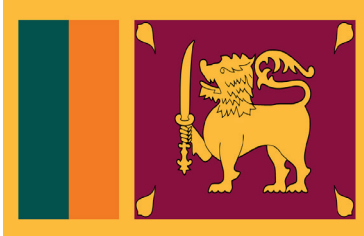


# VISIT BY THE COMMITTEE ON PUBLIC ACCOUNTS, PARLIAMENT OF SRI LANKA

## REPORT SUMMARY

16 - 18 OCTOBER 2018



### PROGRAMME BACKGROUND

CPA UK and the Parliament of Sri Lanka have had substantial engagement in recent years and have successfully facilitated a number of capacity building programmes on the subject of oversight committees in conjunction with the Westminster Foundation for Democracy on several occasions.

Following the general elections in August 2015, the leadership of the Parliament of Sri Lanka prioritised a number of reforms including the establishment of a Departmental Sectoral Oversight Committee System aimed at enhancing the capabilities of Parliament to hold Government to account.

CPA UK subsequently ran a Workshop on Sectoral Oversight Committees from 15-17 February 2016 in partnership with the Parliament of Sri Lanka and the Westminster Foundation for Democracy (WFD). This activity was particularly well received and provided a platform for the exchange of knowledge and good practice between UK and Sri Lankan Members and Clerks ahead of the implementation of the new committee system.

CPA UK delivered two programmes for Sectoral Oversight Committee (SOC) Chairs in October 2016 and January 2017 and most recently a programme with the Committee on Public Enterprises in February 2018. These week-long programmes, organised in conjunction with WFD, introduced the SOC Chairs to select committees in the UK and interactions with UK Members aimed to build the capacity of Committee Chairs and senior parliamentary officials to effectively fulfil their responsibilities and respective committee mandate.

As part of the Commonwealth Partnership for Democracy, CPA UK and WFD delivered a programme for Members of the Committee on Public Accounts (COPA) to expose the members to financial oversight in the UK and to share good practice with colleagues in the UK Parliament.

**Impact:** Developing Commonwealth countries strengthen democratic good governance.

**Outcome:** Parliaments in priority Commonwealth countries adopt more inclusive and accountable practices and policies, particularly with regard to women's political participation.

**Programme purpose:** To explore international good practice for the oversight of public finance and to strengthen the relationship between the UK and Sri Lankan Parliaments through exchanges related to specific priority topics and issues relevant to the Sri Lankan COPA.

**Outputs:** Through meetings, discussions and briefings with parliamentary counterparts and relevant stakeholders in the UK the delegation will explore:

- a) International best practice to enhance the oversight of public finance through engagement with UK parliamentarians and staff from the National Audit Office.
- b) International good practice in enhancing the consistency and clarity of financial reporting.
- c) Effective approaches to increased public engagement and media outreach.
- c) Issues of mutual interest including shared challenges and solutions with the UK Public Accounts Committee.



Shabana Mahmood MP and Sir Geoffrey Clifton-Brown MP (centre) with the Sri Lankan programme participants

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## COMMONWEALTH PARTNERSHIP FOR DEMOCRACY (CP4D)

The Commonwealth Partnership for Democracy (CP4D) is a UK Government funded programme intended to work with parliaments in 18 Commonwealth Member States across Sub-Saharan Africa and Asia to improve representation of women, young people, people with disabilities and the LGBT+ community in the democratic process. CP4D will support parliaments and local governments to monitor the actions of their executive.

The £4m two-year programme was launched at the 2018 London meeting of Commonwealth Heads of Government. It is managed by the UK Foreign and Commonwealth Office (FCO) and implemented by Westminster Foundation for Democracy (WFD) in partnership with the Commonwealth Parliamentary Association (secretariat and UK branch) and the Commonwealth Local Government Forum.

CP4D activities will be implemented at the regional level and with all Commonwealth members to help raise standards and build political commitment to democratic values. The 2012 Commonwealth Charter commits governments, political parties and civil society organisations in member states to uphold and promote democratic culture and practices that are accountable to the public. Parliaments and local governments are essential for effective, inclusive democratic governance and CP4D will contribute to making this a reality by:

- Improve inclusion by engaging more women, young people, persons living with disabilities, religious minorities and the LGBT+ community in the democratic process
- Increase accountability through more effective and transparent parliamentary practices

### Overview

The introductory session with the Principal Clerk of Select Committees, Chris Stanton, highlighted the similarities and differences between the committee systems in Sri Lanka and the UK. The UK holds its committee meetings in public while this is not common in Sri Lanka. The UK approach seeks “government by explanation” by conducting meetings in public. The Sri Lankan PAC is not able to discuss matters in public until it has been brought before Parliament.

There is much discussion in Sri Lanka about holding public committee meetings. One concern is that government representatives would say things to impress the media and public rather than answer questions. Chris Stanton emphasised that the media is an ally of the committee system as it puts pressure on government to explain itself.

Similar to the UK, Sri Lankan Sectoral Oversight Committees have the power to question ministers in front of the committee but in practice they have chosen not to exercise that power. The delegates were keen to explore the differences between the Sri Lankan and UK approach.

### Relationship between the PAC and the Supreme Audit Institution

The relationship between the PAC and a country's Supreme Audit Institution – the National Audit Office (NAO) in the UK – was explored. Discussions emphasised the importance of an independent SAI. The delegation inquired as to the NAO's role in political debate – Jennifer Brown from the NAO emphasised that the NAO, not government, determines what is looked at and then the PAC makes their own recommendations based on the NAO report and evidence sessions. The NAO does not look at policy.

The scope of the PAC's remit was also of interest, especially in relation to private organisations responsible for public money. The NAO emphasised that they have the authority to audit private organisations that are responsible for public money but cannot look into their wider accounts as they would a government department. Arm's length government bodies, such as the Bank of England, are responsible to individual select committees. The NAO supports other select committees in addition to the PAC.

The delegation was particularly interested in the PAC's authority away from a NAO report. The PAC can initiate an inquiry without basing it on a NAO report. For instance, the PAC is looking into BBC pay and conditions in relation to tax avoidance. The NAO assists the PAC in formulating its report.

### Public Access and Engagement

Sri Lanka continues to debate the merits of allowing public and media access to its committee meetings. The PAC's media officer emphasised the benefits seen in the UK for allowing open sessions. The PAC sees publicity as a key element of its soft power and vital to it influencing government. The media – and social media – can create public

awareness and influence government policy.

The delegation was also intrigued about the relationship between journalists and the PAC. The UK PAC has a dedicated media officer who manages all media engagement, especially for the Chair when a report is launched.

### Managing the PAC's Workload and Cross-Party Cooperation

Shabana Mahmood MP and Sir Geoffrey Clifton-Brown MP shared their experiences of sitting on the UK PAC. They highlighted some of the strengths and challenges facing the committee:

- Shabana Mahmood finds the PAC the most inclusive and least political committee in Parliament. The PAC always operates on unanimity.
- The PAC conducts a wash up session at the end of each hearing. This is vital in driving what the intentions of the report will be.
- Basing inquiries on NAO reports are a fundamental strength as the PAC's work is always based on independent fact.
- The PAC is self-reflective in order to maximise its impact on government.
- It has sometimes proved challenging to avoid policy matters as both government and opposition members acknowledge that policy and value for money can overlap.
- The PAC has discussed conducting follow-up hearings on recommendations that the government disagrees with. Eighty percent of the PAC's recommendations are accepted by government.
- The PAC acknowledges that it could be better at challenging responses in the Treasury Minute – the government document that records responses to PAC reports.

The Sri Lankan PAC has at least 837 departments, organisations and bodies under its purview, which is a large workload. The Committee on Public Enterprises is relatively new in Sri Lanka and has taken over a portion of the PAC's workload. The workload in the UK is also large with the committee producing two reports a week.

The Sri Lankan PAC currently has a government member, something that the UK PAC cannot have. The delegation identified the fundamental difference in the committee's operation as the public/private proceedings. The argument against public deliberations in Sri Lanka is that outside interests could influence debate.

## Reflections from Rt Hon. Dame Margaret Hodge MP

Margaret Hodge MP emphasised the importance of unanimity – during her time as Chair of the PAC 246 reports were published but only one was not unanimous. Dame Margaret highlighted the power that the Chair has, especially once the position was elected rather than appointed. She also strongly encouraged the Sri Lankan Parliament to ensure that the Chair of the PAC is an opposition member as it undermines the Committee's authority when chaired by a government MP.

## Questioning and Communication – Practical Workshop with Kate Farragher

The Sri Lankan Committee on Public Accounts (COPA) undertook a one-day training workshop with Kate Farragher, a facilitator and trainer who works with the UK PAC. The workshop focused on communication and questioning techniques – for individual members and the wider committee.

The session led the COPA to identify some key areas that they hope to develop in the Sri Lankan Parliament:

- Strengthening media engagement and enhancing influence through media channels
- Generating and improving public awareness of COPA's work
- Conducting effective follow-up to COPA reports and recommendations

## Feedback

In an interactive feedback session with CPA UK the COPA identified the following learnings they will take away from the programme and aim to implement in Sri Lanka:

- The delegation will prepare a report based on the visit and share this with Parliament and the Secretariat
- The COPA will explore the use of public hearings, webcasts and using Facebook
- They wish to enhance the relationship with ministers by inviting them to appear before evidence sessions

- COPA aim to incorporate a greater focus on value for money issues. At the moment they have looked largely at procedural issues
- They are also encouraged to call private sector entities, as done by the UK PAC.

The Sri Lankan Committee on Public Accounts ranks all institutions that they investigate, using an electronic matrix according to specific criteria. They will invite low ranking institutions to appear before the committee.

They praised the communications workshop as an opportunity to reflect on their work and summarise their learnings.

## Monitoring and Evaluation

CPA UK invited each delegate to assess their knowledge and identify learning objectives and outcomes before and after the programme.

Overall, the delegation indicated an increase in their knowledge and confidence of almost ten percent. The relationship between the PAC and the SAI saw the largest increase in knowledge of almost 25%. This reflected a very positive session with the NAO that clearly defined the powers of the NAO and its relationship with the PAC. This relationship will be worth exploring further in Sri Lanka in the next CP4D activity.

Good practice in financial reporting, conducting effective inquiries, and building relationships with clerks saw very little change in knowledge (all under five percent change) and can form the basis of future work with the Sri Lankan PAC.

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