



SIXTH OVERSEAS TERRITORIES FORUM

OVERSIGHT OF PUBLIC FINANCES AND GOOD GOVERNANCE

2024 Summary of Findings

Introduction

1. From 10-12 September 2024 Forum we gathered in Westminster as representatives of parliament, parliamentary officials, other officials, internal and external auditors from Anguilla, Bermuda, British Virgin Islands, Cayman Islands, Falkland Islands, Gibraltar, Montserrat, Saint Helena, and the Turks and Caicos Islands for the sixth Forum of the UK Overseas Territories Project. The Forum was organised by the Commonwealth Parliamentary Association (UK Branch) in partnership with the UK National Audit Office and the Government Internal Audit Agency and funded by the Foreign and Commonwealth Development Office (FCDO).

Strengthening Good Governance

2. We affirm the 7 principles of good governance on transparency, accountability, rule of law, participation, responsiveness, effectiveness and efficiency, equity and inclusiveness and the role they play in building a better future for our citizens.
3. We acknowledge that good governance is essential for the effective functioning of government institutions and the successful implementation of policies. It shapes the way our governments operate and influences trust in society.
4. Reflecting on the statements above, legislatures may consider the creation of a registry of interests for persons in government institutions, training of all parliamentarians and other administrators on the value of good governance and seeking the provision of financial assistance focussed on the implementation and development of core good governance structures.

Understanding Scrutiny

5. Where Public Accounts Committees (PACs) are established, we recognise that it is one of the most important committees. We uphold the role the PAC plays in those respective jurisdictions. We call on those legislatures to ensure that the constitutional responsibilities of the PAC, where relevant, are upheld and supported.
6. Where National Audit Offices are established, we recognise the collaboration and support received from these Offices. We call for an even stronger collaboration between parliament and these offices to ensure that scrutiny of public finances is carried out in a timely manner.
7. Timeliness is important in ensuring that respective Governments provide responses to the PAC or the Auditor General in real time. Legislatures are calling for greater and more efficient responses from their respective Governments. PACs or the Auditor General are keen to establish better ways of tracking responses from Governments and ensuring that outstanding recommendations are followed up in a systematic manner to ensure accountability.

Exploring Good Governance in Practice

8. We acknowledge the seven principles of public life (also known as the Nolan principles) on selflessness, integrity, objectivity, accountability, openness, honesty and leadership that contribute to the effective functioning of any organisation.
9. We recognise the role of Auditors General towards better scrutiny, transparency and accountability. The central role of ensuring that public funds are properly accounted for is vital to improving the lives of all citizens.
10. We recognise the role internal audit plays in providing objective, independent insight, risk-based assurance, that leads to better value for money outcomes, and enhances an organisation's ability to serve the public interest. We seek that our respective internal audit offices abide with internationally agreed auditing standards and call for greater collaboration between both internal and external audit services.

11. We affirm the importance of using evidence-based information to make key decisions to support good governance processes and agree that putting systems in place to manage risk is vital.
12. We call for greater collaboration and support for training and learning between the Overseas Territories.

Parliamentary Systems

13. We acknowledge the unique variations of our legislatures. These differences present both strengths and challenges. We agree that resources to support legislative changes are not always readily available and we would hope that this issue can be resolved, particularly in support of facilitating the drafting of proposed legislation changes.
14. Whereas there may be provisions for members to bring forward private members bills (PMBs), very few of these ever come through to parliament. We note that the opportunity to facilitate PMBs is not forthcoming and the resources (including the funds) required to put forward PMBs remain prohibitive.
15. We call for greater support to parliamentarians, especially for new and returning members after elections.

Resources for Parliamentary Purposes

16. Whereas we recognise that resources being available would make government and parliament more effective, we acknowledge that limited resources and finances to cover parliamentary business remains a key challenge to running our respective parliaments.
17. We acknowledge members resources, especially time, is quite often a key challenge. We agree that forward planning with built-in flexibility, would help to alleviate some of these challenges.
18. We note that committee inquiries give access to the public and this engagement should be fostered where applicable.
19. Access to specialists, advisors, industry or academic experts and Offices of Attorneys General can provide good resources. Having persons seconded to

parliaments and using pilot efforts can offer a rich source to address resource challenges. Live streaming, the creation of a video library and sub-contracting Hansard (like in the case of Gibraltar Parliament to the Parliament of the Isle of Man) would address the maintaining of parliamentary records.

20. We recognise that the development of Artificial Intelligence (AI) may play a role in addressing these parliamentary and other recording challenges, however, its impact remains to be seen.

Challenges of being a Parliamentarian

21. We acknowledge the political and personal pressures that any parliamentarian faces and how it may impact the ability of potential candidates, particularly women and the youth, to run for office.
22. We call on measures to be put in place to ensure candidates feel safe to run for office, and that there is sufficient provision to support parliamentary practice for those persons in office.
23. We recognise the progress made in our respective territories, with more women than ever before in parliament, and call for legislation that supports equality to be implemented.
24. We agree to set up an Overseas Territories Women’s Caucus that would seek to promote and encourage more women, and particularly our youth, into serving in politics. We seek to collaborate with other women’s parliamentary caucuses in the Commonwealth and beyond.

Independence of National Audit Offices

25. The independence of national audit offices is paramount to their ability to fulfil their vital remit to provide accountability for public funds, whether through the audit of government’s financial statements, performance audits of public services or other types of audits.
26. We are concerned that the independence of national audit offices in some territories has been under increasing pressure and the limitations coming from outdated legislation for some audit offices are well overdue for an update. We

urge the parliaments of territories to give a high priority to resolving this problem and would welcome the support of the FCDO to support them to achieve this.

Audit Quality

27. We are committed to implementing the latest international standard to assure the quality of national audits. While the national audit offices of the UK Overseas Territories are all small organisations, they are strong as a network which collaborates, providing mutual support for each other. We will continue to draw on the assistance of the UK Overseas Territory Project to support us to implement the new international standard in a way that fits our context and aligns with our respective office's mission.
28. We welcome the opportunity to further discuss and critically examine current human resources issues facing the national audit offices.

Risk Management for Internal Audit

29. We recognise the purpose of internal audit is to strengthen an organisation's ability to create, protect, and sustain value. We do this by providing the Audit Risk and Assurance Committee (ARAC) and management with independent, risk-based and objective assurance, advice, insight and foresight.
30. We learned different approaches to risk identification and prioritisation which can be applied to develop local risk registers. We know the importance of implementing the new global internal audit standards and will continue our efforts to ensure we are prepared.

Managing a Change of Government

31. We uphold as of fundamental importance, the scrutiny and accountability for public resources.
32. We recognise the critical role of audits in ensuring government accountability.
33. We are committed to good governance and the frameworks for assurance, risk management and regulatory compliance.

Financial Management in Government

34. We acknowledge that effective financial management leads to improved decision-making and better outcomes, greater value-for-money and efficiency and ensures that our respective governments are better equipped to respond to unforeseen events.
35. We call for a focus on leadership, governance and culture, skills and capabilities, timeliness of decision-making, and data and management of information to support good financial management.

Closing

- We welcomed the opportunity to come together as representatives of parliament, parliamentary officials, other officials, internal and external auditors from our respective Overseas Territories, and the frank and open discussions we have had on areas of mutual interest.
- We call for further support to ensure that we continue to foster these networks and to address the challenges highlighted above.
- We are committed to working together to strengthen good governance and oversight of public finances.