

## Proposed Parliamentary Standing Orders

**Suggestion: Re-name the committee 'The Public Financial Management & Audit Committee'**

### Appointment

1. The parliamentary Accounts Committee (PAC) shall be appointed by order of the Parliament at the start of each Parliamentary year (or for the life of that parliament) with the authority to act on behalf of the Assembly keeping the Assembly informed after each meeting. Members shall serve throughout that calendar year (or for the life of that parliament).

*Either:*

2. The PAC shall consist of (*n*) Members of the House plus the Chair and reflect the balance of the parties in the House. The Chair shall be selected by the House from amongst Opposition Members.

*Or:*

The PAC shall consist of (*n*) Members of the House, including (*n*) Opposition member and (*n*) non-members. A non-member shall be appointed by the Governor General/president for the parliamentary term on advice from the Prime Minister who shall take into account the views of the Leader of the Opposition. A non-member is eligible to sit who has acknowledged experience and expertise in legal, financial and/or government matters. A non-member may be re-appointed in succeeding parliaments. A serving Civil Servant is not eligible.

*Within which, Either:*

The Chair of the parliamentary Accounts Committee shall be selected by the House from amongst the eligible non-members

*Or:*

The Chair of the Assembly Accounts Committee shall be an Opposition Member

3. The Committee shall select a Vice Chair who shall discharge the functions of Chair during a Chair vacancy or the temporary absence or incapacity of the appointed Chair.
4. A quorum shall consist of:  
The Chair (or Vice Chair in the Chair's absence), and at least 50% of the membership
5. In the event of a committee member's death or permanent incapacity to serve, the House shall nominate a replacement Member of the House or non-Member as appropriate to serve, until the parliamentary year's close.

## Committee Purpose and Powers

6. The Parliamentary Accounts Committee shall have the power to:
- i) Directly receive and consider reports from the Auditor General on:
    - The results of the audit on the annual financial statements of the government
    - The results of any other audits conducted by, or on behalf of, the Auditor Generaland to report in writing to the government upon any significant issues arising and make recommendations thereon, concurrent copy forwarded to the Speaker of the House.
  - ii) Directly receive and consider reports from the Auditor General on the results of investigations into the economy, efficiency and effectiveness achieved in the use of resources by:
    - government bodies;
    - independently audited government bodies; (*NOTE: if appropriate*)
    - government aided independent bodies
  - iii) In considering i) and ii) above, the Committee shall assess whether, inter alia:
    - public funds have been applied for the purposes intended by the Assembly;
    - extravagance and waste are being eradicated;
    - effective financial management and practices are being applied, and whether corporate governance arrangements are adequate for purpose, within:
      - government bodies;
      - government funded bodies;
      - government-aided independent bodies; and
      - independently audited government bodies (*NOTE: if relevant*)
  - iv) Call witnesses, having connection with the subject matter in hand, to attend hearings in person. This shall include the Accounting Officer(s)/Permanent Secretary(ies) and other relevant senior officials. This may include non-senior officials who have provided services, goods or advice on the subject matter in hand.

The Committee may also call for written evidence as it deems necessary from a wider selection of informed parties (such as the academic world, relevant professional bodies or associations).

- v) Prepare a written report on the content and recommendations from each Hearing and/or subject matter. The report shall be forwarded to the Government, the House and the Media concurrently within two weeks of the hearing. The Government shall prepare a written response and forward to the Committee, the House and the Media concurrently within two months of receipt of the Committee's report.

- vi) Follow up responses of the Government to its Hearings and publish the results.
- vii) Directly receive the Office of the Auditor General's annual estimates in line with the estimate cycle, discuss and agree the estimates and notify the Minister of Finance to include into the overall estimates. Also to directly receive an annual report from the Auditor General setting out how the approved estimates were applied during the previous year and the results from the audits.

(The Chair shall recommend to the House the Auditor General's salary provided it be not less than the average of the Financial Secretary/Permanent Secretary, Ministry of Finance.)

### Committee Procedures

7. Committee meetings shall be designated as either 'Planning and Educational' or 'Hearings'.

**'Planning and Educational'** includes:

- planning the Committee's programme for the year;
- agreeing on the conduct of meetings and hearings;
- considering committee administrative and educational matters; and
- considering and agreeing the Auditor General's budget for the coming year and considering the Auditor General's report on how he or she used resources in the previous year per SO 4 (vii) above

These meetings will be closed, except for the attendance of the Auditor General and relevant senior civil servants as the Committee may deem necessary for the subject matter in hand.

**'Hearings'** includes all items under Standing Order no. 6 (i – vi) above.

All Hearings shall be open to the media and the public, except when the Committee determines at the start of a Hearing, or part of a Hearing, that Hearing or part-Hearing shall be held in closed session. The reason for the closed session will be included in the Committee's written report;

A verbatim written transcript shall be forwarded to all Committee Members and witnesses within three working days of Hearing completion.

8. The Chair shall call at least four committee meetings per parliamentary year as a minimum with an agenda published seven days before each meeting:
- A 'planning and educational' meeting to agree the committee's programme of work for the year, to be held within two weeks of year commencement and consider any

relevant administrative or educational matter. The meeting will produce an agreed schedule of meetings for the year;

- Two 'Hearings', one of which shall consider the annual statement of accounts and the Auditor General's report thereon and the other on a subject matter falling within SO 6 (iii) above; and
- A 'planning and educational' meeting to consider and approve the Auditor General's estimates for the coming year and his or her report on resource use in the previous year

9. The objective of each meeting is for the Committee to arrive at a consensus. In the event of the committee failing to do so on any Hearing, a majority and minority report shall be produced and stand referred to the Speaker. Within two weeks of receiving the reports, the Speaker shall order a debate in the House at which both reports shall be considered and a determination made, which may include favouring one report or the other, or elements of both. Members of the PAC shall be entitled to speak during this debate.
10. The Auditor General, or his or her nominated representative, shall attend all Parliamentary Accounts Committee meetings, be entitled to contribute and to receive verbatim transcripts of the hearings.
11. The Chair, in consultation with the Speaker, shall at least once in each parliamentary year table a debate on the floor of the House on the results of the Committee's Hearings and meetings in that year, including comparisons with previous years and future plans as relevant.
12. For the purposes of functioning effectively as Committee members, only whilst participating during 'planning and educational' meetings, 'Hearings', and debates on the floor of the House, non-Members of the House shall be considered as de facto Members of the Parliament with associated rights and privileges.