

F7/19/06

30 June 2006

Circular 19/06

Instructions for Preparing Material for Inclusion in Minutes of the Minister for Finance on Reports of the Committee of Public Accounts (PAC)

A Dhuine Uasail

1. I am directed by the Minister for Finance to issue instructions for preparing material for inclusion in Minutes of the Minister for Finance on Reports of the Committee of Public Accounts (PAC). Paragraphs 2-5 of this Circular summarise the sequence of events leading up to such Minutes, describe their contents and the PAC's consideration of them, and outlines how they are compiled. Paragraph 6 sets out the instructions for preparing material for inclusion in such Minutes. The contents of this Circular are to be brought to the attention of all officers in your Department/Office likely to be involved in preparing material for inclusion in Minutes of the Minister for Finance.

2. PAC Reports

Each year, the Comptroller and Auditor General (C&AG) audits the accounts of Government Departments and Offices and lays them before the Dáil. The Dáil Committee of Public Accounts (PAC) examines the accounts and the C&AG's reports on them, in public session. It normally calls the relevant Accounting Officer to give evidence before it during the examination. The PAC then issues a Report. PAC Reports usually consist of a summary of the evidence presented to the PAC, a short statement of the PAC's findings and a list of recommendations. The PAC also issues Reports on value-for-money (VFM) reports by the C&AG. All PAC Reports are laid before the Dáil.

3. Minutes of the Minister for Finance

The Minister for Finance responds to every PAC Report by means of a document entitled "The Minute of the Minister for Finance on the Report of the Committee of Public Accounts on [title of PAC report]". After a very short introduction, the Minute responds briefly to each recommendation in the Report. Minutes of the Minister for Finance are compiled by Government Accounting Section in the Department of Finance and are approved by the Minister for Finance before issue to the PAC. From April 2006, the Minister for Finance circulates Minutes being transmitted to the PAC to the Government for information.

4. PAC Consideration of such Minutes

In recent times (Spring 2006) the PAC has begun to consider Minutes of the Minister for Finance in public session and has indicated that if it is not satisfied with the response to a recommendation, it may pursue the matter further with the Minister for Finance. The PAC may also seek a Dáil debate on the matter. It may also raise the matter with the relevant Accounting Officer either in writing or on the next occasion on which he or she is before the Committee.

5. How Minutes are compiled

Government Accounting Section in the Department of Finance compiles Minutes of the Minister for Finance from material supplied to the relevant sections within the Department of Finance by the Departments and Offices involved in the PAC Report's recommendations. All Departments and Offices should be aware of the processes outlined in paragraphs 2-4 above. It is also essential that they respond promptly and appropriately to requests for material for inclusion in Minutes of the Minister for Finance.

6. Instructions for preparing material for Minutes

In particular, Departments and Offices involved in preparing material for Minutes of the Minister for Finance must comply with the following instructions, which supersede all previous instructions in the matter.

- i. Material for inclusion in Minutes of the Minister for Finance should respond only to the PAC recommendations: there is no need to deal with PAC findings.
- ii. Every recommendation should be responded to.
- iii. Material should directly answer the point(s) being made in the recommendation and should be concise.
- iv. As far as possible, responses should begin by stating explicitly whether the recommendation is accepted or not.
- v. Where a recommendation is accepted, the response should go on to say briefly how the recommendation has been, is being or will be implemented.
- vi. Where a recommendation is not accepted, the response should go on to explain convincingly why not.
- vii. All responses must be cleared by the Accounting Officer of the Department or Office concerned. Where a response relates to a Department or Office other than the Department of Finance, the text should make that clear with a phrase along the lines of "The Minister [for Finance] is informed by the Department of.....that....."
- viii. Where the recommendation being answered relates to a policy or legislative matter, the response must be cleared by the Minister for the Department or Office concerned. The purpose of requiring Ministerial clearance (apart from the fact that policy and legislation are matters for Ministers) is to ensure that the

issue is freshly considered at Ministerial level, and a firm policy line laid down in the Minute of the Minister for Finance, well in advance of any Dáil debate that might take place. To make it clear to the PAC that the matter has been freshly considered at Ministerial level, responses in such cases should be introduced with a phrase along the lines of “This is a policy [or legislative, as appropriate] matter and is primarily for the Minister for The Minister [for Finance] has consulted the Minister for..... and the Minister for.....has informed him that.....”

- ix. In the Department of Finance, all material for inclusion in Minutes of the Minister for Finance is to be cleared with the relevant Second Secretary General before being forwarded to Government Accounting Section. Government Accounting Section will work on the basis that all material supplied to it has been cleared at the appropriate levels in Departments and Offices and in the Department of Finance.
- x. As far as possible, material should avoid references that might go out of date during the process of clearing the Minute for issue to the PAC or, indeed, before the PAC’s consideration of the Minute. If a time reference is unavoidable, it should be to a period that has ended (e.g. the last complete calendar year) rather than being left open-ended. Any statement that contains a time reference should be in square brackets in the text submitted to Government Accounting Section in the Department of Finance and that Section should be kept informed of any changes to it.
- xi. Material for inclusion in Minutes of the Minister for Finance should begin by setting out, in bold type, the full text of the PAC recommendation. This should be followed, after a gap of two lines, with the text of the response, in ordinary type. Text should be supplied as an attachment by e-mail.
- xii. The PAC has indicated that if it is dissatisfied with a response in a Minute of the Minister, it will write to the Minister for Finance or the Department of Finance, as it considers appropriate. In such circumstances the Minister for Finance will respond by means of a covering letter with an attachment. The instructions set out above apply to producing material for inclusion in the attachment; however, the original PAC recommendation and the relevant text from the PAC’s follow-up letter may be shortened.

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Thomas Considine
Secretary General

To: All Accounting Officers