Final Report: Turks & Caicos Islands Public Accounts Committee Visit

July 2023
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CPA UK hosted the Public Accounts Committee (PAC) and the Auditor General of the Turks and Caicos Islands for a four-day programme designed to increase the capacity of the PAC to perform its duties. The delegation met with their counterparts and staff from the UK Parliament, the Tynwald of the Isle of Man, and the UK National Audit Office.

The visit built on numerous successful programmes with the Turks and Caicos Islands, including but not limited to the November 2022 delegation visit for the Overseas Territories Forum, the Chair of the PAC’s participation in the August 2022 Commonwealth Association of Public Accounts Committees (CAPAC) Conference, and the October 2021 Post-Election Seminar in the Turks and Caicos Islands.

The programme covered several topics, including developing PAC inquiries, effective questioning techniques, and understanding financial information. To complement the peer-to-peer learning sessions, the Turks and Caicos Islands’ PAC observed the UK PAC in action during their inquiry session.
Outcomes and Outputs

Outcome 1
The Turks and Caicos Islands Public Accounts Committee Members and clerk have increased capacity to perform their duties.

Outcome 2
The relationship between CPA UK, the UK Parliament, and the Turks and Caicos Islands Public Accounts Committee is strengthened

Output One
Participants will have a clearer understanding of their roles and responsibilities and the remit and value of the PAC, including the working relationship between PACs and audit institutions.

Output Two
Participants will identify key actions they will undertake within six months, as a direct result of their participation in the programme.

Output Three
A short report summarising the programme will be produced and disseminated to all participants.
The Role and Remit of PACs

The committee is principally concerned with whether public spending is carried out efficiently, effectively, and economically, rather than with the merits of government policy. Its main functions are to see that public monies are applied for the purposes prescribed by Parliament.

Relying on the National Audit Office reports the UK PAC, on average, meets twice a week and holds one evidence session, at least, where it only concentrates on value-for-money and administrative accounts already approved by parliamentary policy.

Led by an Opposition Member, the UK PAC is formed by a Standing Order rather than a constitutional requirement. The key to its effectiveness is cross-party consensus, where party politics is left behind and the focus is on the examination of value-for-money through the examination of public and private bodies, and its impact where around eighty percent of its recommendations are responded to, or actioned, by the government.

The committee internally reach a consensus on which of its members is to lead on a subject and some of its members develop certain expertise while remaining with the committee for longer.
The Role of the Chair and Clerk

The PAC works as a team where the Chair plays an important role in conducting the productive and swift business of the committee. The relationship between the Chair and their Deputy is built on mutual trust – the Chair consults the Deputy Chair on pressing, as well as, confidential issues.

Despite their political affiliation and different views, the PAC always scrutinises public finances and reaches a consensus by putting forward its recommendations with one voice as a team. Members of the PAC should not get influenced by Ministers and Party Whips related to committee affairs and ensure professionalism and a cooperative relationship with Committee Chair.

It is the support of the PAC clerk that enabled the UK’s PAC to be one of the most significant and trustworthy committees in the UK Parliament. Clerks of the PAC not only provide administrative assistance to the committee but suggest and implement innovative approaches such as the introduction of a recommendations tracker, a unique methodology to track the status of recommendations to government, and an innovative approach considered as a value addition. The role of PAC clerk is not only limited to future planning for the committee but included all administrative aspects of the committee including close coordination with the committee chair for planning, organising and leading and implementation of the Committee activities.
Preparing for a Committee Hearing & the Role of a Witness

The speaker shared the key stages of preparing for a successful committee hearing as follows:

- Practicalities
- quorum
- Publicity
- Preparation for circumstances
- Papers
- Broadcast, and virtual participation
- Confirm meeting and preparing reporter’s pack, and
- Witnesses and reporting

Identification of witnesses is crucial for committee hearings. To ensure effective contribution from a witness at the hearings, witnesses are selected on the basis of diversity, inclusion, and representation. Within limited resources, witnesses are identified through relevance to the subject and offered the required level of support as per need. However, familiarity with witnesses, a limited range of witnesses, conflicts of interest and committee harmony are the biggest challenges in preparing for a hearing.

To deal with difficult witnesses, who are reluctant to appear or who decline the committee’s invitation as an evidence provider, the committee should exercise its power to clarify categorically in the invitation letter that this witness ‘must be present’ - emphasising the importance of the witness’s appearance before the committee.
Developing PAC Inquiries

Planning is key for successful Public Accounts Committee hearings. Effective communication between the PAC Chair and the Auditor General plays a significant role in developing better plans for the committee’s yearly activities and programmes.

Witnesses with industry backgrounds could potentially use technical language to hide information during public inquiries. PAC members should probe any terms or questions not explained in plain language to make the issue understandable.

Media plays a significant role and there is a high potential to be utilised by the PAC members to generate broader outreach. The selection of topical issues is very important to achieve maximum impact and garner media attention. Members of the PAC should use the power of their voices, leave party politics at the door and leverage their positions as committee members.

Comparing the role of the media in the UK and the Turks and Caicos Islands, it was shared by a session speaker that media in the latter can be more effectively engaged by asking witnesses hard-hitting questions during the inquiries. Members of the PAC can raise specific questions during the hearing that may gain the attention of the media.

To avoid a negative perception of being self-interested or being party political, the PAC Chair should cooperate closely with all members of the committee to build strong relationships and build consensus. Members of the committee should act beyond their parties’ stances while scrutinising public finances.
Effective Questioning Techniques

Members are encouraged to recognise any unconscious biases or assumptions which they may bring into the committee room. Members should be prepared to “clean their filters” – remove their biases – and look at the information presented to them from several perspectives.

Going into a committee hearing, members should remember the three P’s: purpose, preparation, and performance.

![Purpose](www.core-solutions.com)
Effective Questioning Techniques

Preparation

- After addressing purpose, effective preparation will entail consideration of many questions such as these:
  
  - Given that time is limited, what are our real priorities?
  - Where can we add real value – and how?
  - What are the key issues for us to consider? How do we agree them?
  - Who is/are our audience(s)?
  - Where do we differ, and why?
  - How do we handle these differences?
  - What information do we really need – and from whom?
  - What specific questions do we need to ask and of whom?
  - Who is best placed to ask them?
  - How do we share out the task and questions, generally and on each topic? How do we support each other?

Additionally, it is critical for a committee to keep to time during a session. One approach to make effective use of time would be to keep the Members’ preambles to a minimum so as to ensure the precise questions are understood as intended. Similarly, members should feel comfortable interrupting witnesses who they feel do not answer their questions.

It is also important for Members to work together before the session to identify key issues and priorities to explore, the aim of the session, and its choreography (i.e., who will ask what and when). Before each inquiry, the UK PAC meets privately to discuss these areas and the ways in which they can measure a successful session.
Getting a Government Response

Getting a government response is as much about organisation as it is about persistence. In the UK Parliament and the Legislative Council of the Isle of Man, recommendation trackers are used by the PAC to monitor the recommendations made by the Committee and a timeline of when they expect an actionable response. The Isle of Man’s recommendation tracker is readily available on their Legislative Council’s website. This is to ensure that, not only do Members hold government to account, but the citizens who elect them are able to, as well.

Another way in which the UK Parliament aims to garner a response from the government and “keep knocking at the government door” is by leveraging social media and public response to certain matters. As such, the UK PAC Chair, Dame Meg Hillier, produces short video summaries of a particular week’s inquiry topic. These videos give the public, in plain English, the context behind the inquiry and which answers the PAC hopes to get from the government.

By using a recommendations tracker and leveraging social media, the PAC aims to get a meaningful government response to their reports and recommendations.
Understanding Financial Information

Understanding financial information is important when holding the government to account for spending, examining value-for-money, understanding an organisation’s work and benchmarking performance.

In public sector bodies, the purpose of financial statements is outcome-focused information and are driven by performance against objectives, value-for-money, accountability management and governance, and future plans. To effectively understand financial information, it is important to understand assets, liabilities, equity, revenue, and expenses. It is also vital to know whether the accounts being examined are following the accounting principles of accrual or cash basis, cash or non-cash transactions. Whether the accounts are written on an accrual or cash basis will alter the analysis of the information provided.
At the beginning of the programme, each participant completed a pre-programme assessment form. At the end of the programme, they completed a post-programme assessment, evaluating their own level of understanding of the areas explored in the programme. The scale of understanding ranged from (1) “None” to (5) “Very Good”.

Across the programme, there was an average 27% increase in knowledge identified by the delegates. The largest of such increases was 47% in the session on Getting a Government Response with Developing PAC Inquiries following shortly behind at a 36% increase.

Furthermore, all delegates taking part in the programme stated that the programme and its contents was fully relevant to their role.