assistant Auditor-General, Legal, on (04) 917 1500.

¹ The Auditor-General, Lyn Provost, has a small shareholding in SKYCITY and so is not involved in any matters relating to this inquiry.

Background information on the inquiry process

The role of the Auditor-General

Under the Public Audit Act 2001, the Auditor-General is responsible for annual audits, performance audits, and inquiries into how public entities use their resources.

The Auditor-General is an Officer of Parliament and, as such, is independent of the central and local government entities that we audit. The Auditor-General is responsible for determining the nature and scope of any inquiry she decides to conduct. The Auditor-General cannot be ordered to conduct an inquiry.

The Auditor-General has broad powers under the Public Audit Act 2001 to require public entities and other persons to provide information and to give evidence under oath. The Auditor-General has a general discretion to decide what information to disclose or include in a report.

The stages of an inquiry

Every inquiry has four broad phases:

- **Gathering information:** We review relevant documentation held by the public entity concerned and other relevant individuals and organisations, and meet with or interview people who have been involved in the issues we are looking into.
- **Analysis:** We analyse the information we have gathered and form our preliminary views.
- **Preparing a draft report and consultation:** Once we have prepared a draft report, we consult as necessary on its contents to ensure that it is factually accurate and that the rights of any affected parties are properly protected.
- **Publication:** We then finalise and publish the report.

General policy on comment during inquiries

Once the Auditor-General has begun an inquiry, the Office will not normally make any public comment on the substance or progress of the inquiry until we release a report. This policy protects the rights of those involved in the inquiry and our ability to carry out the work effectively and efficiently.

It is hard to predict what might emerge or transpire as we carry out an inquiry so it is equally hard to predict when we might be ready to report our findings. Relatively contained inquiries usually take 2-3 months. Larger and more complex inquiries may take more than 6 months.

Further information

More information on the Auditor-General's inquiry function is available at www.oag.govt.nz/our-work/inquiries.