



**Public Accounts Committee
Montserrat**

Report on the Inquiry into the Operations and Finances of the Office of the Deputy Governor

May 2023

*Hon. Paul Lewis
Hon. Claude Hogan
Hon. Veronica Dorsette-Hector*

PUBLIC ACCOUNTS COMMITTEE

Report on the Committee's Inquiry into the Operations and Finances of the Office of the Deputy Governor, together with the Minutes of Proceedings of the Committee relating to the Report and the Minutes of Evidence.

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Table of Contents

List of Abbreviations and Acronyms used in the Report.....	3
Introduction.....	4
Powers.....	4
Membership	5
Background.....	6
Terms of Reference for the Inquiry	8
The Committee’s Approach to the Inquiry.....	8
Key Issues and Findings from Inquiry	10
Appendices	23
Appendix 1 – Public Accounts Committee Evidence Gathering Session.....	23

List of Abbreviations and Acronyms used in the Report

GOM Government of Montserrat

PAC Public Accounts Committee

ODG Office of the Deputy Governor

DFID Department for International Development

GRID Governance Reform and Institutional Development

Introduction

The Public Accounts Committee is a Standing Committee constituted pursuant to paragraph 63 of the Montserrat Constitution Order of 2010 and Standing Order 65 of the Legislative Assembly to examine the Public Accounts of Montserrat.

Powers

Pursuant to section 63(3) of the Constitution Order 2010 the Committee has the power:

- To summon any Minister or public officer for a government department over which a Minister presides to appear before it;
- Subject to any law in force in Montserrat or to Standing Orders, to require any person so summoned to answer questions and provide information about the conduct of business of the Government by the Minister or department concerned.

Section 65(4) of the Standing Order gives the Committee powers to:

- Ascertain that the authorised expenditure during each financial year, including supplementary expenditure, has been applied to the purpose prescribed by the Legislative Council;
- Scrutinise the clauses which may have led to any excess over authorised expenditure, and to verify applications of savings on other authorised items of expenditure;
- Make an effective examination of public accounts kept in any Department of Government; and
- Summon any public officer to give any information or any explanation, or to produce any records of documents which the Committee may consider necessary in the performance of their duties.

Membership

The Public Accounts Committee consists of three members, including a Chairman, appointed from among the members of the Legislative Assembly who are not members of the Cabinet.

The membership of the Committee is as follows:

- Mr Paul Lewis (Honourable Chairman)
- Mr Claude Hogan (Honourable Member)
- Mrs. Veronica Dorsette- Hector (Honourable Member)

In attendance

Miss Marsha Meade	Auditor General (Ag)
Mrs. Judith Baker	Committee Clerk

Members of the PAC agreed the following:

1. The Terms of Reference for the public evidence gathering session
2. The purpose of the Evidence Session
3. The questions to be used for evidence gathering
4. The schedule of witnesses to appear before the PAC

Background

1. The Montserrat Legislative Assembly approves funding for expenditure within the Government system. In accordance with the Constitution of Montserrat, the Public Accounts Committee (PAC) scrutinises Government Expenditure. One of the strategies used by the Committee is to examine the audited accounts of Montserrat to identify areas of concern and give recommendations.

In fiscal year 2018/2019, a budget of \$29.3 million was approved for the Office of the Deputy Governor (ODG). In accordance with section 103 of the Montserrat Constitution Order 2010, a performance audit was conducted by the Office of the Auditor General. Having reviewed the Audit Report the Public Accounts Committee identified several areas of interest, some of which are highlighted below:

- i. There is an urgent need for the maintenance and upgrade of public buildings. Independent consultancies procured by the Office of the Deputy Governor (ODG) in recent years have concluded that 80% of public buildings require significant upgrades to meet standards and users' needs. There is also a clear understanding of the offices and other assets needed across the GOM. Significant investment (estimated at EC\$53 million over 10 years) is needed to eradicate the backlog of building maintenance and upgrades required. Funding has been requested on numerous occasions from the Department for International Development (DFID) for this purpose and has not been forthcoming.
- ii. The ODG has a trend of significant staffing gaps. The ODG reviews staffing requirements as part of the annual budgeting process. However, it is not clear how the ODG determines the number and the type of posts needed. Over the last 3 years, the

ODG has operated considerably below the number of established posts. This is one of the factors that contributed to low performance against targets. It also reflects the long-term trend of significant and rising rates of vacancies across the public service, with implications for efficiency, effectiveness, and value for money.

- iii. Most systems are currently paper-based. In November 2018, the Human Resource Management Unit (HRMU) appointed a Project Manager to begin the process of implementing a new HR Information System (HRIS) to convert all personnel-related forms, files, and records to electronic form. This is a 3-year project and Phase 1 was rolled out during 2019. Some modules have not started; some are behind schedule.
2. A Special Report produced by the Internal Audit indicated that, “The remuneration package for the Honourable Deputy Governor for the contract period 2018 to 2020 was increased in comparison to the remuneration package awarded in the previous contract period 2016/17. The amendments observed were an increase in telephone allowance by 100% from \$150 to \$300 per month and housing allowance by 50% from \$3,000 to \$4,500 per month. There were no relevant supporting documents within the files inspected to support the increases.”
3. At its meeting on 8 June 2022, the PAC agreed on Terms of Reference for a formal Committee Inquiry into the Finance and Operations of the Office of the Deputy Governor. The Public Accounts Committee (PAC) agreed to conduct a public hearing on the matters highlighted above. A date of 14 July 2022 was set for the hearing. The Committee agreed to call relevant witnesses to give evidence at the hearing.

Terms of Reference for the Inquiry

The purpose of the inquiry was to scrutinise the operations, finances and expenditure of the Office of the Deputy Governor with a view to making recommendations where necessary.

The PAC sought to examine the issues highlighted in the performance audit on the Office of the Deputy Governor, as well as, a special report produced by the Internal Audit Unit in June 2021.

Specifically, the Committee sought to establish:

- Whether current recruitment practices are effective and the reasons for the existing vacancies in the Public Service;
- The effectiveness of the Technical Cooperation Programme and whether it is achieving the intended outcomes;
- The possible steps which are being taken to prevent further reduction in pension benefits;
- The reason for the dilapidated government buildings which are in urgent need of repairs and maintenance;
- Whether the established procedure for approval of salary increases and allowances was followed in the case of the Deputy Governor;
- The reason for the failure of the Governance Reform and Institutional Development (GRID).

The Committee's Approach to the Inquiry

The Committee agreed to call for evidence from identified key stakeholders including:

- The Honourable Deputy Governor
- Director Public Works Department
- Chief Human Resources Officer

- Chair, Public Services Commission
- Local Representative, Foreign and Commonwealth Development Office
- Head of Internal Audit

A Public Inquiry was held on Thursday 28 July 2022 during which written and oral evidence were taken.

Of those summoned to appear before the Committee, two persons, namely the Director of Public Works and Chief Internal Auditor appeared in person, gave verbal presentation, and answered the questions posed to them. At the directive of Her Excellency the Governor, the Deputy Governor, Chief Human Resource Officer and the Chair of the Public Service Commission did not appear before the Committee. The reason for their non-appearance is evidenced by correspondence to the Chair of the Public Accounts Committee from Her Excellency the Governor. Reference was made to section 63 of the Montserrat Constitution Order 2010 and the Standing Orders of the Legislative Assembly. Although the Chief Human Resource Officer did not appear before the Committee, written responses to some of the questions were provided and these were read into the records by the Clerk.

The non-appearance of the Honorable Deputy Governor, Chief Human Resource Officer and the Chair of the Public Service Commission, restricted the ability of the Committee to properly scrutinize the operations, finances, and expenditure of the Office of the Deputy Governor. This, in turn, has serious implications for the good governance principles of accountability and transparency for funds approved for use in the Office of the Deputy Governor and the integrity of the Public Service.

Key Issues and Findings from Inquiry

Recruitment Practices

The Office of the Deputy Governor is responsible for recruitment process to meet the needs of the Public Service. From our inquiry it is noted that;

1. The turnaround time from job advertisement to formal job offer is lengthy and can take up to more than 4 months through the normal recruitment process utilized by the Government of Montserrat. This results in lost productivity and inefficient distribution of resources, as attempts are made to cover the workload with less staff.
2. The Committee heard that *in 2016/2017 the number of vacant posts was 75, there were 68 persons in post and 7 vacancies; in 2017/2018 the number of posts was 77, posts filled 71, 6 vacancies; in 2018/2019 again 77 posts, 67 filled, 10 vacancies; 2019/2020 there were 77 posts, 72 filled, 6 vacancies; in 2020 and 2021 we had 78 posts, 71 filled and 7 vacancies. How does this compare with the existing totals and trends across the public service? From the information received it is noted that the Government of Montserrat in 2016/2017 had 996 posts and of that, there were 98 vacancies; in 2017/2018 965 posts, there were 60 vacancies; in 2018/2019 1010 posts, 80 vacancies; 2019/2020, 76 vacancies; in 2020/2021 there were 1021 posts and about 89 vacancies.*
3. Staffing gaps within the Government of Montserrat have a direct bearing on performance across Government. The continuing trend of unfilled posts and significant staffing gaps signals that certain services and functions, are either not being performed or are not being performed at maximum capacity, since current staff would have to assist with the workload and are undertaking roles for which they lack the qualification, skills, and experience to do the job effectively.

There are also socio-economic implications and the spin-off effects that cannot be ignored. Therefore, the filling of vacant positions across the Government needs to be addressed with great urgency.

Seven million dollars was approved for the Technical Cooperation Officers (TC's) program in 2022/2023. Thirty (30) positions were funded, of which 23 were filled, while 7 remained unfilled. No information was provided regarding whether or not competent civil servants have been assigned to observe the TCs. Identifying eligible Civil Servants to shadow TCs and having TCs coach and mentor these Civil Servants is a crucial component for facilitating the transfer of knowledge and skills. The lack of information was debilitating as the Committee was restricted in determining whether the TC program was fulfilling its mandate.

The positions need to be filled and eligible local officers assigned to understudy the Technical Corporation Officers as soon as possible so that the requisite skills can be transferred.

Failure to spend the monies allocated to Parliament signals ineffective financial management of public funds.

Pension Scheme

4. Currently the pension scheme requires approximately \$14,059,900 to provide for persons who have retired from the Civil Service. This amount was authorized by the Legislative Assembly for expenditure on pensions and gratuities in the financial year 2022/2023. There has been an upward movement of persons retiring from the Service. In 2017 the number of persons on the pension scheme increased from 449 to 489.
5. There was a reduction of average pensionable emoluments for services completed after 2011. Persons completing their service after June 2011 are paid at a rate of 1/1200 as opposed to those completing their service

prior to this time who are paid at a rate of 1/600. The Amendment to the Pensions Act 2011 reduced the pension entitlement by 50%.

This reduction compounded by the increased cost of living will have serious implications for retirees. Consideration needs to be given to what steps can be taken to mitigate further reductions in pension benefits, and various options and proposals should be looked at.

In its questions to the ODG, on sustainable funding models for the public service, the PAC was in no way expressing ideas of introducing a scheme where employees contribute towards their retirement funding and placing new entrants on contracts. Civil Servants are already contributing to their pensions through Social Security.

Maintenance and Repairs

6. The ODG has central oversight of the maintenance of several GOM's buildings. It is noted that expenditure on the Office of the Deputy Governor's rental of assets increased from \$384,974.40 in 2016 to \$553,296.80 in 2021. While these are private rentals the Committee's focus is on the repairs and maintenance of Government-owned buildings.

Many of the government buildings are in a state of disrepair and there is an urgent need for significant major repairs and upgrades. The Director of Public Works gave evidence indicating that the 2018 Alpha Report presented in detail the conditions of the government buildings. They used a standard index called the Facility Condition Index (FCI). The FCI is used to rate the condition of the buildings based on the ongoing deterioration cost to remedy the deficiency versus the replacement costs. According to the report, the education facilities recorded an overall index of 25% indicating that there is a need for significant major repairs and upgrades to these buildings. Some buildings need structural retrofitting and require significant financial

intervention. There is a need for repairs to roofs, repairs to bathrooms, refurbishment of classrooms, painting, among other issues.

The government ministries and departments recorded a 21% index rating. Buildings such as the registry and the court, and the cultural center require urgent major repairs and these do bring some issues with health and safety and also poses a threat to critical documents and equipment housed in the registry. There is a need to repair leaks, repairs to roofs, hurricane shutters, change windows, repairs to bathroom and tiling, and other repairs.

The health facilities have an overall index of 11% which is an indication that some repairs were done and there is little to no structural deterioration but a lot of attention is required for routine maintenance. The national security facilities have a rating of 13% indicating a need for some major repair works, for example, to the Montserrat Fire Stations (as there is more than one fire station), and the HM Prison to include replacing barriers such as the perimeter fence and ramps.

The top 10 facilities in need of urgent repairs and maintenance are;

- i. Montserrat Secondary School - there is need for structural retrofit, roof repairs, drainage, retaining walls and bathroom repairs.
- ii. Brades Nursery School - there are needs for roof repairs.
- iii. Brades Primary School also has issues with the roof and drainage.
- iv. Salem Primary School - there are issues with the roof, the flooring, bathroom, windows, and kitchen; the need for overall repainting and total refurbishment.
- v. Montserrat Community College - classroom repairs and drainage etc.
- vi. Cudjoe Head Health Center – a requirement for internal repairs and roof repairs.
- vii. Salem Health Center - internal repairs and roof repairs
- viii. St. John’s Health Center - internal repairs and drainage repairs.

- ix. Oriole Warden Assisted Units - needs internal repairs, roof and drainage repair etc.
- x. Court and Registry building - internal repairs, having to deal with water infiltration, roof repairs, etc.

These top 10 facilities in 2018 had an estimated cost of around EC\$9.6 million. Considering the current inflation rates, the high cost of materials, even over the last few months where we have seen escalated prices the top 10 is now estimated to be now about EC\$15 million.

The Auditor's report revealed that in recent years, independent consultancies procured by the Office of the Deputy Governor, at the request of the now FCDO have concluded that at least 80% of public buildings submitted, required upgrades to meet standards and users' needs. The Auditor's report also discloses that significant investment, estimated at around 8 million per year over 3 years is needed, to eradicate the backlog of building maintenance and upgrades. Additionally, the auditors found that the assessed needs for new work on facilities are estimated at somewhere near 53 million over the next ten years. Funding has been repeatedly requested from the FCDO for this purpose but has not been approved and is not forthcoming.

Governance Reform

- 7. The Governance Reform and Institutional Development or GRID program was aimed at increasing the capability, accountability and responsiveness of public sector institutions in Montserrat, creating a more conducive context for the growth of the private sector to drive economic growth. The program was funded by the Department for International Development (DFID) now part of the Foreign Commonwealth and Development Office (FCDO), with a budget of 3.9 million pounds. The expected duration of the project was from 2018 to 2022 with a further planned extension up to 2023. The project was prematurely closed, with the majority of funds unspent i.e. only Nine

hundred thousand, (\$900,000) of the Ten million (\$10,000,000) was spent.

The first Annual Review of the Governance Reform and Institutional Development (GRID) Program in Montserrat undertaken remotely from the United Kingdom rated the GRID at C – Outputs substantially did not meet expectations. There were several factors that contributed to this rating and these can be found in the GRID report which is accessible online.

The August 2020, report highlighted that out of six milestones one has been achieved; two are underway and three are yet to start. GRID's rationale, objectives, and delivery modalities are appropriate to the context and challenges of public sector reform in Montserrat. The report noted that progress was undermined by key challenges such as Covid-19, the procurement process for DFID-OTD to secure an external supplier for technical expertise, and delays to the start of GoM program activities. The Committee was advised that although the program closed, areas were jointly identified for reform. It was, however, unable to determine the specifics in terms of the exact areas which were identified.

Deputy Governor Inducement Allowance

8. The Committee notes with concern that the established procedure for approval of salary increases and allowances, as well as establishing remuneration for novel roles or new positions was not followed.

For new roles, a new spend needs to be submitted which requires approval by Cabinet in the first instance. It would then follow the regular budget process for submission to the Legislative Assembly where it would receive final approval. Once that is completed the relevant instruments are prepared and signed off by authorized persons. Where a post requires adjustments, in terms of remuneration,

it goes to the Central Allowances Committee, which would evaluate and make a recommendation. This recommendation is submitted to Cabinet for approval or otherwise.

b. The Committee:

(i) Finds that there needs to be consistency in documenting all matters related to the procedure for approving the compensation of senior officers and issuing contracts. There was no information on file relating to a new contract for the Deputy Governor. However, information obtained from Smartstream (the Government's Financial System for the processing of payments), shows that there was an increase in inducement allowances from \$804 to \$2,083.33 resulting in a total remuneration increase from \$21,547 to \$22,826.33, effective January 2020.

(ii) Acknowledges that documented information is available for the prior contractual period of 2016/2017. As this was not the case in the second contractual arrangement, which is under consideration, it shows either a lack of consistency in documenting key information or an unwillingness to share the information.

c. The Committee observes that:

(i) There was a departure from the normal procedure when the offer of employment was made to the Deputy Governor. Ordinarily, agreement from the relevant authority (the Governor in this case) would be obtained prior to sign-off by the person being appointed to the post, but the sequence of events was different in this case. Records indicate that the Deputy Governor signed the offer of employment, which included some increases in allowances, on the 23rd of July 2018. Approval from the Governor was only obtained two days later, on 25th July 2018.

(ii) Even if the correct procedure had been followed neither the Governor nor the Chief Human Resources Officer (Acting), who made the offer, had the authority to authorize the increases.

(iii) The Chief Human Resources Officer (Acting) was new to the post and might not have been aware of the correct procedures. It is imperative that the appropriate information be provided to persons who take up new roles to ensure that they are not compromised in the decision-making process. However, the Committee notes from local knowledge that the CHRO(Ag) and the Deputy Governor both worked in senior roles within the public service. The Deputy Governor has worked within the then Department of Administration now Human Resources Management Unit.

9. In keeping with sections 97(1) and 97(5) of the Montserrat Constitution Order 2010, the Government of Montserrat needs to develop legislation to govern the remuneration of key officers, including the Deputy Governor. This would mean that adjustment to the remuneration of Public Officers identified in section 97(5) would first have to be approved by Cabinet and then the Legislative Assembly. This would decrease the likelihood of arbitrary decisions being made by individuals

In the absence of such legislation, best practice dictates that nonexecutive board members or a remuneration committee, address remuneration for C-3 level or senior management. This increases the likelihood of fairness, equity, and objectivity in the remuneration process for all concerned.

The increase in allowances totaling \$62,496.65 as at May 2021 to the Deputy Governor was made without following the established approval process. Adjustments to the Deputy Governor's allowances required according to the precedence, a submission to the Central Allowances Committee with onward submission to Cabinet for approval. Without

this process, the increases are not authorized. If the breach is not addressed immediately with a reasonable response this may cause significant issues to the morale and culture of the organization.

Management needs to take a decision immediately to address the Legislative Act or make the necessary adjustments to the base pay program framework to guide the remuneration of senior management so that it reflects the appropriate compensations.

This breach of procedure or management override occurred twice and has integrity and ethical value implications thereby requiring an independent body to review and provide recommendations for going forward. Public monies paid without proper authority should be repaid to the Consolidated Fund. In response to the breach of the procedure, the Public Finance and Accountability Act section 10 outlines how these matters are to be addressed.

Conclusions and Recommendations

Recruitment Practices

5. The Committee recommends that greater urgency and efficiency be applied to filling the remaining 89 vacancies in the public service. This may require a more diversified approach, including the use of additional media for advertisement purposes. An increase in the rate at which the vacancies are filled will result in much-needed employment and a reduction in the amount of underspending which is currently taking place in the budget.

Failure to fill these vacancies will prolong the technical skills gap needed to strengthen the workforce, and negatively impact service

delivery with a repercussion on socio-economic growth and impede the overall development goals of the organization.

It is recommended that outstanding Human Resource issues, processes, procedures, and regulations within the Public service be resolved as part of the drive to improve the efficiency of the Public service and enhance service delivery to ensure value for money.

TC Program

6. The original understanding was that Technical Cooperation Officers would transfer skills to civil servants who would be assigned to under study them. Arrangements must therefore be put in place to assign eligible officers to each Technical Cooperation Officer, for proper succession planning, and establish a system where monitoring, evaluation, and reporting are taking place, in order to assess the effectiveness of the program and ensure that skills transfer is taking place.

The contract and job description should clearly outline that knowledge and skill transfer are included as part of the deliverables and should take place at a specific time. Therefore, there needs to be robust performance management and a monitoring and evaluation system to ensure that the mandate is achieved. Failure to achieve the objective of deliverables should result in a forfeiture of any gratuity payments and continuation of employment by the Government of Montserrat.

If the purposes of the TC program are not achieved it cannot be said that it is value for money and effective return on investment. It must be noted that a substantial amount of the budget has been ring-fenced for the Technical Corporation program.

Government Pension Scheme

7. There are currently 489 pensioners on the pension's payroll in this scheme. Over the past five years there was a movement from 449 in 2017 to 489 in 2021. The current annual cash flows to the government for this scheme in the financial year 2021/2022 was \$13,477,557.61 and was spent on all pensions and gratuities.

However, while it's prudent to manage the overall increase in pension costs it is imperative that we protect the value of the workers' pension benefits. Notwithstanding the increase in pension numbers

Eleven years ago, amendments were made to pensions computation under the Pensions Act. The decision was taken and legislation was passed to reduce the computation factor from 1/600 to 1/1200 of average pensionable emoluments in 2011. This was a significant reduction in the pension accrual rate with the rate being reduced to half.

When this reduction in pension accrual rate is added to the increasing cost of living which is taking place presently further reducing pension value due to inflation and the additional seven percent that workers will eventually pay into social security, any further reductions in the pension benefits will have serious implications for retirees. Consideration needs to be given to what steps can be taken to mitigate further reductions in pension benefits, and various options and proposals should be looked at.

Government accommodation

8. In light of the dilapidated conditions of some Government buildings, it is imperative that Government of Montserrat seek additional funding to clear the backlog maintenance in the order of priority outlined in the Alpha Report. Every effort should be made to arrest the situation now,

in order to avoid the increased costs associated with further deterioration.

It is also recommended that government continue to pursue plans to build permanent government accommodation. This will aid in securing the health and safety of public servants and external customers, and the infrastructure for high standards of service delivery.

Funding has been repeatedly requested for this purpose, and continued delay in funding approval will have greater costs associated with the maintenance of buildings and a greater burden on taxpayers due to inflation over time. This is completely unacceptable.

Governance Reform

9. The GRID is documented on FCDO website as a failed project with grade C of which less than 10 % of the funding was spent before the project was closed. The report highlighted the high risk around the commitment of senior stakeholders to the program, rather than to the pursuit of narrow agendas. Therefore, it is imperative that all should be done to eliminate this reoccurrence.

In the absence of the GRID given its purpose, there needs to be a clear road map on the way forward for governance reform to achieve what the GRID was designed to achieve. Ten million dollars is a great loss to the GoM and both the Public and Private Sector was denied the opportunities and benefits to be derived from the program

Deputy Governor Inducement Allowance

10. Public funds paid without proper authority should be repaid to the Consolidated Fund. The Deputy Governor should therefore be directed to repay the unauthorized amounts that were advanced to her.

In response to the breach of the procedure, the Public Finance and Accountability Act section 10 outlines how these matters are to be addressed and should be adhered to.

It is further recommended that the breach in the procedure be addressed immediately with a firm response. If this is not done this may cause significant issues to the morale and culture of the organization and bring the office into disrepute.

This breach of procedure/management override occurred twice and has integrity and ethical value implications, thereby requiring an independent body to review and provide recommendations for going forward.

PAC is recommending the necessary amendments to the constitution to allow any Public officer spending or responsible for directing the spending of Public funds to appear before the PAC when necessary to give an account of Public funds. There should be consistency in the Parliament Standing Orders and the constitution where the scrutiny of Public funds is concerned.

Appendices

Appendix 1 – Public Accounts Committee Evidence Gathering Session

OFFICIAL TRANSCRIPT

28 July 2022

Mr. Paul Lewis

Good morning all. Welcome to this public inquiry of public funds. At this time, I'll invite you to stand for a prayer by Mrs. Baker.

Prayer

Mr. Paul Lewis

You may sit. A little housekeeping to start. I would like to ask everyone to kindly place their phones on silent. Thank you in advance and of course for those who are wishing to follow live you can do so and view live on Liveislands YouTube or you can follow live on ZJB Radio. At this time, I acknowledge the presence of Ms. Marsha Meade Acting Auditor General, PAC advisor. I also acknowledge the Honourable Speaker of the Legislative Assembly; all Members of the Legislative Assembly joining us online. I would like to acknowledge our audience and witness, last but not least I acknowledge the Members of the PAC and the Secretariat is being manned by Mrs. Judith Baker and members of staff. Members of the PAC, by the way the PAC is the Public Accounts Committee, for those who are not aware of what PAC means. The Members of the PAC consist of Honourable Veronica Dorsette-Hector; Honourable Claude Hogan who is online and yours truly Honourable Paul Lewis Chairman of the PAC. I would like to start this morning by setting the context. The Public Accounts Committee is a standing committee of the Legislative Assembly charged with the responsibility for monitoring the public accounts. Members of the PAC as I said are charged with the responsibility for monitoring and scrutinizing all public accounts. The purpose for this inquiry is to scrutinize the operation, finances and expenditures of the Office of the Deputy Governor (ODG) with a view to making recommendations where necessary. The first half of today's inquiry will look at findings from an audit done by the Montserrat Audit Department while the second half will look at other finances under the Office of the Deputy Governor. The findings and

recommendations will be submitted and debated by the Legislative Assembly. The Office of the Deputy Governor: budget allocation for 2019/2020, revised estimate \$30,665,400; expenditure \$29,512,186. For 2020/2021 revised estimate \$30,226,800 expenditure \$28,910,556; 2022/2023 revised estimates \$32,639,600 expenditure \$30,911,821. A total expenditure over the last 3 years for the Office of the Deputy Governor exceeds \$90 million. These estimates generally show supply votes of the ODG as the largest allocation within the budget. The PAC has summoned information in the form of questions and documents. The PAC have received written answers from several persons while several persons will appear in person to assist the PAC in its inquiry.

The PAC believes that the Deputy Governor (DG) has acted in breach of customary law in Montserrat. The DG's answers are laced with attacks on the Legislature. The DG fails to conform to natural justice at all times, when she overruled the Public Service Commission; the DG has failed to be accountable for public funds, over which she is not an accounting officer and should have nothing to do with public funds. The PAC has summoned and is in receipt of an Internal Audit Report entitled Special Report Unauthorized Remuneration. Increases in remuneration to the DG were unlawful and should be refunded because the Central Allowance Committee did not approve nor recommend any increase of pay package for anyone, as an Internal Audit Report has discovered.

We are now about to take answers to questions from the Chief HRO at the time of the audit. However, it is important to note that we seek clarification on who is carrying out the duties of the CHRO presently. No one within the ODG provided any clarity or guidance as to who's in charge. PAC understands Mr. Chambers is currently appointed as Deputy Financial Secretary but PAC also understands he is overseeing HR from a remote seat in the office of the Deputy Governor. PAC also understands two Director posts, critical Director posts in HR remain vacant for some time. Now we will ask questions and hear the written answers from the CHRO who is no longer based in the HR Department. An excerpt from the ODG Audit Report and data from the HRMU, Human Resource Management Unit across the Government of Montserrat indicated a historical average of 120 days or more from the advertisement of posts to the making of an offer to selected candidates. Departments that we surveyed, reported widespread dissatisfaction with the process of recruitment and especially the length of time taken to fill posts. As of April 2019 the Human Resource Management Unit reported that for recruitments across the public service the average duration had improved to 63 days.

Question one: There have long been complaints by Ministries and Departments across the public service about the time taken to obtain new or replacement employees through the centralized process within the Human Resource Management Unit. What is the actual time taken for each stage of recruitment example (a) advertisement of posts?

Mrs. Baker

The answer provided is that vacancies are usually advertised for a minimum of three weeks.

Mr. Paul Lewis

(b) Processing of applications received?

Mrs. Baker

The turnaround time for making applications accessible to the recruiting Ministry is one day.

Mr. Paul Lewis

Shortlisting of candidates for interviews

Mrs. Baker

Answer, Ministries are encouraged to aim for a turnaround time of no more than two weeks.

Mr. Paul Lewis

Interviews and reports from interviewing panels.

Mrs. Baker

Answer, the turnaround time is an average of 1.5 weeks.

Mr. Paul Lewis

Recruitment related process within the Public Service Commission.

Mrs. Baker

The average time is two weeks.

Mr. Paul Lewis

Lag between the Public Service Commission and the Deputy Governor.

Mrs. Baker

On average recommendations are uploaded within two to three days.

Mr. Paul Lewis

Process at the level of the DG/HRO.

Mrs. Baker

The average time is two weeks.

Mr. Paul Lewis

Informing of selected candidates.

Mrs. Baker

It is the usual practice for successful candidates to be informed within 3 days.

Mr. Paul Lewis

Lag between informing successful applicants and having them in post.

Mrs. Baker

On average this takes four weeks.

Mr. Paul Lewis

Thank you Mrs. Baker.

Mrs. Veronica Hector

To continue, what were the minimum time taken, the maximum time taken and the average time taken for each of these stages?

Mrs. Baker

Answers provided: For advertising, the minimum 2 weeks, the maximum 8 weeks and an average of 3 weeks. For short listing, 1 week is the minimum time and a maximum of 8 weeks; average of 1.5 weeks. Interviewing panel minimum 1 week, maximum 6 weeks, average 1.5 weeks. Public Service Commission, minimum 1 week, maximum 4 weeks, average 2 weeks. CHRO and the Honourable Deputy Governor the minimum time is 1 week, maximum 4 weeks and the average 2 weeks.

Mrs. Veronica Hector

To follow on and also for the overall process of recruitment and appointment during each of the past 5 years.

Mrs. Baker

The answer as provided: In 2021 the average was 70; 2020 average 75; 2019 average 63; 2018 the average was 120 and in 2017 the average was 120.

Mrs. Veronica Hector

Thank you.

Mr. Paul Lewis

Honourable Hogan are you with us?

Mrs. Veronica Hector

Within the Public Service what were the number of posts, the number of substantive versus the number of acting or temporary employees in post and the number of vacant post for each of the past five years?

Mrs. Baker

No answer was provided.

Mr. Paul Lewis

To what extent is compensation an issue affecting either recruitment or retention of employees in the public service? What is the plan or strategy to address this?

Mrs. Baker

No answer was provided.

Mr. Paul Lewis

What are the major issues affecting either recruitment or retention in the public service? What is the plan or strategy to address this?

Mrs. Baker

No answer was provided.

Mr. Paul Lewis

What progress has been made in addressing each of these challenges or issues?

Mrs. Baker

No answer was provided.

Mrs. Veronica Hector

We will continue. A number of consultancies have been undertaken regarding various aspects of the public service including at least one within the past few years regarding work force planning, salary scales, grading of posts etc. The questions we have are: What were the key findings; what were the key recommendations; what has been the progress in implementing any of these recommendations.

Mrs. Baker

The answer has been provided in an appendix. It is a very long one and so I will allow the Honourable Members to bring out what aspects of that response they would like to address.

Mr. Paul Lewis

Recommendation, guiding philosophy and core values, areas of focus, endorsing of new core values, implementation status, no new core values agreed, code of conduct for public officers promoted and education sessions for all officers conducted ongoing; recruitment and retention of public officers; recruitment and retention of skilled overseas Montserratians; strategic use for Technical Consultants TCs attracted committed recruits ongoing; consultancy to create recruitment process map November 2018; recruitment and retention process map in place March 2019; utilization of the online platforms to advance the recruitment process now using HRIS and the recruitment module to advance recruitment and retention of all public officers; talent management and succession planning; availability of critical talent within the public service delay in implementing; initial listing of officers identified for the critical post regarding succession planning created; orientation and induction of new hirers for retention; welcoming process for new hirers; induction of new hirers into their work teams. Ongoing, one on one orientation and induction of officers recruited from overseas; ongoing orientation sessions conducted twice per year as part of the in service training schedule; ongoing on job orientation induction within the Ministries and departments; training career development continuous improvement and learning; relationship between government funded training; government's development goal and officers career aspirations signed and activated performance and career

development agreement for all public officers; ongoing implementation of learning and development through the learning needs analysis; approved annual long term priority list and scholarship successfully implemented; in service training calendar created and implemented; senior and middle management leadership development activity conducted; departmental house learning and development activities implemented; core skills development schedule and implemented mandatory; external service provider agreement with Montserrat community college and UWI open campus; training done each year partnership with MCC Montserrat Community College and UWI to advance various learning and development initiatives face to face and online implemented; performance management system, performance management system aligned with government strategic development goals. GoM operates as a unitary independent team. Ongoing, establishment of HR support team to advance the PMS continuous implementation and hand holding sessions conducted with all public officers at least once per year; regular feedback on PDAs PDRs to ministries departments; sessions held with ministries departments upon request to strengthen the full compliance of the PMS. Succession planning and mission critical position jobs; mechanism to designate mission critical positions performance and career development agreement for all public officers; implementation status, initial discussion held to plan strategy to determine mission critical positions some further work to be done. The PMS already is mapped to the strategic plans and job description which allow the PDA PDR planning monitoring, feedback and review. Employee relations and consultation support inclusive team effort, implementation status some further discussions to be scheduled; ensure the competence and confidence of all GoM supervisors and managers to lead and manage within statutory rules and orders public administration regulations 2017, implementation status, grievance procedures implemented across government, whistleblowing policy implemented, draft disciplinary procedure discussed with CMT senior managers, middle managers, draft ministerial code for Montserrat completed. Job evaluation, job evaluation committee, implementation status job evaluation and pay review completed and report tabled 2019, Cabinet memo drafted related to job evaluation report document March 2020, further discussions to be convened regarding establishment of the job evaluation committee. Cabinet memo tabled at Cabinet regarding salary review March/April 2022. Change management protocols and communications imperative, establish a sense of urgency the imperative for change, implementation status further discussions and work to be done; creating a guiding coalition developing a vision and strategy communicating the change vision empowering public officers for broad base action, implementation status engagement and consultancy to

conduct organizational review of the office of the Premier, ODG, MCWL and MALHE. This is the end of that particular answer. It goes on to say and I'll let the secretariat deal with that aspect of it.

Mrs. Baker

The HRIS implementation is being progressed. The purpose of the HRIS is to create an HR intranet and electronic HR records for all public service employees over a three-year period. The HRIS is a project that started in November 2018 and is expected to be completed by October 2021.

Mr. Paul Lewis

I would like to speak to the succession planning. According to the implementation status initial discussions held to plan strategy to determine mission critical positions, some further work to be done and we understand the PMS already is mapped to the strategic plans and job descriptions which allow the PDA PDR planning monitoring feedback and review. However, in terms of succession planning the retirement age was moved from 55 years and since the retirement age was changed persons received an extra five years and so forth and in some cases 7 years based on the new schedule. This means there was sufficient time to hand over, train etc. so my question or my concern is, why are retired persons given extended contracts when there are officers who can fill the position? As a matter of fact, there was a policy which stated some time ago that retired persons will not be rehired. I am not aware of a change in policy and therefore even if there is a change in policy and you believe that persons are not ready to take over, my question is why is that so? My conclusion is that the succession planning has not been effective or have not been carried out and I believe that that in itself is a cause for concern. Honourable Dorsette.

Mrs. Veronica Hector

Thank you Mr. Chair. I recognize that we have had some report on the recommendations. I still would like to know what were the key findings of the consultancies. I want to make it clear that we are not here to criticize any policy but to shed light. That's part of the role of the PAC to shed light and if we are going to shed light we need to know where we started from, and therefore where we are going or how far we have reached. I would have been pleased to be able to ask some questions regarding that. The PAC also deals with finances I would have liked to have known more about the expenditure and whether this was value for money, going

forward, and therefore in my view the PAC is somewhat inhibited unless Mr. Chair we ask further information because the PAC can request further information where someone does not appear so that we can inquire and I would like us to understand the word inquire not investigate. This is an inquiry, not an investigation.

Mr. Paul Lewis

Thank you. I'd like to draw your attention to recruitment and retention of public officers that was a recommendation. Areas of focus, recruitment and retention of skilled overseas Montserratians; strategic use of technical consultants TCs; attracting committed recruits; implementation status ongoing, consultancy to create recruitment processing map November 2018; recruitment and processing map in place March 2019; utilization of the online platforms to advance the recruitment process now using HRIS and the recruitment module to advance recruitment and retention of all public officers. I must say that I do not see anything here that speaks to the retention of public officers and so it's rather vague and we need further information on this, further clarification on the recommendation stated here recruitment and retention of public officers. However, the implementation status speaks mostly to recruitment and nothing about retention of public officers. Do we now have Honourable Hogan with us?

Mr. Claude Hogan

I think so Mr. Chairman.

Mr. Paul Lewis

Honourable Hogan do you wish to comment on any of the information within the table as it pertains to No. 7?

Mr. Claude Hogan

Well I think No. 8 is my question so I --

Mr. Paul Lewis

Honourable Hogan we are not hearing you, just hold a bit

Mr. Claude Hogan

But I would wish to say that the best evidence we can have for the PAC is really oral evidence, first class evidence where we can judge credibility and we can probe some more, the recipients, on the issues at hand. Now the PAC, as you know we follow the money --

Mr. Paul Lewis

Apparently the viewers and those that are listening to ZJB can hear Honourable Hogan. We here are not able hear him through our monitors. Is anyone able to let me know whether he wanted us to intervene or continue. Honourable Hogan I believe you are hearing me although I'm not hearing you, so I'm asking you to proceed with question 8.

Mr. Claude Hogan

Okay. Thank you Mr. Chairman. I just wanted to say it's lovely, the scrutiny we're having. First of all, the public accounts are under the command of the Governor and it's unfortunate that the officers are not there for us to get first class evidence because the best evidence is oral evidence that we are collecting, in the best interest of Montserrat, so people can see where the public funds are going and there can be room for improvement. I think I move to say this first off, because it makes sense that we try to improve and that we try to be transparent about the spending of public funds, and we are not looking into the functions of the Governor's Office. We are looking into the services provided with public funds and I think it is reasonably justifiably in a democratic society that we have full cooperation with these efforts. Nevertheless, I think we have the answers and we'll give them to the public and hopefully there are people who can identify with what has been reported and we'll get confirmation along the way on these matters. One of the issues in this is that recruitment requires regional searches and international competitiveness to fill vacancies effectively, both for the existing post and for new post in Montserrat. One of our questions was how does the Montserrat public service compare with other Caribbean countries across categories of posts or of occupation in terms of compensation? That is, how much do nurses, teachers, police, clerical officers, mechanics, accountants, auditors and so on, how much do they make? That is an important question because it also ties in with the next part of the inquiry which is how does Montserrat public service compare not only with the Caribbean countries but to the British Overseas Territories. As any of you know, these kind of data is used for benchmarking and to see how we are comparing in relation to salaries or conditions however wide they want to take it. I don't think we have an answer for that question and that is why I am just reading the question and saying that it's very unfortunate that we can make no judgement or this is a standard area of reporting in public accounts purposes. So I'll hand back to you for No. 9.

Mr. Paul Lewis

For the purpose of those who are present I'll read the question seeing that the monitors are not working and you did not hear. However, persons online and listening to ZJB would have heard. Question 8. In many cases recruitment requires regional searches and international competitiveness to fill vacancies effectively, both for existing posts and for new posts. How does Montserrat public service compare with other Caribbean countries across categories of posts or occupation in terms of compensation? Example, nurses, teachers, police officers, clerical officers, senior clerical officers, geriatric aide, engineers, mechanic, accountants, auditors, directors, head of departments etc. etc. The other question a follow up question, how does the Montserrat public service compare with the British Overseas Territories across categories of posts or occupation in terms of compensation?

Mrs. Baker

And there was no answer for those.

Mr. Paul Lewis

And we move on the next question. What is the nature and extent of employment for special agreements in the public service? For which posts are they currently in use? How many persons were employed in special agreements during each of the last five years?

Mrs. Baker

No answer was provided.

Mrs. Veronica Hector

I will put the question in perspective. The auditor's report at page 42 speaks to the Human Resource Insync system. The purpose of the abbreviated HRIS is to create a human resource intranet and electronic HR record for all public service employees over a three-year period. The HRIS is a project that started in November 2018 and is expected to be completed by October 2021. Given its long history of using excessively paper based systems, the Human Resource Management Unit has recognized the need for an information system which will contribute to an efficient filing system. Phase one of the project was launched in the summer of 2019 and several modules have been developed subsequently. As at February 2020, nine stages were consistent with the timeline that was set. However, four of the stages were not on target and required rescheduling. Over the past two years, announcements and reminders from the ODG HRMU and within departments indicated that several features of the HRIS were not

yet activated and (b) that several employees either had not used the system at all or had not completed their information within the system. The table 6.8 below summarizes the various stages of the implementation of their progress so far and their actual status versus their original expected date of completion. It is therefore necessary for the PAC to inquire into the status of the HRIS implementation. I will therefore ask what is the status of the Insync system?

Mrs. Baker

The answer as provided: Insync HRIS launched in 2019 and it utilized daily by HR staff. This year the recruitment module was rolled out to Ministries and Departments. Development is ongoing to expand features and functionalities.

Mrs. Veronica Hector

What is the estimated timeframe for implementing, activating all of its modules and features?

Mrs. Baker

All modules will be activated in 2023.

Mrs. Veronica Hector

What is the status of the HR information system?

Mrs. Baker

Insync is the HR information system, the status as noted above.

Mrs. Veronica Hector

Mr. Chair any questions from anyone else?

Mr. Paul Lewis

Honourable Hogan do you wish to comment?

Mr. Claude Hogan

No. I would move on the next question if you don't mind. And this is question No. 12 I think and just to provide background—

Mr. Paul Lewis

Honourable Hogan I just want to state that we are now at the end of the questions for the Chief HR and we are now going to begin questions to the Honourable Deputy Governor. You may now proceed.

Mr. Claude Hogan

Yes, thank you Mr. Chair. The first question under this heading continues but deals with the actual staffing gaps within the ODG itself. According to the audit report the ODG had a trend of significant staffing gaps and it is important for us to bear in mind that staffing gaps means that the government would be hamstrung to perform if we have staffing issues across government. These things, for instance where the nominal rolls for the fiscal years of 2016 to 2017 and 2018/2019 showed that the rate of vacant posts in the ODGs Departments meaning HR and all the Departments under that Department more than doubled. They moved from 7% to 16% over the three years that were reviewed by the auditors and there is a table 3.4 which is an appendix also an appendix 9 you can see where the staff gaps are very wide. Nevertheless, as at December 3rd 2019 the nominal roll showed an increase in the overall vacancy rate; 4 of the 11 vacant posts were filled so that seems to be some quite good performance there. The question is for us to get an idea what is going on, what has been the staffing status of the ODG and of each of its related departments over the last five years?

We expected to have a number of posts, number of active employees, number of vacancies each year which is a customary report in any event that would have been required for the last budget anyway. How does this compare with the staffing trends across the public service overall and according to my record I see no comments and no answer in this audit trail question which as we all know is very important, not only for transparency but for us to be able to gage and put public pressure on performance coming out of ODG or whatever Ministry it is. Our recommendations will look at that and hopefully we'll get some answers. But you know generally we are looking at the services falling from the functions under command of the Governor and it is customary in Montserrat for us to get these reports in a timely manner. This is the first time in the history of Montserrat, as far as I'm a Parliamentarian from 2001 and I've served on the PAC at least three, 5 year periods. This is my third one and I've never experienced this situation before where – these are legitimate questions we are not trying to change the office of the Deputy Governor or even look into section 39; we can look into those but we are trying to do what has always been done and we are here for the people of Montserrat and the accountability is very important because obviously if we don't have this transparency and this

accountability we are going to have problems with sourcing financing for Montserrat, whether from FCDO or anywhere else. Mr. Chair you can impress upon those who have not sent in these answers that they have missed a good couple of scores here and we should get that done.

Mr. Paul Lewis

Thank you. As said there are some technical difficulties in terms of in-house so I'll just quickly summarize what Honourable Hogan said. The issue he was addressing is that the ODG had a trend of significant staffing gaps. The evidence from the nominal rolls for the fiscal year 2016, 2017 to 2018 2019 showed that the rate of the vacant posts in the ODGs Departments more than doubled from 7% to 16% over 3 years that was reviewed. Nevertheless, as of December 3rd 2019 the nominal roll showed that the five Departments experienced a decrease in their overall vacancy rate as 4 of their 11 vacant posts was shown as filled. For the purpose of those present and to allow for the reading of answers or the announcement of no answers, I will go through with the question again. What has been the staffing status of the ODG and of each of its related departments over the past five years; example number of posts, number of active employees, number of vacancies in each year?

Mrs. Baker

The answer from the appendix: you can see that in 2016, 2017 the number of posts was 75, there were 68 persons in post and 7 vacancies; 2017/2018 number of posts was 77, posts filled 71, 6 vacancies; in 2018/2019 again 77 posts, 67 filled, 10 vacancies; 2019/2020 there were 77 posts, 72 filled, 6 vacancies; in 2020 and 2021 we had 78 posts, 71 filled and 7 vacancies. How does this compare with the existing totals and trends across the public service? From the table we see that Government of Montserrat in 2016/2017 had 996 posts and of that there were 98 vacancies; 2017/2018 965 posts, there were 60 vacancies; 2018/2019 1010 posts, 80 vacancies; 2019/2020 2021 posts, 76 vacancies; in 2020/2021 there were 1021 posts and about 89 vacancies.

Mr. Claude Hogan

I thank you for that. I didn't have the answers so I thank you for that.

Mr. Paul Lewis

We have heard a number of vacancies and a range from about 8 hundred and something, 9 hundred and something up to a thousand posts and we are seeing vacancies for 1000 posts, 80

plus vacancies. At a time like this when many are seeking employment 80 something vacancies seem rather alarming and I can't help but wonder what are the challenges. I know we touched on recruitment before and it seems to be some challenges recruiting and we also spoke about retention. If government is not in a position or moves too slowly in terms of retention we can find that you may have even more vacancies which is not a good trend, and I believe this is one area that must be addressed. The recruitment seems to be so slow that sometimes you wonder if it's even happening and I don't think at this time the public will appreciate having 80 something vacancies when persons out there, young persons are leaving school other persons are there seeking upward mobility etc. That is my input at this point. I don't know if anyone wishes to comment on that before I move on. If not, I'll now move on. In each case have any post been added or removed? If yes, please state how many? I believe that no answer was given for this. Apparently what was in the table is expected to be taken as the answer for these questions 13, 14 and 15. So now we will move on to the other issue and I'll give you a background as to what the issue is before I ask the question.

The ODG uses technical cooperation TC program to fill critical and hard to fill post but improvements are needed in the process for appointments and management of TC posts. As of March 31st 2019 the end of fiscal year 2018/2019 there were 47 approved TC employee posts but only 25 were filled. Subsequently as of December 2019 there were 42 approved TC employee posts of which 22 were filled. The high vacancy rate in approved TC employee posts has resulted in major underspending of the TC budget. Hence the overall underspending exceeded 900,000. In each of these three years 2016 to 2019 accumulated underspend amounted to over 6.6 million over these three years. Question, what is the current situation with the TC program? How many TC posts currently exist and how many TCs are currently employed by GoM?

In the meantime, let me make some comments on this. As you would have heard at one point you had 25 filled, you have 47 approved, only 25 TC posts filled, you had 42 approved and then only 22 filled and you have heard that you had 900,000 underspend because of the posts not being filled and I'm referring to posts for TCs so although there is a budget for the TCs and a number of approved posts, in one case 25 weren't filled and in the latter 22 weren't filled which resulted in underspend of 900,000. I'm mindful that the TC budget is rather ring-fenced and some persons may be tempted to even go as far as wondering why 900,000 was not used for other things such as subsidies and relief but might I say from my knowledge the TC budget is ring-fenced. However, I think that 900,000 as underspend and over three years 6.6 million

overspend I believe that this is unacceptable and that there is need for greater urgency in addressing this issue. So I'll ask question 16 once again. I think we have now found some answers. What is the current situation with the TC program?

Mrs. Baker

The answer, the budget approved by the Legislative Assembly for the TC program in 2022/23 is \$7 million.

Mr. Paul Lewis

How many TC posts currently exist and how many TCs are currently employed by GoM?

Mrs. Baker

Answer, there are 30 funded positions and 23 TC funded employees are currently in post.

Mr. Paul Lewis

I wish to make a comment on this again and then I'm going to give way to Honourable Dorsette to make a comment on it. It's very interesting and one would want to consider cost of living for all civil servants as you heard that being expressed by Members of the Opposition in the House and it's quite interesting to learn the possibility of perhaps some TCs are getting cost of living allowance. My question would be, why is it that any TC may be receiving a cost of living allowance and why is it that the rest of the public service is not receiving a cost of living allowance. My next question would be how was this allowance approved if there is no sitting of the committee, or whether or not this allowance was indeed approved by the Central Allowance Committee. Of course that seems to be a grey area there in terms of whether, as I said the Honourable Deputy Governor is not here so we cannot ask her that question and get an answer. That is the reason that when you're here we could seek clarification. In this case I raise my concern and I guess the public will make of it whatever they wish until such time that somebody provide some clarification. Honourable Dorsette.

Mrs. Veronica Hector

Thank you Mr. Chair. Just for clarity for our listeners TC refers to technical cooperation program. This was created back in 2012 to fill gaps in our local skills in conjunction with DFID and the Government of Montserrat. We have heard of the underspend within the TC budget we would have liked to have been able to speak more on that and for clarification or challenges that the ODG Office maybe experiencing. However, we are not able to do so at this time and I

will still put on record that the PAC needs to have that information. The objective of the TC program in spending public money it is critical that the public knows whether it is fulfilling those mandate and I would have liked to have asked some questions to garner that information and whether there is particularly the transference of skills again which was the basis for creating this program and we must be mindful that at the end of the financial year when we have an underspend the money yes is ring-fenced but it is part of our recurrent budget whether we need to relook this area, make adjustments and therefore it is unfortunate that the information is not here today but again I'm putting on record we wish to have that information. We've already heard of the disparity in salaries and to build awareness within the community and within the services reasons for why this money is underspent. It is government's money and we have to ensure that it is value. So I'm very concerned about this area and that we are not able to inquire more and to bring some clarity on this particular program. Again I want to emphasize we are not here to criticize a policy or to examine it because we must ensure that we carry out our constitutional mandate for accountability. That again is a critical element of good governance principles and we are not able to do this today and at this point we are depriving the taxpayers both in the UK and Montserrat because Montserrat taxpayers do pay taxes. The budget is combined from both UK and Montserrat's contribution and our inquiry is also to inform the public how their moneys are being spent and they can give us feedback as well so that we can improve or if we consider that this is value for money to retain the program or if we consider it may need a little refining. A little addition here and there, these are the questions that we cannot answer today. I find it very deficient in what we are called to do but be that as it may I want to make those brief comments as at the end there will be a written report and I'm here to inquire.

Mr. Paul Lewis

I may give further comment on the skills transfer. In order for the skills transfer to take place one of the original agreements or understanding was that there would be assigning of persons to understudy the TCs. That's one of the follow up questions I would have liked to ask as to how many of those TCs that are in post have persons assigned to understudy them. I cannot give an answer because I do not know how much and as I said it was not given in this answer and there is no one here for that follow up question. So again the public is left without these critical answers which is rather unfortunate.

Mrs. Veronica Hector

Mr. Chair not to impose on Honourable Hogan's comment time. I also wish to bring to attention that the auditor's report highlighted that the TC program approval process exists, but it was not followed. That again needs to be answered. We need answers as to why a policy that has been established is not followed. We are not here and I want to emphasize that, to criticize but we must know why it is not followed and what is its impact on the policy and again policy takes us back to money. Whenever we implement a policy, public funds are spent and there must be accountability throughout the entire process.

Mr. Paul Lewis

Honourable Hogan do you wish to comment on this issue with TCs?

Mr. Claude Hogan

Yes Mr. Chairman. I am looking at the numbers and it is very unfortunate that we have a rather internalized view of this fund from a certain perspective. What I would like to add is that the TC program is really one of the most important programs underpinning governance in Montserrat. It is just as important as the accounting oversight process we are undertaking right now. I know we are not here to assess policy so therefore I am going to stick to the fact that the amount of money that this TC program brings into Montserrat. The amount of homes rented, cars rented, the amount of consumption increase which puts money into the Treasury, people of Montserrat, public servants of Montserrat are also getting their money's worth out of this investment in Montserrat. It's the last ring-fenced amount of money that FCDO has left that Montserrat is able to tap into. I hope we are not able to cancel it. It is available to countries all over the world, it's nothing special that Montserrat is getting it. What is special is we have a deficit in capacity, we just don't have the number of people trained and we need to get the people on board because it affects output and the service to the public of Montserrat and the service to the system of Government of Montserrat. It brings money into Montserrat if you don't have a global system working. We can't just be working for working sake, we have to be working because we have ambition and we have to understand the consequence of not filling these posts and we also understand that we should have even more TC posts. It's not just about public servants I should say or coming up on par with TCs but if you don't incentivize these people properly to come here we are going to end up with the bottom drop out the bucket basically, because this is what the situation is. In addition to the risk of not having them we risk to our own jobs, if we don't have the support and that we must incentivize them to be here. In addition to that risk we are also benefitting in the economy from that money coming in. It's

like a set of tourists like we used to have in Olveston and Woodlands and Isles Bay which we call our expats tourist that spend seasons on Montserrat and we have had a very good replacement of this I think in the TC program so we should applaud it, we should treat it better, we should give them what they want, incentivize them to stay yes but we should be accountable by ensuring that these posts are filled in a timely manner. Look at the amount of salaries which would have been spent in Montserrat and the amount of consumption if we are not recruiting the 47 or 42 approved TC employee posts and we only fill 22, if you add up that amount of money that could be spent in Montserrat. Montserrat has a wonderful lifeline working here and we shouldn't compare it with our public service which is helping to bolster it. I know I have public servants who prefer me to be more pro public service but in the balance it is better for us to have more of these TCs employed and focus on getting our people. I agree with you Mr. Chairman getting our own people up to standard getting them qualified to be the accountants and the social workers and to have proper qualifications from the United Kingdom and elsewhere because this is where the world is going. The only thing that would rescue Montserrat is education. We have to hire TCs to show us we need to do this training, education and development and for us right now it's a lifesaver. This is my comment on this.

Mr. Paul Lewis

I'll finish my comment by saying in terms of the civil servants if they are to be able to gain the experience and the knowledge you'll need to have that skills transfer, knowledge transfer, you will need to have persons assigned to understudy these TCs. We have to be mindful however that the TCs have their own inducement packages and so forth but whenever you see that any TC may be receiving a cost of living allowance it's natural that the rest of the civil service would want to have a cost of living allowance as well because we know what the situation is in terms of the time of day with inflation. I'll move on to the next issue and the next question and that would be from Honourable Dorsette.

Mrs. Veronica Hector

The issue, the cost of the Government of Montserrat's pension to public servants is rapidly increasing. A recurring issue of pension related payment responsibilities has been highlighted in the strategic objectives in the Office of the Deputy Governor as these have continued to increase over the years. In the most recent quarterly report for fiscal year 2019/2020 it was stated that the payment of pensions increased significantly over the reported period. At the moment pensions paid, as well as, gratuities paid for early exit from the public service continue

on average to exceed 1 million per month. The questions that follow: what is the status of the government's pension scheme for public servants?

Mrs. Baker

The answer provided, the government's pension scheme for public servants is governed by the provisions of the Pension Act Cap. 6.07 and regulations made thereunder. The Legislators Conditions of Pensions Act Cap 1.05 and the Police Act Cap 10.01. A budget of \$14,059,900 was authorized by the Legislative Assembly for expenditure on pensions and gratuities in the financial year 2022/2023.

Mrs. Veronica Hector

What is the number of pensioners in this scheme?

Mrs. Baker

There are currently 489 pensioners on the pensions payroll.

Mrs. Veronica Hector

And how has it changed over the past five years?

Mrs. Baker

The answer as provided in a table, from 2017 in terms of civil pensions the number moved from 397 up to 439 in 2021. Legislative pensions in 2017 there were 14 and in 2021 there is 10. Police pensions the number moved from 38 in 2017 up to 40 in 2021 and overall there was a movement from 449 in 2017 to 489 in 2021.

Mr. Claude Hogan

I think I'm No. 20. Has the government's pension scheme been amended or curtailed in any way in the past 10 years?

Mrs. Baker

The answer, no amendments has been made to pensions computed under the Pensions Act and the Police Act, since the decision was taken and legislation passed to reduce the computation factor from 1/600 to 1/1200 of average pensionable emoluments in 2011. However, the average pensionable emoluments used for computing pensions and gratuities paid under the Legislators Conditions of Service Act were increased by an amendment to the principle Act in 2017,

thereby increasing Government of Montserrat pension liabilities in respect of legislative pensions and gratuities.

Mr. Claude Hogan

I don't know how Legislators are under an Act different. We are talking about the government public service pension. I find these kind of comments rather lacy. We are comparing TCs to regular public servants and we are going to compare Legislators to regular public servants' pensions. We have to be careful what we are doing. We have to run Montserrat by rules and regulations and respect the different boundaries. I can't see how Legislators are being highlighted. It's like we are at an impasse with the Executive when we are supposed to be controlling the Executive and giving proper advice and direction and voice and transparency as we are doing now so that they can lean on that and do their work better and we are getting all this firefight with comparing Legislators. I don't even want to respond to that because if I have to tell you. Legislators when they are finished, nobody, no sibling in your family, nobody gets to inherit anything when your days done as a legislator and so that is why it is in a different system altogether. In fact, we have had a recent study that says that the underpayment of Legislators in Montserrat, the lack of facilities for Legislators in Montserrat is what is giving rise to this lack of accountability and the appearance of so called corruption in Montserrat because we are not in a position to even hire staff like the Executive people who have scores of staff paid for by public funds. They don't want to report on that. We have no staff and they still want to make some fuss about the fact that we take our salaries to even do this kind of research. We can't respond to lawyers on the government side because the Legislature doesn't have a lawyer and the AG will be in a conflict of interest to be answering our questions when we have a different opinion as Opposition to the government. Please let us try to respect the boundaries of Executive, Legislature and let public servants be public servants and be instructed and do the work of government and let the government listen to us if they wish. You can answer what questions you want to answer, how you want to answer, but it is not prudent to be crossing the lines with public service and Legislatures and Executive and Senior Public Servants should know better than this, know very well better. There are things that of course we understand, that a hearing like this is in public and of course, we understand naturally if the Executive have certain issues under some kind of inquiry or investigation or going to court or whatever. We know how to handle information we collect and therefore I cannot understand why we keep having Members, Assistant Members of the Executive, per say, sending us answers that are laced with undermining the Legislature. Montserrat needs to stay together. The only how we

going to stay together is to respect the boundaries. The Executive respect the Legislature and the Legislature respect the Executive and the public servants and the public servants be public servants and answer questions properly. Maybe it comes down to training again but this hearing in public we are doing it to the best of our ability, and I'm sorry that some of this has to creep into it. It's really very, very sad for Montserrat. Now one more question. Are there any plans or proposals to amend or to curtail in any way, the government's pension scheme in the coming years? Mark you I did not say Legislature so don't read that part again. Read the part on the government pension scheme.

Mrs. Baker

The answer, this is a matter of government policy choices and intended policy direction and the answer should be sought directly from elected Ministers.

Mr. Paul Lewis

Thank you Honourable Hogan. I think that answer is saying that the department responsible for pension have no idea or no proposal to put forward to the government elected officials and perhaps expect the government officials to carry out the work of policy direction without any guidance technical guidance from the department that is assigned and responsible for the pensions. That may it be. I'll move on to the next question and that is what is the projected numbers of pensioners over the next 10 years; (1) new pensioners; (2) total pensioners?

Mrs. Baker

No answer was provided.

Mr. Paul Lewis

What are the current annual cash flows to the government for this scheme?

Mrs. Baker

The answer, in financial year 2021/2022 the amount spent on all pensions and gratuities was \$13,477,557.61.

Mr. Paul Lewis

Next question, 23, Honourable Dorsette.

Mrs. Veronica Hector

Just before we move on Mr. Chair respectfully, I am very concerned about the answer given for question No. 21 coming from a department that is responsible for pensions. On the surface it seems unacceptable. It would have been helpful before coming to that conclusion to hear from the personnel responsible perhaps what are the challenges they face in order to forecast these. We are here to improve government and I want to reinforce that. It is not to criticize but to improve and so for me this question still needs to be answered and I want that on the record. I am also aware that many persons have long waits to receive their pensions. If that is an issue that is something that the PAC will need to know in order to make recommendations to the Government of Montserrat. So again I want to place it on record that the question needs to be answered. Thank you. We will now move on to the next question. In 2011 the Government of Montserrat had a pension reform which significantly reduced the value of the average pensionable emoluments of civil servants. The changes are shown below. The average pensionable emoluments for services completed before 1st June 2011 will be paid at 1/600. The average pensionable emoluments for services completed after 1st June 2011 will be paid at 1/1200. Maximum annual pension will be 85 times APA that is social security benefits times weeks of social security contribution from public service, total weeks of social security contributions. Persons can no longer take early retirement after 20 years of service unless the 20 years of service was achieved on or before the 2011 implementation of the Pension Act. Persons who did not achieve the 20 years prior to 2011 can only take early retirement based on the amount of years of service put in or age attained. This is determined by the birth year. Given these significant changes and the constant increase in the cost of living any further reduction of pension benefits will have serious implications for civil servants. Will government therefore consider putting new entrants on a contractual basis to reduce the amount of payouts of benefits in the future, similar to what was done to new entrants at the office of the Auditor General after the constitution was implemented?

Mrs. Baker

No answer provided.

Mr. Paul Lewis

We'll move on to Honourable Hogan, next question.

Mr. Claude Hogan

Which question am I on Mr. Chairman? Is that consular services 24, 25?

Mr. Paul Lewis

Yes-Honourable Hogan.

Mr. Claude Hogan

Yes, I have it before me now, consular and other services. First of all I want to start off by saying I don't know what is going on with the lack of cooperation with Governor's Office and I want to underscore again that we are not investigating the functions of the Governor's Office which includes the ODG. ODG is a delegated office from the Governor. The Governor has control over it. What we are doing in an inquiry into the services that fall from the functions that are assigned under the Governor. There are many legal avenues to that and the most important one is that the PAC can get to those functions for accountability for the purposes of the services under them by following the money that was approved for the running of those services under the Governor's Office. Maybe we should speak more of Governor's Office and maybe we have less problems because I'm not seeing any answers to the questions for consular and other services. I'll read the questions and tell you why it's important the public have this information and that we get an idea, how we accounting for the funds that run the services of the functions of the Governor. The question here: What was the number of applicants in each category of the services to the public, talking about new passports, permanent residence, economic residence, citizenship during the past five years? There is a reason for that. Obviously the persons who access these services are first hand accountability of how these processes work or are not working and why not. We are supposed to be able to make recommendations for the improvement of the services and if we do not have these kind of transparency it could lead to corruption. I didn't want to say these things but this is why you have a PAC and this is why you conform to the PAC when you're looking in to services that are implemented using public moneys. It's simple maths; it's always every accounting officer in the Government of Montserrat once you're using funds approved under and at collar budget of public funds have to account how these funds are going and we have to take account of the services that are delivered to the public as a result of those services. So they need to know about their passports, their permanent residence, their economic residence, their citizenship and they need to know what is the program for that, just as we had for the turnaround from recruitment and so on. It is public information. I imagine there is no answer for that so I yield to you Mr. Chair for the next question.

Mr. Paul Lewis

Question, for each service how many applications were approved, rejected and/or in process during each of the past five years?

Mrs. Baker

No answer was provided.

Mr. Paul Lewis

This question is a very simple question. It's an a, b, c question and having an idea as to how many applications were approved, the approval they are linked to, payments which are considered revenues into government coffers, public funds and if the answers are not provided to the PAC it is showing a lack of transparency. A PAC cannot speak to funds that it doesn't know about. So to be withholding this kind of information from the PAC I think is gross disrespect and I think lack of transparency. I will repeat it, gross disrespect and a lack of transparency. Why would you be hiding information on public funds? It's not your funds and it's a simple question. How many applications were approved? How many? Simple a, b, c. You could ask that to anybody in kindergarten. How many applications were approved, I can't see what is so difficult with providing such because this is linked to payments which is linked to revenue. Next question, Honourable Dorsette.

Mrs. Veronica Hector

For each of the ODG's services to the public during each of the past five years (a) what was the minimum taken from application to outcome, whether it be approval or rejection?

Mrs. Baker

No answer was provided.

Mrs. Veronica Hector

What was the maximum time taken from application to outcome?

Mrs. Baker

No answer was provided.

Mrs. Veronica Hector

What was the average time taken from application to outcome?

Mrs. Baker

No answer was provided.

Mr. Claude Hogan

What changes has the ODG made in its uses of technology in providing any of these services?

Mrs. Baker

No answer was provided.

Mr. Claude Hogan

I have to rely that maybe you have answers sometimes, I not seeing the answers but I notice this whole question of the function is coming up as an excuse for not providing data on the services that underpin that function. This is what we looking at. We not looking at reviewing passports and permanent residence or even the British Nationality Act. We are looking at the services to the public for which the government's budget for staff to do its work. I am at a loss Mr. Chairman at two things that happened today; the lack of appearance to get first class oral evidence and the fact that okay I can accept that people can choose to answer which questions they wish to answer and we can deal with it how we wish. So I'll leave it alone. Back to you Mr. Chair.

Mr. Paul Lewis

Thank you. Next question. What more could be done to reduce cycle times for each service, bearing in mind that we are serving the public. They are paying their money and the hallmark of the public service is that we should be aiming for great efficiency.

Mrs. Baker

No answer was provided.

Mr. Paul Lewis

I take it efficiency is not important to some people.

Mrs. Veronica Hector

I will turn back on this particular question to the auditor's report where one of its recommendations was strengthening the department's record keeping and reporting capabilities. These questions are questions that you would obtain from record keeping and therefore Mr. Chair again this inquiry is going to be deficient in looking at what services are

offered, the cost of offering those services and whether we can improve in order to get value for money. There is also a recommendation for digitization of all records which would help in procuring the information that the PAC may need or for any other project that one may wish to develop and so Mr. Chair I just wish for it to be entered into the record that again this PAC is deprived of important information in order for it to make recommendations to the government, and also for the people of Montserrat to understand, and UK taxpayers and Montserrat taxpayers what is happening with the moneys that are given to a department to carry out a particular process and whether this money is well spent. Thank you Mr. Chair.

Mr. Paul Lewis

Thank you Honourable Dorsette. While you are at it you may keep the floor for the next question.

Mrs. Veronica Hector

From the auditor's report another concern. In recent years independent consultancies procured by the office of the Deputy Governor at the request of DFID have concluded that at least 80% of public buildings require significant upgrades to meet standards and users' needs. There is also a clear understanding of the offices and other assets needed across the Government of Montserrat. Significant investment estimated at EC\$8 million per year over three years is needed to eradicate the backlog of building maintenance and upgrades required. The ODG has a central oversight of the maintenance of the Government of Montserrat building. The question is, at present which properties are included in this portfolio?

Mrs. Baker

The answer provided, the properties which are included in the ODG's portfolio are as follows: Her Majesty's Prison, Government Headquarters and the Disaster Management And Coordination Agency.

Mrs. Veronica Hector

Which ones are not included in the ODG's portfolio of responsibilities?

Mrs. Baker

Answer, every other government building not included in the response at 1 (a) above.

Mr. Paul Lewis

Honourable Hogan are you there? Next question you may proceed.

Mr. Claude Hogan

Yes, I'm here. Mr. Chair I think we are moving to another area now of maintenance. You want to do any intro or just go ahead. If there are no answers provided, can we skip through and go to public works when we get there on maintenance which is the next one coming up anyway.

Mr. Paul Lewis

We do have some answers for some of these questions.

Mr. Claude Hogan

Which one am I on?

Mr. Paul Lewis

That's question 31 and that's my take. How many properties is government renting as tenants?

Mrs. Baker

The office of the Deputy Governor holds a budget to pay rentals for office space to house the following seven departments or ministries: office of the Deputy Governor Headquarters, Attorney General's Chambers, Office of the DPP, Ministry of Education Headquarters, Ministry of Health Headquarters, Social Services Department and the Treasury Department.

Mr. Paul Lewis

What was the total annual cost to the Government of Montserrat of these rented premises for each of the past five years?

Mrs. Baker

The answer, over the past five financial years the ODG's expenditure on rental of assets was as follows: in 2016 \$384,974.40; in 2017 it was \$397,246.80; in 2018 \$385,286.80; 2019 \$559,596.80; in 2020 \$523,296.80; in 2021 \$553,296.80

Mrs. Veronica Hector

Thank you Mr. Chair. What were the main issues related to maintenance at the government's old properties or offices?

Mrs. Baker

No answer was provided.

Mrs. Veronica Hector

Have there been any issues with maintenance with the Government of Montserrat or any of its departments?

Mr. Paul Lewis

Sorry I must say that the last question for you was 32.

Mrs. Veronica Hector

Thank you Mr. Chair.

Mr. Paul Lewis

That brings us to the end of the questions posed to the Deputy Governor. We shall move on to questions posed to the Director of Public Works. The Director of Public Works Mr. Rawlston Patterson is here in person. The PAC calls Mr. Rawlston Patterson. Honourable Hogan you may prepare yourself in the meantime to state the issue and then to ask the first question. You can start at this point in time.

Mr. Claude Hogan

Good day Mr. Patterson. Thank you for being a good and humble public servant. I have been getting a lot of emails here about why people are not appearing. Stuff about either customary law or is it constitution but I'll not go into that. Thank you for being here. The Government of Montserrat has identified that improved work places are urgently needed to support or is needed in delivering better services to the public, but without funds support, obviously the progress has been made. In recent years, independent consultancies procured by the Office of the Deputy Governor, at the request of the now FCDO have concluded that at least 80% of public buildings submitted, required upgrades to meet standards and users' needs. There is also a clear understanding of the offices and other assets there that cost the Government of Montserrat. Significant investment, estimated at around 8 million per year over 3 years is needed, we are told, to eradicate the backlog of building maintenance and upgrades required. Additionally the auditors found that the assessed needs for new work on facilities are estimated at somewhere near 53 million over the next ten years. Funding has been repeatedly requested from the FCDO for this purpose but has not been approved and not forthcoming. Since early March 2020, the Covid 19 pandemic has made the need for these repairs and upgrades much more urgent both

for employees safety and for the new mandates of public health in serving our Montserrat public. In order to understand what is going on and the condition of the assets, we understand the government engaged Alpha Consultancy in 2018. You may have heard something about that. There was a strategy for the maintenance of buildings, there was a plan for implementation, there was a study that led to recommendation of the urgent repairs to get going. Seems the plan is very clear and the estimate of 53 million is clear and on target to eradicate this backlog of maintenance. Although a request of 8 million per year was made so that work can proceed in stages we understand there has not been any progress on these matters. The Government of Montserrat is in a bind. Director of public works are you aware of the office of the Deputy Governor's prioritized list on behalf of Government of Montserrat of required repairs and maintenance.

Mr. Patterson

As the Director of Public Works, I am aware of the prioritized list required repairs and maintenance. These are outlined in the Alpha Report as we referenced to in 2018, and the Government of Montserrat accommodation strategy dated August 2021. This was also presented to Cabinet. It was also presented to the CIPREG Steering Committee and also at the 2021 Financial Aid Mission FAM. Several initiatives have been developed over the years to address the state of maintenance. These include the 2014 Infrastructure Sectoral Review Report, the 2016 Government of Montserrat Building Backlog Maintenance Project Business Case and the 2018 Building Maintenance and Accommodation Strategy as presented by Alpha or reported by Alpha, also in 2018. As part of that report, we had the corrective and preventative maintenance plan and cost and again in 2021 the Public Works Department Strategic Management Plan. Thank you.

Mr. Claude Hogan

I was looking at your reply as you spoke. I will yield to the next question. Thank you very much for that rather comprehensive and professional answer. You're a model public servant and I wish everybody would see their duty to report to the people of Montserrat. Thank you.

Mr. Patterson

Thank you.

Mr. Paul Lewis

Director of Public Works, what are the conditions of the buildings and premises within the Government of Montserrat's backlog maintenance report; (b) what date was the backlog maintenance report completed?

Mr. Patterson

Thank you sir. The Alpha Report presented in detail the conditions of the government buildings and they use a standard index called the facility condition index referred to as the FCI and this is used to rate the building condition or the condition of the buildings based on the ongoing deterioration cost, to remedy the deficiency versus the replacement costs. According to the report, the education facilities recorded an overall index of 25% indicating there is a need for significant major repairs and upgrades to these buildings. Some building needs structural retrofitting and require significant financial intervention. There are needs to repair to roof, repairs to the bathrooms, refurbishment of classrooms, painting etc. The Government Ministries and Departments recorded a 21% index rating. Buildings such as the Registry and the Court, the Cultural Center requiring urgent major repairs and these do bring some issues with health and safety as well. There is need to repair leaks, repair to roofs, hurricane shutters, change of windows, repairs to bathroom and tiling etc. The health facilities as well has an overall index of 11% which is an indication of some repairs and there is some little to no structural deterioration but a lot of attention is required for the routine maintenance. The national security facilities has a rating of 13%, indicating a need for some major repair works, for example to do the Montserrat Fire Stations because there is more than one fire station and the HMR Prison to include replacing items such as the perimeter fence and ramps and to answer your question the Alpha Report was completed in 2018. Thank you.

Mr. Paul Lewis

Thank you Director of Public Works. Thank you for your comprehensive answers. I have no further questions for you where that is concerned. I would like to commend you for doing your national duty and assisting the PAC in this inquiry by providing in person these comprehensive answers and as I said they are so comprehensive that for once I don't have a follow up question. Move on to Honourable Veronica Dorsette.

Mrs. Veronica Hector

Thank you for attending Director Patterson. Can you help us with this question? In your view what are the top 10 items of buildings repairs and maintenance that need urgent attention?

Mr. Patterson

Thank you Honourable. In tandem with the Alpha Report and from my own general observation the top 10 items of building repairs and maintenance that need urgent attention are the Montserrat Secondary School and there is need for structural retrofit, roof repairs, drainage, retaining walls and bathroom repairs. No. 2 is the Brades Nursery school there is a needs for roof repairs. No. 3 there is the Brades primary school which also have issues with roof and drainage as well. No. 4 the Salem Primary School there is issues with the roof, the flooring, bathroom, windows, kitchen, need for overall repainting and total refurbishment. No. 5 the Montserrat Community College classroom repairs and drainage etc. No. 6 Cudjoe Head Health Center requirement for internal repairs and roof repairs, Salem Health Center as well internal and roof repairs; St. Johns Health Center internal repairs and drainage repairs. No. 9 we have the St. Johns Mentally Challenged Warden Assisted Units internal needs for repairs, roof and drainage repair etc. and No. 10 on the list we do have the Court and Registry building internals, having to deal with water infiltration, roof repairs etc. I know the question asked about the top 10 but might I say the Montserrat Cultural Center is in dire need of refurbishment as well. Thank you.

Mrs. Veronica Hector

Given that the Alpha Report, and correct me if I've got the date wrong, you said was 2018 and the high cost of materials since 2018, in your professional judgement what would be the estimated cost of these top 10?

Mr. Patterson

Thank you Honourable. In my professional judgement and hinging on the Alpha Report these top 10 items in 2018 had an estimated cost of around EC\$9.6 million. Taking into account the current inflation rates, the high cost of materials even over the last few months where we have seen escalated price I am estimating these top 10 to be now around about EC\$15 million. Thank you.

Mrs. Veronica Hector

I don't wish to be unfair to you either Director but what I note is that our schools fall into this bracket, our health centers fall into this bracket would it be correct to say that health and safety issues may arise due to the inadequacy of our ability to conduct the much needed repairs and maintenance work?

Mr. Patterson

Honourable as you mentioned, and as you rightly said it may arise and so yes, it may rise.

Mrs. Veronica Hector

Much concern. Someone may have other questions but I would like for you to clarify the difference in your role with respect to maintenance and budget and the ODG's role in respect to maintenance and budget for this inquiry?

Mr. Patterson

As the Director of Public Works I am to provide technical input in overseeing maintenance for Government of Montserrat and we do work in tandem with the ODG's Office in this instance.

Mrs. Veronica Hector

Who handles the budget?

Mr. Patterson

With regard to budget I am not equipped to answer that question. Thank you.

Mrs. Veronica Hector

Thank you Director.

Mr. Paul Lewis

I would like to ask a question there because you mentioned the fire station I just want to verify or clarify if either the police station that's Police Headquarters or the fire station and that is next to the Police Headquarters in Brades, if they are included in the top 10? If they are not can you tell, why they fell out of the top 10? In other words, I do not know what your reasoning was or the reasons of the committee in determining what's the top 10?

Mr. Patterson

Thank you Honourable for your question and so the question asked for the top 10, in our own professional response for this question and in assessing the report, assessing what is required in government's own mandate education and health requires priority and having ranked them in that sense you will find the education institution buildings responsible for education and health take the top 10 positions. With reference to the fire station you referring to the one in Brades but also there is the fire station at the airport as well. Thank you.

Mr. Paul Lewis

If I could follow up a question then you probably have a good memory. You seem to be a pretty bright director, so I'll take the chance to ask if you could remember or recall whether or not the fire and the police station, both fire stations at the airport and Brades Headquarters and the police station if they in anyway fall within the top 20 at least. There have been some concern by the occupants of these buildings over the years so I just want to get some clarity on that.

Mr. Patterson

Yes, they do fall in the top 20 items.

Mr. Paul Lewis

Honourable Hogan if you wish to comment on this one you can, if not the next question is yours.

Mr. Claude Hogan

If the next question is mine we are moving into a different section now aren't we? I don't think the next question is mine.

Mr. Paul Lewis

Yes 40. The question read in using your professional judgement what would be the estimated cost of these top 10 items? Can we take it as being asked by you?

Mr. Claude Hogan

We just finished that and we said we were not going to ask it again.

Mr. Paul Lewis

Honourable Dorsette took your turn so that means we are finished with the Director Of Public Works. Once again I would like to thank the Director for appearing before the PAC and providing his comprehensive, technical answers. Thank you once again. You can step down.

Mr. Patterson

Thank you Mr. Chair.

Mr. Paul Lewis

The next question is actually a question to the FCDO and that question had to do with the GRID which was shown on the DFID website as a failed program. In your opinion what was the reason for the failure of the GRID? We have a written answer.

Mrs. Baker

The governance reform and institutional development or GRID program aimed to increase the capability, accountability and responsiveness of public sector institutions in Montserrat, creating a more conducive context for the growth of the private sector to drive economic growth. The program was closed down earlier, to enable us to reset the focus and identify areas for reform jointly agreed as being important and strategic for the country. A number of reforms for 2022 to 2023 have jointly and collaboratively been agreed between Government of Montserrat and the UK Government.

Mr. Paul Lewis

That's an answer read, an answer that was submitted by a representative of the FCDO. For persons, the background as you heard the GRID is the governance reform and institutional development program. This program was funded by DFID then, who is now FCDO of course, to the tune of 3.5 million pounds, approximately EC\$10 million. The project was to start in 2018 ending in 2022 then a revised start date 2019 to end in 2023. This project was reviewed as per annual reviews. In year 2020 this project had an overall output score of C which is a failure score; risk rating major. This project as I said fall under the office of the Deputy Governor and there is some challenges that was provided or had. (1) the public financial management PSR to support local led reforms have made good progress as indicated in 2002 fiduciary risk assessment. However, weaknesses remain substantial across the PFM cycle and are reflected on both poor technical skills, institutional obstacles and the impact of the political economy of Montserrat. In management of human resources for the public sector there has again been some movement in beginning a program of locally led reform, originally supported by PSR II and led by the Governor. There has been some positive feedback on some initiatives such as the Empowering Excellence Program. However, there have been challenges with public service reform due to the problems with public sector productivity, recruitment and retention, performance management and strategic direction. Unfortunately, this program that was funded to the tune of EC\$10 million the expenditure for that program was just over EC\$900,000 which mean that there were some 9 million plus that was not spent. So at the closing date of this project the GRID you could say that Montserrat would have lost over \$9 million that was

budgeted for its GRID program governance and services within the public service as the persons responsible for managing this GRID was only able to spend less than 10% of the moneys assigned for this program. Do you wish to comment Honourable Hogan?

Mr. Claude Hogan

Well just like my comment on the TC program I think this is where we should put our emphasis in relation to any development of public servants in a GRID program specific for the needs of Montserrat. I do not think there should be any correlation with TCs and Legislatures and public servants. Three different legal systems we are dealing with and we have to be careful that we don't appear to be witch-hunting the TCs because our own program the GRID appears to have fallen on the shallow ground and nothing has grown. That program was surrendered very neatly like the ferry but I shall not get political. Certainly, if the public servants want a program that is focused on public service development, reorientation, upgrading, and modernizing the approach it's a GRID and I understand that the FCDO representative, that they have agreed on some targeted areas as opposed to a generalized program. It seems to me that the implementation of the GRID was always going to falter by virtue of the capacity issues and obviously the revelations of this PAC. In relation to where the GRID was going to be, if this is anything to go by we are probably crying now over spilt milk but I will encourage the government to try to go at it again. Our public servants need something to aspire to, to encourage them, to incentivize them like TCs and politicians if you want to put us in that bracket but we should not try to cross the boundaries and go witch-hunting at each other. It's in the best interest of Montserrat for us to have the best public service possible. There was a time when we were doing the constitution back in 2010 when we envisaged that the public service led by a DG would have by now, a college of some sort that was under the DG, then it was Sarita Francis. She was pursuing the Cayman model because you keep needing to regenerate, reeducate and reorient public service as we modernize as things change around the world and there is no institution that can keep up with a GRID in Montserrat. No disrespect to the ODG or anybody else but there needs to be created something holistic or comprehensive like the college you have in Caymans. You have the BVI, you have in the other Overseas Territories and in the OECS countries, our counterpart countries, we have these integrated systems that cut from universities into government and provide these bridges into improvement in the public service in a systematic way. Not some ad hoc departmental little program within a GRID. Yes, lots of money was announced but I believe the Sarita Francis model is still the same model we should encourage them to go back to. The targeted approach might have

allowed the government to spend some of the moneys that were made available once the GRID had closed but it only goes to show that targeted mean that they recognize, you have to read the system, they recognize that we have capacity constraints and let's not go in small and ask for a big amount of money that we cannot spend. If we go in big we have to go in with an institutional arrangement, like a college within the college, or something that could discharge the services we need. Giving one department all this money and it's a fait accompli it was going to fail.

Mr. Paul Lewis

Thank you. Honourable Dorsette.

Mrs. Veronica Hector

Mr. Chair again you have already highlighted the enormous loss to Montserrat with the withdrawal or the failure of this program which fell under the office of the Deputy Governor and when we look at its aims they were two pronged. One was developing the capability, accountability and the responsiveness of the public sector institutions in Montserrat and the second prong that would have created a more conducive context for the growth of the private sector to drive economic growth. We are also told that although the program has been closed that areas have been identified for reform jointly. Regrettably we are not able to have that information today to help in the assessment with the change of direction and the loss of these moneys. Again these are public moneys and we would want to be able to account for them as to why. You have highlighted some of those reasons and the PAC note this and very concerned, very concerned and it would have really helped to have some more information as to the way forward in order to give a balance recommendation regarding this subject.

Mr. Paul Lewis

Move on to the next question. This brings us to the end of the questions to the Honourable DG and we'll move on to the questions to the Chair of the Public Service Commission. We have written submissions. What is your understanding of the role of the Public Service Commission?

Mrs. Baker

The answer in response to this question, the functions and operations of the Public Service Commission are set out in section 83 of the constitution of Montserrat. The Public Service Commission shall have such advisory functions in relation to the appointment, discipline and

removal of public officers and such oversight and other functions in relation to the public service as maybe prescribed.

Mrs. Veronica Hector

How many times have the Deputy Governor overruled or not accepted the recommendations of the Public Service Commission?

Mrs. Baker

This is the answer, in this matter I would draw the Public Accounts Committee attention to the provision in section 4 of the Public Service Act Cap. 1.06 which states except with the consent of the Governor signified in writing no person shall in any legal proceedings produce or be permitted to give secondary evidence as to the contents or nature of any letter, statement, report or other document or any oral information addressed may or given to the commission by or on behalf of any government department for the purpose of enabling the commission to discharge any of their duties under this Act or by the commission to the Governor the head of any government department in relation to any matter concerning or arising out of the duties of the commission. Although I am aware that the Public Accounts Committee is a standing committee of the Assembly and is empowered under the constitution as Chair of the Public Service Commission I would respectfully request that the Public Accounts Committee be guided by the provisions in section 4 of the Public Service Act.

Mrs. Veronica Hector

Thank you Mr. Chair. We will reserve a written response in our recommendations for that. This Public Accounts Committee is a constitutional committee and one is acting on a legislation and therefore when there is a conflict between both one has to decide which one will take precedence over the other. I will say no more on that matter.

Mr. Paul Lewis

Hogan you would like to say something?

Mr. Claude Hogan

Yea, I got reset a while ago. We are on the PSC questions; an answer was read right?

Mr. Paul Lewis

Yes, we're on the PSC questions.

Mr. Claude Hogan

And the answer was read, right?

Mr. Paul Lewis

Yes, it was read.

Mr. Claude Hogan

I've had a view on the answer. It certainly does underscore that there is no sense that this Public Accounts Committee probe is nothing but reasonably justifiable in a democratic society. I mean that answer says to me that yes, I can give you the answer, yes there have been whatever changes but I can only give it to you if I get the permission of the Governor. If sending the question to the officer was deemed to be enough to then consult up, or was it that we should have sent a letter separately? I'm not sure how that would work but it brings us to the answer that it is reasonable in a democratic society for these questions to be answered and the reason why there is this check is not because you see it says you have to ask the Governor means it cannot happen. It is a check on the situation at the moment in case there is something ongoing which is to prevent the Governor from saying yes it's okay to answer these questions because what we are doing is looking at the service delivery in relation to how that is affecting turnaround of recruitment. We are looking at when there is an overrule of the PSC, whether there is separate advice sought by the DG or whoever is making the appointment, and whether that advice is costing us more, or are there additional judicial reviews going to the court because the government is being taken to court because it is acting unreasonably in the appointment process. Obviously, some of these other questions arose as being timely with the audit report, because you hear cases like 4 persons applied for a job only one of them got appointed. Congratulations to that one of course, I'm happy, but I'm also happy to know that there is a sense of natural justice which is observed that the other three will get reasons why they are not appointed having gone through all of that process at cost to Government of Montserrat. Natural justice also requires them to have commands that they have the right of appeal to somewhere. Certainly maybe to the Governor or maybe a tribunal or I suspect not back to the Public Service Commission that just recommended them for the appointment but these are things that have to come out when we are being meritorious. There is no need for the dagger attitude. There is no stick at the PAC. If these systems are being followed and natural justice is being followed this is not a problem. We have a problem when there is no reason given as to why we can't get the data to make the proper assessment and this is a reasonable and democratic society. So we are

going to have to continue to do our job and to ask the questions that we need to ask and people are going to feel pressured including the highest office in the Executive whether it's the Premier's office which in my I thinking is the highest Executive office for the government and people of Montserrat. Certainly there is also the high office of the Governor's Office which deals with matters of State which you have a check on the system so that you can say how we can deal with the matter and matters of accountability.

Mr. Paul Lewis

Thank you Honourable Hogan but you may stay on the floor as the next question is to the Central Allowance Committee. We are starting with you. As a matter of fact, I think you're dealing with all the questions.

Mr. Claude Hogan

I've noticed that the question should be asked what is the structure and the role of the Central Allowance Committee? When does the Central Allowance Committee meet? How often has the Central Allowance Committee met in each of the past five years? How are persons chosen, appointed to the Central Allowance Committee? What are your terms and conditions of service? How does the Central Allowance Committee function, operates and please explain its processes and procedures? How does the Central Allowance Committee interact with or report to the Human Resource Management Unit in the office of the Deputy Governor, the Public Service Commission, ministries and departments and any other stakeholders and we know that there is a reason for this again. The reason is obviously our pay packages are all linked, so if you move any one pay package for any reason you create an imbalance with the rest of the senior staff and down the line in the public service. So it's important that a committee as essential as the Central Allowance Committee is functioning properly and that when we hear of any paid increases that we are very confident that it has gone through there. So how could we not have questions like these answered, like even the number of approvals to the Central Allowance Committee we didn't even ask for that, we just ask for the processes to check to see if we are doing what we are doing. I don't think there is an answer. Is there an answer for these questions, can somebody read them for me?

Mrs. Baker

No answers were provided.

Mr. Paul Lewis

My take on this is that—

Mr. Claude Hogan

Mr. Chair.

Mr. Paul Lewis

Go right ahead. My take on this Honourable Hogan is that perhaps this Central Allowance Committee has not been functioning for a while, which is unfortunate and pretty puzzling. The PAC has learnt that there have been allowances that were awarded to officers in the absence of the Central Allowance Committee meeting and considering such or making a decision on such. I think persons under the sound of our voice, be it here on Montserrat or elsewhere find this very much alarming. The fact that it was not considered appropriate to the authority to provide the answers, perhaps they are erring a bit on the side of callousness and not mindful of the serious implications of avoiding procedures and it is really alarming I'll say the least. I am aware that persons have received allowances. I'm confused as to how that's possible without going through the process of the Central Allowance Committee. I believe that whether or not some persons feel it fitting to come before the PAC, Her Excellency the Governor has a duty to inquire into why allowances are given without going through the Central Allowance Committee. I would hate to think that any Governor would wish to preside over a public service where such things are taking place and I do not believe that any Governor would wish to turn a blind eye or to be blindfolded. Therefore, I give the benefit of the doubt to Her Excellency that she will do what she needs to do since there are certain things that are not in the remit of the PAC but are in the remit of Her Excellency the Governor.

Mrs. Veronica Hector

Just to add, we have undertaken a thrust for good governance in Montserrat and our inability to deal adequately, or at all, with these questions Mr. Chair I submit is a violation of the good governance principles of accountability, transparency. In so doing, it undermines the integrity of the Central Allowance Committee, those who are responsible or who have allocated allowances. I cannot assume that the committee is not functioning and so even that would have been clarified had we received some answers or had someone come before the Public Accounts Committee to answer these questions. I wish to reiterate we are not here to criticize, we are not here to undermine but to build our good governance infrastructure. If we are putting these principles forward we must be seen to live by these principles, to abide by these principles so

that these principles are not flouted because again it will undermine the integrity of the civil service and the office of the Deputy Governor or the HR Department which is responsible for paying making these payments. I wish to place it on record again that the answers for these questions are necessary because this Committee in my view has the right to follow public money wherever the public money is used. Technically, you are part of the accountability system and this is not for theatre. This is serious business that we are undertaking and I am deeply saddened by what we are encountering today but as I said this is an inquiry it's not a point for recommendations as yet. I thank you Mr. Chair for allowing me the opportunity to offer my comments at this stage.

Mr. Paul Lewis

Thank you, Honourable Dorsette. I think we are finished now with the Central Allowance Committee questions and we are at question 54 at a point we would have summoned a document, which we have in our possession, and we would have invited or summoned Ms. Romily Murrain. The PAC would like to call Ms. Romily Murrain to assist the PAC in understanding the report so that we can be professionally guided. Thank you Ms. Murrain for appearing before the PAC to assist the PAC in understanding this report as we do need that professional guidance so that we all stick within the transparency, accountability, and good governance.

Ms. Murrain

Thank you Mr. Chair.

Mr. Paul Lewis

We have before us a special report named the unauthorized remuneration. It was produced by the Internal Audit Unit within the Ministry of finance and economic management and of course Ms. Murrain can you state for the record what's your position within the internal audit?

Ms. Murrain

I am the chief internal auditor of the Internal Audit Unit of the Ministry of finance and economic development.

Mr. Paul Lewis

Honourable Dorsette wish to provide a question which will provide the clarity or we do have or earlier we looked at a report from the audit department and some persons may not know the

difference between the audit department and the internal audit department or what the roles are so if you could for us we will really appreciate if you could let us know the difference in the roles?

Ms. Murrain

The internal audit department is to assist management of the government. Our objective is to deliver independent and objective quality assurance and consulting services to increase the value proposition to clients that's Ministries, departments and statutory bodies and agencies regarding governance, risk management and compliance processes to maximize transparency, value for money and integrity. Now we report functionally and administratively at the moment to the Financial Secretary. Later on we should have an audit committee. We are here in simple terms to protect management in that we review the processes or programs of government looking specifically at controls and where there are gaps in the controls or where we have identified risks that there are not adequate controls to mitigate against we provide advice to senior management. In providing those recommendations management can choose to accept or reject those recommendations. We do try our best to provide recommendations that are acceptable and in our process we have robust discussion so that we can understand where we are coming from so we can agree a way forward. In regard to the external audit, the external audit provides the assurance on public accounts, that is, the published public accounts. We do not do that. Although we would review the finance we do not provide that assurance publicly which means our reports are not published, yes. So the external audit answers to Parliament while we don't directly, yes. I hope that would have provide some explanation and understanding of the function. Granted I would say that both cover because their work is dependent on internal controls. What we do is that we have a Memorandum of Understanding whereby we share our work plans, discuss what we are going to do to ensure that we cover, I would use the term universe which covers what I raised earlier the ministries, departments, statutory bodies to ensure that we maximize the resources we have and cover the work that we need to get done.

Mr. Paul Lewis

Thank you Ms. Murrain. That's a comprehensive answer.

Mrs. Veronica Hector

Just to follow up on one point, given again the thrust for good governance we all understand and where years before the Public Accounts Committee would not have met in public, we would have met behind closed doors but today the public are requesting and demanding, and debatable rightfully so, that they understand what is going on in the government. Your records are not published or reports, can you tell us please why this is so that we understand the basis and not left clouded given the thrust for good governance?

Ms. Murrain

In some jurisdictions their reports are published (nothing on recording)

Mrs. Veronica Hector

Thank you so much that has been most helpful.

Ms. Murrain

You're welcome.

Mr. Paul Lewis

Before us we have the internal audit report that the contents speak to the brief observation description, factual background, analysis, findings and recommendations. Under brief observation description I'll read it for the record. During the Internal Audit Unit annual payroll audit assignment for the period April 1st 2018 to February 29th, 2020 an anomaly was observed. The anomaly was noticed during the IAU, Internal Audit Unit test of authorization control procedure within the payroll process. Observation, the remuneration package for the Honourable Deputy Governor for the contract period 2018 to 2020 was increased in comparison to the remuneration package awarded in the previous contract period 2016 to 2017. The amendments observed were an increase in telephone allowance by 100% from \$150 to \$300 per month and housing allowance by 50% from 3000 to 4500 per month. There were no relevant supporting documents within the files inspected to support the increase. My question to you, what do you mean or what are you referring to when you say there is no relevant supporting documents within the files you inspected to support the increase?

Ms. Murrain

It meant that when we performed our test we would need the authorized documents to support the documentation that we would have inspected and we did not, those were not available.

Mr. Paul Lewis

Any questions, Honourable Hogan on brief observation and description 1 and 1.1 do you have any questions before I move on to number 2 factual background?

Mr. Claude Hogan

I didn't hear for a while there just now, that's the problem so I would say go ahead, move on.

Mr. Paul Lewis

Thank you. Under factual background policy procedure, in the public service there is a base pay program to include salary scale and allowances. The established base pay program is approved annually by the Legislature and published in the annual budget. For adjustments to the basic salary and allowances for novel or increases to the base pay program the process is as follows: the roles, positions, the budget holder determines the remuneration package then submits for Human Resource Management Unit evaluation and then onwards submission as a business case to the annual budget process for approval by Cabinet then the Legislature. For novel and increase of allowances require a proposal submitted to the Central Allowance Committee for evaluation and recommendation with onward submission to Cabinet for approval and the annual budget process. Technical cooperation posts follow the same procedure as novel roles positions except that Foreign Commonwealth and Development Office FCDO must approve the final remuneration package. We were informed on other payroll packets that for each post senior there is an approved remuneration package established. However, for the purposes of negotiations the initial offer proposed to the candidate would not be the maximum established for the post. The reason for this is to allow for negotiations and provide flexibility in response to counter offers while still remaining within the limits established and approved for the post. On the 14th May 2021 the current Chief Human Resource Officer stated that the approval of request for increases in remuneration by senior officers is done externally of HRMU and may take the following form, that is, a discussion be held by the candidate with the relevant authorities Governor, Financial Secretary etc. On agreement a note would be sent to HRMU regarding the new officer's remuneration; this note would be filed within the officer's file and an offer letter be prepared and sent to the Governor for endorsement. Ms. Murrain just a quick summary of what I just read, quick explanation, quick summary explanation.

Ms. Murrain

Basically, what we're saying is that there is an established process for approval of salary increases and allowances and when we say novel roles we are speaking about new positions, something that the government did not have in its establishment before. So for those new roles or positions the budget holder is expected to work out the job description, proposed remuneration and these would be submitted to HRMU, that's the Human Resource Department, who would then evaluate since they are the experts and then this would then be submitted to the Ministry of Finance through the budget process. So for any new roles, it means that a new spend need to be submitted and then through that process Cabinet would approve and that approval would come through the budget process and then it is forwarded to the Legislative Assembly where you have the overall budget approved. If you would look at the publication of the budget, inside the budget you would find the establishment, the salary scale, all of that information is within that document. It is basically that there is a process and on approval then the relevant instruments are prepared and the relevant persons involved would sign off on these documents. For the allowances, there are established allowances and where you have a post that requires any adjustments in terms of their remuneration our understanding is that it would go through the Central Allowances Committee who would evaluate, then submit a recommendation to Cabinet who would then need to approve those allowances, yes.

Mr. Paul Lewis

Thank you. Communication sequence noted, under 2.2 (1) in 2016, a notice for interested applicants for the post of Deputy Governor was advertised with a deadline for receipt of applications being April 6th 2016. On 19th August 2016 terms of appointment as acting Deputy Governor was conveyed to the prospective candidate, Honourable Lyndell Simpson by the former Governor, through the then CHRO. The term conveyed stated the acting appointment was for a period of one year with an effective start date of 1st October 2016. Also, the terms and conditions featured a pay packet of \$16,093 which comprises of the following pay elements. I'm assuming this is per month. Description, salary \$8,043; professional allowance \$3000; travel allowance \$800; duty allowance \$3500; telephone allowance \$150; entertainment allowance \$600. On the 14th September 2016 a revised offer signed by the then CHRO was presented to the prospective candidate in response to her counter offer. The counter offer was made via email dated 12th September 2016. As a result, a new offer was presented to the candidate totaling \$19,897 per month.

The new offer comprised of the previous listed items as per paragraph 2.2 (2) and two additional allowances, housing allowance \$3000 and inducement \$804. Following negotiations between the parties concerned, an appointment form was prepared on 12th December 2016 and signed by the Governor on 13th December 2016. The appointment was for acting Deputy Governor, and the duration one year from 23rd November 2016 to 22nd November 2017 and the remuneration listed was \$19,897.

Communication from the CHRO to the Governor on 13th November 2017 stated that the one-year appointment of the acting Deputy Governor was coming to an end. Thus, the Governor advised that a two-month contract extension be awarded. On 23rd November 2017 the CHRO wrote to the acting Deputy Governor informing of the Governor's directive for two-month contract extension and that the terms and conditions of this appointment remain as before. Also, an appointment form for two months appointment, acting Deputy Governor from 23rd November 2017 to 22nd January 2018 was signed by the Governor on 23rd November 2017. On 28th December 2017 a diplomatic telegraph was sent to the Governor informing of the confirmation of the acting Deputy Governor to the post of Deputy Governor. Additionally, on 2nd January 2018 the Governor, by way of letter, informed the CHRO that the acting Deputy Governor was appointed as the substantive Deputy Governor effective 1st January 2018. There was no mention of change in terms and conditions.

We did not inspect any further communication between the 3rd January 2018 to 22nd July 2018 with regards to the appointment and terms and conditions of Deputy Governor post as per our documentation request. However, we observed on July 23rd 2018 an offer of employment document signed by the CHRO was submitted, referencing the correspondence by HE the Governor confirming the Deputy Governor to the post. The offer of employment document was signed by the current CHRO, as the previous CHRO, Fletcher Clarke demitted office in 2018 June. The offer of employment document stated the role, responsibilities of the post, remuneration package and duration of the offer, which was three years. The remuneration package awarded in this offer of employment document amounts to 21,547 per month an increase of \$1650 in comparison to the previous remuneration package. The pay elements of the previous and new remuneration package are: basic salary remains the same \$8,043; professional allowance remain the same \$3,000; travel allowance remain the same \$800; duty allowance remain the same \$3,500; telephone allowance move from \$150 to \$300; entertainment allowance remain the same \$600; housing allowance move from 3000 to 4,500; inducement allowance remain the same \$800 and total under the previous package 19,897;

under the new package 21,547. The increase observed was in housing allowance 50% 3000 to 4500 as just explained, and telephone allowance increased 100% from 150 to 300. No document was evidenced in the files personal files, central allowance file and Cabinet decisions from the Governor or the Financial Secretary or any other authority on the increase of the allowances.

The offer of employment form was signed by the Deputy Governor on 23rd July 2018, denoting acceptance of the offer with increase in allowances. Other communication inspected, was an email thread, through the Governor, by the CHRO on 14th May 2021 which was not on the personal file of the Deputy Governor. This was provided on request after the IAU interviewed with the Governor on the 11th May 2021. A similar email thread was provided by the Governor on the 6th June 2021. This thread did not evidence the commencement of the dialogue on the subject letter of 'Appointment DG'. Further communication was an email dialogue dated 25th July 2018 between the CHRO and the HE the Governor. It reflected the response to a query raised by the Governor. This query we did not observe. That response referenced research done by the CHRO on telephone allowance. The research compared the telephone allowance awarded to the Premier, Ministers of Government, Permanent Secretaries and senior officers. Also justification for performance, bonus and recommendation for awarding the said allowance and bonus. In response to the same date, HE the Governor stated that he was happy to sign on the long delayed appointment letter.

The response showed the Governor agreed the differences in allowances housing from 3000 to 4500 and telephone from 150 to 300 per month. The email dated 26th July between HE the Governor and the CHRO reflected the Governor requesting to see a copy of the offer letter and correspondence signed off by his predecessor. This brings me to the end of or at least the communications sequence noted. Before we go into issues to be resolved can you perhaps put what I've just read into perspective for us in a summary?

Ms. Murrain

What you have read is the documents that we have found as they are. So that's just giving you the evidence that we found. When you go to a next section then you would find responses to any gaps in what you've just read.

Mr. Paul Lewis

Okay that's a cue to continue. Under 2.3 Issues to Be Resolved, and I'm reading here Further Increases In Allowance Authorized and then 2.4 Finding of Facts. Perhaps I should allow you to go through the findings of facts.

Ms. Murrain

With respect to the first contract for the period 2016/2017 the sequence of salary negotiations between the parties concerned was evident. Also the agreed remuneration package was settled prior to the candidate signing the offer of employment form and being appointed to the post. For the second contract, the Governor of the day confirmed the acting Deputy Governor to the post of Deputy Governor on 28th December 2017 with an appointment effective 1st January 2018. However, prior to making the appointment, there was no evidence of discussion observed between the relevant parties for an increase in allowances or remuneration. The Governor who confirmed the Deputy Governor to the post, demitted office in January 2018 and the new Governor came into office February 2018. Fletcher Clarke who was the CHRO at the time the Deputy Governor was confirmed to the post, demitted office in June 2018. This was six months after the DG was confirmed to the post and five months after the new Governor came into office. However, there was no conversation evidenced amongst the relevant parties, that is, the Governor the former Governor or the subsequent, the Deputy Governor and the Chief Human Resources Officer with regards to the Deputy Governor's appointment letter or remuneration package throughout the period 2nd January to June 2018 when the Chief Human Resources Officer demitted office. So as a result, there appears to be a gap in communication. Mrs. Cheverlyn Kirnon-Williams was appointed acting Chief Human Resource Officer after the departure of Mrs. Fletcher Clarke, which was seven months after the Deputy Governor was confirmed to the post and six months after the new Governor assumed office. That being so, within a month of taking up duties as the Chief Human Resource Officer, an offer of employment document for the post of Deputy Governor dated 23rd July 2018 was submitted bearing her signature. Additionally, the offer of employment form was signed by the Deputy Governor, on the same date which is the 23rd July 2018. However, agreement in the increases of allowances was sent via email dated 25th July 2018 from the Governor to the Chief Human Resources Officer Acting. The sequence of events above, showed agreement for the increase was received two days after the said increase was disclosed in the offer of employment document and the Deputy Governor had signed the offer of employment form signifying acceptance. This indicates that the increase in allowances was committed prior to the agreement with the direct report.

Email dated 25th July 2018 from the CHRO to the Governor showed a comparison of telephone allowances granted to senior officers within the Government of Montserrat also the justification for an increase in telephone allowance and the awarding of a performance bonus for the Deputy Governor. In the information provided for justification of the performance bonus it was stated that as part of the Government of Montserrat performance management system, increment is given to officers within the public service upon satisfactory performance. However, this is not accurate as senior officers who receive salaries from R scale point 8 and above do not receive yearly increments as their salaries are fixed. Various allowances and the amounts received by senior management within Government of Montserrat are listed below.

Inducement and the officers listed are, and I would read the amounts in the order they appear. We have the Premier, Deputy Premier, Ministers of Government, Deputy Governor 2018; Deputy Governor 2021; Attorney General, Financial Secretary, Permanent Secretary, Financial Secretary, Technical Cooperation Officer. Inducement: Premier zero, Deputy Premier zero, Ministers of Government zero, Deputy Governor \$804, Deputy Governor 2021 \$2083.33, Attorney General zero, Financial Secretary local zero, Permanent Secretary zero, Technical Cooperation Officer Financial Secretary \$7,033.33 (market premium) so there is no inducement allowance for that officer. Telephone \$300; Premier, Deputy Premier \$150, Ministers of Government \$150, Deputy Governor 2018 \$300, Deputy Governor 2021 \$300, Attorney General \$150, Financial Secretary local \$150, Permanent Secretaries, \$120, Financial Secretary Technical Cooperation Officer \$150. For duty allowances the Premier \$5000, Deputy Premier \$3,500; Ministers of Government \$3500; Deputy Governor 2018 \$3500; Deputy Governor 2021 \$3,500; Attorney General \$3,500; Financial Secretary local \$3,500; Permanent Secretary zero; Technical Cooperation Officer Financial Secretary \$3,500.

Mr. Paul Lewis

Just before you move on, I believe it's a slip of the tongue, on telephone allowance for Deputy Governor 2018 I think you mention 3000, you mentioned the correct 300 eventually so just for the record could you please just state for the record.

Ms. Murrain

For the record telephone allowance Deputy Governor for 2018 \$300.

Mr. Paul Lewis

You may now proceed.

Ms. Murrain

Entertainment allowance Premier \$1000, Deputy Premier \$900, Ministers of Government \$900, Deputy Governor 2018 \$600; Deputy Governor 2021 \$600; Attorney General \$700; Financial Secretary local \$600; Permanent Secretary \$300 and Technical Cooperation Officer Financial Secretary \$700. For travel, Premier \$1500; Deputy Premier \$1400; Ministers of Government \$1400; Deputy Governor 2018 \$800; Deputy Governor 2021 \$800; Attorney General \$800; Financial Secretary local \$800; Permanent Secretary \$800; TC Financial Secretary Technical Cooperation Officer \$800.

For professional allowance zero for the Premier, zero Deputy Premier; zero Ministers of Government; Deputy Governor 2018 \$3000; Deputy Governor 2021 \$3000; Attorney General \$5500 and this is called legal allowance; Financial Secretary local \$3000; Permanent Secretary \$2000; Technical Cooperation Officer Financial Secretary \$7166.67. Housing, Premier \$5400; Deputy Premier \$3000; Ministers of Government \$3000; Deputy Governor 2018 4500; Deputy Governor 2021 \$4500; Attorney General zero; Financial Secretary local zero; Permanent Secretary zero; Financial Secretary Technical Cooperation Officer \$7666.67.

The basic salary Premier \$8426; Deputy Premier \$8,175; Ministers of Government \$8,043; Deputy Governor \$8,043 2018; Deputy Governor 2021 \$8,043; Attorney General \$9,083.33; Financial Secretary local \$7,760; Permanent Secretary \$6,635 and technical Cooperation Officer Financial Secretary \$7,760. The table above shows the various allowances as per payroll record on Smart Stream of senior officers within Government of Montserrat. Of note is that telephone allowance granted to all senior officers is equivalent to EC\$150 with the exception for the Premier and the Deputy Governor whose rates are EC\$300. Also the housing allowance awarded is EC\$3000 for all officers except the Premier, Technical Cooperation Officer, Financial Secretary and the Deputy Governor who are granted allowances of EC\$5000, 7666.67 and \$4,500 respectively. Additionally, the Deputy Governor is the only senior who receives an inducement allowance. The amount was \$804 for the previous contract that's the 2016 to 2017 and 2018 to 2020. However, it was increased to \$2083.33 as per the payroll records on Smart Stream as of January 2021.

The authorized instruments to support the base pay program are the Legislative Act, General Orders 401, the nominal roll, the establishment, the salary scale and various statutory rules and orders supporting approval of allowances, which are all approved annually through the budget process with the exception of the legislation and General Orders. The Constitution section 97

(1) states there shall be paid to the holders of the offices to which this section applies such remuneration and allowances as may be prescribed by or under an Act of the Legislature. Section 97 (5) also states, this section applies to the offices of Governor, Deputy Governor, Attorney General, Director of Public Prosecutions, Magistrate, Chairman or other members of the Public Service Commission, the Electoral Commission, the Complaints Commission and the Integrity Commission.

However in the Legislative Act, no provision was made for these officers as per section 97 (5) of the Constitution. They are included on the establishment nominal roll and the salary scale. The inspection and examination of documents to verify amounts in the payroll as per the accounting records in Smart Stream reveal differences in the base payroll framework and actual amounts paid to the Deputy Governor at point R1 in the establishment and the salary scale. The increases in the allowances of the Deputy Governor remuneration as per Smart Stream records did not follow the standard approval process. The relevant documentation was not evidenced in the file, neither was it provided by the relevant actors. There was no information on file relating to a new contract; therefore, we only examined information on Smart Stream. We observed that there was an increase in inducement allowance from \$804 to \$2,083 resulting in a total remuneration increase from 21,547 to 22,826.33 effective January 2020. That's the findings of fact Mr. Chair.

Mr. Paul Lewis

Do you have any questions or comments Honourable Dorsette?

Mrs. Veronica Hector

You have indicated the anomalies and your findings. You have indicated the anomalies and you have carried us through the process of the evidence you followed and your findings which is at 2.4 (11). You also mentioned that section 97 (5) state how these officers should be but there is no legislation in place for them. I don't know if you're in a position to do that. Where the constitution has prescribed it so it's showing that we have not complied.

Ms. Murrain

What we have is a gap, so when we perform our work we use policies, laws, legislation, procedures that have been approved and established to determine compliance to them and what we have observed is that there is a gap in the legislation. I cannot state as to how that came about but there is a gap, in that the legislation did not address the officers as listed in that point

that 2.4 (9). What we saw is that they form part of the establishment which is approved so that's part of government's policy in regards to the base pay program so they fall under the establishment and the relevant salary scale.

Mrs. Veronica Hector

Does that cause some difficulty (inaudible) as opposed to within a Legislature Act?

Ms. Murrain

It means then that we need to address the issue because it's a gap. I was not part of the process, so I cannot say what was the understanding, why we left it unaddressed. However, what we are pointing out is it needs to be addressed and a clear position be stated so that there are no ambiguities in relation to which policy, procedure or laws relate to the pay for these officers.

Mrs. Veronica Hector

Thank you. I know, I don't want to preempt Mr. Chair that we will come to findings and recommendations so Mr. Chair shall I await that or

Mr. Paul Lewis

Yes. I just want to know if Honourable Hogan is still with us.

Mr. Claude Hogan

I'm still here. We can move on to the analysis now because I get the point on the gap and there must be some instrument she used, so the analysis should make us wise rather than me asking a question.

Mr. Paul Lewis

Alright so we'll move on to the analysis. You may proceed Ms. Murrain.

Ms. Murrain

In this assignment, we have observed that the Human Resource Management Unit is inconsistent with regards to the procedure for approving senior officers' compensation. Although the procedure manual is draft, the perennial practice or precedent was followed in the initial contract issued. The inconsistency observed resulted from a deviation of the formalized or documented process. Although there are gaps in the framework, in that the constitution referred to the legislative Act for the pay details which are nonexistent, standard

throughout or best practice dictates in particular, that remuneration for C 3 level or senior management is addressed by non-Executive board members or a remuneration committee to provide fairness, equity and objectivity in the remuneration process for both parties. In here, when we say both parties we are referring to both government and the employee. If a single person is allowed to approve remuneration, it may provide an opportunity that may result in exploitation, skewed structures and may lead to abuse.

In the positions of trust, senior management needs to be clear on the procedures and internal controls framework for directing, controlling and managing the affairs of the organization. These frameworks should be shared immediately on filling relevant posts to ensure they are not compromised in their roles by their actions, which may be based on trust. It is observed that two of the actors in the process were new to their roles and therefore may have been reliant on another for guidance on the process. The agreement for increase by the Governor was received two days after the Deputy Governor had signed the offer of employment form, accepting the offer inclusive of the increases. This approach created an untenable situation for the Governor. However, neither he nor the Chief Human Resources Officer had the authority to authorize the increases. Government of Montserrat needs to have a clear compensation philosophy, which determines how the organization decides how to pay people with respect to its position in the labour market. That is lead, lag, or meet salaries paid by similar Small Island Developing States. It is in the best interest of the organization and employees to fairly compensate our work force for the value of work performed. Therefore, it is imperative that decisions made in the expenditure of public funds can be justified properly in the public interest against the principles of transparency, objectivity, impartiality, fairness and reliability. That's the end of our analysis.

Mr. Paul Lewis

Honourable Hogan were you saying something?

Mr. Claude Hogan

Yes, I was observing - sounds like some good work. In fact I'm pretty happy to see from the report, that your analysis highlights the very need to answer some of the questions which this August body asked before, about salaries in the region and among and across Overseas Territories. As well, in order for government to be able to meet salaries paid by similar Small Island Developing States and you know that we did not get any of those questions answered and that is definitely the pretext to what has happened here.

Mr. Paul Lewis

Thank you for your input Honourable Hogan. Do you have input Honourable Dorsette?

Mrs. Veronica Hector

The analysis is clear for me and it again highlights the expenditure of public funds can be justified properly again in the public interest against the principles of transparency, objectivity, impartiality, fairness and reliability as I kept saying. This is a thrust this country is moving towards and we should continue so I thank you for that. I may ask you just for clarity before we get further, particularly so that people understand. If you are able to--

Mr. Claude Hogan

May I add one further point?

Mrs. Veronica Hector

I would allow.

Mr. Paul Lewis

Honourable Hogan, Honourable Dorsette would allow you to speak.

Mr. Claude Hogan

No it's okay. I'll wait until after the recommendations.

Mr. Paul Lewis

Okay then Honourable

Mrs. Veronica Hector

If you are able to, can you clarify for us the differences between an inducement and professional?

Ms. Murrain

I will leave that to the accounting officer.

Mrs. Veronica Hector

Thank you.

Mr. Paul Lewis

Yes, we will now move on to findings and recommendations.

Ms. Murrain

The increase in allowances totaling \$62,496.65 as at May 2021 to the Deputy Governor was made without following the established approval process. Adjustments to the Deputy Governor allowances required, according to the precedent, submission to the Central Allowances Committee with onward submission to Cabinet for approval. Without this process, the increases are not authorized. If the breach is not addressed immediately with a reasonable response this may cause significant issues to the moral and culture of the organization. Management needs to take a decision immediately to address the Legislative Act or make the necessary adjustments to the base pay program framework to guide the remuneration of senior management so that it reflects the appropriate compensations. This breach of procedure or management override, occurred twice and has integrity and ethical value implications thereby requiring an independent body to review and provide recommendations for going forward. Public moneys paid without proper authority should be repaid to the Consolidated Fund. In response to the breach of the procedure the Public Finance and Accountability Act section 10 outlines how these matters are to be addressed.

Mr. Paul Lewis

This brings us to the last heading of the Recommendations Findings and Recommendations. At this time, I would allow Honourable Hogan to make his point that he wanted to make a bit earlier.

Mr. Claude Hogan

The point is the report is certainly on target. That's why I left it to the end because obviously the report is very straight and it appears to be laced with a lot of shenanigans. The legal gap was the least of our problems because we also have a legal gap in the Constitution in respect of whether we are requesting, commanding or ordering the Deputy Governor to come before the Legislative Assembly. In fact, I remember during the negotiations of the Constitution that one of the very serious and earnest and solid reasons for their being a Deputy Governor is that that is the person that we were to request to come and answer questions with regards to matters under the Deputy Governor's command, outside of the Governor assigning those to another Minister which is also in the Constitution. So there we have that gap but that was not really a gap. It was a privileged position that where the Governor would actually be responsible, either

in his or her own right or in consultation with Cabinet, whether they will allow the Deputy Governor to come to Parliament to answer or questions or come to the PAC as in this case. Obviously it's (inaudible) to follow moneys approved by the Parliament. Going to the root that these are functions under the Governor becomes irrelevant at the level of delivery of services. So in the context of the gap that she's talking about, it's not really a real gap. It's a gap filled by, let's say as you said in the outset Mr. Chairman, customary law and what is the best practice, what have we being doing, how was it being done, has it been documented, are we following the same procedures? The fiduciary responsibility develops when a senior officer in that position realizes that there is some anomaly in what is going on; with me that is you need to also basically *** ourselves. So the recommendations are really coming around to suggest that as you said from the outset this will have to be fixed. It could maybe run by legislation exceptionally to let the money remain where it is or it would have to be recalled, that means a refund and I don't think we have any law. We don't have any authority at the moment for passing any exceptional legislation, specifically for this purpose. Mark you it's difficult to make when we are crunching for funds in Montserrat and this transparency process certainly has come at the peak of Covid and the onrushing of a potential recession by the end of this year. So I would take on board the recommendations, because we wouldn't want to underminethe current public servants, we have in respect of the service conduct that we want to see in the Government of Montserrat. These reports are very good and I therefore commend it to us to make very strong recommendations Mr. Chairman, especially in this regard. To tell you the truth I now see why there is this hiding and seeking but it's really not necessary. When we have problems we have to be like adults and try to fix these problems and we cannot let this prevail because I understand that this report was held in confidence in a certain place. Obviously we can command it and we did command it to our attention and I'm sure it's still in the certain place and in certain other places and this will certainly be held against us as a government and people of Montserrat so we have to fix this carefully and I thank the Internal Audit Unit for trying to exercise their management authority and it seems that up to this point management has not gotten around to fixing what seems to be unfixable except that it will require legislation to approve that amount of money and I could see why it would have been held back for so long. I'm not sure if we have rules that govern how these reports manage to be held and we have to make discovery we have to find whistleblowers and so on to find these reports. This is another unfortunate coincidence in our time because up to this point we didn't know that there was such a cogent and concise report on the remuneration package increase that was rumored

around town. So now we have it done by professionals certainly we will have to make strong recommendations to bolster the image of the government and people of Montserrat to the extent that it should never happen again. I don't believe that there is really any gap that has caused this. If you want to say oh the legislative package was not filled in and therefore you were free to do what you want. There is something called ethics and there is fiduciary responsibility, there is senior management responsibility and there is a responsibility to report, be a whistleblower yourself if you see this is going the wrong way. But certainly good work Ms. Murrain and keep up the good work. We do have some good people in Montserrat, some good public servants and I think that we have to persevere and make the best of what we have. Thank you Chair.

Mr. Paul Lewis

Thank you Honourable Hogan. Honourable Dorsette.

Mrs. Veronica Hector

Thank you very much. I want to say thank you to Ms. Romily and her team who have provided this report and again allows the PAC to undertake its democratic mandate to make a difference and we see from this report lessons can be learnt and what we can do going forward into the future and what government can do to put it right. It is clear there is need for legislation and that must be taken into account and it has created a learning environment for us all about your work and what you do and so I want to thank you profusely and genuinely for assisting the PAC in this way yourself and your team as well the management under which you fall for permitting you. We summoned you and it was respected and I want to convey our thanks as well to your management. We have learnt a lot and I think this auger well for our good governance structure and again putting Montserrat as a place where we can let people know what we stand for and a way forward. Again can I express my thank you to yourself and may I at this time say my thank you to all those persons who contributed that is the role of the Chairman but I will just have my final words at this time. So thank you to everyone who contributed including media, our Honourable Clerk and all the other persons and those who attended we express our thanks and the inquiry is not finish we need to continue the work. Thank you so much.

Ms. Murrain

You're welcome.

Mr. Paul Lewis

Ms. Murrain I want to place on the record the appreciation of the PAC for the excellent work done by the internal audit for this report that's been drafted or you being the author of this report assisted by staff of your internal audit department. It only goes to show the public locally and the world listening viewing indeed there are elements of good governance being practices within the Ministry of finance which your office falls and the Minister of finance through your department ensuring that we have transparency, accountability and that we do not just deal with hearsay but that we are guided by proper reports and educated on procedures that should be followed. Once again we thank you for appearing and assisting us so ably in this inquiry and we wish you well and we also wish your department well. Thank you once again Ms. Murrain.

Ms. Murrain

Thank you Mr. Chair.

Mr. Paul Lewis

You may step down. We would have been going through or deliberating for some four hours and we would have placed on the record much evidence, some from written submitted answers, some from person appearing in person who also submitted written answers but as they present we were able to seek clarification so we could have a comprehensive understanding of the issues. Obviously we have heard the findings and recommendations some of which is not what we want to practice as they deviate from good practices especially when it is done from a senior level. It is really, really, really an unfortunate situation as civil servants at the junior level look up to senior staff, senior staff discipline civil servants at junior level when they do what we discovered was done by senior staff and double standard is a word that come to mind. I think someone would even take it further in terms of the lack of good governance, lack of transparency, lack of accountability and these are not just words that you memorize and speak but they have implications for the Government of Montserrat, people of Montserrat and we expect senior civil servants to act according to best practices and to uphold good governance, transparency and accountability and to set examples in that area for the junior staff. Somewhere in the report spoke to if certain things are not corrected so that it is shown that you do not just do wish and get away with it because you're senior and then when the junior staff may even simple mistakes they are dismissed then I must say that it's a sad for Montserrat public service and the morale of the Montserrat public service is at an all-time low at this time. It's really unfortunate, it bleeds my heart to see that this is where the status of the Montserrat public

service has reached being a former civil servant myself I'm really hurt and I know the people of Montserrat is hurt and the people of Montserrat has a lot to say and a lot to respond and a lot to demand and I know there are certain senior officials that are responsible for overseeing the runnings of this country and act as a conduit between our local government and the British Government and have a duty to ensure that good governance, accountability and transparency is practiced not just by junior staff but by senior staff so that we are consistent across the public service and that we show no favoritism and that we do not give the appearance as if we are callous and is if once our friends are our friends we turn a blind eye. That I don't believe we want to encourage or to even give the perception that is happening therefore I expect that those in authority who needs to address would address. We normally would provide a report on the proceedings. Unfortunately, we are not in a position at this time to close this inquiry. We can only close the proceedings for the day. There are some serious, serious, loose ends. If they are not dealt with in a manner that's comprehensive they will have serious implications for Montserrat and we do not wish to rush this inquiry to a closure because we do not believe that we have sufficiently, comprehensively assessed all information. Some information has been withheld from the PAC unfortunately and the PAC is mindful that we must report back to the Legislative Assembly but we are mindful we must give a comprehensive and fair report to the Legislative Assembly lest we ourselves are questioned and we do have aggressive persons in the Legislative Assembly who would question and I think we prefer to be on the side of questioning than to be questioned and of course in order to make sure that persons can understand within the public service and the public that this is not something that we are doing just because we are told to do it but we really want to be part of the process of improving our good governance of practicing transparency and accountability and I believe it would only improve the perception of the public service and if we can get it right it would improve the morale of the public service which at the moment is at an all-time low. I would like to thank ZJB and I would like to thank Liveislands, I'd like to thank all the audience that was here today, all those who appeared as witnesses, all those who submitted answers, I would like to thank the Auditor General for her guidance for her auditors and all the auditing they have been doing. I would like to thank the secretariat of the PAC Mrs. Baker and her staff. I know they probably tired of me, I probably give them too much work to do but I would also like to thank the Honourable Dorsette and Honourable Hogan our remote panelist. Also we would just like to thank the public for listening and viewing and I do at this time wish the best and do hope that you understand us and understand the reason we must leave this inquiry open as we continue

the process. So once again thank you and we are only closing the proceedings for today so consider today's proceedings closed. Thanks again.