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**THE STANDING
PUBLIC ACCOUNTS COMMITTEE**

**2014-2015
ANNUAL REPORT**

1. REFERENCE

The Standing Public Accounts Committee of the Cayman Islands Legislative Assembly, established under Standing Order 77, met regularly throughout the reporting period to consider and deal with the following matters:

- Review and approve monthly invoices submitted for payment by the Office of the Auditor General;
- Consider and report on Reports of the Office of the Auditor General that were prepared and submitted by the Auditor General and his office;
- Review and approve the Annual Budget Statement and Annual Plan and Estimates of the Office of the Auditor General; and
- Review and discuss documents submitted by the Office of the Auditor General.

Details of all matters brought before the Committee for consideration are disclosed in the Minutes of Proceedings.

2. CHAIRMAN AND MEMBERS OF THE COMMITTEE

The following Members of the Legislative Assembly are the duly elected as Members of the Standing Public Accounts Committee:

Mr Roy McTaggart, JP, MLA – Chairman
Hon McKeeva Bush, JP, MLA – Deputy Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Capt Eugene Ebanks, MLA – Member

3. MEETINGS OF THE COMMITTEE

The Committee met on the following dates during the reporting period:

- (i) Wednesday, 6th August 2014

*Present: Mr Roy McTaggart, JP, MLA – Chairman
Hon McKeeva Bush, JP, MLA – Deputy Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Capt Eugene Ebanks, MLA – Member*

- (ii) **Wednesday, 3rd September 2014**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Apologies: Capt Eugene Ebanks, MLA – Member
Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman
- (iii) **Wednesday, 3rd September 2014 (Hearing in Chamber)**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Apologies: Capt Eugene Ebanks, MLA – Member
Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman
- (iv) **Thursday, 16th September 2014 (Hearing in Chamber)**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Hon McKeeva Bush, MLA – Deputy Chairman
Mr Winston Connolly, JP, MLA – Member
Mr Joseph Hew, MLA – Member
Capt Eugene Ebanks, MLA – Member
- (v) **Thursday, 16th September 2014**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Apologies: Capt Eugene Ebanks, MLA – Member
Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman
- (vi) **Wednesday, 15th October 2014**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Capt Eugene Ebanks, MLA – Member
Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman
- (vii) **Tuesday, 18th November 2014**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman
Capt Eugene Ebanks, MLA – Member
- (viii) **Tuesday, 13th January 2014**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman
Capt Eugene Ebanks, MLA – Member
- (ix) **Wednesday, 14th January 2015 (Hearing in Chamber)**
Present: Mr Roy McTaggart, JP, MLA – Chairman
Hon McKeeva Bush, JP, MLA – Deputy Chairman

Mr Winston Connolly, MLA – Member

Mr Joseph Hew, MLA – Member

Capt Eugene Ebanks, MLA – Member

(x) **Tuesday, 10th March 2015**

*Present: Mr Roy McTaggart, JP, MLA – Chairman
Hon McKeeva Bush, JP, MLA – Deputy Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member
Capt Eugene Ebanks, MLA – Member*

(xi) **Wednesday, 25th March 2015 (Hearing in Chamber)**

*Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member*
*Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman
Capt Eugene Ebanks, MLA – Member*

(xii) **Tuesday, 12th May 2015**

*Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Mr Joseph Hew, MLA – Member*
Apologies: Capt Eugene Ebanks, MLA – Member
Absent: Hon McKeeva Bush, JP, MLA – Deputy Chairman

(xiii) **Tuesday, 23rd June 2015**

*Present: Mr Roy McTaggart, JP, MLA – Chairman
Mr Winston Connolly, MLA – Member
Capt Eugene Ebanks, MLA – Member*
Apologies: Hon McKeeva Bush, JP, MLA – Deputy Chairman
Absent: Mr Joseph Hew, MLA – Member

4. ATTENDANCE OF MEMBERS

The attendance of Members at meetings is recorded in section 3 above, Meetings of the Committee, and in the Minutes of Proceedings.

5. PERSONS IN ATTENDANCE

In accordance with Standing Order 77(8), the following persons were in attendance at the Committee meetings:

Mr Alastair Swarbrick, Auditor General – Office of the Auditor General

Mr Garnet Harrison, Deputy Auditor General – Office of the Auditor General

Mr Martin Ruben, Audit Principal of Performance Auditing – Office of the Auditor General

5.1 In accordance with Standing Order 77(8), the following persons were in attendance at the meetings in open forum in the Chamber of the Legislative Assembly:

- Mr Alastair Swarbrick, Auditor General – Office of the Auditor General
- Mr Garnet Harrison, Deputy Auditor General – Office of the Auditor General
- Mr Martin Ruben, Audit Principal of Performance Auditing – Office of the Auditor General
- Hon Kenneth Jefferson, Financial Secretary and Chief Officer – Ministry of Finance and Economic Development
- Ms Anne Owens, Senior Assistant Financial Secretary – Ministry of Finance and Economic Development
- Mr Micheal Nixon, Senior Assistant Financial Secretary – Ministry of Finance and Economic Development
- Mr Ronnie Dunn, Acting Accountant General – Budget and Management Unit, Treasury Department
- Mrs Gloria Myles, Deputy Accountant General – Treasury Department

6. MEETINGS HELD IN PUBLIC

In accordance with the provisions of Standing Order 77(4), the Committee may invite any public officer or member of staff of a non-Government organisation to give information or explanation to assist the Committee in the performance of its duties. Persons appeared before the Committee to give evidence on the following dates in the Chamber of the Legislative Assembly:

- Wednesday, 3rd September 2014

Report of the Auditor General:

- *Governance in the Cayman Islands Government: Key Messages – December 2013;*
 - *Governance in the Cayman Islands Government: Describing the Framework – December 2013;*
 - *Governance in the Cayman Islands Government: How Core Government Manages Resources – December 2013;*
 - *Governance in the Cayman Islands Government: The Accountability of Statutory Authorities and Government Companies – December 2013; and*
 - *Governance in the Cayman Islands Government: A Survey of Statutory Authority and Government Company Governance – December 2013*
- Thursday, 16th September 2014
- Report of the Auditor General:***
- *Governance in the Cayman Islands Government: Key Messages – December 2013;*
 - *Governance in the Cayman Islands Government: Describing the Framework – December 2013;*
 - *Governance in the Cayman Islands Government: How Core Government Manages Resources – December 2013;*

- *Governance in the Cayman Islands Government: The Accountability of Statutory Authorities and Government Companies – December 2013; and*
- *Governance in the Cayman Islands Government: A Survey of Statutory Authority and Government Company Governance – December 2013*

- **Wednesday, 14th January 2015**
Report of the Auditor General:
 - *Management of Travel and Hospitality Expenditures – May 2014*

- **Wednesday, 25th March 2015**
Report of the Auditor General:
 - *Financial and Performance Reporting - Ministries, Portfolios and Offices for the year ending 30 June 2011 and 2012; and*
 - *Financial and Performance Reporting - Statutory Authorities and Government Companies for the years ending 30 June 2012*

Financial Statements for the Government of the Cayman Islands for the year ended 30 June 2011 (inclusive of the Auditor General's opinion)

7. PRACTICE AND PROCEDURE OF THE COMMITTEE (S.O 77 (6))

The Committee agreed that in accordance with the provisions of Standing Order 77 (6), all meetings at which witnesses are invited to provide information, should be held in an open forum in the Chamber of the Legislative Assembly. This decision was taken to promote openness and accountability in Government.

8. REPORTS AND DOCUMENTS FOR CONSIDERATION

In accordance with the provision of Standing Order 77(1), the Committee considered the following Auditor General Reports referred to by the House of the Legislative Assembly:

8.1 Reports Received During 2014/2015

The Committee received the following Reports from the Auditor General during the reporting period 2014 to 2015:

- *Governance in the Cayman Islands Government: Key Messages – December 2013*
- *Governance in the Cayman Islands Government: Describing the Framework – December 2013*
- *Governance in the Cayman Islands Government: How Core Government Manages Resources – December 2013*
- *Governance in the Cayman Islands Government: The Accountability of Statutory Authorities Government Companies – December 2013*
- *Governance in the Cayman Islands Government: A Survey of Statutory Authorities Government Company Governance – December 2013*
- *Management of Travel and Hospitality Expenditures – May 2014*

- Financial and Performance Reporting – Statutory Authorities and Government Companies for the year ending 30 June 2012
- Financial and Performance Reporting – Ministries, Portfolios and Offices for the year ending 30 June 2011 and 2012
- Financial Statements for the Government of the Cayman Islands for the year ended 30 June 2011 (*inclusive of the Auditor General's opinion*)
- Major Capital Projects - Building Schools – May 2015
- Government Programmes Supporting Those in Need – May 2015

8.2 Reports of the Office of the Auditor General Tabled in the House

The following Auditor General Reports has been laid on the table of the House of the Legislative Assembly on the dates indicated:

27th November 2014:

- Governance in the Cayman Islands Government: Key Messages – December 2013
- Governance in the Cayman Islands Government: Describing the Framework – December 2013
- Governance in the Cayman Islands Government: How Core Government Manages Resources – December 2013
- Governance in the Cayman Islands Government: The Accountability of Statutory Authorities Government Companies – December 2013
- Governance in the Cayman Islands Government: A Survey of Statutory Authorities Government Company Governance – December 2013

24th October 2014:

- Annual Report of the Office of the Auditor General – 30 June 2014

26th June 2014:

- Report of the Office of the Auditor General on the Financing and Performance Reporting – Statutory Authorities and Government Companies for the year ending 30 June 2011
- Report of the Office of the Auditor General on the Management of Major Capital Projects June 2012
- Public Interest Report of the Office of the Auditor General on the Management of Air Ambulance Services June 2013
- Report of the Office of the Auditor General on Restoring Financial Accountability: A Time for Change? June 2013

8.3 Reports of the Public Accounts Committee Tabled in the House

The following Reports of the Committee were laid on the table of the House of the Legislative Assembly on the dates indicated:

27th November 2014:

- Report of the Standing Public Accounts Committee on the Reports of the Office of the Auditor General on the Governance in the Cayman Islands Government: *Key Messages – December, 2013; Describing the Framework – December, 2013; How Core Government Manages Resources – December, 2013; and The Accountability of SAGCs – December, 2013; and A Survey of SAGC Governance – December, 2013*

25th June 2014:

- Annual Report of the Standing Public Accounts Committee 2013-2014
- Report of the Standing Public Accounts Committee on the Report of the Office of the Auditor General on the Financing and Performance Reporting – Statutory Authorities and Government Companies for the year ending 30 June 2011
- Report of the Standing Public Accounts Committee on the Report of the Office of the Auditor General on the Management of Major Capital Projects June 2012
- Report of the Standing Public Accounts Committee on the Public Interest Report of the Office of the Auditor General on the Management of Air Ambulance Services June 2013
- Report of the Standing Public Accounts Committee on the Report of the Office of the Auditor General on Restoring Financial Accountability: A Time for Change? June 2013

8.4 Reports of the Auditor General to be Tabled in the House

The following Auditor General Reports have been dealt with in public hearings and the Committee has prepared Reports which will be tabled during the next Meeting of the House:

- Management of Travel and Hospitality Expenditures – May 2014
- Financial and Performance Reporting – Statutory Authorities and Government Companies for the years ending 30 June 2012
- Financial and Performance Reporting – Ministries, Portfolios and Offices for the years ending 30 June 2011 and 2012
- Financial Statements for the Government of the Cayman Islands for the year ended 30 June 2011 (*inclusive of the Auditor General's opinion*)

8.5 Outstanding Reports for Public Hearing by the Committee

The Committee has received the following Reports of the Auditor General and agreed that witnesses be called to assist the Committee in its deliberations and consideration of these Reports:

- Major Capital Projects - Building Schools – May 2015
- Government Programmes Supporting Those in Need – May 2015

8.6 Documents Received by the Committee

The Committee reviewed and approved the following Budget documents for the Auditor General:

- 2015/16 Annual Budget Statement for the Year Ending 30 June 2016 for the Office of the Auditor General
- 2015/16 AP&E Submission for the Year Ending 30 June 2016 for the Office of the Auditor General

8.7 Reports and Documents Received by the Committee for Information

The Committee has reviewed the following documents of the Auditor General:

- Delivering Value - Strategic Plan 2015 to 2019
- Brochure: *International Conference on Legislative Oversight of Public Finances for Fostering Accountability Transparency and Sustainable Growth - Kingston Jamaica - June 2-4, 2015*
- 2015-16 Restructuring the OAG
- 2015-2017 Strategic Plan: Making a Difference
- OAG Quarterly Report 31 March 2015
- OAG Quarterly Report 31 December 2014
- OAG Quarterly Report 30 September 2014
- Performance Audit Programme 2015- 2017 (*Updated January 2015*)

ACKNOWLEDGEMENT

The Committee is most appreciative of the efforts of the Auditor General and his staff in presenting very fair, detailed and informative Reports and for the support, assistance and constructive advice given throughout its deliberations.

The Committee also thanks the staff of the Legislative Assembly for the assistance provided.

REPORT OF THE COMMITTEE TO THE HOUSE

The Committee agrees that this Report be the *Annual Report of the Standing Public Accounts Committee* to the House for the year **2014-2015**.

Mr Roy McTaggart, JP, MLA – Chairman