

**From:** [Coyne, Terence](#)  
**To:** [McCormick, Andrew \(DFE\)](#); [Cousins, Heather](#); [Stewart, Chris \(DFE\)](#); [McCann, Brendan](#); [McFarlane, Iain](#); [Woods, Michael \(DFE\)](#); [Wightman, Stuart](#); [Marten, Lucy](#); [Close, Margaret](#)  
**Subject:** Northern Ireland Assembly Public Accounts Committee Evidence Session  
**Date:** 10 November 2016 16:08:59  
**Attachments:** [image001.png](#)  
[image002.gif](#)  
[Letter to Mark Cockburn CEPA 10 November 2016.pdf](#)  
[PAAB NOTE FOR ACCOUNTING OFFICERS WITNESSES APPEARING BEFORE PAC \(SEPT 2016\).DOC](#)

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Colleagues

Please find attached a letter I sent to Mark Cockburn in relation to the PAC Evidence Session on 23 November. I telephoned Mark beforehand and he indicated that he would be coming over to Belfast on the day of the evidence session. I have let Julie Sewell know this.

Mark indicated that he might ask the Department for information that would assist him in preparing for the Committee he cited as an example the PwC report. I advised him that he should write to the Department if he identified specific pieces of information that would assist him and that the Department would consider his requests.

Regards

Terry

## Terence Coyne

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**From:** Coyne, Terence  
**Sent:** 10 November 2016 15:22  
**To:** 'mark.cockburn@cepa.co.uk'  
**Cc:** Sewell, Julie  
**Subject:** HPRM: Northern Ireland Assembly Public Accounts Committee Evidence Session 10

November 2016

Mark

Further to our telephone conversation, please see attached a letter and guidance for witnesses at Public Accounts Committee evidence sessions.

Regards

Terry

**Terence Coyne**

Governance Accountability and Casework

Department for the Economy

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Mob: Personal information redacted by the RHI Inquiry

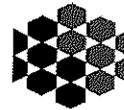
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Mark Cockburn  
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10 November 2016

Dear *Mark*

**NORTHERN IRELAND ASSEMBLY'S PUBLIC ACCOUNT COMMITTEE'S  
INQUIRY INTO THE NON DOMESTIC RENEWABLE HEAT INCENTIVE  
SCHEME**

Further to our telephone conversation, I am writing to provide guidance that will hopefully assist you in preparing for your attendance at the Public Accounts Committee's evidence session on 23 November.

The Department of Finance has produced a "Guidance Note for Accounting Officers and other witnesses appearing before the Public Accounts Committee at the NI Assembly". The guidance contains a number of embedded documents, some of which provide guidance to witnesses giving evidence to the Committee, and others which specifically relate to the responsibilities of Departmental Accounting Officers. Although the latter documents may not be of direct relevance they will assist understanding of the process.

You may also find it useful to watch previous evidence sessions relating to the Committee's inquiry held on 28 September, 26 October and 9 November. Officials from the Department provided evidence at the 28 September and 9 November evidence sessions, while Ofgem officials provided evidence at the 26 October session. The sessions are available at the following link:

[www.niassembly.tv/categories/public-accounts-committee/](http://www.niassembly.tv/categories/public-accounts-committee/)

I, and my departmental colleagues, will be pleased to assist you in any way we can in preparing for the forthcoming evidence session. I can be contacted at 028 9052 9406 (e-mail [terence.coyne@economy-ni.gov.uk](mailto:terence.coyne@economy-ni.gov.uk)).

The Department of Finance has a role in all Public Accounts Committee evidence sessions and officials from that Department will also be happy to discuss the process. Julie Sewell, to whom this letter has been copied, will telephone you directly in this regard.

Yours sincerely

A handwritten signature in black ink that reads "Terry Coyne". The signature is written in a cursive style with a large, sweeping initial 'T'.

**Terry Coyne**

## Guidance Note for Accounting Officers and other witnesses appearing before the Public Accounts Committee at the NI Assembly

The HM Treasury publication “A Guide to Scrutiny of Public Expenditure” (‘The Guide’) contains useful guidance on preparation for a Public Accounts Committee (PAC) hearing at Westminster. Accounting Officers (AOs) and team members appearing before PAC may wish to read this (copy attached below).



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lic\_Expendit...

By convention, NI Departments follow this Guide, but witnesses may also wish to make themselves aware of ‘Guidance for Officials on Appearing before Assembly Committees’ (copy attached below). The guidance notes that ‘it does not, however apply in every respect to the Public Accounts Committee’ and includes reference to where additional information can be obtained.



04-03-13 -  
HCS-167-13 - Memo t



Guidance for officials  
on appearing before ,

This supplementary note is not intended to be a substitute for the guidance referred to above, but rather provide some observations from hearings on Accounting Officers appearing before the PAC at the NI Assembly.

### **The Public Accounts Committee**

The Public Accounts Committee is a standing committee established under the Assembly’s Standing Orders with the specific remit to consider accounts, and reports on accounts laid before the Assembly. However, in practice it is more likely to consider value for money reports produced by the Northern Ireland Audit Office (NIAO). The Committee is authorised to exercise the power in section 44(1) of the Northern Ireland Act 1998, to call for witnesses and documents, and will normally report on its considerations.

Members of the current Committee are listed in the document below.



PAAB PAC  
Membership May 2014

## Accounting Officer Responsibilities

An Accounting Officer (AO) letter of appointment sets out the formal and statutory context of the appointment and the personal responsibilities for which an AO can expect to be called to account in the Assembly. One such occasion is to appear before PAC. DAO (DFP) 08/11 'Accounting Officer Responsibilities' sets these responsibilities out in more detail - see copy below.

The Head of the Civil Service (HOCS) has written to Accounting Officers on two occasions in relation to the responsibilities of Accounting Officers appearing before PAC. In his note of 20 December 2011 he states "*The relationship between Accounting Officers and the Public Accounts Committee is an important one and is fundamental to our system of accountability'....'I do want to re-emphasise the need for all those giving evidence to the Committee to ensure that they do so in a constructive, open and full manner*", whilst in his note of 30 January 2012 he stresses '*the importance of providing the Public Accounts Committee with clear, concise and complete information*'.

Below is a list of the key messages highlighted by HOCS in his correspondence to AOs.

- The requirement for candour at all times;
- a helpful approach to the disclosure of information taking into account the limits on PAC's powers of compulsion and the sub judice rule;
- a willingness to acknowledge any failings in performance at the earliest opportunity and without protracted questioning;
- the need to avoid an over-reliance on the NIAO report as a basis for preparation for PAC hearings. The Committee is entitled to and frequently does draw on other sources of information in its questioning;
- the need to be willing to admit to less than perfect knowledge and to seek to submit evidence in written form or at a subsequent session; and
- the need for appropriate liaison between Departments, the NIAO the Treasury Officer of Accounts and the Clerk to the PAC to facilitate productive and constructive engagement with the Committee.

Below are copies of DAO(DFP) 08/11 and the two letters from HOCS to Accounting Officers on the responsibilities of Accounting Officers in relation to PAC.



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DAO (DFP) 08  
11.docx

## Preparation for Hearing

### Accounting Officer's Team

Each AO will have his/her own preferences for the way in which they prepare for a PAC hearing. At a very early stage the AO should determine the size and composition of his/her teams, both for briefing preparation and for attendance at the hearing. In terms of the latter, AOs should consider the size of their team carefully and only take those who are absolutely necessary, and those who are able to, and are prepared to contribute to the hearing when appropriate. Supporting witnesses should be chosen not because of their grade, but because they can add something e.g. do you need a technical Grade 5/7 rather than a Deputy Secretary?

Too large a team can give the impression that the AO has not mastered the subject matter, whilst the omission of a potential key witness may lead to the Committee being critical and the AO being unable to answer important questions. The Committee has been critical of some departments for not bringing what it considered to be the appropriate team of witnesses (Springvale Educational Village Project (DEL) 2007 – *“The Committee expects Accounting Officers to ensure that when a range of organisations are involved in a significant project, they bring a fully representative team of witnesses to the evidence session”*).

### Accounting Officers/Witnesses – answering for ‘past and present’

By convention, the AO appears before the Committee to answer not just for his/her time in office, but for ‘both present and past’. The Committee was disappointed however by an AO’s admission that, in preparing for the Committee’s evidence session, he had not researched back beyond 2010 when he took up post. (NI Housing Executive: Management of Response Maintenance Contracts (DSD) 2012 – *“The Committee expects the Accounting Officer to have fully researched all matters and, where appropriate, to have discussed with his predecessor any issues that are pertinent to the Committee’s enquiries”*).

Further, PAC has recently requested the attendance of specific former Accounting Officers to give evidence, including those who have retired. In the instance of NI Fire and Rescue Service (DHSSPS) 2013 a former retired Chief Fire Officer was called; in DRD Review of a Whistleblowing Complaint (DRD) 2013 two former Chief Executives of Roads Service were called one of whom had retired in addition to a former departmental Accounting Officer; and in NI Courts and Tribunals Service Trust Statements (DOJ) 2014 a former Chief Executive of NICTS who had recently transferred was called to attend. In addition, former officials have been requested such as in the case of Governance of Land and Property in the NI Housing Executive (DSD) 2016, a former Director was called to attend.

PAC has also on occasion requested the attendance of private sector witnesses – in PSNI Use of Agency Staff (DOJ) 2012 Grafton Recruitment

were called, and in Advance Land Purchases (DSD) 2015 Oaklee Trinity Housing Association were called. There have also been occasions whereby the Chair of the Board has been called - NI Fire and Rescue Service: An Organisational Assessment and Review of Departmental Oversight (DHSSPS) 2013 and the NI Events Company (DCAL) 2015.

### Updated information

If some time has passed between the publication of the NIAO report and a hearing, and there are more up-to-date figures/facts, these should be given, in advance, to the Committee – see the HMT Guide paras 4.38-4.40. Please note that any additional information may need to be cleared by NIAO, who may require time to audit it. DoF will be happy to discuss any issues you may have.

### Processing Late Information

When new information of relevance to a hearing becomes available shortly beforehand, reference should be made to the HMT Guide paras 4.41-4.43.

In Measuring the Performance of NI Water (DRD) 2010, PAC was critical of the department introducing late evidence at the hearing *“NI Water also told the Committee... The Committee notes that this represents new information, and was not agreed with the C&AG in the preparation of his report. The introduction of new and uncorroborated material of this kind at a hearing is not helpful and should have been raised during the extensive clearance process on this report”*

### Knowledge of Material

It is important that all members of the team read the NIAO report and have a thorough understanding of all the issues raised in it. It is equally important that they have a detailed knowledge of each paragraph and table in the report.

In addition to the NIAO report, witnesses should also be aware of any related current issues, such as AQs (during an evidence session on Campsie Office Accommodation (DETI) 2010, a Member referred to an AQ he had asked in 2001 on Campsie), FoI requests; related issues raised by departmental committees; correspondence cases; press reports, related Westminster/NI Assembly PAC reports and related Treasury Minutes/Memoranda of Reply on similar or related issues and importantly, previous recommendations of a more generic nature from previous NI Assembly PAC reports/MORs that may be relevant.

### Benchmarking

Members very often show an interest in how NI compares with GB and further afield. Benchmarking has been raised in a number of hearings and AOs have been questioned on how NI performance compares with others. Witnesses should however consider how they respond to questions on benchmarking to

ensure their response does not appear complacent (The Safety of Services Provided by Health and Social Care Trusts (DHSSPS) 2012 *“Again we have complacency from the Department. It is as if we should be giving it a gold star because we are doing better than the rest of the UK....I think that it was a very complacent answer to suggest that we have only a 4% increase when others have 10%. That is not acceptable...”*).

### Briefing

AOs will have their own preferences for the format of briefing. Whilst by its very nature it will be necessary to amass a considerable amount of information prior to the hearing, do not confuse quantity of information with quality of information; it is much better to have one good folder of relevant information, i.e. that focuses on the issues and likely criticisms, than 4-5 folders that end up being unmanageable.

At the hearing itself, AOs have found it useful to use either an annotated copy of the NIAO report as their briefing, or a page of the NIAO report on one page and relevant briefing on the opposite page. Other witnesses may also have a small folder of ‘key facts’. Do not attend the hearing with a number of large folders; it can give the impression that you have not mastered the information and in any case you will not have time to refer to it during the hearing.

Some AOs have also found it useful to produce a single page of ‘positive statements’ and ‘key facts and figures’ which they place in front of them and refer to at various points during the hearing.

### Previous Sessions

Previous evidence sessions are available to watch online on the NI Assembly’s website at **Committees > Public Accounts > Listen Again**. Recommend watching part of recent sessions of new Committee as this will give an idea of style of questioning and individual members.

### PAC’s Preparations

Two weeks before a hearing, PAC will meet to begin its formal preparations. At this first meeting members will receive a briefing by NIAO staff. A week before the hearing the Committee will meet again at which time they will determine the line of questioning by members. NIAO will be on hand to assist in the preparation as necessary.

### During the Hearing

#### Timing

Hearings are generally held on a Wednesday at 2.00pm in the Senate Chamber. Witnesses should aim to be there about 15 minutes in advance of the hearing. In total, a hearing will normally last somewhere in the region of around three hours. However, the longest session has lasted in excess of

seven hours (Northern Ireland Tourist Board (DETI) 2002, which included a lunch-break), and more recently five and a half hours (Police Service of Northern Ireland: Use of Agency Staff (DOJ) 2012) and five hours (Advanced Land Purchases (DSD) 2015).

### Seating

The table where the witnesses sit is rather small but can accommodate up to a maximum of five people. DoF would recommend that an AO considers taking no more than two others with him/her, unless it is essential that more attend, for instance if a number of separate organisations are involved.

The Treasury Officer of Accounts (TOA), a DoF official attends all PAC hearings to answer any questions in relation to DoF and central guidance issues. The TOA does not sit beside the departmental witnesses appearing before the Committee but rather sits behind members of the Committee. The Comptroller and Auditor General (C&AG) also attends every hearing and rarely speaks, but may on occasion contribute or answer the occasional question on the content of the relevant NIAO report. The C&AG also sits behind members of the Committee, but on the opposite side to the TOA.

### Questioning: Chairperson

The Chairperson will normally start by welcoming the AO and his/her team – if he/she does not, the AO may wish to introduce the team.

The Chairperson will then ask a number of opening strategic/general questions, normally of the AO. The AO should continue to answer thereafter unless it is appropriate for them to ask a team member either to answer a question or expand/add to something that they have said. Additionally, at any time, if a team member can add salient points to information provided by the AO, it is in order for them to interject at the appropriate time as the Committee is fairly relaxed about who answers their questions.

### Questioning: Members

Following this, each member of the Committee will be introduced by the Chairperson to ask questions and may state which ‘theme’ they are going to cover. The members will then ask their questions based on the NIAO report and/or other relevant material for approximately 10 minutes each, and witnesses may be referred to specific paragraphs within the NIAO report. Members are likely to probe into some of the responses to their questions – rather than accept an answer at face value. Members asking supplementary questions during other members questioning is generally controlled by the Chairperson who will invite members to come in after two/three members have indicated they wish to pose such a question. However, witnesses should also be prepared for Members interjecting at any time.

The majority of the Committee’s questions will normally be related to the relevant NIAO report although this depends on how much additional material

there is. In his note of 30 January 2012 to Permanent Secretaries, HOCS cautioned against “*an over-reliance on the NIAO report as a basis for preparation for PAC hearings. The Committee is entitled to and frequently does draw on other sources of information in its questioning*”. This was evident in the NI Fire and Rescue Service (DHSSPS) hearing in April 2013, where the majority of questions were in relation to various whistleblowing allegations and investigation reports, and not the NIAO report. In addition, certain reports will lend themselves to questioning on issues which, whilst related to the subject matter of the report, may not be directly referred to in the report, for example members may raise related constituency issues.

Members will frequently focus on tables and ask about figures contained in them. Witnesses should therefore:

- know what every figure represents,
- be aware of and have explanations for unusual trends, percentages etc, and
- know how different tables in a report interact – often members will seek to compare one table with another.

#### Witnesses Responding

The Committee expects full, accurate, clear and consistent evidence from all the witnesses and relevant and important facts should not be omitted. There has been some criticism of the quality of evidence in hearings over the last few years, for example Procurement and Governance in NI Water (DRD) 2010; and Reducing Water Pollution from Agricultural Sources: Farm Nutrient Management Scheme (DARD) 2011.

A key recommendation on the quality of evidence from the Committee’s report Procurement & Governance in NI Water (DRD) 2011 is shown below:

*‘The Committee recommends that all witnesses to this Committee must not only answer all questions put to them accurately, but also should not omit relevant and important facts. This Committee should not have to seek to draw out this information through cross examination. Only by receiving open, honest and full responses can this Committee make effective recommendations that help to improve the way the public sector serves the people of Northern Ireland’.*

Further, witnesses should not challenge any facts contained in the NIAO report – it is an agreed report.

It is important for each witness to concentrate at all times to ensure that they keep up with the questioning. They could be asked a question at any time during the hearing. However, in some hearings, officials have not spoken and have not been asked to.

#### Passing Notes

Witnesses should not pass extensive notes or tear pages out of their briefing and pass them to each other throughout the hearing, in the manner which might be adopted for a debate. This is not a debate where witnesses have time to assemble answers. The passing of the occasional note might be beneficial, but constant notes can be off-putting and can give the Committee the impression that the witnesses have not mastered the subject and are over-reliant on others.

### Support Team

An AO might wish to bring his/her support team to observe the hearing; they will be seated in the public gallery. However, the AO should not refer to them to provide or pass information on the day – it is only the witnesses at the table who should respond to questioning.

### After the Hearing

Within 1-2 days following the hearing, it is likely that the Chairperson will write to the AO requesting some additional information – this can take three main forms.

- First, if a witness does not have information to hand during the hearing, he/she may offer to provide a note to the Committee following the hearing.
- Second, if a Committee Member does not have sufficient time to ask all their questions during a hearing, they can put them in writing afterwards.
- Thirdly, if a Committee Member fails to attend a hearing, they may put their questions in writing following it, although other members usually try to ask their questions during the hearing.

### Additional Hearings

If the Committee are dissatisfied with the evidence, they may recall witnesses.

The Committee has recalled witnesses for a second evidence session on Reduction of Water Pollution from Agricultural Sources: The Farm Nutrient Management Scheme (DARD) 2011, and on Belfast Metropolitan College Titanic Quarter PPP Project (DEL) 2014 where they also requested a representative from the Strategic Investment Board attend the second session.

They have also decided after certain hearings that they wish to take evidence from different individuals to get a fuller picture and have requested specific named officials to attend to provide further information - PSNI Use of Agency Staff (DOJ) 2012 where the Committee called for senior PSNI staff, and NI Fire and Rescue Service: An Organisational Assessment and Review of Departmental Oversight (DHSSPS) 2013 where the Committee called the Chair of the NIFRS Board.

**Memoranda of Reply**

The Committee will produce a report normally within about 2 months of the hearing containing a number of Recommendations. DoF will work with the Department to produce a Memorandum of Reply (MOR), which is the formal response to the Committee. This is presented by the DoF Minister, to the Assembly, within two months of the publication of the report.

**Commenting in the media**

The general protocol on commenting in the media on matters under consideration by PAC is that no comment should be made as it is important not to pre-empt or pre-judge any evidence or report, or the final considered reply to any report, which must be given first to the Assembly. However, there may be circumstances whereby Ministers may wish to respond publicly to any criticisms of policy, inaccuracies etc as seems appropriate. Guidance is contained in DAO (DFP) 10/15 (copy attached below).



PAAB DAO (DFP) 10  
15 guidance on Comm

It should be noted that any comment that is made is likely to be drawn to the attention of PAC.

**DoF Assistance**

DoF can assist in the following ways.

- Participation in Mock Hearings.
- List of typical questions.
- Provide examples of previously used briefing.

**Contacts**

If you have questions in relation to this note or would like to discuss any issues related to a forthcoming PAC Hearing please feel free to contact [the Treasury Officer of Accounts – currently Alison Caldwell ext 68249 (028 91858249) or a member of her team Julie Sewell ext. 68276 (028 91858276)].

**DoF**  
**September 2016**