

Day 1 - Wednesday 8 June 2022

The 13th annual PAS meeting was hosted by the UK National Audit office and took place in London 8-9 June 2022.

Agenda item 1A: Opening remarks by delegate from the UK National Audit Office

Executive Director Rebecca Sheeran from NAO welcomed the PAS representatives to London on behalf of the Auditor-General of UK.

Agenda item 1B: Presentation of the agenda

The PAS Chair, Ms Lene Siljeholm Christiansen, presented the agenda and expressed her gratitude to the hosts for the warm welcome and the excellent planning of the event. The Chair also thanked the planning committee of the PAS-meeting for their valuable collaboration on the agenda. 52 members from 23 member countries and 4 observers participated in the meeting,

Agenda item 1C: Brief introductions by all participants

23 member SAIs and four observers attended the meeting, US GAO, SAI Thailand, SAI Georgia and SAI Uganda participated virtually. Please see participant list for a complete overview.

Agenda item 1D: Supporting SAIs in developing professional competencies for performance audit.

- ❖ Presentation by Ms Maria Lucia Lima and Ms Jade Quarell from IDI

Ms Maria Lucia Lima and Ms Jade Quarell presented how the IDI works to support SAIs in developing professional competencies for performance audit.

The work is based on ISSAI 150: Auditor Competence (exposure draft), GUID 1950: Guidance on the development of competency frameworks for auditors and GUID 1951: Guidance on the development of pathways for professional development of auditors.

IDI has developed a pilot on this area - Professional Education for SAI Auditors - PESA-P. The purpose is to document the competencies needed and to specify the pathways for how to achieve them. IDI has also developed a syllabus for this purpose and delivered education to assist auditors in achieving these competencies.. As part of PESA-P, the SAIs had assigned a SAI coach to help implement the knowledge acquired on the ground.

SAI Georgia shared that they have participated in this pilot and the delegate commented that this had been a most useful experience, and commented that management participation would be useful in this program.

Please see PowerPoint presentation for more details.

Agenda item 1E: Update on INTOSAI framework and processes (affecting PAS)

- ❖ Presentation by PSC Chair, Ms Paula Dutra.

In this session, the PSC Chair provided an overview the IFPP standard-setting process, the Strategic Development Plan and the Review of the IFPP (Component 1).

The PSC Chair gave an overview of the key INTOSAI bodies involved in standard setting and their roles - The INTOSAI Goal Committees, the Professional Standards Committee (PSC) and the Forum for INTOSAI Professional Pronouncements (FIPP). She also gave an overview of the Strategic Development Plan (SDP), which is a tool to develop and maintain a clear, consistent and relevant standards framework. She also delivered an overview of the IFPP - the INTOSAI Framework of Professional Pronouncements, which is a family of three sets of documents. The principles (INTOSAI-Ps), the Standards (ISSAIs) and the Guidance (GUIDs) and explained the IFPP due process for adoption of the documents.

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The PSC Chair then continued with IFPP news. First she gave an overview of the process for reviewing ISSAI 140. Then she started with an overview of the Component 1 - review of the IFPP. It was underlined that the overall goal was to slim down the core framework to the essential by making it simple, principles-based and future-proof, while losing no content. The review is based on a preliminary analysis, workshops with the ISLOs (5 topics), a Global survey, discussion with SAIs working in complex situations and workshops with SAIs working in complex situations and finally workshops with INTOSAI bodies on selected issues stemming from the survey. The next step is a report to the PSC Steering committee and Governing Board, that will be input to the next SDP.

Some results from the Component 1 survey was presented, but it was stressed by several of the participants that it was difficult to interpret the answers as long as the definitions of concepts in the questions were somewhat unclear. The representative from SAI Sweden highlighted the example of combined audits. It is unclear what is meant by this concept, is it combining standards or is it combining different audit objectives or methods in the audit, which is completely different things? The same with the term “principle based”, what does it really mean? Also, the calculations in the presentations of the analysis were contested, as the population of the survey was not totally correct. The population did not, as it could be interpreted, represent the percentage of SAIs, but of an unknown population. Thus, the sub-committee questioned the validity of the results and the conclusions of the analysis. The PSC chair ensured that she would look into the methods for the analysis and make sure the calculations were corrected. She also assured that the PAS would be able to get the full report on review before the report is sent to the Governing Board

The last topic in this session was the next SDP for 2023+. The timeline for the development, up to the approval by Governing board in November 2023, was presented.

Please see PowerPoint presentation for more details.

Conclusions: the PAS chair and secretariat will work with the PSC chair to promote the views and priorities of the PAS, especially on all matters related to performance auditing. The PAS secretariat will keep PAS members informed about the developments related to ongoing INTOSAI processes, and engage members as deemed necessary.

Agenda item 1F: PAS activities update

- ❖ Presentation by Ms Lene Siljeholm Christiansen, PAS chair.

The session provided an overview of PAS activities throughout the last year.

PAS blog and PAS website: The responsibility for the website will be transferred to the new chair and secretariat at the end of the year, to secure continuity of this website. Recently, a blog has been established on the website, as an online forum for sharing knowledge and perspectives on initiatives and topics that are of direct interest to performance audit practitioners across the globe. A few contributions have been published on the blog, and the secretariat is grateful for the submissions we have got so far.

There has been set up a small panel of reviewers or editors to run the blog and provide any support for contributing members. The panel is currently constituted by the Chair, Mrs. Cathleen Berric, from the US Government Accountability Office and Mr. Wilfred Aquilina from the European Court of Auditors. Some guidelines have also been prepared, for the management of the blog and its content

Consultation group on standard related issues: During this year, the PAS secretariat has established an informal consultant group to the chair on standard related issues. The group consists of Corrie Pretorius and Kevish Lachman from South Africa, Lars Florin from Sweden, Frank van den Broek from the Netherlands, Norbert Weinrichter from Austria, Jan Roar Beckstrøm from Norway and Deirdre Quaid (incoming chair) from Ireland.

The reason for establishing the group was the need for some consultancy on standard related issues, INTOSAI processes and projects from experienced members. Therefore the members of the group are people that knows PAS history and took part in developing the ISSAI 3000. The group has been and will be consulted for the Component 1 and the development of the new Strategic Development Plan

INTOSAI processes and projects involving PAS: PAS has been and are involved in different INTOSAI processes and projects during the last year.

- **Project 2.6 GUID 5160 Guidance on using the work of internal auditors (SDP for 2017-2019)**
PAS provided substantial support on using the work of internal auditors. This was led by the Internal Control Subcommittee. From PAS we had participants from the SAIs from Romania, Qatar, Austria, ECA and the PAS secretariat. After several discussion with ICS and PSC on the quality and the relevance for performance audit, PAS decided to issue a practice note on using the work of internal auditors in performance audit on the basis of the work done in relation to project 2.6. PAS is no longer committed to participate in the project and a revised project proposal has been discussed in FIPPs meeting in April. The proposal is still not approved, but an new update of the project proposal will be discussed at the FIPP June meeting.
- **Project 2.3 GUID Guidance on carrying out combined audits in accordance with mandate of SAI (SDP for 2017-2019)** Mr Lars Florin from the Swedish National Audit Office followed this project for PAS for several years. Based on this he presented a paper for us last year a discussion on combinations in public sector auditing with a focus on performance. The status of this project is somehow unclear and pending within the PSC. PAS is however no longer committed to participate in the project.
- **IDI Handbook** PAS members, UK NAO, US GAO and PAS provided extensive support in the development of the current verions of the IDI Performance Audit ISSAI Implementation Handbook. The handbook was finalized and published in August 2021. It is available in English, Spanish, French and Arabic.

Component 1

As the INTOSAI standard setter for performance auditing, the PAS has taken part in the different phases and deliberations around SDP for the IFPP 2020-2022 Component 1. This is a project in the SDP for 2020-2022 that aims to look at the clarity of concepts and drafting and presentation of the

framework. Following an initial desk review conducted by PSC, PAS provided input to the process through a committee hearing in September 2020. PAS also participated in the series of online discussions and have also given contributions to a survey based on the desk review and the discussion sessions.

The Chair and secretariat, and other representatives from PAS participated in a PSC led workshop held for PAS members the 19. of May. Prior to the workshop the chair consulted the consultant group.

The main issues we debated here was:

- Setting the bar at the adequate level for requirements
- Improving user experience when accessing and applying the standards
- Providing relevant and up-to-date guidance

The PAS input here was to focus on the clarity of the IFPP (framework), for example if there are inconsistencies in wording between documents that cover the same audit type. At the same time, the importance of maintaining the division between audit types was highlighted to safeguard the performance audit standards and guidelines.

The final report from the Component 1 is planned to be reported to INCOSAI 2022.

PSC Terms of Reference: PAS is currently contributing in the task of revising the PSC terms of reference. Mr. Norbert Weinrichter from SAI Austria is the liaison person on this task. PSC's timeline for the process has been quite tight, input was submitted to the PSC in May.

ISSAI 140: PAS is also contributing in the revision of ISSAI 140. Mr. Andy Fisher from NAO is PAS' representative on this project which is considered a so-called joint project involving all sub-committees.

The IAASB (International Auditing and Assurance Standards Board) issued a new suite of quality management standards. The new standards are effective from December 2022. These changes and revisions imply that a revision of relevant ISSAIs, notably ISSAI 140 is needed and quite urgently.

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The PSC invited to a short meeting in May presenting the Project proposal for the sub-committees chairs. The planned timeline of the project is quite strict, planning a exposure period from October to December, and then final pronouncement April to June 2023.)

Hearings: PAS has during 2021 and 2022 contributed with expertise on performance audit in the development of several INTOSAI guides. Feedback has been based on input from the full committee, following an initial consultation.

- GUID 5340 Audit of Public Private Partnership
- Project 2.7 GUID 5320 Audit of Privatisation

Project 2.11 GUID 5280 Public Procurement Audit **SDP for the IFPP 2023-2026 (Third SDP):** PAS will also contribute in the development of the new Strategic Development Plan (SDP).

The SDP guides the development of the framework, provides overall coordination of the work and helps plan for the effective use of INTOSAI resources.

According to the Due Process for the IFPP, the SDP should be updated every 3rd year. Due to the Covid 19 situation and the work on the Component 1 from the SDP 2020-2022 the update has been 1 year delayed. They are now in the phase of information gathering.

The subcommittees and working groups therefore received a request for information on existing and planned written products with the deadline 25. of May.

Membership policy:

The chair referred to the decision made by the former PAS Chair in March 2020, to not accept new members in PAS due to the large number of existing members, and thus the opinion that the committee had reached its maximum capacity, especially with regard to the cost of hosting PAS-meetings.

The chair informed that the committee have received a request for membership from the Auditor General of Uganda. On discussion with the incoming chair, it was decided to reconsider and open up for membership on request to the Chair, as there are regions that are underrepresented in the

committee. The need for having criteria for admitting new members was recognized, to safeguard that the sub-committee working well and that new members are willing and able to actually contribute

Decision: *PAS membership policy is opened up for membership on request to the chair according to criterias favoring representation from the different regions and interest and expertise in PA. The specific formulation of criterias should be formulated in the next PAS ToR.*

Uganda was admitted as a new member in PAS

Agenda item 1G: History and role of PAS in INTOSAI

Presentation by:

❖ Mr Norbert Weinrichter, SAI Austria

The purpose of this session was to provide an understanding of the role of PAS and give some background information on some of the ongoing discussions for new members.

Mr Weinrichter gave brief historical overview the current standards and how they came into existence. He also pointed to the fact that the role/purpose of PAS have been a bit unclear. It is a standard-setting committee, but there is in reality little new standards since 2004. The committee is not a knowledge-sharing or capacity building committee, but in fact, this is much what it is used for.

Another issue that he pointed to was the question of membership. What should be the criteria to be a member in PAS, and highlighted different dilemmas related to this.

He also pointed to the challenge that the same SAIs often take different positions in the different INTOSAI bodies (PAS, PSC, FIPP), and that there seems to be little internal consensus in the SAIs.

Please see PowerPoint presentation for more details.

Conclusion: *PAS should continue discussing the purpose and role of the committee, regarding standard setting vs knowledge sharing, criteria for membership and representation.*

Agenda item 1H: PAS Work Plan 2023-2025

Presentation by:

- ❖ Ms Lise M. Styrk Hansen, PAS Secretariat

the PAS Secretariat gave a brief update on the current PAS Work Plan (2020-2022). The purpose of the session was to hear preliminary considerations and ideas from members on future PAS priorities. The secretariat sought the input of members through a group exercise, posing the following question: “What could be possible priorities for the PAS for the next work plan (2023-2025)?”

Groups:

1. United Kingdom, Austria, Canada, France, IDI, Norway
2. Netherlands, Hungary, ECA, Sweden, India, WGEPPP
3. Denmark, Saudi Arabia, Denmark, South Africa, Germany, Azerbaijan, Brazil
4. AFROSAI-E, Ireland, Romania, Australia, Qatar, Switzerland
5. Online: Georgia, Uganda

Conclusions from group discussions, summary:

- **Standards:** There is a reluctance for more standards, but PAS could work on making the best of what we have already
- There should be resources for working with the coherent revision of 300/3000-series
- Provide generic guidance on implementation of specific standards (linked to capacity building for PA purposes)
- **Knowledge sharing.** In this work PAS should be inspired by the INTOSAI working groups that works more flexible and topical (for example EUROSAI’s working groups on specific topics).
- Look at what type of knowledge should be shared and how the outcome could be measured.
- By working with specific topics we can share valuable knowledge and maybe in some cases also inspire new standards or guidelines. Ideas for knowledge sharing topics:
 - Experiences with implementing our standards

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- Collaborative auditing
 - Pre planning - developing ideas and risk analysis
 - How to relate audits to the 3 E's, different approaches to analysing the E's
 - Communication/dissemination of audit results to public and stakeholders
 - Environmental auditing
 - Fiscal responsibility
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- The **Strategic Development Plan (SDP)**, influence and ensure PAS priorities become part of the SDP, align PAS priorities to the final SDP.
 - Revise the cycle of planning, the planning should follow publication of the SDP, so this influences the workplan
 - Establish relationship and linkages with other sub committees and have this shared amongst members of PSC to obtain concurrence.
 - **Review the PAS ToR.** Make explicit objectives, procedures (eg. How decisions are made, what kind of contribution is expected from PAS members), ensure the PAS ToR meets the expectations of main INTOSAI bodies. Make an assessment whether the committee is doing what it is set up to do (gap analysis) and also wants to do
 - Mechanism for tracking usage and identifying needs
 - Monitoring implementation of the standards
 - Establish Key performance indicators (KPIs) to facilitate assessing performance and monitoring implementation of PAS' mandate/work. This can also be important for justifying membership/participation.
 - Develop policy and criteria for membership membership to PAS

Conclusions: *the PAS chair and secretariat will take into account the input from PAS members when drafting the next PAS Work Plan for 2023-2025. The draft work plan will then be circulated among members prior to the 2023 PAS meeting, where the work plan should be approved.*

Day 2 - Thursday 9 June 2022

The working group on planning the PAS meeting wanted this 13. annual meeting to focus to a great extent on knowledge sharing. We therefore asked all members for input to topics they wanted to address in this PAS-meeting. The PAS secretariat received a lot of answers revealing a special interest for the topics: Sustainable development goals, audit of Covid 19, and dataanalytics.

Agenda item 2A: Sustainable Development Goals and Citizens perspectives

The development of practice on auditing SDGs was identified by many members as a topic they were interested in discussing in this meeting. In this session experiences and challenges related to auditing SDGs were shared through presentations and the following discussions. Presenters were:

- ❖ Ms Nadine Cormier, OAG Canada: “Implementing Gender-based Analysis in Performance Audits at the Office of the Auditor General of Canada”.
- ❖ Mr Corrie Pretorius, SAI South Africa: “Performance Audit ISSAIs and Auditing SDGs”.

Ms Nadine Cormier gave us an introduction of the background and experience in Canada with implementing Gender-Based Analysis (GBA) in government. GBA is an analytical tool for assessing inequalities and how this may impact differently diverse groups of the population (also including diversity in ethnicity, religion, disabilities etc). She also gave a brief recap of how OAG Canada had carried out audits of this in 2009, 2015 and just now in 2022, and the findings indicated that the changes on this area are disappointingly slow. Even so, such an audit can add value in that it provides independent information to hold the government accountable. It also leads to raising the awareness of gender and diversity issues, and provides recommendations for improvements on the area.

She also gave a short introduction to when and how to consider GBA in an audit, and shared some resources on the area, where other SAIs can find guidance in how to carry out such audits.

Meeting minutes

Mr Corrie Pretorius shared a presentation of an audit of the rehabilitation of derelict and ownerless mines in South Africa, as an example of an audit on an area that significantly have an impact on the lives of ordinary citizens in South Africa. The report showed the negative impact on environment and on local communities' health and safety through contamination of agricultural soil, groundwater and surface water with acid, salts and metals, and air pollution by dust and combustion from burning mines. Also open shafts, unstable slopes and illegal mining activities represent serious risks to health and safety for people in the local communities. After the publication of the report, the department has committed to fast track the finalisation of the Mine Closure Strategy, Conduct a liability study to quantify the government's liability for all D&O mines, and revise the stakeholder engagement framework to include solutions for unsuccessful engagements with communities during project execution.

This audit is a good example of an audit that aims at making a difference in the lives of citizens and is a reminder of how we as SAIs can be a voice for the ordinary citizen and hold government accountable.

Please see PowerPoint presentations for more information.

Agenda item 2B: Covid 19

Covid 19 was also a topic that was in high demand amongst members when discussing possible topics for this annual PAS meeting, since this is an exercise most SAIs have been through the last couple of years in different forms. In this session experiences and challenges related to audits of different aspects related to Covid-19 were shared through presentations and the following discussions. Presenters were:

- ❖ Mr George Kapanadze, SAI Georgia: "How SAIs audit during pandemic".
- ❖ Mr Andy Fisher, UK NAO: "Learning from the UK Government's response to the COVID-19 pandemic".

Mr George Kampanadze gave a recap of SAI Georgia's experience of challenges regarding auditing during the pandemic, through the example of two audits focusing on service continuity on the areas of Health and Education.

The results of both audits showed deficiencies in service provision both for health services and distance learning in Public schools. This clearly shows that preparedness for such a national (and international) crisis was not sufficient and that citizens did not receive the services they should. This will have longer term negative impact on both the population's health and on young people's education.

Mr Andy Fisher gave a summary of the learnings from UK NAO's more than 30 reports on various aspects of the government's response to the pandemic. He pointed to the fact that the pandemic has provided new learning on what has worked well and what hasn't but has also laid bare existing fault lines within society, public services and government itself.

Some important learnings have been that it is important that government adopts a systematic approach to preparing for high-impact events, evaluating its performance frequently, and acting quickly on learning points while adhering to required standards of transparency and accountability even in emergencies. Also that government can build resilience into systems and delivery chains, and develop consistently robust horizon scanning, risk management and operational management capabilities across government, this will help it to cope better with future emergency responses while also improving business-as-usual activities. The audits have also disclosed several existing challenges, for example that the relationship between adult social care and the NHS, workforce shortages, the challenges posed by legacy data and IT systems, and the financial pressure felt by parts of the system all require long-term solutions

Please see PowerPoint presentations for more information.

Agenda item 2C: Data Analytics

Meeting minutes

The topic data science is a topic of great interest, and has been a recurring item for the last few meetings in PAS. This year's session was a presentation of GAO's Science Technology Assessment and Analytics Team (STAA) and the work in their unit. Presenter was:

- ❖ Mr Ariga Taka, US GAO "Dedicated capacity to address rapidly evolving science & technology oversight challenges"

Mr Taka gave a presentation on the work of the data analytics unit in GAO. He gave an overview of how they have developed capacity to address complex issues involving science and technologies, to provide Congress with critical foresight, oversight, and insight into science and technology on a large number of areas. He talked about GAO's mission aligned innovation strategy, where important aspects are focus on problems, not solutions, room for trying and failing, connecting possibilities with sustainability and to avoid recreating the wheel. He also gave a live demonstration of GAO data science solutions, particularly on an anti-fraud resource they have developed.

For more details, please see Powerpoint presentation

Agenda item 2D: WGEPPP

Presenter was:

- ❖ Mr Emmanuel Sangra, SAI Switzerland: "News from the WGEPPP and next Forum on methods in Bern"

Mr Emmanuel Sangra informed PAS that the Swiss Federal Audit office (SFAO) took over the chairmanship from SAI France in March 2022. He underlined that PAS and WGEPPP are complementary, and that the PA Standards ISSAI 300/3000 are very useful for SAIs conducting evaluations as well. He also expressed that WGEPPP onwards will focus on exchange of good practices and international cooperation, rather than setting new standards or guidelines. He also informed about the 2022 WGEPPP Forum 26-28 September in Bern, Switzerland, and hoped many PAS members would be interested in participating.

For more details, please see Powerpoint presentation for agenda item 2D.

Conclusion: *PAS should maintain the cooperation with WGEPPP, sharing information and experience between the groups and participating as observers in each other's meetings.*

Agenda item 2E: Incoming Chair's session

Presenter was:

❖ Ms Deirdree Quaid, SAI Ireland

Ms Quaid informed the meeting that SAI Ireland will be taking over the chairmanship of PAS from the next INCOSAI meeting in November 2022 and expressed that they are very much looking forward to take over this task. She also informed the meeting that the 2023 annual PAS meeting will take place in Dublin, Ireland 28-29 March 2023

Agenda item 2F: Other business

The items list for this agenda item were the following: summing up decisions from the 2022 meeting, and evaluation of the agenda. The PAS Chair summed up decisions/conclusions for each agenda item, and asked PAS members' to confirm their approval or supplement additional points. Decisions will be summed up for each agenda item throughout the meeting minutes. There were no comments to the evaluation of the agenda.

Agenda item 2E: Closing remarks

In her closing remarks, the Chair thanked the participants for their active participation in the meeting, the members who have been working in working groups and projects on behalf of PAS the last years and she especially expressed her gratitude to UK NAO for hosting this meeting in such an excellent way.