

WESTMINSTER WORKSHOP

EFFECTIVE, INDEPENDENT & TRANSPARENT
PUBLIC ACCOUNTS COMMITTEES FOR
ROBUST PUBLIC FINANCIAL OVERSIGHT



MONDAY 1 JUNE – THURSDAY 4 JUNE 2015

MALTA

PROJECT REPORT

In partnership with



PARLAMENT TA' MALTA

COMMONWEALTH PARLIAMENTARY ASSOCIATION UK



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PowerPoint presentations, audio recordings of the sessions and photographs can be downloaded from the CPA UK website.

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BACKGROUND & ISSUES

From funding large public capital projects to tackling tax avoidance, there is growing international focus on transparency and accountability in public financial management (PFM). More than ever before, emphasis is being placed on the role of Parliament in ensuring public funds are used appropriately and effectively.

Public Accounts Committees (PACs) are widely acknowledged as the main parliamentary tools in scrutinising public financial management. PACs across the Commonwealth have become increasingly vocal, building up the profile of their committees and bringing the PMF agenda to the forefront of the public's attention. The modern day PACs are facing a developing set of challenges in their efforts to hold their governments to account on public expenditure and performance.

CPA UK has been committed to strengthening the work Commonwealth PACs through its annual Westminster Workshop training programme. Building on the success of previous workshops, the 2015 5th Westminster Workshop, run in partnership with the Parliament of Malta, continued to provide a forum for exploring the key current challenges faced by PACs across the Commonwealth, enabling the exchange of ideas and expertise on how PACs can increase their efficiency and effectiveness in scrutinising public expenditure; from budgeting and planning to tracking performance.

A large number of PACs operating within the Commonwealth are derived from the "Westminster model". Although these PACs have adopted specific working practices and procedures suited to their national contexts and political environment, similarities in structures and mandate exist that allow for exchange of expertise and development of Commonwealth-wide best practice standards.

In November 2013, during CHOGM in Sri Lanka, the Commonwealth Heads of Government reaffirmed the importance of strong and independent Supreme Audit Institutions (SAIs) and Public Accounts Committees (PACs). The final Communiqué issued by CHOGM contained the following point:

Public Accounts Committees

46. Heads of Government further reaffirmed that strong and independent Parliamentary oversight plays an important role in preserving the trust of citizens in the integrity of government, through Public Accounts Committees that are effective, independent and transparent.¹

Continuing the momentum created by CHOGM 2013 and aiming to explore the ways in which better collaboration could contribute to strengthening the transparency, effectiveness and independence of Commonwealth PACs, participants of the 4th Westminster Workshop in June 2014 jointly committed to establishing a Commonwealth Association of Public Accounts Committees (CAPAC) (see Section 4).

The 5th Westminster Workshop has provided a platform for the official launch of the Association, with an adoption of CAPAC Constitution and Executive Committee elections. With Malta hosting the next Commonwealth Heads of Government Meeting in late November 2015; it has been envisaged the communiqué agreed by the Workshop participants will be presented to the Prime Minister of Malta for an official endorsement at CHOGM.

1. CHOGM 2013 Communiqué (2013), p.9.
Available from: <http://thecommonwealth.org/media/news/chogm-2013-communiqu%C3%A9>

BACKGROUND TO CAPAC

In June 2014, Chairs and Members of Public Accounts and equivalent Committees of Commonwealth parliaments attending the 4th Westminster Workshop on Parliamentary Financial Scrutiny of Public Expenditure at Westminster constituted the Commonwealth Association of Public Accounts Committees (CAPAC). An informal Steering Committee was formed to guide CAPAC's work in the short term, with Hon. Sen. Raziah Ahmed, Speaker of the Senate, Trinidad & Tobago, and Hon. Tonio Fenech MP, Chair, Public Accounts Committee, Malta, as co-chairs. CPA UK committed to providing coordination to the nascent Association's activities in the interim period.

During their meeting in January 2015, members of the CAPAC Steering Committee reaffirmed the Association's aim:

“to ensure that all Commonwealth countries benefit from strong and independent public accounts or equivalent committees to sustain and promote the highest principles of public finance”².

The Steering Committee has tasked CAPAC Coordination Unit (run by CPA UK in the interim period) to draft CAPAC Constitution which was presented for endorsement by CAPAC Member Committees at the CPA UK's 5th Westminster Workshop in Malta in June 2015.

The Steering Committee has envisaged that each national Public Accounts or other Committee whose function is to examine the accounts of national Government bodies would be eligible to join the Association, subject to a completion of a registration process. All Commonwealth national legislatures were invited to attend the 5th Westminster Workshop and informed about the CAPAC initiative in March 2015.

Upon confirmation of places at the 5th Westminster Workshop, each Legislature was invited to register their membership of the Association. Only registered CAPAC Member Committee representatives were eligible to vote during the CAPAC General Meeting at the 5th Westminster Workshop. Further communications are planned with the aim of expanding CAPAC Member Committees to include all Commonwealth national PACs.

2. CAPAC Constitution (June 2015), pp. 1-2. Available from: <http://uk-cpa.org/downloads/file:56w7gjveqi>.

Under the CAPAC Constitution, unanimously approved by the current 21 CAPAC Member Committee representatives on 3 June 2015, CAPAC will pursue its aim of strengthening Commonwealth PACs by:

- Making the case for the independence of Commonwealth PACs, and for the implementation of all appropriate PAC recommendations as key components of good governance.
- Defining, publishing and promoting standards of good practice, in line with Commonwealth principles, to assist CAPAC Member Committees in being effective, transparent and independent.
- Providing training to support CAPAC Member Committees in improving their performance.
- Acting as a clearing house of valuable information on matters pertaining to PACs; this will include information about current practices in various legislatures.
- Establishing a voluntary peer consultative mechanism process acceptable to its Member Committees, to be used as a platform for both exchanges of information and benchmarking.
- Engaging in proactive and effective relationships with key stakeholders, including, but not limited to, regional PAC organisations and the Conference of Commonwealth Auditor-Generals.
- Strengthening the capacity of Commonwealth PAC and equivalent Committees with a particular emphasis on Small States.
- Encourage bilateral and multi-lateral interaction among Members on issues of common concern.

Gender Matters. In all these activities, CAPAC will pay particular attention to the need to empower PAC Members on issues of gender equality, especially with regard to gender-budgeting, auditing and committee membership.



*Hon. Sen. Raziah Ahmed introducing the CAPAC initiative via a video link
Image courtesy of Ieva Indriunaite*

AIM & OBJECTIVES

The 5th Westminster Workshop programme was designed in consultation with the UK National Audit Office and senior parliamentary Clerks and with the advice from regional PAC networks (WAAPAC, SADCOPAC and EAAPAC³).

The Workshop provided participants with the opportunity to develop their skills as PAC Chairs, Members and Clerks; explore the current common challenges facing PACs across the Commonwealth and share peer expertise.

Aim. Set against the background of the challenges faced by Commonwealth PACs, the aim of the 5th Westminster Workshop is to enhance the capacity and effectiveness of delegates in the core aspects of their PAC work.

Supporting Purpose. The 5th Westminster Workshop will launch CAPAC and recommend it to CHOGM 2015.

Objectives. Using the Westminster PAC as the vehicle for discussion, the objectives of the 5th Westminster Workshop are to explore through briefings, discussion sessions and case studies:

- The role of parliaments in financial oversight.
- The skills and knowledge required to be an effective PAC Chair/Member/ Clerk.
- The relationship between the PAC Chair, PAC Members and the PAC Clerk.
- Best practices in identifying witnesses and holding effective hearings.
- Tracking performance and measuring Committee effectiveness.
- The relationship between the PAC and the Supreme Audit Institution.
- The role of the PAC in curbing corruption and fraud.
- Differences and commonalities between Commonwealth legislatures and best practice examples.
- Particular challenges faced in different regions and possible solutions.
- Possible solutions to the common issues faced by PACs in small legislatures.
- Ensuring gender-sensitive approaches in budgeting and auditing practices.

Supporting Objective. The 5th Westminster Workshop will seek to establish an effective CAPAC.

3. WAAPAC - West African Association of Public Accounts Committees; SADCOPAC - Southern Africa Development Community Organisation of Public Accounts Committees; EAAPAC - Eastern African Association of Public Accounts Committees.

EXPECTATIONS

By bringing together Members and Clerks of Parliamentary Public Accounts Committees, CPA UK hoped to collectively develop a greater understanding of the role and limitations of PACs in financial scrutiny, as well as the strengths and weaknesses of current approaches in holding the Executive to account. In exploring these themes, the Workshop sought to build on the existing expertise across the Commonwealth.

Furthermore, CPA UK intended that the Workshop offers its participants new approaches and practical solutions to improving their everyday work in their legislatures.

The Workshop Team specifically focused on ensuring strong regional representation, enabling cross-Commonwealth networking opportunities and development of synergies between the work of Public Accounts Committees in different contexts. It was

hoped that the Workshop would provide space for development of long-term professional partnerships between PACs members that could be used by Members and Clerks to seek peer advice in their work as the need arises. In particular, there was an expectation that this could be achieved through the CAPAC initiative.

By specifically dedicating part of the programme for CAPAC related discussions, it was hoped that this would lay the foundations for a strong association capable of actively supporting PACs across the Commonwealth.



*5th Westminster Workshop Opening Reception hosted by HE Marie Coleiro Preca, President of Malta
Image courtesy of Malta Department of Information*

PROGRAMME APPROACH

The Workshop was attended by 68 Members and Clerks from 22 different national legislatures, together with representatives from several regional PAC networks⁴. Also in attendance were representatives from partner organisations, including the World Bank Group (WBG), Organisation for Economic Cooperation and Development (OECD), Westminster Foundation for Democracy (WFD), UK National Audit Office, Malta National Audit Office and the Natural Resource Governance Institute (NRGI).

Previous CPA UK Westminster Workshops have taken on different focus, with previous Workshops having specifically explored challenges to PACs in small states and synergies between the role of PACs and other Parliamentary Committees with financial oversight responsibilities.

The Workshop was attended by 68 Members and Clerks from 22 different national legislatures, together with representatives from several regional PAC networks

The 5th Westminster Workshop programme was strongly influenced by discussions and issues related to the creation of CAPAC. This approach manifested itself both through the themes explored during the programme and the level of expertise that the sessions aimed at addressing.

All participating legislatures were asked to nominate a Clerk and two Members, the first one being senior PAC Member (ideally PAC Chair) and the second nominee with less extensive PAC experience. This approach ensured that each delegation would have a Member with the required authority and mandate to vote on CAPAC related matters, while at the same time ensuring learning opportunities for more junior PAC members and thus supporting the long-term retention of knowledge within the committees.

The programme was tailored to meet the needs of a diverse level of expertise amongst the participants - allowing space for exploring more complex aspects of PAC work, the programme also retained an overarching focus on the general PAC practices and procedures.

In its approach, the programme aimed at maintaining underlying links with the envisaged functions of CAPAC. This is reflected in sessions focusing on aspects such as monitoring and evaluation of PAC work, gender-sensitive budgeting, and peer recommendations on PAC hearing, amongst other.

Whilst discussions held throughout the programme primarily focused on the core practice and procedure in the work of PACs, the final day provided space for more thematic discussions on the main themes and current challenges PACs face.

Delegates had the opportunity to:

- Engage with international experts, high profile parliamentarians, media experts and officials from key organisations
- Explore examples of best and emerging practices
- Share their experience and knowledge
- Raise concerns and identify challenges
- Discuss avenues for greater collaboration between PACs at regional PAC forums and opportunities for pan-Commonwealth PAC cooperation

4. See Annex for a full list of participants.

The Westminster Workshop series aims to encourage a Commonwealth-wide exchange of best practise and expertise. The 5th Westminster Workshop participants were encouraged to draw on their own experiences and develop linkages between the Westminster model of scrutiny and issues faced within their own legislatures through the Q&A sessions, group discussions and interactive workshops.

The 5th Workshop programme presented over 20 delegate contributions on the discussion panels. Delegates heard from senior and highly knowledgeable legislators from across the Commonwealth including the Speaker of the House of Representatives of Malta Hon. Anglu Farrugia MP; Finance of Minister of Malta Hon. Edward Scicluna MP; UK PAC Member Nick Smith MP; Dame Anne McGuire, former long-standing UK PAC Member; Hon. Tonio Fenech MP, PAC Chair of the Parliament of Malta; Hon. Alice Alaso Asianut MP, PAC Chair of the Parliament of Uganda and Chair of EAAPAC; Mr Choida Jamthso MP, Secretary General of

ARAPAC; Hon. Sharon Ffolkes Abrahams MP, Minister of State for Industry, Investment and Commerce of Jamaica; and Hon. Nur Jazlan Mohamed MP, PAC Chair of the Malaysia Legislative Assembly, amongst others.

A wide range of panellists took part in the Workshop, from UK MPs to international experts, journalists and senior parliamentary staff. Their individual perspectives offered a complementary analysis intended to better equip PAC Members and Clerks to engage with financial scrutiny in their committee work.



*Hon. Anglu Farrugia MP, Speaker of the House of Representatives, Malta, addressing Workshop participants at the Parliament of Malta
Image courtesy of Malta Department of Information*

PROGRAMME DETAILS & DISCUSSION HIGHLIGHTS

BEST PRACTICE FOR PAC WORK

Building on the CHOGM 2013 communiqué which called for transparent, effective and efficient Public Accounts Committees, the 5th Westminster Workshop programme opened with a broader look at what constitutes an effective PAC, raising the question on whether setting Commonwealth-wide best practice standards for PAC work is a viable option given the variation in the way PACs operate in different contexts. It has been suggested that PACs, even if their mandate is limited to ex-post financial scrutiny, should see their work within the broader public financial management (PMF) cycle and consider using the global public expenditure and financial accountability standards to benchmark their work.

“PACS should see their work within the broader public financial management (PMF) cycle”

Participants looked at the ways in which the effectiveness of PACs can be improved in the environment of scarce financial resources. The

programme suggested that in this regard PACs could focus on several specific areas, such as: work planning; member engagement and responsibility sharing; and building cross-party consensus. Based on the positive experience from the work of UK PAC, one specific recommendation stressed the importance of engaging all committee members by giving them more individual responsibilities, which in turn will significantly empower the PAC.

MONITORING & EVALUATION

An overview of the possible Monitoring & Evaluation (M&E) practices allowing PACs to internally monitor the success and identify areas for improvement in the committee work has received a lot of interest from the participants. The discussion, supported by the outcomes of the initial CAPAC questionnaire⁵, suggested that

M&E mechanisms for PAC work is an area of increasing focus for Commonwealth PACs, but with very little expertise available in the field. It has been suggested that any effort in this regard had to start from setting out a strategic plan for the committee’s work, which would ensure continuity.

The theme of M&E was also covered through the CAPAC peer review discussions.

“M&E planning should start from setting out a strategic plan for the committee’s work, which would ensure continuity.”

HEARING PROCESS

A large part of the programme was dedicated to improving the practices currently used in the hearing process – one of the most powerful tools in the work of a Public Accounts Committee, if conducted effectively. Participants were split into three groups of PAC Clerks, Members and Chairs and invited to consider their experiences and produce a list of peer recommendations on conducting an effective PAC hearing. While the theme had been explored at previous Westminster Workshop, this year, the sessions looked at a number of specifically selected procedural aspects, such as the most effective questioning techniques; training for witnesses; chairing the hearing; and ensuring that the PAC speaks with a strong voice⁶.

5. A brief questionnaire about the practice, procedure and mandate of PACs conducted by CAPAC CU in the run up to the 5th Westminster Workshop.

6. See Annex for the outcomes of this exercise.

REPORTING & FOLLOW-UP

In separate groups, Members and Clerks discussed the ways in which PACs can produce effective reports and conduct follow-up on the government's action on their recommendations. The Clerks' discussion touched upon the importance of forward-planning and timing of PAC work. Presentations highlighted the role of the Clerk in providing strategic advice to the Chair and Deputy Chair and establishing an overall Committee strategy to meet the challenges and needs of a specific legislature. An effective strategy sets out specific objectives, priorities and practical work plans, both short and long-term, for the Committee's work to ensure the effective review of audits.

It has been noted that the large and frequent turnover of Members, characteristic of PACs, considerably hinders the Committee's ability to follow-up on its recommendations. Part of the solution is a strong SAI, which can ensure the continuity of the work of the

PAC. PACs could look into a cluster of reports on a single subject over a period of time, as well as consider conducting landscape reviews. The latter can also act as a means of providing external expertise on a topic (limited to financial audits). The role of the Clerk is key to assessing whether PAC recommendations have been acted upon. The large volume of committee work calls for prioritisation, such as selecting areas which the committee found to have been particularly poor the first time round. Clerks would then commit to come back to the area specified. Alternative mechanisms include committees agreeing on a schedule for "recall" – holding a hearing regularly (e.g. every quarter of the year) where past reports are revisited briefly (not a full investigation), based on an SAI brief. In the future Clerks could appoint individual members as rapporteurs to monitor particular enquiries, as a way of prioritising time and labour.



Hon. Alekeni W Menyani MP, Malawi, presenting peer best practice recommendations on chairing an effective PAC hearing
Image courtesy of Malta Department of Information

SUPREME AUDIT INSTITUTIONS (SAIs)

The Workshop programme also looked at the relationship between the PAC and the SAI. In particular, what type of relationship should exist between the PAC and SAI and how their collaboration could be improved. The relationship between PACs and NAOs should be open, frank and honest, while the latter should ensure that the PAC's interest is kept in mind at all times. Case studies highlighted different approaches to facilitating active communication between the two institutions, such as having regular briefings to the committee as a whole and individual members; the Auditor General sitting in a parliamentary session when the subject matter falls on the relevant report; and the secondment of SAI staff to the committee to work as experts. For the relationship to be successful, the SAI should be open and in line with new developments, as well as agile and as flexible as possible in its work practices. More specific recommendations maintained that reports requested by the PAC from the SAI should be direct, concise and credible. UK experience was mentioned in regard to specific reports proposed to be produced in partnership between the PAC and the NAO, strengthening understanding of high value items which are of interest to the general public and are high profile for the government.

CHALLENGES IN SMALL STATES

As a follow-up from the 3rd Westminster Workshop and in line with the CAPAC's envisaged specific focus on supporting small state PACs, the Workshop programme this year included a session dedicated to discussing the particular challenges faced in small

“brain drain” of young skilled labour, in particular in the Caribbean region, poses a significant threat to the effective operation of PACs”

legislatures. Similarly to the past years, among the main challenges highlighted by the discussion were lack of resources and

risk to PAC independence in a small state environment. Lack of resources and competent/full time personnel, as well as a “brain drain” of young skilled labour (in particular in the Caribbean region), poses a significant threat to the effective operation of PACs. In such circumstances, the need for a strategic selection of scrutiny areas becomes particularly pertinent. The small legislature environment increases potential risk for conflict of interest in PAC work, in particular in cases where small number of Members of Parliament creates the need for Ministers to serve on the committee.

CYCLE OF FINANCIAL ACCOUNTABILITY

For the first time, the Workshop programme initiated a discussion on closing the cycle of financial accountability. Looking at the ways of strengthening parliamentary financial oversight function, by linking the parliamentary practices for ex-ante and ex-post scrutiny of government

expenditure. The procedures for budget scrutiny used by Commonwealth national legislatures vary greatly in their

“parliaments should have a stronger say in budgetary oversight, from its initial stages to the post-expenditure scrutiny.”

approach. Based on historical practices, they are tailored to their national contexts, no ‘one size fits all’ solution. The discussion focused around the mandate and limitations of a Westminster-style PAC in relation to parliamentary budget scrutiny. Case studies presented included the Parliament of Maldives, where by the end of the year, the Public Accounts Committee and the Economic Affairs Committee form a Joint Committee to revise the budget proposal; this PAC also has the power to establish a sub-committee responsible for ex-ante scrutiny of the budget in March/April. Therefore, the PAC can familiarise itself with supplementary budget requests for more expenditure earlier in the year. An example from Uganda highlighted a scenario where not only the PAC's mandate is limited to ex-post scrutiny of public expenditure, but the role of parliament

in budgetary scrutiny is constrained further by the short timeframes for the budget's approval. However, there was a consensus among Workshop participants, that regardless of the arrangements, parliaments should have a stronger say in budgetary oversight, from its initial stages to the post-expenditure scrutiny.

ENGAGEMENT WITH THE MEDIA & THE PUBLIC

The Workshop programme also explored issues of PAC engagement with the public and media coverage. While there was a unanimous agreement on the importance of a strong relationship between the media and the PAC, panellists stressed the need to differentiate between active media coverage and media effectiveness – i.e. seeing to what extent media reporting is going to impact on government action on PAC recommendations. It was also noted that media coverage can sometimes lead to witnesses being more defensive in their testimonies. In the current global climate of media proliferation and increased social media reach, PACs should try to

be increasingly proactive rather than reactive in their communication with the media. As in the UK case, the role of a PAC Media Officer has become essential. Media Officer communicates the work of PAC to the public in a user-friendly way, limiting cases misinterpretation; to push forward a regional angle to PAC investigations, where applicable; and to ensure a balanced commentary on the Committee's work.

The discussion on public engagement examined in a wider context PAC's visibility and its impact. In recent years a large number of Commonwealth legislatures have sought to increase transparency through the introduction of public hearings, including, in most cases, PAC hearings. The strengthened visibility of PAC work can informally expand the mandate of the PACs, as, based on extensive public support, the committees have confidence to take on work that would not traditionally fall within their remit or make more robust recommendations which could set a higher standard for the future.



Hon. Ahmed Nihan Hussain Manik MP, Maldives, stressed the importance of PACs having a media officer

Image courtesy of Malta Department of Information

On the other hand, a greater media presence can lead to over-estimation of the Committee's power and impact, an expectation that is seldom met. Based on an example from Sierra Leone, it has been recommended that any move for increased public visibility of PAC's work should be supported by measures to educate the general public on the scope of authority and remedies available to the PAC, through seminars, TV engagement & articles in the press. It has also been suggested that more background information should be provided alongside online streaming.

“innovative approaches to financial reporting can enable PACs to communicate their work to wider audiences”.

IMPROVING PUBLIC FINANCIAL REPORTING

Building on last year's success, the 2015 Workshop tapped into the Scrutiny Unit's expertise with a presentation on improving public financial reporting. Specifically looking at both traditional practices and new approaches to presenting financial information to its users in government departments and the wider public. Traditional financial reporting, while ensuring accuracy, often failed to communicate with less knowledgeable users. With an overview of recent developments in financial reporting, the session looked at how practitioners have been moving towards creative visualisation of financial information which helps readers find information faster and engage better with the data, looking beyond facts and figures into the background, reasoning, wider trends and possible effects of the information presented. It was noted that greater user engagement enables PACs to communicate their work to wider audiences. However, there are risks associated with graphic display of financial information - the presentation stressed the need to prevent the approach of selective information

and ensure that the data used is audited⁷.

SCRUTINY OF OUTSOURCED SPENDING

Pressures on efficient and cost-effective public service delivery has seen governments increasingly moving towards outsourcing service delivery. This shift often results in increasingly complex delivery chains which in turn creates difficulties in ensuring effective financial scrutiny of Public-Private Partnerships (PPPs). The lively discussion by the Workshop participants indicated the pertinence of this topic and the need to explore it further. Among the main issues highlighted were the public sector's unpreparedness to manage the commercial tension between the public and private sector interests in negotiating cost-effective contracts and the complexity of PPP contracts, which complicates PAC's ability to follow-the-money. Participants stressed the importance of agreeing monitoring mechanisms at the time of contract negotiations.

OVERSIGHT OF PUBLIC CAPITAL PROJECTS

In exploring the theme of the oversight of large public capital projects, the 5th Workshop programme examined the powers and limitations of PACs in this regard, in particular within the context of increasing number of large infrastructure projects in developing countries. The discussion highlighted differences that exist across the Commonwealth in regard to PAC ability to scrutinise large public capital projects, some of them being limited by the project classification typology and project management arrangements in place. It has been suggested that in such occasions PACs can use the softer tools at their disposal, such as harnessing strong public and media interest, to increase their powers. It was widely agreed that expanding the powers of PACs in scrutinising public capital projects at all stages, from planning to delivery and post-project outcome monitoring, would significantly improve project accountability mechanisms. Participants welcomed the prospect of establishing greater cooperation and expertise sharing in this area.

7. Workshop participants can download the complete PowerPoint presentation, including the case studies presented, from the Workshop website.

GENDER-SENSITIVE BUDGETING

For the first time PAC Members and Clerks were invited to consider the concept of gender-sensitive budgeting and auditing practices. The theme, which is strongly supported by the envisaged CAPAC functions and ethos, has been an area of interest for a number of legislatures. However, there is little expertise on how to approach it in PAC work, and even more broadly, to ensure that is adhered to in all new legislation. The panel defined gender-sensitive budgeting and auditing as a means of ensuring that expenditure always reaches the right people and no one is unfairly impacted by any policy due to gender. Following a brief presentation on the UK experience, participants were split into small groups to identify specific elements of this framework mainly in response to the following questions:

- How does the PAC look at the impact of budgets on women and girls?
- What tools should be used to mainstream gender into auditing and analysis of public spending?
- What is the role for the CAPAC in supporting gender equality through gender responsive budgets?

A wish was expressed for CAPAC develop guidance and a toolkit on gender-sensitive auditing to support Commonwealth PACs.



PARLIAMENTARY OVERSIGHT OF EXTRACTIVE INDUSTRIES

The 5th Workshop also saw a continuation of the successful partnership between CPA UK and the Natural Resource Governance Institute (NRGI), which resulted in a half-day workshop on the role of Parliament in the management of extractives (Extractive revenues for long-term development: parliamentary scrutiny of oil, gas and mining returns). The workshop approached the topic by an initial outline of the special nature of the extractive sector and the unique challenges that the discovery of extractives creates for a country's economy. There was unanimous recognition that the finite nature of oil, gas and mining deposits, the extreme revenue volatility caused by price fluctuations and the specific shocks this brings to the domestic economy, calls for well-planned and forward thinking management, with parliaments being at the forefront of monitoring government decision-making and expenditure in this area. The workshop discussed benefits and shortcomings of various revenue management solutions, including saving revenues

Time to choose!



in natural resources funds (NRFs)/heritage funds and directing earnings into capital investment projects that focus on developing alternative industries. The key principle outlined was that the income from extractives should be separated from the expenditure side of the economy, in order to avoid inflation. Additionally, resource exploration and production need significant capital investment which often requires a country to seek foreign investment. Thus it is essential to ensure that a strong fiscal policy and tax schemes are in place from the start.

No Resources



Resource-Rich



GLOBALISATION OF TAXATION

The Workshop concluded with a thought-provoking session on the new global challenges in taxation. The panel presented an overview of the ongoing initiatives working to ensure tax transparency and sound tax management practices through international cooperation, such as the Global Forum on Transparency and Exchange of Information and the OECD's Tax Base Erosion and Profit Shifting (BEPS) programme. The international community has built up a momentum for developing a global system for exchange of information on tax and cooperation on eliminating BEPS practices. PACs have an important role to play, primarily, in raising awareness on these important issues, as well as in developing solutions. Importantly, PACs will be involved in the implementation of measures passed through their legislatures. Governments and PACs must ensure that tax authorities in their countries are sufficiently resourced to cooperate with other related bodies. As the international community meets to discuss the financing arrangements for the implementation

of proposed Sustainable Development Goals (SDGs), taxation is expected to play an important role in the future financing for development arrangements. It was stressed that developing countries should consolidate their soft power by formulating a common position to seek influence at the international tax negotiations. The discussion touched upon particular economic challenges faced by small states and their propensity for offering tax incentives to foreign investors. It was noted that tax incentives, while having the power to boost the receiving country's economy, do not by definition have a positive impact for long-term sustainable growth – careful formulation of tax policies is required in this regard. On a broader scale, it is important to distinguish between low taxation to help a developing economy and money laundering. The current international processes on taxation are not particularly targeting developing countries' tax regimes, but rather focusing on ensuring transparency and exchange of information on these practices - an effort that requires the joint focus of the whole international community.



*Hon. Biman Prasad MP, Fiji, celebrated global initiatives on improving developing countries' approaches to granting tax incentives
Image courtesy of Malta Department of Information*

CAPAC PROGRAMME

Running alongside the core Workshop programme was a series of discussions on the Commonwealth Association of PACs. These discussions were a series of briefings and two CAPAC General Meetings.

The briefing sessions allowed the audience to familiarise themselves with the latest developments related to the establishment of the Association, including CAPAC Constitution (drafted by the interim CAPAC Coordination Unit and based on the Steering Committee discussions) and Executive Committee election procedures, as well as discuss in more depth and further define specific functions of the Association.

At the time of the General Meeting, 21 Member Committees had joined the Association, providing their representatives with the right to vote on CAPAC decisions. Participants at the General Meeting unanimously adopted CAPAC Constitution. An Executive Committee was elected to steer the Association towards a fully functioning body.

CAPAC Executive Committee:

Hon. Tonio Fenech MP, Malta
Chair

Hon. Alice Alaso Asianut MP, Uganda
Deputy Chair

Hon. Vedasingam Baloomoody MP, Mauritius
Treasurer

Hon. Dale D. Marshall QC MP, Barbados

Hon. Kwaku Agyeman-Manu MP, Ghana

Hon. Adan Keynan Wehliye MP, Kenya

Hon. Nur Jazlan Mohamed MP, Malaysia

Hon. Nicholaas Albertus Smit MP, Namibia

Hon. Sahibzada Nazeer Sultan MNA, Pakistan

Hon. Sir John Hickey MP, Papua New Guinea

Hon. Chernor Ramadan Maju Bah MP, Sierra Leone

Hon. Tissa Karalliyadda MP, Sri Lanka



*Hon. Tonio Fenech MP, Malta, Chair, CAPAC Executive Committee
Image courtesy of Malta Department of Information*

OUTCOMES & OUTPUTS

By bringing together PAC Chairs, Members and Clerks, the aim of the Workshop was to facilitate exchange of expertise on the current challenges facing Commonwealth PACs and collectively enhance their transparency, effectiveness and efficiency.

The positive feedback received from the Workshop participants and contributors confirms that the aim and objectives of the Workshop were achieved to the extent that at the end of the programme participants felt better equipped to engage with the core aspects of their PAC work. Participants indicated that the Workshop programme has provided them with a pool of knowledge for improving the work of PACs in their home legislatures.

Communiqué. A Workshop communiqué was approved by the participants, recognising the crucial role of PACs in ensuring sound public financial management and affirming their commitment to developing a Commonwealth-wide set of aspirational best practice standards for PAC work. The communiqué celebrated the launch of CAPAC and called on governments to reaffirm their commitment to PACs that are “effective,

independent and transparent” at CHOGM 2015.

Peer Recommendations. The discussion on PAC hearings asked the participants to share their experience as Members/Chairs/Clerks and identify a list of best practice recommendations on how to hold an effective PAC hearing. The exercise was also aimed at supporting CAPAC vision of providing a platform for exchange of information and best practice in PAC work. Please see Annex for the list of recommendations.

Commonwealth Association of Public Accounts Committees. CAPAC was formally launched with the adoption of its Constitution and election of the Executive Committee dedicated to building a strong and active organisation working to facilitate exchange of expertise and supporting the work of PACs across the Commonwealth. The Executive Committee is scheduled to meet in London in October 2015 to define the strategy and work plan of the Association. CPA UK is committed to providing coordination support until a formal CAPAC Coordination Unit (CAPAC CU) is established.



Caroline Malcolm, OECD, outlining the power of transparent and effective tax practices to delivering sustainable development outcomes
Image courtesy of Malta Department of Information

COMMUNICATIONS

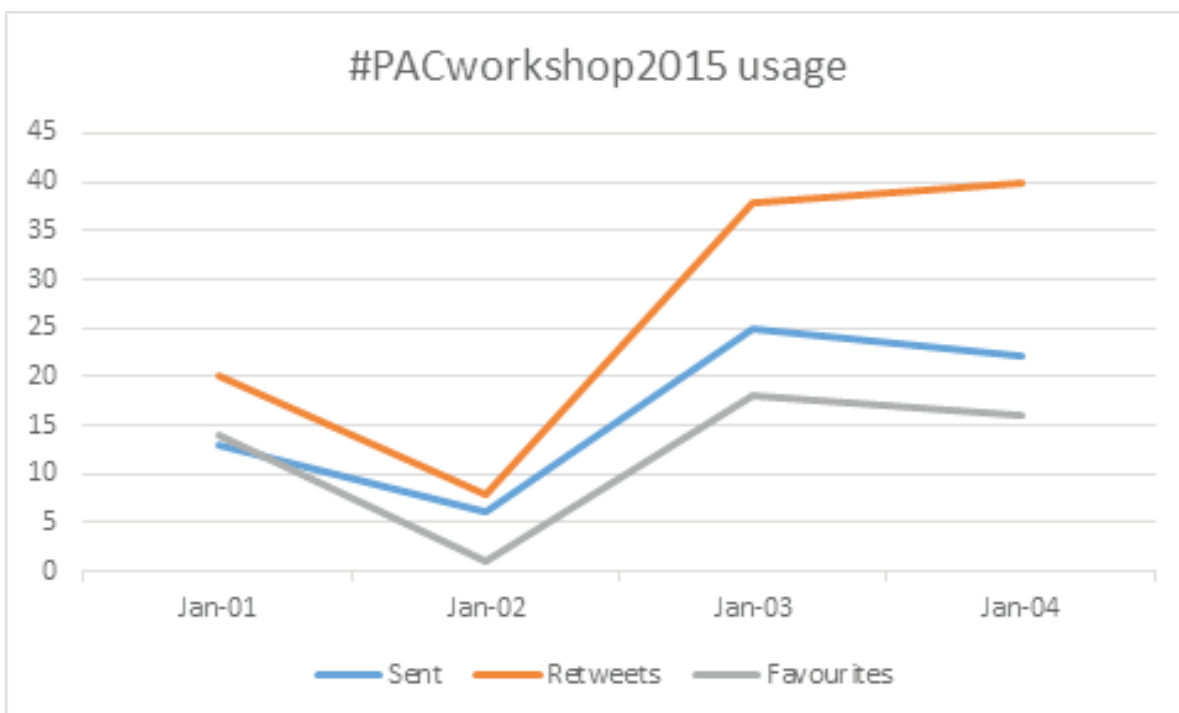
The 5th Westminster Workshop has received a wide international media coverage, both during and after the event, which has strengthened its outreach and impact. The opening address by Hon. Anglu Farrugia MP, Speaker of the House of Representatives of Malta, was reported on the evening news programme of the Maltese national TV broadcaster, while the closing plenary was broadcasted on the Maltese parliamentary television channel and streamed live. It is hoped that the increased visibility has improved the public's understanding of issues relating to public financial management and raised the profile of the work of public accounts committees.

The Workshop was also covered live on Twitter by @CPA_UK, using the Workshop hashtag #PACWorkshop2015 and CAPAC hashtag #CommonwealthPACs. Members attending CPA UK seminars and workshops have been increasingly using their Twitter accounts to communicate programme messages to wider audiences.

Post-Workshop international press coverage signifies the direct impact of the Workshop programme towards strengthening the work of PACs across the Commonwealth:

- Advocating the independence of Public Accounts Committees - Tonio Fenech, Malta Independent, 15 June 2015. Available from: <http://www.independent.com.mt/articles/2015-06-15/local-news/Advocating-the-independence-of-Public-Accounts-Committees-Tonio-Fenech-6736137299>
- Pua: Reform PAC, Auditor-General's Office, The Sun Daily, 7 June 2015. Available from: <http://www.freemalaysiatoday.com/category/nation/2015/06/07/pua-reform-pac-auditor-generals-office/>

Overview of 5th Westminster Workshop social media outreach



PROGRAMME

SUNDAY 31 MAY 2015

ALL DAY ARRIVAL DAY

MONDAY 1 JUNE 2015

1000-1300	Conference registration, Corinthia Palace Hotel, Attard
1200-1300	Lunch
1300-1400	<p>Welcome and Introduction to the Workshop Introduction to CAPAC: Progress so far and the way forward</p> <p>Chair and contributor: Hon. Anglu Farrugia MP, <i>Speaker of the House of Representatives, Malta</i> Andrew Tuggey DL, <i>Chief Executive & Secretary, CPA UK</i> Hon. Sen. Raziah Ahmed, <i>President of the Senate, Trinidad and Tobago; Co-Chair, CAPAC Steering Committee (video message)</i> Hon. Tonio Fenech MP, <i>Chair, Public Accounts Committee, Malta; Co-Chair, CAPAC Steering Committee</i></p>
1400-1500	<p>Session 1: Effective, Independent and Transparent – best practice standards for Public Accounts Committees</p> <p>The session will explore the key conditions and success factors for an effective Public Accounts Committee. What are the key performance indicators in PAC work? How important is the mandate of a PAC to determine the scope of work?</p> <p>Through a brief overview of the outcomes of the CAPAC application questionnaire, the session will ask whether there is strong case for setting common standards of best practice for PAC work across the Commonwealth. What would be the added value of a Commonwealth-wide approach? What areas should be benchmarked? Is there a minimum standard for a functioning PAC?</p> <p>Chair & contributor: Nick Smith MP, <i>UK</i> Hon. Tonio Fenech MP, <i>Chair, Public Accounts Committee, Malta; Co-Chair, CAPAC Steering Committee</i> Mitchell O'Brien, <i>Senior Governance Specialist, World Bank Group</i></p>
1500-1515	Coffee / Tea
1515-1615	<p>Session 2: Improving the effectiveness and efficiency of Public Accounts Committees</p> <p>When budgets are restricted there are limited resources available to parliamentary committees. This has the potential to undermine their effectiveness. How can parliamentary committees best operate with limited resources? What methods could be used to increase committee efficiency and effectiveness? The session will discuss the following aspects:</p> <ul style="list-style-type: none"> - Selecting focus areas and work planning - Member engagement and responsibility sharing - Building cross-party consensus <p>Chair: Hon. Claudio Grech MP, <i>Malta</i> Prof. K. V. Thomas MP, <i>Chair, Public Accounts Committee, India</i> Dame Anne McGuire, <i>UK</i> Hon. Adan Keynan Wehliye MP, <i>Chair, Public Accounts Committee, Kenya</i></p>
1615-1715	<p>Session 3: Monitoring and Evaluation of PAC work</p> <p>How can PACs monitor their own effectiveness & efficiency? Should they have institutionalised Monitoring & Evaluation (M&E) systems?</p> <p>Chair and contributor: Nick Smith MP, <i>UK</i> Dina Melhem, <i>Head of Middle East and North Africa Programmes, Westminster Foundation for Democracy</i> Niall Johnston, <i>Regional Coordinator for Asia and the Pacific, World Bank Group</i></p>
2000-2130	<p>Opening Reception hosted by HE Mrs Marie Louise Coleiro Preca, President of Malta</p> <p>San Anton Palace, Attard</p>

TUESDAY 2 JUNE 2015

0900-1000	<p>CAPAC Briefing 1 - Draft CAPAC Constitution and proposed organisational arrangements</p> <p>Open to all participants</p> <p>Hon. Tonio Fenech MP, <i>Chair, Public Accounts Committee, Malta; Co-Chair, CAPAC Steering Committee</i></p>
1000-1130	<p>CAPAC Briefing 2 - Discussion on the functions of the Association</p> <p>Following a brief presentation on the Steering Committee's suggestions for CAPAC's scope of work, participants will split into discussion groups and will be asked to outline their ideas on the main focus areas for CAPAC's work. What should the scope and volume of CAPAC's activities be? How should the organisation fund its operational costs?</p> <p>Open to all participants</p> <p>Chair: Hon. Alice Alaso Asianut MP, <i>Chair, Public Accounts Committee, Uganda; Chair, EAAPAC; Member, CAPAC Steering Committee</i></p>
1130-1145	<p>Coffee / Tea</p>
1145-1315	<p>Session 4: Conducting a PAC hearing</p> <p>While the number of hearings varies greatly across Commonwealth PACs, it is the quality that defines usefulness of the process. This discussion-based session will provide space for delegates to share experiences about conducting an effective PAC hearing and aim to draft a list of peer recommendations.</p> <p>Group discussions: PAC Members: Choosing and initiating the process; defining the scope of the inquiry; What questioning techniques are most effective?</p> <p>Chair and contributor: Hon. Charles Mangion MP, <i>Malta</i></p> <p>PAC Chairs: How to effectively chair a hearing: How to ensure that the committee speaks with a strong voice?</p> <p>Moderator: Hon. Alekeni W Menyani MP, <i>Chair, Public Accounts Committee, Malawi</i></p> <p>Clerks: Gathering evidence, identifying witnesses and making best use of their expertise. What briefing/training should be provided for witnesses?</p> <p>Moderator: Craig James, <i>Executive Director, CCPAC</i></p>
1315-1400	<p>Lunch</p>
1400-1600	<p>Session 5: Conducting an effective PAC hearing - Mock evidence session</p> <p>An interactive opportunity to put the theory into practise and use a real-life enquiry to conduct a hearing.</p> <p>All delegates and clerks will participate in this session.</p> <p>Lead facilitator: Philip Aylett, <i>Secretary, CAPAC Steering Committee</i> Sarah Petit, <i>Clerk, Public Accounts Committee, UK</i> Adrian Jenner, <i>Director of Parliamentary Relations, UK National Audit Office</i> Niall Johnston, <i>Regional Coordinator for Asia and the Pacific, World Bank Group</i></p>
1600-1630	<p>Coffee / Tea</p>

1630-1730	<p>PAC MEMBERS</p> <p>Session 6(a): Achieving impact – tracking performance</p> <p>In order to deliver value for money performance of government departments, PACs must consider that performance over time as well as at a particular point in time. How can PACs observe and monitor changes in departments? What are the most effective mechanisms for tracking performance?</p> <p>Chair and contributor: Dame Anne McGuire, UK Adrian Jenner, <i>Director of Parliamentary Relations, UK National Audit Office</i> Hon. Hendrik Gaobaeb MP, <i>Chair, Standing Committee on Public Accounts and Economy, Namibia</i></p>	1630-1730	<p>PAC CLERKS</p> <p>Session 6(b): Reporting and following-up on recommendations</p> <p>This session will give Clerks practical advice on how to balance time and resources spent on writing-up reports and following-up on recommendations.</p> <p>Chair and contributor: Craig James, <i>Executive Director, CCPAC</i> Sarah Petit, Clerk, <i>Public Accounts Committee, UK</i></p>
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WEDNESDAY 3 JUNE 2015

0900-1000	<p>CAPAC Briefing 3 – Peer Review Mechanism</p> <p>What is peer review and why is it useful?</p> <p>Delegates will get a chance to discuss how it will work in practice; What should be monitored; How information gathering and assessments could be performed.</p> <p>What impact will the findings have and how can this impact be measured?</p> <p><i>Open to all participants</i></p> <p>Chair and contributor: Hon. Alice Alaso Asianut MP, <i>Chair, Public Accounts Committee, Uganda; Chair, EAAPAC</i> Craig James, <i>Executive Director, CCPAC</i></p>
1000-1115	<p>Session 8: How can the Audit Office best support the PAC?</p> <p>How can audit offices best work with PACs? What type of relationship would be most effective? How can they collaborate to plan their work effectively?</p> <p>Chair and contributor: Nick Smith MP, UK Adrian Jenner, <i>Director of Parliamentary Relations, UK National Audit Office</i> Brian Vella, <i>Assistant Auditor General, National Audit Office Malta</i> Hon. Ibrahim Dey Abubakari MP, Ghana</p>
1115-1130	<p>Coffee / Tea</p>
1130-1230	<p>CAPAC GENERAL MEETING I</p> <p>Vote on the CAPAC Constitution <i>Please note that only official CAPAC Member Committee representatives will be eligible to vote. All participants are invited to observe the proceedings.</i></p> <p>Chair: Hon. Tonio Fenech MP, <i>Chair, Public Accounts Committee, Malta; Co-Chair, CAPAC Steering Committee</i> Andrew Tuggey DL, <i>Chief Executive & Secretary, CPA UK</i> Ieva Indriunaite, <i>Projects & Programmes Manager, CPA UK</i></p>

1230-1315	Lunch		
1315-1430	Session 9: The media and scrutiny of public expenditure		
	Does an engaged and financially literate media make government more responsive and accountable? How can mutual cooperation and communication between PACs and the media be encouraged? How can PACs best manage their media profile?		
	Chair and contributor: Hon. Donville Inniss MP, <i>Minister of Industry, International Business, Commerce & Small Business Development, Barbados</i> Kurt Sansone, <i>Journalist, Times of Malta</i> Sarah Petit, <i>Clerk, Public Accounts Committee, UK</i>		
1430-1530	Session 10: Improving public financial reporting		
	Increasingly the public sector is looking for innovative ideas to improve the ways in which financial information is presented both for its internal use and for communicating its work to wider audiences. The session will consider why aiming for best practice is crucial. It will present an overview of recent developments in the area of financial reporting and offer examples of how innovative ideas can improve the depth, breadth and quality of reporting.		
	Larry Honeysett, <i>Head of Financial Scrutiny, House of Commons, UK</i> Adrian Jenner, <i>Director of Parliamentary Relations, UK National Audit Office</i>		
1530-1600	Coffee / Tea		
1600-1730	Session 11: Split Sessions		
	11(a): Challenges to PACs in small legislatures	11(b): Closing the cycle of financial accountability	11(c): Engaging the public
	PACs in small legislatures operate in vastly different contexts, and often face unique challenges. Drawing on case studies, this session will compare the different practices and approaches to PAC work. How do PACs retain independence from Government? Can they ensure effective operation with limited resources? How should PAC membership be determined?	While the majority of PACs' scope of activities is limited to ex post financial scrutiny, what effect does that have on their ability to follow-up on their recommendations? Is there a case for stronger parliamentary involvement in ex ante budgetary scrutiny? How can PACs work with other parliamentary committees in 'closing the budget cycle'?	How can PACs respond to public interest and demands for scrutiny? How to manage the public's expectations? How should PACs work with civil society?
	Chair: Hon. Tonio Fenech MP, <i>Chair, Public Accounts Committee, Malta; Co-Chair of CAPAC Steering Committee</i>	Chair: Hon. Owen Bonnici MP, <i>Minister for Justice, Culture and Local Government, Malta</i>	Chair and contributor: Dame Anne McGuire, <i>UK</i>
	Hon. Sharon Ffolkes Abrahams MP, <i>Minister of State for Industry, Investment and Commerce, Jamaica</i>	Hon. Ahmed Nihan Hussain Manik MP, <i>Majority Leader; Chair, Public Accounts Committee, Maldives</i>	Kevin Schembri Orland, <i>Journalist, The Malta Independent</i>
	Mr Choida Jamtsho MP, <i>Bhutan; Secretary General, ARAPAC</i>	Hon. Gilbert Olanya MP, <i>Uganda</i>	Hon. Komba E. Koedoyoma MP, <i>Deputy Chair, Public Accounts Committee, Sierra Leone</i>
		Ms Paula Goppee-Scoon MP, <i>Trinidad and Tobago (written contribution)</i>	

THURSDAY 4 JUNE 2015

NOMINATIONS FOR MEMBERSHIP OF THE CAPAC EXECUTIVE COMMITTEE CLOSE AT 9AM

0900-1215	<p>WORKSHOP: Extractive revenues for long-term development: parliamentary scrutiny of oil, gas and mining returns</p> <p>What role can parliaments effectively play in the management of extractive revenues? What are the key extractive items to analyse as part of the scrutiny of the annual budget? What challenges do parliaments face in overseeing revenues and how can they improve their performance?</p> <p>Lead facilitator: Matteo Pellegrini, <i>Director of Capacity Development, Natural Resource Governance Institute</i></p>	0900-1030	<p>Session 12: Oversight of outsourced government spending</p> <p>What challenges does outsourced government spending bring to the scrutiny of public spending? What role should national parliaments play in oversight of local government spending? What arrangements work best? How should the delivery of public services through private sector companies be monitored?</p> <p>Chair and contributor: Dame Anne McGuire, <i>UK</i> William Peplow, <i>Senior Audit Manager, National Audit Office Malta</i> Sen. Prof. Anyang' Nyong'o, <i>Kenya</i></p>	
		1100-1215	<p>Session 13(a): How to best manage Public Investment in national and multi-national contexts?</p> <p>What role do PACs play in monitoring large public investment projects? What is the best practice in capital investment process? How can parliaments ensure effective oversight of multi-national projects?</p> <p>Chair and contributor: Niall Johnston, <i>Regional Coordinator for Asia and the Pacific, World Bank Group</i> Hon. Nur Jazlan Mohamed MP, <i>Chair, Public Accounts Committee, Malaysia</i> Hon. Seleman Jumanne Zedi MP, <i>Tanzania</i></p>	<p>Session 13(b): Building institutional capacity</p> <p>Does the frequency of changeover of PAC Members impact its effectiveness? What training programme should a Parliament have in place for new PAC members? How can the committee retain knowledge?</p> <p>Chair and contributor: Craig James, <i>Executive Director, CCPAC</i> Hon. Sahibzada Md Nazeer Sultan MNA, <i>Pakistan</i> Hon. David Oppon-Kusi MP, <i>Ghana</i></p>

1215-1300 CAPAC GENERAL MEETING II

Election of the Executive Committee

Please note that only official CAPAC Member Committee representatives will be eligible to vote in the Executive Committee Election.

All participants are invited to observe the proceedings.

Chair: Andrew Tuggey DL, *Chief Executive & Secretary, CPA UK*
Ann Hodkinson, *Head of Conferences and Projects, CPA UK*
Philip Aylett, *CAPAC Secretary, UK*

1300-1345 Lunch

1345 Delegates depart by coach for the Parliament of Malta

ANNOUNCEMENT OF EXECUTIVE COMMITTEE ELECTION RESULTS

1415-1530	<p>Session 14: Gender-Sensitive Auditing</p> <p>What role should PACs play through their work in encouraging the incorporation of specific gender-budgeting practices in public financial management? How can gender-sensitive auditing be performed?</p> <p>Group discussion based session</p> <p>Chair: Ann Hodkinson, <i>Deputy Head of Conferences and Projects, CPA UK</i></p>
1530-1630	<p>Session 15: The impact of globalisation on taxation – what role should parliaments play in defining and scrutinising taxation?</p> <p>To what extent does taxation fall within the remit of a PAC? Can PACs have a real impact on taxation policy and legislation? Should national PACs work together on this and other international issues?</p> <p>Chair: Hon. Ibrahim Dey Abubakari MP, Ghana Hon. Edward Scicluna MP, Minister of Finance, Malta Caroline Malcolm, <i>Counsellor to the Director & Deputy Director, Centre for Tax Policy & Administration (CTPA), OECD</i></p>
1630-1700	<p>Session 16: Closing Plenary - The future of Commonwealth Public Accounts Committees</p> <p>Andrew Tuggey DL, <i>Chief Executive & Secretary, CPA UK</i> Chair, <i>CAPAC Executive Committee</i></p>
1700-1830	<p>Closing reception hosted by Hon. Anglu Farrugia MP, Speaker of the House of Representatives of Malta</p> <p><i>Parliament of Malta, Valletta</i></p>

FRIDAY 5 JUNE 2015

ALL DAY *Optional Cultural Programme / Conference delegates depart*

PARTICIPANT LIST

Regional Organisations

ACPAC - AUSTRALASIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEES

Mr Sean L'Estrange MLA (Parliament of Western Australia)
 Mr Bill Johnston MLA (Parliament of Western Australia)
 Mr Tim Hughes (Parliament of Western Australia), Clerk

ARAPAC - ASIA REGIONAL ASSOCIATION OF PUBLIC ACCOUNTS COMMITTEES

Mr Choida Jamtsho MP (Parliament of Bhutan), Secretary General, ARAPAC

CCPAC - Canadian Council of Public Accounts Committees

Mr Craig James (Legislative Assembly of British Columbia), Executive Director, CCPAC

Country/CPA Branch

Bangladesh	Hon. Shamsul Haque Tuku MP Mr A K Mohiuddin Ahmad, Clerk
Barbados	Hon. Dale Marshall QC MP Hon. Donville Inniss MP Ms Suzanne Hamblin, Clerk
Cameroon	Hon. Moutymbo Rosette Ayayi MP Hon. Abba Kabir Kamssouloum MP Mr Godwill Okia Mukete, Clerk
Fiji	Hon. Prof. Biman Prasad MP Hon. Balmindra Singh MP Mr Joeli Ditoka, Clerk
Ghana	Hon. Alhaji Ibrahim Dey Abubakari MP Hon. David Oppon-Kusi MP Ms Abigail Aba Anso, Clerk
India	Hon. Prof. K. V. Thomas MP Shri Shivkumar Chanabasappa, MP Shri Devender Singh, Clerk
Jamaica	Hon. Sharon Ffolkes Abrahams MP
Kenya National Assembly	Hon. Adan Keynan Wehliye MP Hon. Moses Cheboi MP Ms Chelagat Tungo Aaron, Clerk
Kenya Senate	Sen. George Khaniri Sen. Prof. Anyang' Nyong'o Mr Derick Epae Koli, Clerk

Malawi	Hon. Alekeni W Menyani MP Hon. Charles Mchacha MP Mr Ollium Mlinbakaya Phri, Clerk
Malaysia	Hon. Nur Jazlan Mohamed MP Hon. Tony Pua Kiam Wee MP
Maldives	Hon. Ahmed Nihan Hussain Manik MP
Malta	Hon. Tonio Fenech MP Hon. Claudio Grech MP Hon. Charles Mangion MP Ms Anna Brincat, Clerk
Mauritius	Hon. Vedasingam Baloomoody MP Hon. Joseph Hugo Thierry Henry MP
Namibia	Hon. Hendrik Gaobaeb MP Hon. Nicolaas Albertus Smit MP Mr Norbert Uuyuni, Clerk
Pakistan	Hon. Sahibzada Md Nazeer Sultan MNA Hon. Shaikh Rohale Asghar MNA Mr Sharifullah Khan, Clerk
Papua New Guinea	Hon. Sir John Hickey MP Hon. Bob Dadae MP Mr Repe Rambe, Clerk
Rwanda	Hon. Annonciata Mukarugwiza MP Hon. Jean Thierry Karemera MP Mr Dieudonne Mungwakuzwe, Clerk
Sierra Leone	Hon. Komba E. Koedoyoma MP Hon. Alhassan Jero Kamara MP Mr David Saffa, Clerk
Sri Lanka	Hon. Tissa Karalliyadda MP Mr Neil Parakkarama Iddawala, Clerk
Swaziland	Hon. Christopher Gamedze MP Hon. Phila Buthelezi MP Mr Arthur Mordaunt, Clerk
Tanzania	Hon. Amina Mohamed Mwidau MP Hon. Seleman Jumanne Zedi MP Mr Mswige Dickson Bisile, Clerk
Uganda	Hon. Alice Alaso Asianut MP Hon. Gilbert Olanya MP Ms Merina Barungi, Clerk

PAC HEARING - CAPAC PEER RECOMMENDATIONS

The PAC hearing is one of the most effective tools at the committee's disposal and while the number of hearings varies greatly across Commonwealth PACs, it is the quality that defines usefulness of the process.

The Commonwealth Association of Public Accounts Committees (CAPAC) aims to provide a pool of shared knowledge and best practice standards which PACs can draw on to strengthen their work, including PAC hearings. To this end, this discussion-based session at the 5th Westminster Workshop aimed to provide space for delegates to share experiences about conducting an effective PAC hearing. Delegates were grouped into PAC Members and Chairs, and drafted a list of peer recommendations on how best to effectively conduct a hearing.

PAC CHAIRS

The group was assigned a specific set of aspects to focus on whilst discussing their own experience in order to produce a set of peer best practice recommendations for conducting an effective PAC hearing:

- *How to effectively chair a hearing?*
- *How to ensure that the committee speaks with a strong voice?*
- *How and when should Parliamentary Committees use their formal powers to hold the executive to account?*

How to effectively Chair a hearing?

Following the discussion, participating PAC Chairs identified four main areas which were key to chairing a hearing effectively: effective preparation before the hearing, ensuring the Chair had access to adequate resources, good practice in chairing the hearing itself and the PAC's relationship with the media. Recommendations made in these four areas are set out below.

Effective preparation

- Set the agenda and approach with consensus of members in a pre-meeting before the hearing
- Resolve any possible conflicts within the committee in advance – this can vary by hearing
- Give members an opportunity to declare any conflict of interest in advance of the hearing
- Divide tasks amongst members before the hearing

Adequate resources

- The Chair requires appropriate resources to ensure accuracy in the committee's scrutiny, e.g. access to a lawyer, Clerk, accountant etc.
- Building a good working relationship with Supreme Audit Institution makes best use of technical expertise available

Chairing a hearing

- Ensure questioning from PAC Members follows the same direction to go deeper into the issue
- It is important for the Chair to be prepared and to guide the discussion, avoiding tangents. The Chair should adhere to procedure in guiding the proceedings
- Chair must maintain neutrality
- The Chair should make witnesses aware of the committee's conclusion before closing the hearing

Communications and relationship with the Media

- The Chair should ensure a key focus is on the importance of public access to hearings
- The Chair plays a key role in engagement with media to inform the general public of committee hearings and recommendations
- Notice of the hearing should be given to the public in good time
- If the hearing is conducted in camera, a press conference should be held afterwards

How to ensure that the committee speaks with a strong voice?

To ensure the PAC speaks with a strong voice, delegates identified two key areas for the Chair to focus on: the independence of and consensus within the committee and the production of relevant reports. The following recommendations were made for each of these areas:

Consensus and Independence

- The Chair should have a good grasp of issues before the hearing
- The Chair should ensure consensus with members on the committee's approach and conclusions
- Striving to avoid politicisation is essential in retaining the neutrality and independence of the PAC
- In legislatures where PAC reports are presented on the floor of the House, they should be tabled as a priority (i.e. government business)
- During the debate, Members should aim to achieve clear government commitment for action

Relevant reports

- Reports should contain recommendations for specific action
- Reports should scrutinise implementation, not policy
- The focus of a report should be on what can be implemented at governmental and parliamentary level

How and when should Parliamentary Committees use their formal powers to hold the executive to account?

Participants identified 3 areas when discussing the formal powers of the PAC, focussing on the committee's mandate, the calling of witnesses and the challenges associated with retaining political neutrality. The following comments and recommendations were made for each of these areas:

Mandate

- Part of PAC's constitutional mandate is to hold the Executive to account
- There is a need to consider the PAC's mandate – where do its powers come from? Examine Parliamentary Standing Orders - the application of powers varies with the Standing Orders of each country
- Committees arguably have the same power to summon as Courts of Law, whether explicitly stated or not; they can summon anyone who is mentioned in an Auditor General's report to give an account
- The committee can use its powers when access to necessary information is restricted
- If the PAC is elected, it has an additional democratic mandate
- Having a leader/senior MP of the Opposition as PAC Chair to gives the Committee more weight

Calling witnesses

- PACs can only call a Minister as a witness if they are cited in the Auditor General's report
- Summoning witnesses should be a second option once normal behaviour, e.g. requests and invitations, have been exhausted; the procedure to follow should be to invite first and then compel, invoking the law, if applicable (in line with the Powers and Privileges Act)

Retaining political neutrality

- Calling Ministers constantly can politicise the PAC and give officials impunity. There is a need to exercise caution – the PAC should not become another political party
- Minister changeover is relatively high, so the committee's focus should be on the improvement of the Civil Service

PAC MEMBERS

The group was provided with a set of questions to act as a framework in their discussion, which aimed to compile a list of peer recommendations of best practice for conducting a PAC Hearing.

- *Choosing and launching the process*
- *Defining the scope of the hearing*
- *What questioning techniques are most effective?*
- *What briefing should be provided to committee members?*

Choosing and launching the process

- The PAC should begin by judging the importance or value of the project – focusing, above all, on value for money
- The committee should use priorities indicated in the Auditor General's reports and recommendations when selecting reports for investigation
- Members can make recommendations for hearings on issues of public interest
 - Reports or petitions from the public or media are within the ambit of the PAC and give the public an element of scrutiny over the government, e.g. allegations of corruption or failures regarding value for money
- Members should refer petitions to the Auditor General for inquiry and analysis

Defining the scope of the hearing

- There should be unanimous agreement of the group in defining the process and procedure of a hearing
- If no unanimous agreement can be reached, the issue should be referred to the Speaker for a ruling

What questioning techniques are most effective?

- Parliament should provide training for PAC Members on effective questioning techniques
- The constitutional rights of witnesses should be protected according to the legislation of the jurisdiction

What briefing should be provided to committee members?

- Factual comprehensive briefings should come from the Auditor General
- In instances when the committee thinks a brief is not as comprehensive as it should be, the following action could be taken:
 - The PAC refers the report to the Auditor General with a request for a more in depth briefing
 - The PAC asks the Speaker to allocate sufficient resources to carry out its own inquiry
- The PAC should ensure the Auditor General has sufficient resources allocated to fulfil their constitutional and legal duties and obligations

CAPAC QUESTIONNAIRE OUTCOMES

Best Practice Standards for Public Accounts Committees (PACs)

Prior to the 5th Westminster Workshop, Commonwealth Association of Public Accounts Committees Coordination Unit (CAPAC CU) sent a brief questionnaire to participants in order to determine the state of their PACs and to ascertain whether there would be a strong case for setting common standards of best practice for PAC work across the Commonwealth.

As most Commonwealth PACs are operating on a Westminster PAC model, there is an expectation that CAPAC could act as the best practice standard setting body for Commonwealth PACs. Several studies on Public Accounts Committees have been made by various international organisations, including the Commonwealth Parliamentary Association (CPA), International Parliamentary Union (IPU) and the World Bank Group (WBG). Often their findings concluded with the challenges of benchmarking PAC work, given the diversity of different practices in different political contexts.

The CAPAC Questionnaire was based on a recent study prepared by the WBG for the Asian Regional Association of Public Accounts Committees (ARAPAC), which identified a set of benchmarks and subsequently provided a minimum set of requirements for a functioning PAC.

18 national legislatures responded to the questionnaire, with the following regional breakdown:

- 7 from Africa
- 6 from Asia
- 3 from the Caribbean
- 2 from Pacific
- 1 from Europe

Whilst the results provide some interesting insights, the relatively small number of responses suggests caution in assuming that they are strongly representative of specific regions or of the entire Commonwealth.

It is clear, however, that whilst the PACs have developed quite differently to one another in their respective parliamentary environments, there are sufficient similarities between them to suggest that there is a basis for promoting good (and even best) practice.

Positive findings:

- In broad terms, PACs follow the identified Commonwealth good practice standards in most areas
- All PACs (where there is a party system in place) contain a committee composition that reflects the political composition of their respective legislatures
- Two thirds of PACs are chaired by a senior member from the main opposition party (however, there is a difference between Asia and Africa, with a comparatively higher proportion of African countries containing an opposition chair)
- The majority of Supreme Audit Institution reports are tabled in the legislature in a timely manner
- The power to summon persons, papers and records is all but universal

Areas for further attention:

Public hearings. All African PACs reported that they hold hearings in public, compared to only one third of Asian respondents. This suggests the need to look at whether the meetings considering draft reports are ever held in public and what ways PACs use to communicate their findings to the public.

Size & number of reports. The results from the questionnaire also indicated that whilst committee sizes vary between 5 and 31, there is no correlation between the size of the committee and the volume of work that it undertakes, confirming the findings of previous studies. On the question of committee size, however, it could be worth investigating as to whether the larger PACs work through sub-committees.

Number of meetings. The number of meetings held per year varies widely (between 7 and 170) as does the number of reports issued per year (between 0 and 22). While the number of meetings does not directly relate to the PAC effectiveness, the limited number of reports produced by some committees raises the need for further analysis.

Staff support. Positively, more than 80 percent of PACs require formal disclosure of business interests from members in order to determine and avoid potential conflicts of interest. Most legislatures have also indicated the existence of adequate support by non-partisan professional staff. Further assessment is required to identify the nature of problem in those PACs that indicated lack of staff support, looking into whether these shortcomings stem from a lack of staff itself, or whether the staff simply are not seen as non-partisan.

Follow-up on recommendations. 68% of respondents indicated that their committees had follow-up mechanisms in place to assess the effectiveness of their work. It is important, however, to analyse whether these mechanisms work in practice, as well as examine the regional gaps in this area. Whilst 86% of African PACs have follow-up mechanisms, the figure in Asia is only 67%. This offers an interesting perspective when compared with the fact that Asian PACs generally tend to produce a large number of reports, which poses the question as to how effective their work is when there are no follow-up structures in place.

Focus of activities. The findings of the questionnaire concluded that there is a large amount of variation between the activities of PACs. Some committees focus their time on ensuring propriety and fighting corruption, while others prefer to ensure competence in financial management. Conversely, others may focus on value for money, i.e. whether spending is effective, efficient and economic. This raises the question as to what the factors behind the choice of activity for a PAC might be – one insight suggests that in certain countries, the Supreme Audit Institution might do more to ensure competent financial management than in others.

Monitoring & Evaluation. The greatest area of concern highlighted by the questionnaire was with regards to a lack of structures for performance assessment, with only 32% of respondents indicating that such provisions exist in their legislatures.

Conclusions:

- The CAPAC questionnaire results provide a brief glimpse into the variety of structures and procedures are applied by PACs across the Commonwealth and suggest the need for a more comprehensive study, looking into the impact that structural factors have on PAC effectiveness. Eventually, the outcomes of such study should provide a solid basis for a set of Commonwealth-wide best practice standards for PAC work.
- It is important that any further questionnaires examine PAC follow-up mechanisms for tracking the impact of their recommendations, as well as PAC internal performance assessment mechanisms.
- The effectiveness of PACs is among the key focus areas of the 5th Westminster Workshop, as well as a key focus for a body such as CAPAC.