

UK

OVERSEAS TERRITORIES

PROJECT

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TERRITORIES
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**FINAL REPORT:
OVERSIGHT OF
PUBLIC
FINANCES &
GOVERNANCE**

LONDON FORUM
9-11 DECEMBER 2019



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National Audit Office



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COMMONWEALTH
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“ **Good corporate governance, the proper conduct of public business and good financial management are vital to the delivery of world-class public services** ”

Good Practices in Effective Oversight of Public Finances in the UK Overseas Territories (2017)



CONTENTS

INTRODUCTION	4
FORUM OBJECTIVES AND OUTPUTS	5
OPENING REMARKS	6
GOOD GOVERNANCE AND PUBLIC FINANCIAL MANAGEMENT STRATEGIES	7
MANAGING ORGANISATIONAL CHANGE	9
PUTTING FINANCE AT THE HEART OF DECISION MAKING	10
STRENGTHENING CAPACITY OF AUDITORS AND PARLIAMENTARY OFFICIALS	13
PAC COMMITTEE EXERCISE INFOGRAPHIC	16
BUILDING THE CAPACITY OF EXTERNAL AUDITORS	20
COMMUNICATIONS AND ENGAGING WITH THE MEDIA	24
IDENTIFYING AND ADDRESSING REMAINING CHALLENGES	25
LEADERSHIP GROUPS	28
FINDINGS AND DISCUSSIONS FROM THE GOOD PRACTICE GUIDE (GPG)	29
MONITORING AND EVALUATION	30
HIGHLIGHTS AND KEY SUCCESSES	32
MEDIA COVERAGE AND KEY REFERENCES	33
PROGRAMME	34

ACRONYMS:

CAE – Chief Audit Executive
CPA UK - Commonwealth Parliamentary Association UK
EA - External Audit
GIAA - Government Internal Audit Agency
IA - Internal Audit
KPI – Key Performance Indicators
NAO - National Audit Office
PAC - Public Accounts Committee
QA - Quality Assurance
UKOTs - UK Overseas Territories
UKOTP - UK Overseas Territories Project
VfM - Value for Money

INTRODUCTION

The UK Overseas Territories Project (UKOTP) is led by CPA UK in partnership with the UK National Audit Office (NAO) and Government Internal Audit Agency (GIAA), funded by the Foreign and Commonwealth Office (Conflict, Stability and Security Fund). Since 2016, the project has supported frameworks for good practice and priorities in the oversight of public finances. The project provides technical assistance, training and mentoring to audit officials, Public Accounts Committee (PAC) chairs, members and clerks across the territories to support and encourage effective oversight of public finances. While the project was due to conclude in March 2019, the Foreign and Commonwealth Office had granted an extension to project activities to March 2020.

At the beginning of the project, partnership agreements were drawn up in consultation with key stakeholders outlining needs for each territory and determining proposed activities. Partnership agreements were signed with the following territories: Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Falkland Islands, Gibraltar, Montserrat, Turks & Caicos Islands, St Helena, Ascension and Tristan Da Cunha.

CPA UK hosted the third and final Multilateral Forum from 9-11 December 2019 in London. Participants were from 10 Territories representing Chairs and Clerks of Public Accounts Committees, and Heads (or Deputy Heads) of Internal and External Audit Offices (equivalent to Auditor-General), many of whom were involved in the project since its inception in 2016. There were both elected members and lay members of the Public Accounts Committee. Members of Parliament from Gibraltar (the only territory represented that does not have a PAC) and the Financial Controller from Pitcairn Islands also participated.

The delegation comprised of 28 representatives from ten UK Overseas Territories, with the Public Accounts Committee Members, External Auditors and Internal Auditors represented. The aim of the Forum was to share knowledge gained through the project, look at ongoing challenges and identify ways to continue building capacity beyond the project in all three areas - PACs, Internal and External Audit.



FORUM OBJECTIVES AND OUTPUTS

THE FORUM SOUGHT TO ACHIEVE THE FOLLOWING OBJECTIVES:



Consolidate knowledge built in terms of good public financial management practices over the past 3 years



Contribute to the sustainability of the network created by the project by providing space and support to Leadership Groups



Identify the remaining challenges faced by internal, external audit offices as well as PACs across the Overseas Territories



Build the capacity of auditors, parliamentary officials and PAC members across the Overseas Territories

THE FOLLOWING OUTPUTS WERE PRODUCED DURING/ FOLLOWING THE FORUM:



Plan on Updating the Good Practice Guide



Plan on updating guidance for reviewing standing orders



Inquiry evidence session, recommendation and press conference

OPENING REMARKS

Opening remarks from Baroness D'Souza, former Lord Speaker of UK House of Lords set the tone for the Forum. In her keynote speech, Baroness D'Souza shared some reflections on the principle of good governance in light of current trends and threats to democracies globally based on the full acknowledgement that the Forum delegates, in their capacity as officials, **'represent an indispensable institution of democracy'** through public accountability.

Baroness D'Souza highlighted a variety of current challenges with political systems, the mechanics of UK election processes (UK elections were taking place in the same week), increasing sophistication of technology controlled by less accountable corporations and the rapid changes to how information is shared globally. She emphasised that all political systems are potentially unstable however, what allows a continuation of democracy is the robust health of democratic institutions that exert a constant vigilance over governance. Any erosion of these institutions (for example independent judiciary, a free press, trades unions, individual freedom of expression, a vibrant civil society) will damage democracy. Although democracy has been described as the least bad form of governance, it is not a given, but a process and that we are ignoring the incremental steps towards its demise.

While predicting that we may need quite a different form of democracy in the near future, Baroness D'Souza emphasised that it is our responsibility to be vigilant and to insist time and time again that accountability, in all its forms, continues to be the bedrock of our societies. To do otherwise she said would be to slide into tyranny.

In conclusion, Baroness D'Souza emphasised that the importance of a continued commitment to stringent auditing and questioning of those in power is almost the sine qua non of the democratic process. She noted that by delegates strengthening the networks they already have they are creating an unassailable barrier to wrongdoing and at the same time providing a regional standard and culture to which other countries must eventually adhere.



GOOD GOVERNANCE AND PUBLIC FINANCIAL MANAGEMENT PRACTICES

Forum sessions were devised to build knowledge on, and to facilitate the exchange of learning and lessons on good governance and public financial management practices.

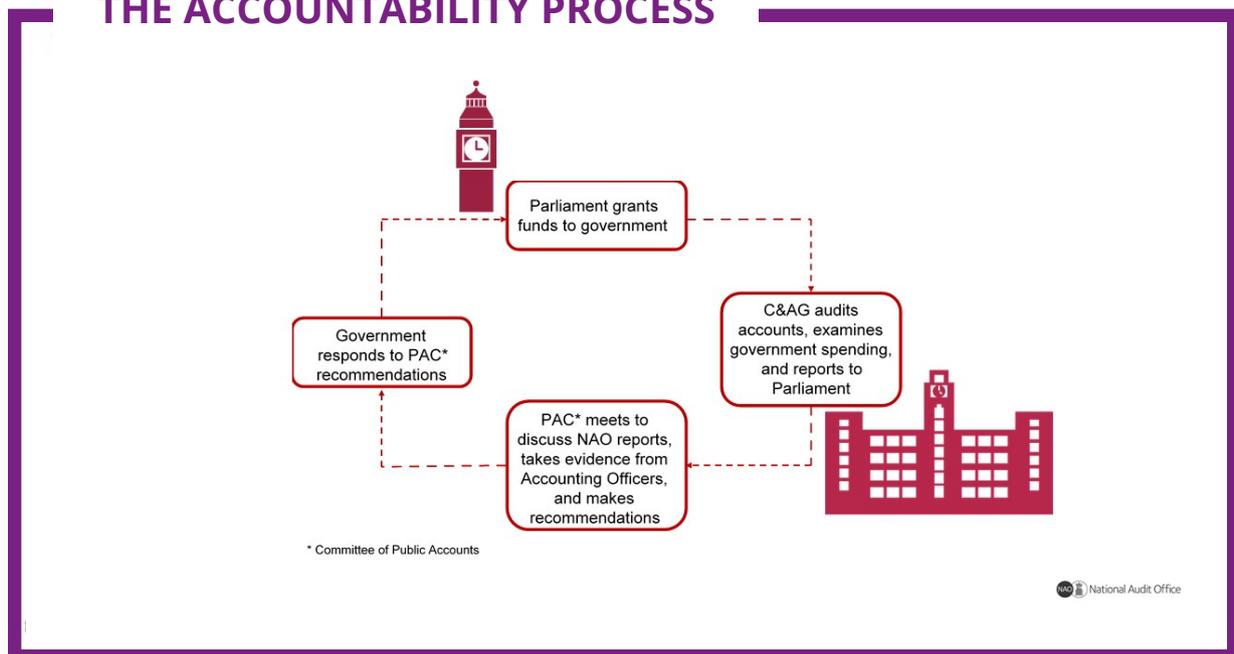
Key sessions of the Forum addressed the roles and remits of institutions in ensuring good governance. Adrian Jenner of the UK National Audit Office (NAO) led a session on **The Role of Parliament and Audit Institutions - What makes for effective Oversight of Public Finances.** In this session, Adrian presented the role of the NAO in holding government departments and bodies to account for how they use public money, and how they help public service managers to improve performance and service delivery, nationally and locally. As well as outlining the accountability process, good practices such as the NAO's use and development a range of expertise and skills which they apply to real world examples were shared. The need to maintain a good working relationship between PACs and External Audit was also highlighted whilst recognising the importance of the independence between the two.

HIGHLIGHT

A delegate from **St Helena** acknowledged the support to the PAC and the stronger interaction with the Auditor General's office. The project has been instrumental in raising the profile of the PAC, and that the Committee has benefited from having members trained in the UK.

Fay Bowen, Senior Clerk at the Welsh Assembly considered more closely the relationship between members and clerks within PACs. She covered the importance of getting the right information as a PAC and the need for members to be well prepared and informed before entering an evidence session. She also spoke about the fact that many PACs across the world are faced with the same issues time and time again and that these should be addressed by Governments. Fay highlighted the three things that she felt every successful PAC does: **Work constructively, consensually and consistently.**

THE ACCOUNTABILITY PROCESS



From an Internal Audit perspective, Diana Melville of the Chartered Institute of Public Finance and Accountancy (CIPFA) led a session on **The Role of the Chief Audit Executive**. The CIPFA Statement on the Role of the Head aims to set out the role of the head of internal audit in public service organisations and to help ensure organisations engage with and support the role effectively. The session outlined why the role of the Chief Audit Executive (CAE) matters, and some reflections on what this means in the public sector context.

The role of the CAE fundamentally supports good governance and provides professional leadership of internal audit, efficient use of internal audit resources, ensures effectiveness and maintains high level engagement. Delegates addressed some of the common challenges faced by CAEs in the public sector which included funding pressures, maintaining quality and expertise of the team, transformation and structural changes, service pressures, technology, and accountability and trust.

A discussion on the principles of good governance to achieve the intended outcomes while acting in the public interest is summarised below.

To conclude the session, the group had the opportunity to reflect on the role of the Chief Audit Executive in their respective organisations and discussed questions such as:

- Is the CAE able to raise issues and have impact?**
- Is the role clearly understood by the board, senior managers and audit committee?**
- Is the CAE sufficiently senior in the organisation?**
- Does the CAE have adequate resources and access?**
- Could the CIPFA Statement be adapted for your organisation?**



MANAGING ORGANISATIONAL CHANGE

In setting the scene at an organisational level, Alec Steel of the UK National Audit Office shared an approach to managing organisational change which focused on capability of management. The principal purpose of this approach was to share effective integrated management systems for organisations. The speaker shared one approach which was alignment of the system or organisation's corporate centre (strategy, information, people, process, improvement) with the alignment of operational delivery of services or processes. Having made this distinction, the speaker suggested that practices and strategies which have succeeded before should be encouraged. To be able to effect lasting change, delegates were encouraged to base their assessment on their respective organisations by exploring a range of questions:

Why is change needed?

What needs changing?

How must the change needed be implemented?

This line of questioning stems from the understanding that change must take a holistic approach, because strategy, information, people, process and improvement are interdependent. The best organisations have an integrated management system that incorporates these five aspects. Delegates were referred to the UK Government figures from 2012 to 2018, based on NAO analysis which, led to this conclusion and underlined that the good will of leaders alone is not enough in effecting change.

The session highlighted the following four characteristics of an effective organisation:

- 1 Customer focus:** by building an understanding of the true user experience, the organisation can demonstrate its ability to cope with a variety of customers
- 2 End-to-end perspective:** having clarity about how processes integrate across the wider system - the organisation has an assurance for checking compliance, ensuring that work that is not done right the first time requires rework, and that all who are affected are made aware of this.
- 3 Management and leadership:** that there is an effective learning environment for improving operational capability - the organisation is committed to investing in individual as well as corporate knowledge.
- 4 Use information to improve:** ensuring there is the right management information at all levels - the organisation can use compiled data to make better decisions in the future, for example by managing targets.

Based on the four suggested characteristics of an effective organisation, delegates participated in a practical exercise to assess the effectiveness of a given hospital in delivering its services to patients. Aided by a graph of the hospital's performance, delegates reflected on some of the challenges including the lengthy process of checking-in and being assessed by the accident and emergency department, and how long it took to be admitted or discharged. Participants identified the hospital's main problems and decided on the best way to tackle them, and the approach to take.

HIGHLIGHT

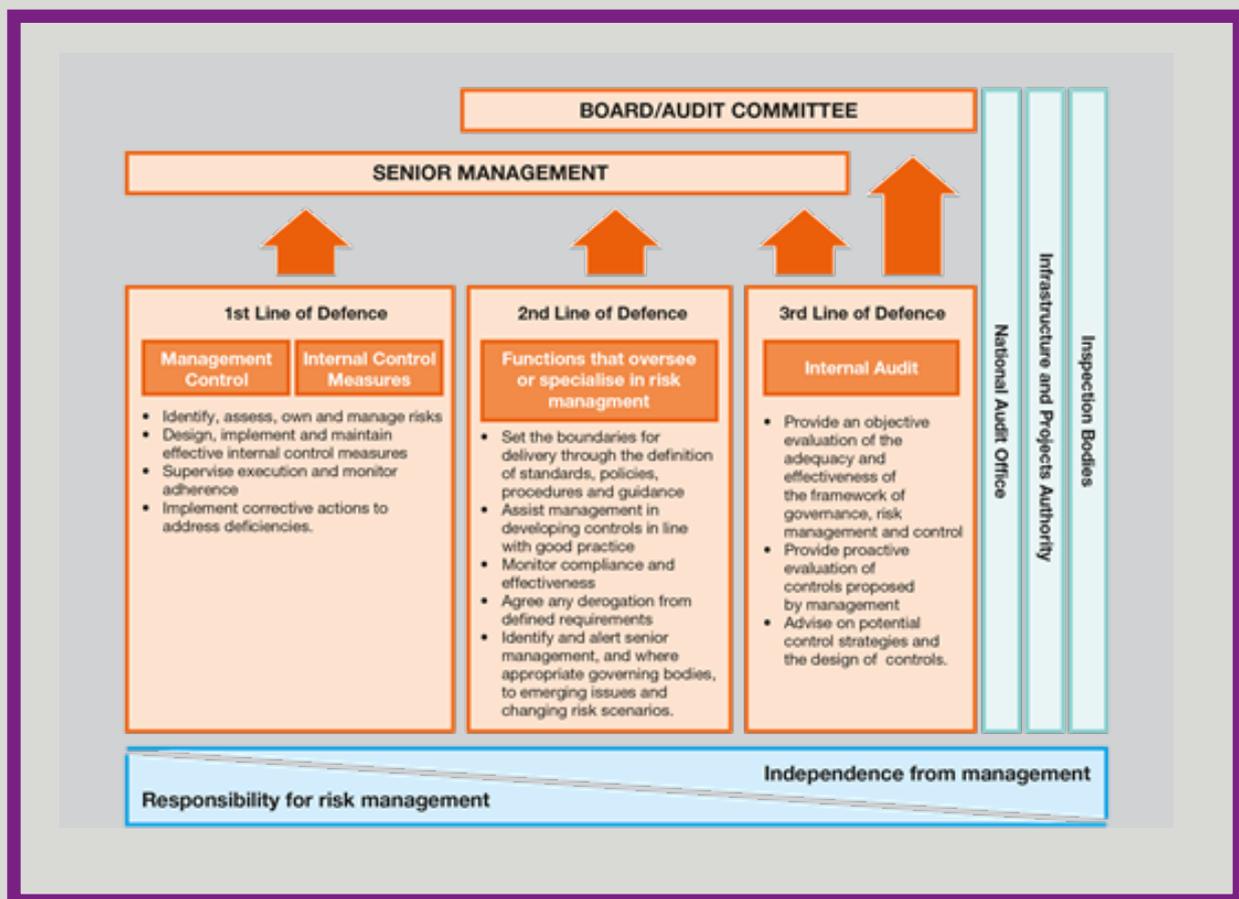
Delegates from the **Falkland Islands** were pleased to report that the profile of their Public Accounts Committee has been raised and a lay member has taken on the role as Chair.

PUTTING FINANCE AT THE HEART OF DECISION MAKING

In this session, Mark Ripley presented on the Government Finance Function and their functional leadership across HM Government. The Government Finance Function was set up to enable the delivery of high-quality public services and to ensure that public money is spent efficiently and effectively. The Function supports the management of over £800 billion of public expenditure each year, as well as over £2,000 billion in assets and £4,500 billion of liabilities.

Mark Ripley presented on the Finance Standard which is a management standard to guide people working in and with the UK government. The Standard sets expectations for direction and management of activity to create a coherent and mutually understood way of doing business across organisational boundaries. The Standard builds on existing accountabilities such as the roles of Accounting Officer, Finance Director, or Senior Responsible Owner. Other essential roles are defined for the first time (e.g. Finance Business Partner), to aid anyone involved in setting up, managing or assuring functional work.

Mark Ripley highlighted that the Finance Standard is aligned with other core government texts, such as Managing Public Money. Thus, it provides a stable basis for assurance, risk management, and capability improvement. On the subject of organisational risk management, Mark presented the “three lines of defence” model which provides a simple and effective way to help delegate and coordinate risk management roles and responsibilities. He stressed that the model is not intended as a blueprint but may provide a flexible structure that can be implemented in support of the risk management framework. Ultimately, functions within each of the “lines of defence” may vary from organisation to organisation and may operate differently.



On the subject of organisational risk management, Mark Ripley presented the “three lines of defence” model which provides a simple and effective way to help delegate and coordinate risk management roles and responsibilities. He stressed that the model is not intended as a blueprint but may provide a flexible structure that can be implemented in support of the risk management framework. Ultimately, functions within each of the “lines of defence” may vary from organisation to organisation and may operate differently.

Effective and meaningful risk management in government remains as important as ever in taking a balanced view to managing opportunity and risk. Mark Ripley highlighted that Governance forums rightly continue to seek enhancements in proactive, informative risk reporting.

In 2001, HM Treasury produced the original Orange Book, which introduced the concepts of risk management. This was enhanced in 2004, based on experiences and lessons learned. Since 2004, risk management good practice has evolved significantly, largely in response to private sector scandals and failings, as have private sector requirements over associated governance, reporting and disclosures. The speaker shared the 5 principles of risk management was based on:

Management of Risk - Principles

The Orange Book is built around 5 principles, that:

1. Risk management shall be an **essential part of governance and leadership**, and fundamental to how the organisation is directed, managed and controlled at all levels.
2. Risk management shall be an **integral part of all organisational activities** to support decision-making in achieving objectives.
3. Risk management shall be **collaborative and informed** by the best available information.
4. Risk management processes shall be **structured** to include:
 - a) **risk identification and assessment** to determine and prioritise how the risks should be managed;
 - b) the selection, design and implementation of **risk treatment** options that support achievement of intended outcomes and manage risks to an acceptable level;
 - c) the design and operation of integrated, insightful and informative **risk monitoring**; and
 - d) timely, accurate and useful **risk reporting** to enhance the quality of decision-making and to support management and oversight bodies in meeting their responsibilities.
5. Risk management shall be **continually improved** through learning and experience.



Supporting objectives



Although the core process at the heart of the risk management framework hasn't changed, the Standards shift on risk management as more than a process, but rather as an essential part of good governance, decision-making and performance management at all levels of the organisation. There is now an emphasis on leadership, culture, values and behaviours – particularly how these are emphasised and incentivised (and reviewed); on embedding risk management in decision-making – within planning, policy development, prioritisation and performance management, and on the need to have an informed view of all risks based on the best information – including the critical role that functions play in providing expert judgements on risks and their management.



Mark Ripley outlined that the Government Finance Function will continue to support implementation of the principles and provisions within the Orange Book. Boards are required to assess their compliance with the public sector corporate governance code and to publicly disclose compliance or explain reasons for departure from the Orange Book within their Annual Report and Accounts.

Mark outlined next steps to continue this journey, and based on the revised Orange Book which include support the Heads of Risk community and building the risk knowledge network, developing and communicating good practice guides, developing success profiles for risk practitioners and building a single, common risk management maturity assessment tool to assess progress in departments and across government.



STRENGTHENING CAPACITY OF AUDITORS AND PARLIAMENTARY OFFICIALS

A key element of the Forum was that various sessions were devised to draw on and to develop the technical skills and knowledge in order to strengthen capacity of auditors and parliamentary officials.

Larry Honeysett, Head of Financial Scrutiny at the House of Commons Scrutiny Unit led a session on **Understanding Financial Information** to increase participants' understanding of financial information. The session explored the links between expenditure and outcomes, and how to ensure that this is carried out effectively with a great focus on Value for Money (VFM). The first part of the session addressed what evidence should be assessed, and the importance of asking: does the evidence suggest the plan is going to achieve the outcomes.

In the session, participants discussed how to use the evidence available as a base to challenge questions around what, why, how, who and when. Questions to key witnesses can include a range of open, closed, comparative or reflective questions.

HIGHLIGHT

In **Anguilla**, the project has supported the functioning of the PAC through training/workshops for PAC members and other accounting officers, as well as clerk attachments which have enabled the finalisation of three PAC reports. The interventions have also yielded an approval to a request for a new role of Clerk to the PAC. Overall, the project has created a good platform for networking.



FINANCIAL QUESTIONS CONSIDERED BY DELEGATES:

Why intervene and spend public money?

Are we getting VFM?

What is the effect upon the quality of the outcomes?

Are there concerns about capability and skills?

What financial risks are there and how they can be addressed?

What happens when things don't go according to plan?

Participants had the opportunity to undertake a practical exercise related to the building of a new hospital. The speaker outlined the two stages: stage one being the planning stage and stage two being the follow-up stage. The group then worked through the exercise and addressed three main questions on what the project was designed to achieve; whether the proposed was budget realistic, and what other factors the health department should have taken into account.

Day two of the Forum programme offered an opportunity for split sessions for the three streams of work with tailored sessions focused on developing the technical capacity of both auditors and parliamentary officials. A two-part session on **Preparing for an Evidence Session** for PAC members and clerks focused on strengthening capacity and exchanging knowledge on the stages of a Committee Exercise. Part 1 focused on collaboration between PACs and External Audit. Delegates worked in small, mixed groups and considered in detail a written brief for the committee exercise. Each group decided on a line of questioning to adopt for the evidence session. The delegates were supported in this session by CPA UK staff as well as two clerks with previous direct experience of providing support to two of the Overseas Territories represented at the Forum.

HIGHLIGHT

A delegate from **Turks and Caicos Islands** valued the immense amount of training with stronger understanding of the PAC remit. Support from the project has included a clerk attachment and visit to UK as well as participation in the broader CPA UK Westminster Seminar. The territory hopes to improve and get PAC reports out in time.



In the Part 2 follow up session, the small groups came together to discuss their progress. Delegates shared their conclusions and agreed on the final line of questioning to follow at the evidence session. The collaboration and partnership between the PAC and External Auditors was commended as it reinforced the collaboration that is required for the effective delivery of PAC inquiries.

Tailored to meet the needs of PAC members and clerks, the **Day 3 PAC Pre-hearing Session** was facilitated by a Clerk from the Isle of Man. Delegates worked towards devising terms of reference for the evidence session and polished their techniques in effective questioning. The objective was to prepare the committee for the public evidence session exercise, where they would question two witnesses, briefed on the case in point. Two follow-on sessions on **PAC - Evidence and Drawing Impactful Recommendations** were a simulation based on a real-life PAC Inquiry from the Falkland Islands. Participants were able to test the skills and knowledge acquired throughout the Forum, by applying them to an established Capital Projects case-study. The committee made up of PAC chairs (with support of the clerks) questioned two witnesses (CPA UK staff members), considered the evidence given and formulated recommendations to present to the press .



The PAC Committee Exercise

Across two days, PAC members and clerks participated in seven sessions that focused on different elements of a Public Accounts Committee inquiry. Along with External Auditors, they took part in a 'real-life' committee exercise that focused on enhancing questioning techniques and increasing their overall ability to scrutinise evidence effectively.

STAGE 1

Initial Briefing Session

Before attending the Forum, delegates were given the documents that related to the committee exercise. This initial session provided delegates with the opportunity to understand the thinking and processes around the committee exercise itself. It was also an opportunity for facilitators to begin setting the scene for the upcoming activity and for delegates to ask any questions that they may have had before fully delving into the exercise.

First Briefing Exercise: PAC Members, Clerks and External Auditors

In order to replicate a real life briefing meeting, PAC members and clerks were joined by External Auditors to examine the briefing documents and relevant evidence put before them. In small groups, delegates worked together to devise effective questions to put to the witnesses during the evidence session. Having the technical expertise of the External Auditors enabled members to delve further into the evidence and allowed for more effective lines of questioning to be developed. It also meant that there was continued team work between the different strands of the project throughout the Forum.

STAGE 2



STAGE 3

In this session the delegates were split into two groups; Members looked at how to deal with the press and clerks looked at devising the terms of reference for the committee exercise.

Group 1: Press Briefing

Members were joined by the CPA UK Communications Managers and the Head of Broadcaster & Press Relations for the House of Commons, and together the group explored how to work with the media. After a short discussion on the experiences with the media from each territory, they focused on a variety of techniques to use when dealing with difficult questions from the press. There were also discussions on how to use social media to increase overall PAC exposure and viewing figures for evidence sessions.

Group 2: Clerks Devising Terms of Reference

The Clerks worked with our facilitator, Jo Corkish, the Second Clerk of Tynwald, to take a closer look at the topic at hand and devise the Terms of Reference. They then presented their work to the Members, which played a large part in ensuring the group were asking the right questions of the witnesses.

Pre Hearing Session

This session enabled delegates to work on their approach to the evidence session. They used the time to decide and agree how they were going to tackle each area of questioning. It was noticeable to all observing that the group were able to work together as a team to produce high quality questions in a short space of time.



STAGE 4

**STAGE
5****Evidence Session**

With all the work leading up to the evidence session complete, delegates were well prepared for the committee exercise. Alongside members, clerks were able to participate in the exercise. This gave them first hand experience of questioning a witness, which should give them more understanding of the role of the member within their own PAC. Together, they were able to use all that they had learnt over the previous stages and apply it to the evidence session. The delegates came across confident and unified, it seemed as though the group had been working together for much longer than two days.

During the evidence session Nadia Knight, the newly appointed Falkland Islands PAC Chair, was able to lead the group through the questioning.

Devising Recommendations and Feedback

With questions asked and answered, delegates had to take all they had learnt from the witnesses and produce concise and effective recommendations. Members and clerks worked together to come up with six recommendations that they felt would have the greatest impact. With the guidance of a facilitator, the group worked together, listening to all points of view, and were able to achieve consensus on the suggested recommendations.

Delegates then had the opportunity to receive feedback from facilitators, witnesses and each other. Overall, the feedback was positive, with many noting how well the group worked together. This can be put down to the preparation leading up to the evidence session and the way in which delegates engaged with the activity.

**STAGE
6**

STAGE 7

Press Conference



This session was an opportunity for delegates to take all that they had learnt in stage 3 and implement it into a simulated press conference. Delegates worked together to think of the key messages of the evidence session. Although, not all members took part in the exercise, it was a useful lesson in how to tackle difficult members of the press as well as difficult questions. The group stayed on message and were undivided in their approach to answering the questions.

In this session, members of CPA UK acted as journalists. In future, a formalised setting could be adopted with real life journalists coming in and asking the questions. This would make the situation feel more real for delegates and would enhance the impact of the exercise.

The Overall Experience

Across the two days, delegates engaged fully with the committee exercise. They were able to work together across the different sessions to develop their questioning skills and enhance their overall scrutiny ability. PAC Chairs, members and clerks benefitted from the in-depth approach to the inquiry process that the overall committee exercise provided. The format allowed for PAC delegates to work alongside their external audit colleagues, which hasn't happened in previous Forums, and this meant that relationships were strengthened and skills were shared between the two strands of work.

Taking a step by step approach to the inquiry process has allowed for a greater level of scrutiny to take place. Going forward, it means that delegates have a greater understanding of not only the evidence session but other vital areas of the inquiry process, such as devising terms of reference and press coverage.



BUILDING THE CAPACITY OF EXTERNAL AUDITORS

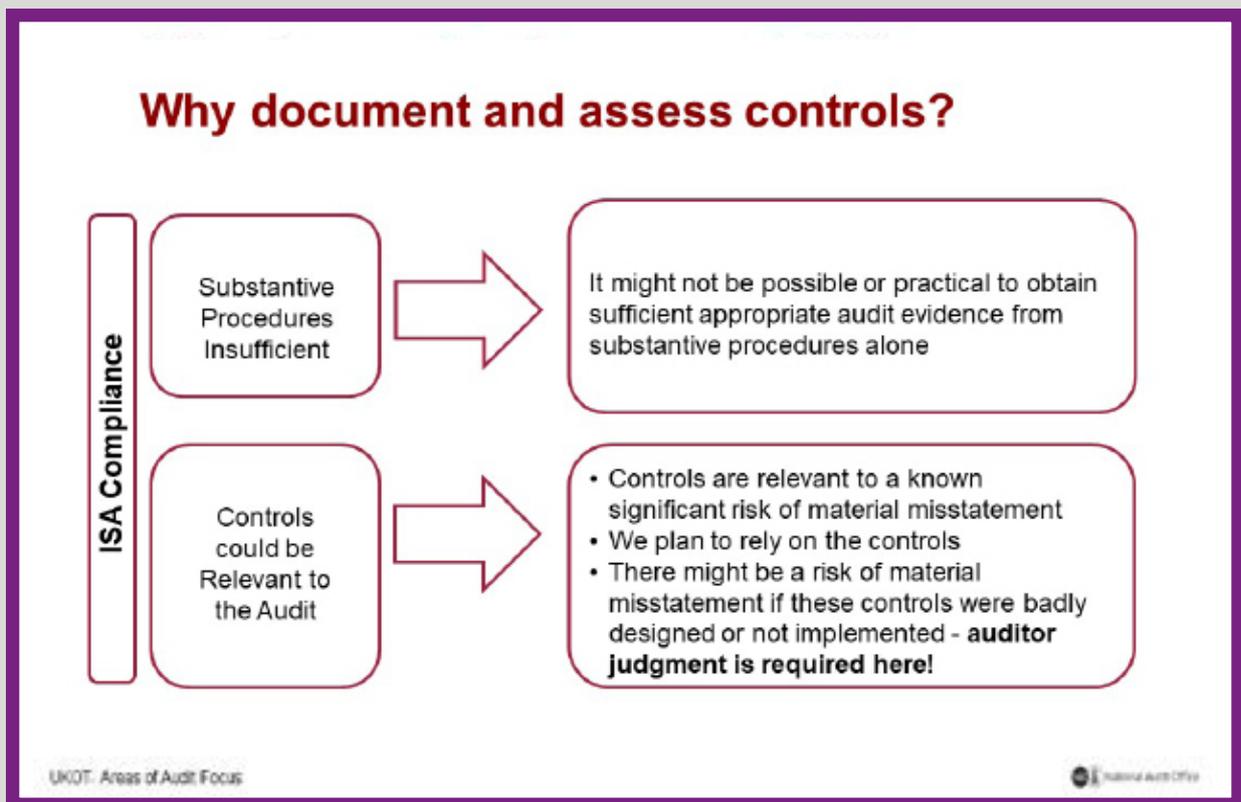
For the External Audit stream of work, delegates (External Auditors) hosted by the UK National Audit Office and had the opportunity to participate in sessions led by experts which took the form of three Financial Audit Technical Updates. **The External Audit - Financial Audit Technical Update (Part 1)** session provided an update on areas of audit focus, changes in methodology at the National Audit Office and future changes to auditing standards changes.

Globally, the audit profession faces profound challenges and changes - including in auditing standards. The National Audit Office uses continuous improvement to ensure a robust methodology to meet stakeholders needs. This session began with a discussion on the need to document controls. Aside from it being an ISA requirement, it may be the case that substantive procedures are insufficient, meaning that it might not be possible or practical to obtain sufficient or appropriate audit evidence from substantive procedures alone.

The group discussed examples of documenting controls and covered audits with high volume and low value transactions e.g. HM Revenue and Customs and Department for Work and Pensions, high automation with little manual intervention, and lack of physical evidence (paper-based records, application forms), as information is entered through the web portal.

To help with the assessment of what procedures could be carried out to address this process, the group completed an exercise in which they were shown a series of mock correspondences between the Project Manager, Valuer and Auditor. The group discussed the steps to take to ask clients to provide evidence which demonstrates how they have considered whether the valuation remains appropriate.

The second set of technical updates for the External Auditors covered two-parts of **Performance Audit**. This two-part session was led by Andy Fisher and Sarah Rollinson of the Value for Money and Practice Quality (VFM PQ) team at the UK NAO.



The first session **Technical Updates (Part 1)** began with an outline of the role of the VFM PQ at the NAO which is to provide support and guidance on all aspects of the VFM and wider assurance work. The speakers outlined some of the ways in which the team carries out their work, including creating and implementing standards and guidance, supporting teams throughout the production of VFM work; overseeing quality assurance of all VFM activities, identifying opportunities and solutions to reduce pressures on VFM teams and to continuously improve the way they do VFM work.

The speakers spoke to the number of important functions that the VFM PQ has at the NAO. They highlighted that they are part of a big organisation with plenty of people to draw on, allowing them to provide independent challenge; from within the organisation. They addressed the issue that the audit organisations of the delegates are much smaller making it more difficult to do, but some of the areas discussed will still be important to OTs so they must get creative in how these are fulfilled.

The speakers presented on the different methods in which the team communicates lessons from their Quality Assurance (QA) and review processes, and gave examples such as audit bulletins, audit circulars and updates.

VFMPQ in the NAO has a number of important functions

Support & Advice

- We set the standards by which our teams work and provide comprehensive guidance to help them.
- We answer ad hoc technical queries about VFM process and methods.
- We help teams to identify risks and conflicts and take the appropriate action in response to these.

Quality assurance

- We organise 'case managers' – independent reviewers from other teams within the organisation – to provide challenge on quality matters and support teams throughout the study.
- We do hot review of audit files to ensure teams are complying with process requirements.
- We organise cold reviews, both internal and external, to assure ourselves of the quality of our published reports and the evidence base that supports them.

Innovation

- We take steps to continuously improve the VFM study process, working out how we can do things in new and better ways to improve the experience for teams while still maintaining quality. For example, we are currently working on projects to automate some processes.

Governance

- We provide support to senior management by supporting the governance structures within the VFM practice. For example, we provide a secretariat function for our Quality Group – a group of VFM practitioners with responsibility for quality in their area of the organisation - which includes helping to set the agenda for areas they may wish to scrutinise.

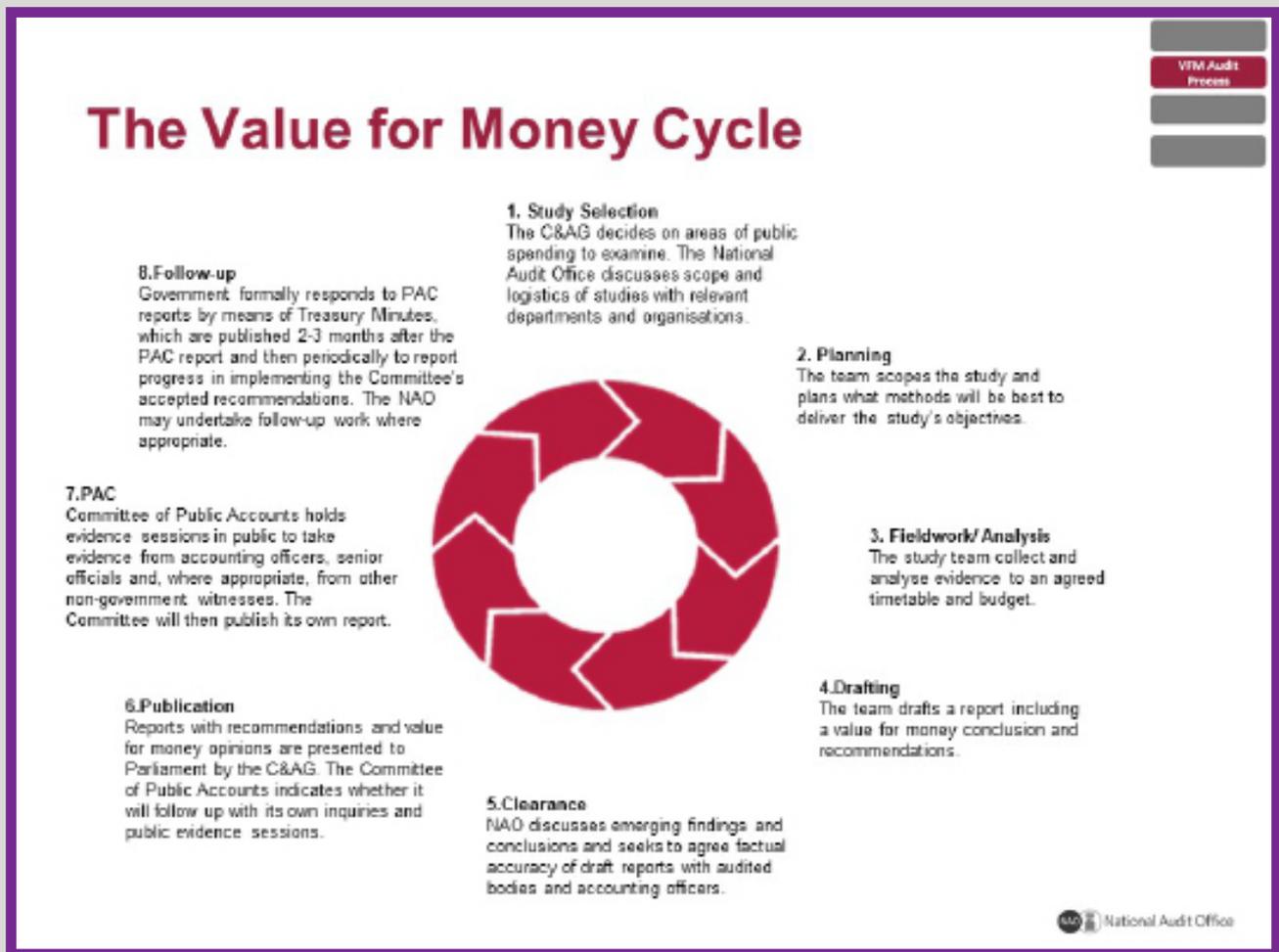
Training

- We provide training to the practice on VFM technical matters, including innovations in methodologies.
- We provide an annual update course to share new developments with teams, provide refresher training and highlight areas that have been identified in cold reviews as needing improvement.

International relations

- We get involved in international projects to share the NAO's expertise around the world as well as to learn from others and bring different ways of working back to the NAO where appropriate.

Part 2 of the Performance Audit Technical Update began with a breakdown of what is a value for money audit, and the speakers presented on the definition of value for money audit at the NAO, and the Value for Money Cycle:



The delegates discussed making an impact with recommendations. The speakers stressed that the VMF PQ team wants their clients to improve their processes to achieve better value for money and these recommendations help them improve. In order to ensure recommendations, have an impact, auditors need to make sure they are useful, logical and well written. The speakers shared the following tips on how recommendations should be:

- **Clear about what should be achieved and why**
- **Unambiguous, avoiding jargon and fully understood by the client**
- **Measurable if possible, and consider how implementation can be assessed**
- **Likely to lead to sustained and significant improvements and conscious of constraints**
- **Supported by, and flow logically from, a balanced assessment of the evidence**

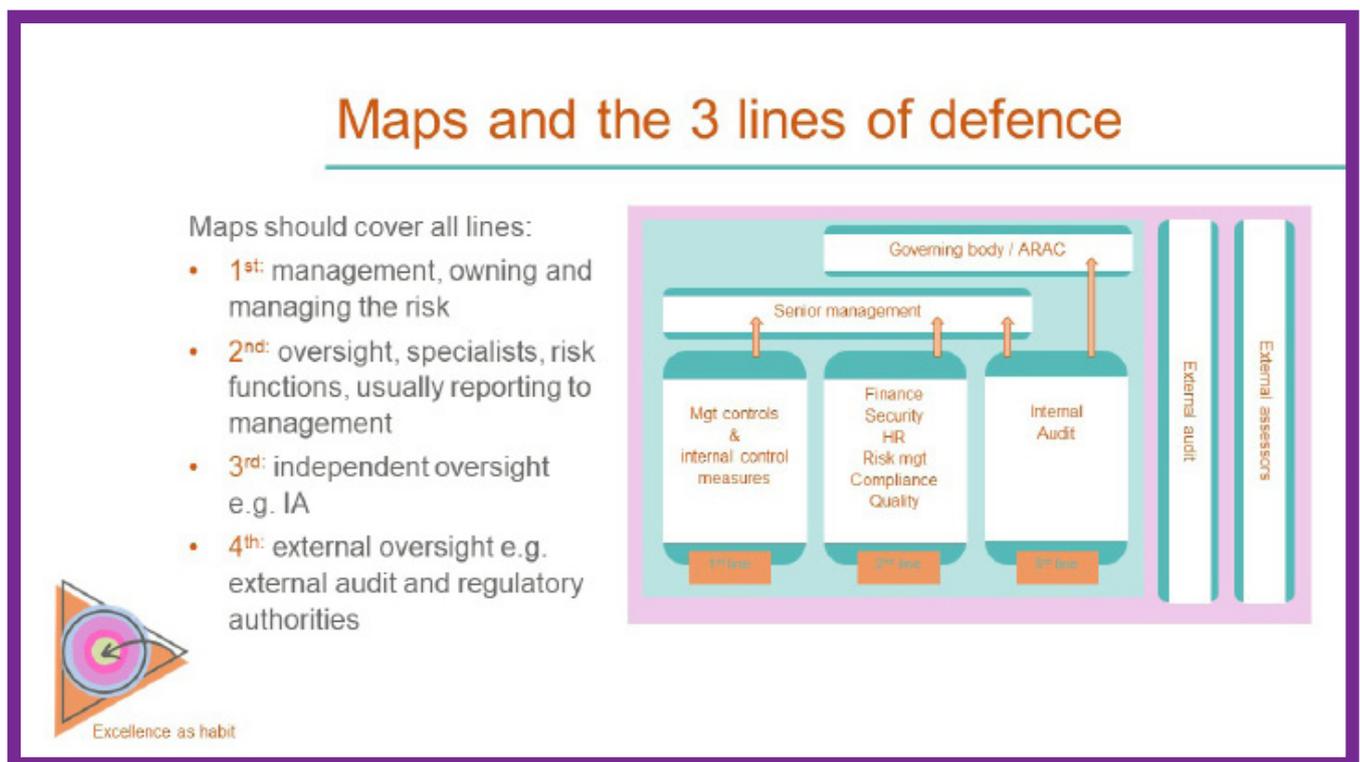
BUILDING THE CAPACITY OF INTERNAL AUDITORS

In the Internal Audit interactive technical session on Assurance Mapping Jim Phillips of the Government Internal Audit Agency (GIAA) showcased the GIAA approach as a basis for comparison with methods employed in UKOTs internal audit offices.

The session began with a definition of an assurance framework as a mechanism which identifies and assesses all of the assurances provided within an organisation to help it achieve its objectives and ensure that risks are effectively managed. The group discussed the benefits of the assurance framework which helps the organisation:

- **Achieve its objectives;**
- **Make better use of its resources;**
- **Improve its decision making;**
- **Identify gaps and consequent risk exposures.**

The speaker highlighted that assurance maps should cover all three lines of defence as shown below:



The session concluded with some tips on embedding assurance maps:

- **Sponsorship, ownership and responsibility;**
- **A living document;**
- **Integrate with risk management and governance processes;**
- **Demonstrate value – powerful tool for board and senior management discussions;**
- **Integral part of management reporting.**

COMMUNICATIONS AND ENGAGING WITH THE MEDIA

A key objective of the Forum was to increase the participant's knowledge and skills in being able to engage with the public, through a variety of communications focused training. On Day One of the Forum, a **Strategic Communications Workshop** was facilitated by Kate Faragher, a communications and personal impact coach from BeSpoke Skills. The session set out to build on the work achieved at the previous UKOTP Forum in Miami, in March 2019, and further explored ways in which participants can engage effectively with media outlets. The objective was for delegates to improve the quality of their communications to maximise their impact in their fields of work.

PAC Members and Clerks also had the opportunity to undertake practical communications training through sessions such as one on **Preparing for a Press Conference and Devising Terms of Reference**. In this session, participants were divided in two groups, one for parliamentarians, the other for clerks. The parliamentarians participated in a media workshop with CPA UK and House of Commons' communications officers and worked on how to communicate strategically and with impact via media outlets. Members considered ways to address the general public via the press and received advice on answering techniques. The goal was to enable members to present a united front as a PAC, when dealing with journalists. As alluded to earlier, clerks had worked through the background information of the committee exercise and polished their skills in devising terms of reference.

HIGHLIGHT

The **Cayman Islands** reported much improvement from the project, particularly with regards to providing expertise to raise the profile of the PAC and to communicate its importance to Parliament.

To consolidate the learning in this session, it was followed by a **PAC Press Conference with Feedback (Question & Answer)**. The press conference was based on the content of the preceding evidence session. The mock press conference offered members of the committee the opportunity to use the knowledge gained during the communications workshop, to address challenging questions effectively. To conclude the exercise, a self-assessment of the PAC's performance during the press conference took place, and Communications experts offered feedback to participants.



IDENTIFYING AND ADDRESSING REMAINING CHALLENGES

To facilitate further exchange of knowledge and learning at the Forum, some sessions were devised to identify and collectively devise solutions for ways to address remaining challenges to governance and oversight of public finances.

A key issue PACs face is on continuity planning. Delegates considered a key question on What makes for a good PAC and Succession Planning? In this session, PAC members and clerks explored what provisions and characteristics made for a well-equipped PAC including standing orders and the processes by which the PAC undertake their governance and oversight roles in respective parliaments and legislative assemblies. Key to continuity planning is creating efficient documentation that can be passed on particularly when elected members change.

This session focused on the case study of Bermuda, and the steps that they have put in place in order to become a more successful PAC. It was led by Hon Patricia Gordon-Pamplin, Chair of the PAC of Bermuda and Stephen McGuinness (Senior Clerk, UK Parliament) who had provided support to the PAC in Bermuda through a recent clerk attachment. The session which took place in a conversation format, opened with Hon. Gordon-Pamplin providing the context of Bermuda's PAC and her involvement with the committee. She went on to discuss best practice and her approach to achieving an effective committee,

which included building consensus in undertaking PAC work by enabling a separation from one's personal and political differences. Unabated, these differences can lead to PACs becoming less effective. She also spoke of the need to implement changes as a committee and the need for these changes to come from everyone and not just from the top. Additionally, each PAC member has a lead area for an inquiry, so that they can take the lead on the questioning as well as any engagement with the press. This change has given the committee greater ownership of the work that it puts out and has meant as Chair she has been able to spread her workload. It also means the committee members are beginning to specialise in certain areas of interest. They keep up with the PAC work as they have more of a stake in it.

Dr Stephen McGuinness suggested some considerations for PACs to overcome areas that committee members disagree on and approaches to ensure that all the members can buy into the reports and the inquiries. The session also included a discussion on the lack of resources and the effect that this has on the effectiveness of PACs. This is an issue that kept coming up throughout the PAC sessions.

HIGHLIGHT

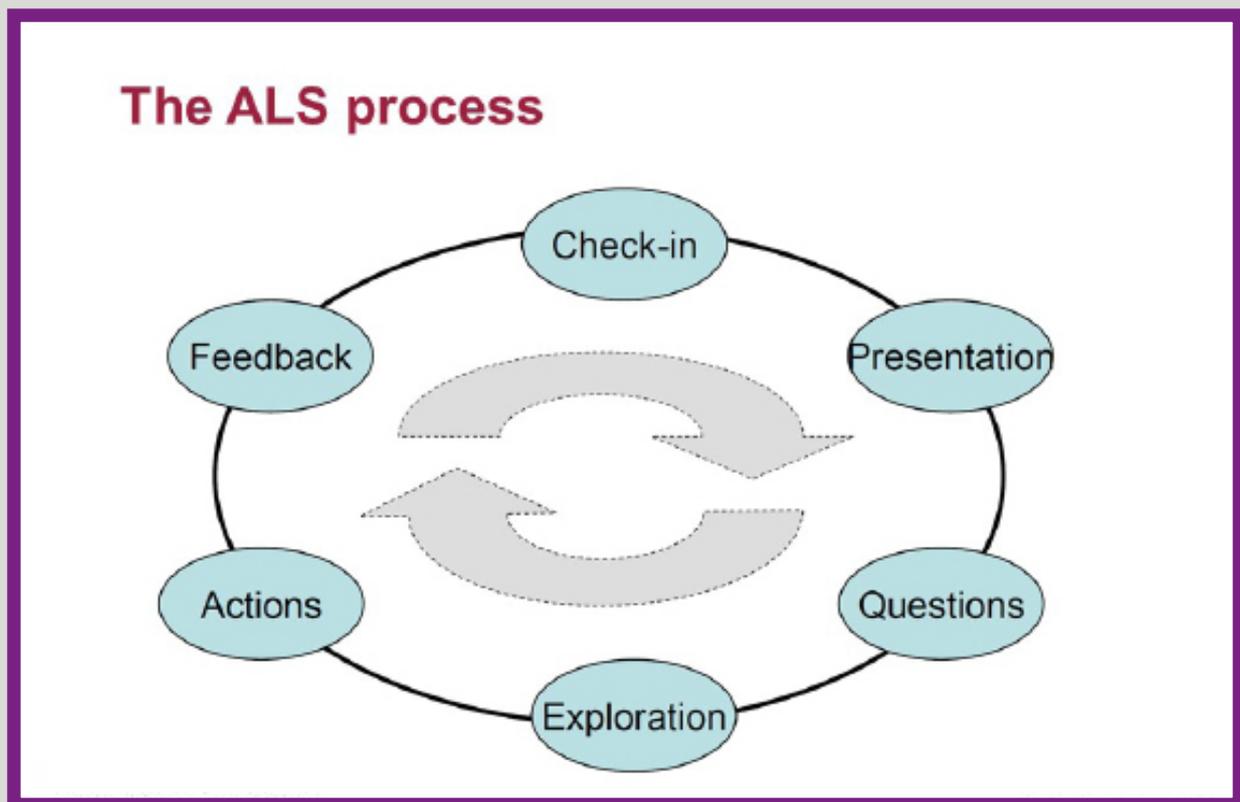
For delegates from **Gibraltar**, the campaign from the back bench coincided with the start of the project; and this assisted in bringing relevance to the campaign to have a PAC. The members hope that the communication through the media will hopefully eventually have influence in setting up of the PAC even if this is in the long term.

HIGHLIGHT

For delegates from **Bermuda**, the networking was key to strengthening the relationship for the future, and the territories are better able to help one another. There has also been a stronger focus/influence on reporting and forward work planning.

For the External Audit, participants had the opportunity to identify and address remaining challenges through the **Auditor General 'Action Learning' Set**. In this facilitated session, delegates (External Audit) had the opportunity to present a corporate challenge that they faced (e.g. client relations, supporting PAC, implementing a new method etc), or a personal challenge. Over the course of the session, the group with the support of the facilitator helped each other identify a potential

way forward. Action Learning Sets (ALS) are a powerful tool used in personal development and talent management programmes. They are based around the creation of a useful support system in which individuals can work through problems and tackle difficult problems by facing the problem from different perspectives in a group setting. The group had the opportunity to engage in shared learning with a focus on problem solving, as well as the opportunity to enhance their coaching and active listening skills.



For the Internal Audit, the session on Risk in Focus provided a template for participants to discuss common challenges. This session led by Liz Sandwith of the Institute of Internal Auditors (IIA) was based on the research conducted by the IIA in which the surveying of Chief Audit Executives identified priority risk areas that are expected to be addressed in internal audit plans for 2020 and beyond. The session began with a thematic overview of the main risk issues of 2020 as identified by IIA.

The Risk in Focus survey draws upon qualitative interviews with 46 Chief Audit Executives in Belgium, France, Germany, Italy, the Netherlands, Spain, Sweden and the UK & Ireland working in a range of industries. The interviews provided important research about the priority risk areas that are expected to be addressed in audit plans for 2020 and beyond. Liz talked through different findings of the survey (see opposite page) and prompted discussions on whether findings resonated with the group and their internal audit functions.

The session then explored, in great detail, the findings for each theme. This was followed with discussions of the key questions that arise from the survey in relation with their respective organisations.

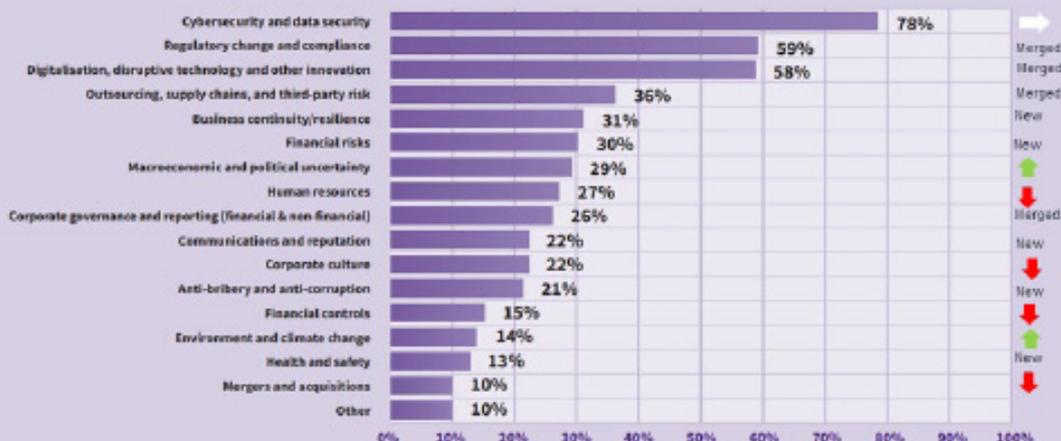
Risk in Focus 2020 – this year’s hot topics

1. **Cybersecurity & data privacy: rising expectations of internal audit** 
2. **The increasing regulatory burden** 
3. **Digitalisation & business model disruption** 
4. **Looking beyond third parties** 
5. **Business resilience, brand value & reputation** 
6. **Financial risks: from low returns to rising debt** 
7. **Geopolitical instability & the macroeconomy** 
8. **Human capital: the organisation of the future** 
9. **Governance, ethics & culture: the exemplary organisation** 
10. **Climate change: risk vs opportunity** 



What are the top five risks to your organisation?

What are the top five risks to your organisation?



LEADERSHIP GROUPS

At the last Forum in March 2019 two Leadership Groups were formed for External Audit and Internal Audit. To contribute to the sustainability of the network created by the project, the Forum provided a space for continued dialogue and support to Leadership Groups.

The **Meeting of the External Audit Leadership Group (EALG)** session allowed for a group discussion on matters such as how the EALG can best work together with the UK NAO and Wales Audit Office after the current project. The session was chaired by Phil Sharman, Chief Auditor for St Helena and Ascension, and covered updating the good practice guide, action learning, membership of networks such as the Caribbean Organisation of Supreme Audit Institutions (CAROSAI) and further development programmes.



In the **Meeting of the Internal Audit Leadership Group (IALG)**, the IALG chaired by Andy Bonner, Director of Internal Audit Cayman Islands, agreed to continue to meet virtually and in the wings of key meetings. Next opportunity that was identified was the Government Finance Function Conference in February 2020 as it would be attended by some members of the group. Key discussions focussed on the key performance indicators (KPIs) they would want to see used across the OTs. Some of the measures may reflect the minimum expected giving opportunity for higher achievements to be reached.

KPI discussions included:

Reporting to Audit and Risk Assurance Committees (ARAC) against agreed Audit Plans and indicate how this relates to the measurement of achievement - (90% draft reports by year end);

- **Chargeable days vs utilisation (% staff time and how its spent);**
- **Implementation of agreed recommendations (management level measure) to include % validated;**
- **Internal and External Quality Assessments (IQA/EQA) either noting it done or sections of quality assurance done;**
- **80% customer satisfaction- agreed to share survey questions between OTs.**

The group discussed the importance of considering that they don't get fixed on performance indicators but reflect on needs of the customers. The group also raised the question of whether the UKOTP Portal would be available beyond the life of the project? If not, IALG would need to consider setting up a platform to share resources.

FINDINGS FROM DISCUSSIONS ON UPDATING THE GOOD PRACTICE GUIDE (GPG)

Across the three strands, there was a general consensus that the Good Practice Guide should be reworked to address these key elements:

- To reflect current international setting
- To comply with up-to-date standard
- Include 10 principles which will be put into practice in OT
- Have a clear set of targets
- Be of more relevance to various stakeholders
- Be more visually attractive like the Orange Book
- Clarify who “owns” it
- Specify the standard by which good practice is measured

Once reworked, the group could consider making it mandatory to serve as a baseline, but this will depend on each territory.

It was noted that Internal Audit have their own assessment and standards and do not use the guide, but instead aspire to follow the International Performance Practices Framework. All Territories have made progress working towards the Quality Assurance and Improvement Programme. The IALG have agreed a common set of measures across the Territories and agreed that the GPG depending on its use should reference IA standards so that as these standards are updated the guide remains up-to-date and relevant. The IALG members felt the GPG was probably best suited to PAC members who may want to know how the other parts of government involved in oversight of public finances work.

Summary:

- The GPG in its current form is based on old standards - needs to be updated and streamlined;
 - A different approach to the guide is required;
 - GPG provides guidance on managing public money;
 - Writing guide with view to inform what is required for IA from governance point of view;
 - Good practice examples will come from IALG - 1st is the performance measures agreed by the IALG; address issues of benchmarking; support governance outcomes; await the UK's Government Finance Standards and determine what can be adapted;
 - Agreed that perhaps need a change of the title to 'working towards good practice;'
 - Ensure the agreed audience- PAC is at the forefront of all changes made.
-

MONITORING AND EVALUATION

The UKOTP values the feedback received from participants to the Forum in December. Such feedback helped assess the extent to which the objectives set for the Forum were met, and which steps need to be taken to maximise the support to OTs in terms of oversight of public finances and good governance.

Participants made the following observations:

- The Good Practice Guide will need to be updated, to reflect a new focus and audience – PACs and should include information on all three strands of the UKOT project, EAs, IAs and PACs.
- Resourcing and staffing of PACs was identified as a recurrent challenge for legislative assemblies (LAs) in the OTs.
- There is also a need for LAs in the OTs to assert their autonomy vis-à-vis their governments.
- During the committee exercise, members displayed a keen interest in the simulation.
- An integrated process where auditors worked alongside parliamentarians and clerks proved beneficial to both strands.
- The more practical the sessions, the more delegates felt they benefited from them. The media workshop, for example, scored highly in the feedback. The quality of recommendations generated by members also underlined that interactive sessions maximised on the potential of participants.
- The level of confidence increased also for PAC members, most of whom felt more confident in their ability to handle the media after the evidence session and the press conference.
- There was a considerable degree of interest in personal impact training from all strands of the project.

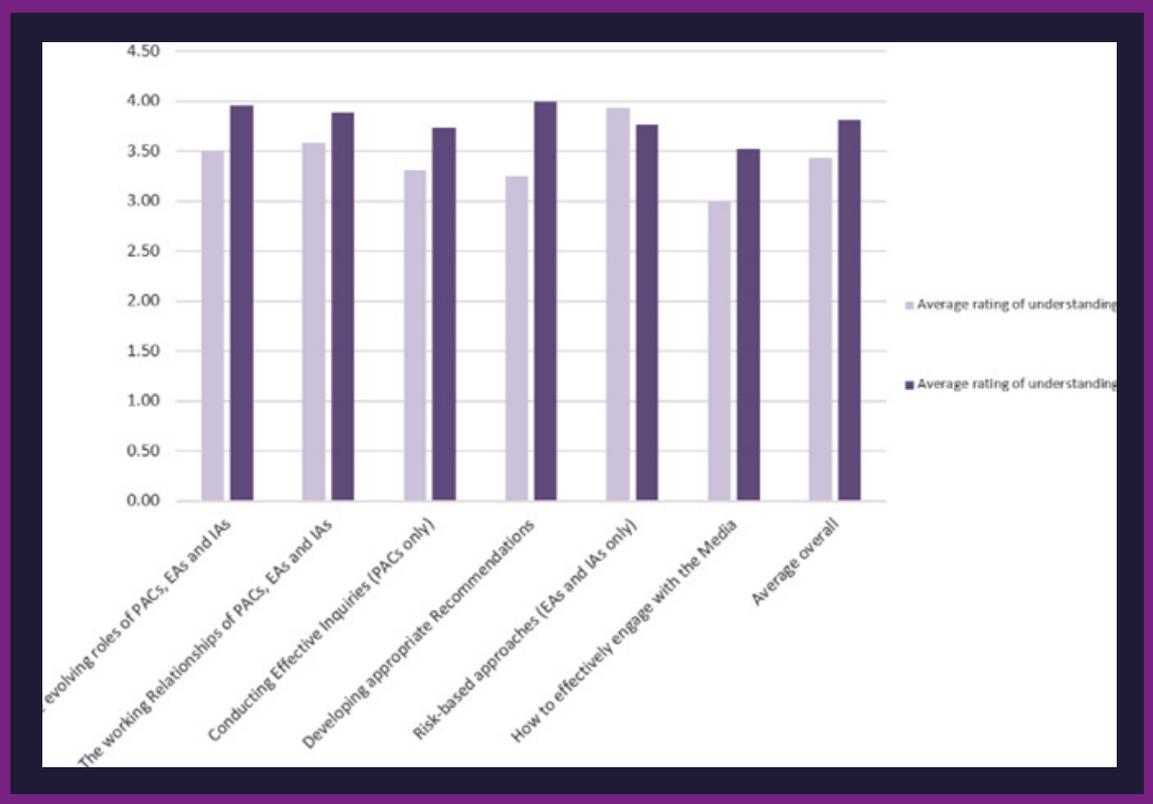
As part of the Forum's monitoring and evaluation process, delegates were asked to complete pre-workshop and post-workshop assessment forms to measure how effective the forum had been in raising their level of understanding on various programme areas such as understanding risk-based approaches, developing appropriate recommendations and conducting effective inquiries.

Further observations:

Participants reported an increased average understanding of 12%. The top four areas of increased levels of understanding were:

- Developing appropriate recommendations: 23%
- How to effectively engage with the media: 17%
- The evolving roles of PACs, EAs & IAs: 13%
- Conducting effective inquiries (PACs only): 13%

The graph below shows the overall changes in understanding in different programme areas:



HIGHLIGHTS AND KEY SUCCESSES

Feedback from the EALG welcomed the development of guidance – both financial and performance audit and use of the manuals. Anthony Barrett, Assistant Auditor General at the Wales Audit Office also added that the training on audit manuals, access to information and technical expertise, CPD for local staff on secondments and establishment of the leadership group to improve organisational performance have all contributed to the successes achieved.

For the IALG, the establishment of the group has resulted in agreement of Key Performance Indicators which can now offer some benchmarking capabilities; the technical support provided through secondments; confidence from EQAs and areas for improvement (Falkland Islands); developing an ARAC and obtaining membership from GIAA (St Helena).

In this session, the group also reflected on key challenges that remain, including:

- **Succession Planning (need for a guide to public accounts committees, what it is, how to run the committee, etc)**
- **Resources**
- **PAC clerks - wider input into the attachments beyond clerking**
- **Revision of audit and PAC legislation to support good practice**
- **Good practice**



MEDIA COVERAGE

GBC	06/12/2019	Sir Joe & Roy Clinton attending Oversight of Public Finances & Governance Forum in London	https://www.gbc.gi/news/sir-joe-roy-clinton-attending-oversight-public-finances-governance-forum-london
Gibraltar Chronicle	10/12/2019	Gib Parliamentarians join public finance forum	https://www.chronicle.gi/gib-parliamentarians-join-public-finance-forum/
GBC	09/12/2019	Roy Clinton and Sir Joe poles apart on Public Accounts Committee for Gibraltar	https://www.gbc.gi/news/roy-clinton-and-sir-joe-poles-apart-public-accounts-committee-gibraltar
Cayman Times	09/12/2019	Chairman of PAC Joins Parliamentarians and Auditors from Overseas Territories	https://www.ieyenews.com/wordpress/cayman-uk-forum-on-oversight-of-public-finance-opens/
Cayman iNews	10/12/2019	Cayman: UK forum on oversight of public finance opens	https://pac.org.fk/news/news-item-2/
PAC Falkland Islands	14/12/2019	Falklands PAC members attend CPA London Forum	https://pac.org.fk/news/news-item-2/

KEY REFERENCES

- Functional leadership across HM Government
<https://www.gov.uk/government/organisations/civil-service/about#functional-model>
- The Finance Function and Finance Standards https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/815636/6.5637_GFA_Strategy-Documents_full_v20_web.pdf
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/815638/Government_Finance_Standard.PDF
- The Management of Risk – Principles and Concepts (The Orange Book)
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/815635/Orange_Book_Management_of_Risk.pdf
- Cross government report: Managing business operations - what government needs to get right

PROGRAMME

Sunday 7 December 2019: Delegates arrive in London and make their way to the Park Plaza County Hall Hotel, 1 Addington St, Lambeth, London SE1 7RY, Phone: 0333 400 6116.

DAY 1, Monday 9 December 2019

TIME	SESSION	LOCATION
0830-0900	Registration in Hotel Lobby	Park Plaza County Hall
0900-0930	All Delegates depart Hotel for Church House by coach. CPA UK staff will be present to escort delegates.	Church House
0930-1030	<p>Introductions & Forum Welcome</p> <p><i>UKOTP/CPA UK Team and Ben Merrick in attendance</i></p> <p>The CPA UK/UKOTP Team will use this session to introduce themselves and delegates to the Forum as well as provide an overview of the programme. This session will also include housekeeping and an overview of the monitoring & evaluation that will take place throughout the Forum.</p>	Church House: Convocation Hall
1030-1045	<p>Opening Remarks</p> <p><i>Baroness D'Souza, UK House of Lords</i></p>	Church House: Convocation Hall
1045-1130	<p>Setting the Scene: The Role of Parliament and Audit Institutions – What makes for Effective Oversight of Public Finances?</p> <p>The keynote address will help set the tone for the Forum through the sharing of experiences and common challenges, as well as taking note of key achievements and highlighting key lessons for effective oversight.</p> <p><i>Adrian Jenner, NAO</i> <i>Dame Margaret Hodge (tbc)</i> <i>Fay Bowen, National Assembly for Wales</i> <i>Chair: Jon Davies, CPA UK</i></p>	Church House: Convocation Hall
1130-1145	Break	

TIME	SESSION	LOCATION
1145-1300	<p>Managing organisational change</p> <p>This session will explore the key themes to consider when managing organisational improvement, including clarity of purpose, designing and managing processes; using information, and leadership. In a practical exercise, delegates will explore how the themes might be applied in their Territory.</p> <p><i>Alec Steel, NAO</i> <i>Scott McMillan, NAO</i></p>	Church House: Convocation Hall
1300-1400	Lunch and Group Photo	
1400-1500	<p>Panel Discussion on Managing Risk in External Environments</p> <p>This session will explore risks in the external environment which are relevant to UK Overseas Territories. This will include a panel discussion on issues such as managing natural disasters and political uncertainties. Following panel presentations, delegates will then have the opportunity to delve into the topic in more detail.</p>	Church House: Convocation Hall
1500-1530	Break	
1530-1800	<p>Workshop 1: Strategic Communications</p> <p>This session will help delegates improve the quality of their communications in order to improve the impact of their work. This will be a follow up on the work completed at the 2018 UKOTP Forum.</p> <p><i>Kate Faragher, BeSpoke Skills</i></p>	Church House: Convocation Hall
1800-1830	Delegates to depart Church House for Houses of Parliament on foot	
1830-2000	<p>Welcome Reception</p> <p>Welcome Remarks by Jon Davies, CPA UK Chief Executive Officer.</p>	CPA UK room, Houses of Parliament
2000	END OF DAY 1	

DAY 2, Tuesday 10 December 2019

TIME	SESSION	LOCATION	
0845-0900	All Delegates depart Hotel for Church House by coach	Church House	
0900-0915	Debrief and Learnings from Day 1 <i>Matthew Hamilton, CPA UK</i>	Church House: Convocation Hall	
0915-1000	<p>PAC and External Audit – Preparing for an Evidence Session (Part 1)</p> <p>This session will focus on the collaboration between PACs and External Audit.</p> <p>In small groups, delegates will look at the detailed briefing for the committee exercise and work out what lines of questioning should be taken in the evidence session.</p> <p><i>Fay Bowen, National Assembly for Wales</i> <i>Jo Corkish, Tynwald, Isle of Man</i></p>	<p>Internal Audit - Risk in Focus</p> <p>Last year the Institute of Internal Auditors (IIA) introduced a survey of Chief audit Executives ‘Risk in focus’ that provided important research about priority risk areas that are expected to be addressed in internal audit plans for 2020 and beyond. Liz Sandwith, who is Chief Professional Practices Advisor for the IIA will share the results from the latest survey and answer questions from delegates.</p> <p><i>Liz Sandwith, IIA</i></p>	Church House: Convocation Hall & Westminster Room
1000-1115	<p>PAC and External Audit - Preparing for an Evidence Session (Part 2)</p> <p>This session will follow on from the previous session. Delegates will come together and discuss their approach to the evidence session and compare their lines of questioning.</p> <p><i>Fay Bowen, National Assembly for Wales</i> <i>Jo Corkish, Tynwald, Isle of Man</i></p>	<p>Internal Audit - The Role of the Chief Audit Executive</p> <p>Diana Melville is the lead advisor for the CIPFA Better Governance Forum and is CIPFA’s representative on the Internal Audit Standards Advisory Board. On 9 April 2019, CIPFA launched the new edition of the CIPFA Statement on the Role of the Head of Internal Audit. The aim of this Statement is to set out the role of the head of internal audit in public service organisations and to help ensure organisations engage with and support the role effectively. Diana’s presentation will explore the statement and provide and provide the basis for a discussion with delegates.</p> <p><i>Diana Melville, CIPFA,</i></p>	Church House: Convocation Hall & Westminster Room
1115-1145	Break, External Auditors depart for National Audit Office HQ		

TIME	SESSION			LOCATION
1145-1300	<p>PAC - Discussion: What makes for a good PAC and succession planning</p> <p>Exploring what provisions and characteristics make for an efficient well-equipped PAC (including within Standing Orders) and discussion on what makes for a successful succession planning.</p> <p><i>Dr Stephen McGuinness, UK House of Commons</i> <i>Hon Patricia Gordon-Pamplin, Parliament of Bermuda</i></p>	<p>External Audit - Financial Audit Technical Update (Part 1)</p> <p>Areas of audit focus – Changes in our methodology and future auditing standard changes</p> <p><i>Led by Charlotte Hill, NAO</i></p>	<p>Internal Audit Training Session – Assurance Mapping</p> <p>Jim is a Senior Internal Audit Manager in the Government Internal Audit Agency (GIAA), working in the Professional Practice Directorate (PPD). His responsibilities include maintaining the Agency's audit methodology. This will be an interactive session with delegates that will showcase the GIAA approach as a basis for comparison with methods employed in UKOTs internal audit offices.</p> <p><i>Jim Phillips, GIAA</i></p>	<p>Church House: Convocation Hall & Westminster Room</p> <p>National Audit Office HQ</p>
1300-1400	Lunch			
1400-1515	<p>PAC - Practical Session 1: Understanding Financial Information</p> <p>This session will be led by the Scrutiny Unit and will help delegates develop their knowledge and understanding of financial information. There will be a practical exercise to embed this learning.</p> <p><i>Larry Honeysett, House of Commons</i></p>	<p>External Audit - Financial audit technical update (Part 2)</p> <p>Reviewing accounts – Areas to challenge and discuss.</p> <p><i>Led by Rachel Nugent, NAO</i></p>	<p>Internal Audit - The Role of the Audit & Risk Assurance Committee</p> <p>Chris is a GIAA Deputy Director and head of Internal Audit. He is also a member of Cayman Islands Government Audit Committee. Chris has adapted the HM Treasury ARAC guidance to be relevant for use for use by the Cayman Islands Government. He will discuss the content of the guidance and answer questions from delegates.</p> <p><i>Chris Wobschall, GIAA</i></p>	<p>Church House: Convocation Hall & Westminster Room</p> <p>National Audit Office HQ</p>

TIME	SESSION			LOCATION
1515-1530	Break			
1530-1645	<p>PAC - Preparing for a press conference and Devising Terms of Reference</p> <p>Group A: Members</p> <p><i>House of Common Media Team Felicity Newall, CPA UK Fay Bowen, National Assembly for Wales</i></p> <p>Group B: Clerks</p> <p>Clerks will use this time to work through the background information of the committee exercise and devise its Terms of Reference.</p> <p><i>Jo Corkish, Tynwald Isle of Man</i></p>	<p>1530: Gareth Davies (C&AG) to meet Auditors General</p> <p>Followed by 1545: External Audit - Financial audit technical update (Part 3)</p> <p>IFRS 16 – New standard implementation.</p> <p><i>Led by Charlotte Hill, NAO</i></p>	<p>Internal Audit - Meeting of the Internal Audit Leadership Group (IALG)</p> <p>Led by UKOTs IALG Chair, Andy Bonner, Internal Audit Director for the Cayman Islands government, assisted by John Kelly and Jo Rowley from GIAA.</p> <p>The session will allow the UKOTs IALG to hold their 3rd meeting, following on for the inaugural meeting at the Miami Forum and a subsequent webex meeting that was held in September 2019.</p>	<p>Church House: Convocation Hall & Westminster Room</p> <p>National Audit Office HQ</p>
1645-1730	<p>PAC - Updating Good Practice Guide</p> <p>This session will be an opportunity for delegates to update the section relating to PACs in the Good Practice Guide.</p> <p><i>Linda Mills, Parliamentary Relations Manager, NAO</i></p>	<p>External Audit - Meeting of the External Audit Leadership Group (EALG)</p> <p>The session will allow for a group discussion on matters such as how the EALG can best work together and with the NAO/WAO after the current project.</p>	<p><i>Andy Bonner, Cayman Islands Internal Audit Office John Kelly, GIAA Jo Rowley GIAA</i></p>	<p>Church House: Convocation Hall & Westminster Room</p> <p>National Audit Office HQ</p>
1730	END OF DAY 2			

DAY 3, Wednesday 11 December 2019

TIME	SESSION			LOCATION
0830-0900	All Delegates depart Hotel for Church House by coach			Church House
0900-0915	Debrief and Learnings from Day 2 <i>Matthew Hamilton, CPA UK</i>			Church House: Convocation Hall
0915-1045	<p>PAC - Pre-hearing session</p> <p>This session will be the final chance for PAC members to solidify their approach to the evidence session.</p> <p>This session will also be an opportunity for the PAC Clerks to outline the Terms of Reference for the hearing.</p> <p><i>Jo Corkish, Tynwald, Isle of Man</i></p>	<p>External Audit - Auditor General 'Action Learning' Set</p> <p>A facilitated session, in which AGs can present a corporate challenge they face (eg client relations, supporting PAC, implementing a new method etc) or personal challenge. The group can then help the presenter to identify the way forward.</p> <p><i>Paul Wright-Anderson, NAO</i></p>	<p>Internal Audit - The Role of the Internal Audit Leadership Group in Updating the Good Practice Guide</p> <p>Led by IALG Chair, Andy Bonner, Internal Audit Director for the Cayman Islands, assisted by John Kelly and Jo Rowley from GIAA. This session will explore how the UKOTs IALG will take ownership of maintaining and updating the internal audit content in the 'Good Practice Guide'.</p> <p><i>Andy Bonner, Cayman Islands Internal Audit Office</i></p>	Church House: Convocation Hall. Westminster Room & Herbert Baker Room
1045-100	Break			
1100-1300	<p>Evidence session and drawing up impactful recommendations</p> <p>This session will be a practical exercise that will allow PAC Members to practice all the skills they have acquired throughout the Forum so far and will use the briefing provided by the PAC clerks. There will then be time at the end to devise recommendations as a group.</p> <p><i>Jo Corkish, Tynwald, Isle of Man</i></p>	<p>1100-1200: External Audit</p> <p>External Auditors will take part in the first hour of the evidence session, providing external audit advice where necessary. They will then depart the group for a separate session.</p> <p>1200-1300: External Audit - Performance audit technical update (Part 1)</p> <p><i>Andy Fisher, NAO Sarah Rollinson, NAO</i></p>	<p>Internal Audit - General 'Action Learning' Set</p> <p>A facilitated session, in which AGs can present a corporate challenge they face (eg client relations, implementing a new method etc) or personal challenge. The group can then help the presenter to identify the way forward.</p>	Church House: Convocation Hall. Westminster Room & Herbert Baker Room
1300-1400	Lunch			

TIME	SESSION			LOCATION
1400-1430	<p>PAC - Press conference preparation</p> <p>Members will use this session to prepare their approach the press conference.</p> <p><i>Felicity Newall, CPA UK</i></p>	<p>External Audit - Performance audit technical update (Part 2)</p> <p><i>Andy Fisher, NAO Sarah Rollinson, NAO</i></p>	<p>Internal Audit - Internal Audit Annual Planning: the GIAA Approach</p> <p>Julie Kitchin is a Senior Internal Audit Manager in the Government Internal Audit Agency, working in the Professional Practice Team. She is responsible for maintaining sections of GIAA's audit methodology on reporting and annual audit planning. This will be an interactive session with delegates that will showcase the GIAA approach as a basis for comparison with methods employed in UKOTs internal audit offices.</p> <p><i>Julie Kitchin, GIAA</i></p>	Church House: Convocation Hall, Westminster Room & Herbert Baker Room
1430-1515	<p>PAC - Press conference followed by Q&A</p> <p>Using the tools learnt during the communications workshop, Members will have practical experience of how to deal with difficult questions from the media. Questions will be based on the evidence session held earlier.</p>			
1515-1615	<p>Findings from Discussions on Updating Good Practice Guide</p> <p>At this session, a representative from each strand of work will present an overview of the key areas where the good practice guide could be amended to reflect ongoing learnings.</p>			Church House: Convocation Hall
1615-1715	<p>Roundtable discussion - Scope for future work</p> <p>An opportunity for the three areas of the Project to reflect on the success and challenges over the last four years and for each territory to consider what scope exists for future work and how the three streams could continue to support each other.</p> <p><i>UKOTP Team</i></p>			Church House: Convocation Hall

TIME	SESSION	LOCATION
1715-1745	<p>Final reflections and Forum Closure</p> <p>Delegates will be asked to give their feedback on the Forum as well as their overall engagement in the Project.</p> <p><i>Matthew Hamilton, CPA UK</i></p>	Church House: Convocation Hall
1745	END OF FORUM	

