



PERFORMANCE AUDIT

OF

THE MONTSERRAT ST. PATRICK'S FESTIVAL:

Efficiency and Effectiveness of its Management



Office of the Auditor General
July 2021

THE MONTSERRAT

ST. PATRICK'S FESTIVAL

This is a Report of a Performance Audit conducted by the Office of the Auditor General pursuant to Section 103 of the Montserrat Constitution Order 2010.

Marsha V. E. Meade
Auditor-General (Ag)
Office of the Auditor General
30 July 2021



PREAMBLE

Vision Statement

To be a proactive Supreme Audit Institution that helps the nation to make good use of its resources.

Mission Statement

The OAG is the national authority on public-sector auditing issues and is focused on assessing performance and promoting accountability, transparency and improved stewardship in managing public resources by conducting independent and objective reviews of the accounts and operations of central government and statutory agencies; providing advice; and submitting timely Reports to Accounting Officers and the Legislative Assembly.

The Goal

To promote staff development, enhance productivity, and maintain a high standard of auditing and accounting in the public sector, thereby contributing to the general efficiency and effectiveness of public finance management.

AUDITOR GENERAL'S OVERVIEW

This study examined the governance, the efficiency and the effectiveness of the management of the St. Patrick's Festival (hereinafter, the Festival). Overall, we found many weaknesses in governance and operations, especially in earlier years - 2012 to 2018. Since year 2018, this has improved, as the Office of the Premier (OP) and the Montserrat Arts Council (MAC) both provide direct oversight of all public funds that are spent by or for the St. Patrick Day Association (SPDA), which manages the Festival and co-ordinates its calendar with the many private promoters.

In terms of efficiency, transparency, and accountability, we found areas requiring immediate improvement: e.g., (1) some major gaps in, and losses of, the SPDA's records and accounting prior to year 2017; (2) the SPDA's years of not complying with its statutory requirements to report annually to the Registrar of Friendly Societies within the Financial Services Commission (FSC); and (3) the SPDA's failure, since its inception in year 2012, either to file audited financial statements with the FSC, or to publish annual reports.

The Government of Montserrat's Sustainable Development Plan 2008 to 2020 identified tourism as one of the four pillars for growing the island's economy. As one measure of effectiveness, under the SPDA's tenure, the Festival has grown to become the highlight of the annual social and cultural calendar in Montserrat; correspondingly, March each year has become the month with the greatest number of visitors to the island. However, since the Montserrat Tourism Board was abolished, the GOM's direct funding for tourism has declined by a large amount, and the redevelopment of tourism and the regrowth of the economy have taken much longer than desired. Further improvements to access and to visitors' experience are needed. Since the SPDA's inception, the funding for the Festival has depended heavily on annual grants from the GOM. The SPDA itself has very little revenue: apart from public grants, it relies on sponsorship by local businesses and private donations. Without sustained funding, some earlier events were discontinued.

We have provided a number of recommendations that we feel would benefit the Government and the citizens of Montserrat once they are implemented. I wish to thank the members of the SPDA, the staff of the Office of the Premier and its related Departments, other participating Ministries and Departments, and all other persons who provided information, clarifications or extended any courtesy to my staff during this assignment.



Marsha V. E. Meade
Auditor-General (Ag)
30 July, 2021

ABBREVIATIONS

CARICOM	Caribbean Community
FCDO	Foreign, Commonwealth & Development Office
FSC	Financial Services Commission
GDP	Gross Domestic Product
GOM	Government of Montserrat
INTOSAI	International Organisation of Supreme Audit Institutions
ISSAI	International Standards for Supreme Audit Institutions
MAC	Montserrat Arts Council
MEU	Monitoring and Evaluation Unit, Office of the Premier
MOFEM	Ministry of Finance & Economic Management
MOHSS	Ministry of Health & Social Services
MPS	Montserrat Public Service
OAG	Office of the Auditor General
OP	Office of the Premier
SDP	Sustainable Development Plan 2008 to 2020
SPDA	St. Patrick Day Association

Table of Contents

PREAMBLE	iii
Vision Statement	iii
Mission Statement	iii
The Goal	iii
AUDITOR GENERAL'S OVERVIEW	iv
ABBREVIATIONS.....	v
EXECUTIVE SUMMARY	viii
Overview.....	viii
Scope of Performance Audit	viii
Objectives of the Audit.....	viii
Main Findings	ix
Key Recommendations.....	x
Audit Conclusion	xii
CHAPTER 1: INTRODUCTION	1
Background.....	1
Overview of the St. Patrick's Festival.....	1
Objectives of the Audit.....	1
Profile of the SPDA	2
CHAPTER 2: GOVERNANCE FOR THE MANAGEMENT OF THE ST. PATRICK'S FESTIVAL	4
Overview.....	4
Findings	4
Recommendations	7
CHAPTER 3: EFFICIENCY IN THE MANAGEMENT OF THE ST. PATRICK'S FESTIVAL	9
Overview.....	9
The SPDA's Objectives	9
Key Performance Indicators (KPIs)	10
Uses of Management Information	11
Communication & Collaboration with Stakeholders.....	12
Recommendations	13

CHAPTER 4: EFFECTIVENESS IN THE MANAGEMENT OF THE ST. PATRICK’S FESTIVAL..	15
Overview.....	15
Part 1: Financial Management	15
Findings of the Audit.....	15
Recommendations	19
Part 2: Economic Impact of the Festival	21
Overview.....	21
Findings of the Audit.....	21
Recommendations	26
CHAPTER 5: AUDIT CONCLUSION	28
CHAPTER 6: MANAGEMENT RESPONSE.....	29
APPENDIX 1: OFFICE OF THE AUDITOR GENERAL.....	47
APPENDIX 2: KEY REFERENCES.....	49
APPENDIX 3: TERMINOLOGY.....	51
APPENDIX 4: AUDIT FIELDWORK	52
APPENDIX 5: GOM’S POLICY AGENDAS.....	58
APPENDIX 6: THE OP’S OBJECTIVES (Headquarters)	61
APPENDIX 7: THE SPDA’S BUDGETS & ACTUAL REVENUES AND SPENDING	66

EXECUTIVE SUMMARY

Overview

The St. Patrick Day Association (SPDA) is a registered Friendly Society that is directly responsible for the management and the growth of the St. Patrick's Festival and for the co-ordination of the overall calendar of events. Regulatory oversight is provided by the Financial Services Commission (FSC). Key operational oversight and funding for the SPDA and, hence, for the Festival are provided by the Office of the Premier (OP) via the Montserrat Arts Council (MAC). The Festival has a long history, but it grew rapidly since year 2015 (from 1 public holiday of celebration to 2 weeks of public and private events), becoming Montserrat's largest festival, the primary pillar for tourism, and the biggest item on the island's social and cultural calendar.

Scope of Performance Audit

The scope of this performance audit was a review to examine the SPDA's governance, operations, and performance since its inception in year 2012: i.e., during the fiscal years 2012/2013 to 2019/2020. Where we received information subsequent to our fieldwork, more recent updates are provided in some parts of the report. We interviewed officers from the SPDA and from several of the GOM's Departments (e.g., the OP, the MAC, the Tourism Division, and the Access Division) in order to obtain their perspectives and experiences in working with the SPDA directly and/or in relation to tourism and festivals more broadly.

Objectives of the Audit

This audit sought to examine the management of the Festival, including the level of governance, the quality of the processes of planning and budgeting, the use of people and assets, and overall performance. The overall objective of the audit was to assess whether the SPDA, along with related Departments, is performing efficiently and effectively. To answer this overarching question, we considered 4 issues:

- [a] Mandates: Are the objectives of the SPDA and the St. Patrick's Festival clear?
- [b] Governance: Does the SPDA have the governance and organisational structures in place to deliver its objectives?
- [c] Efficiency: Has the SPDA applied good practices in the use of its resources to meet its objectives?
- [d] Effectiveness: How is the SPDA performing against its objectives/metrics?

Main Findings

1. The SPDA's performance has improved, but there is still much scope to improve its performance, recordkeeping, and reporting.

Overall, the SPDA has objectives that are relevant to the GOM's Policy Agenda and to the Sustainable Development Plan 2008 to 2020 (SDP). Since the SPDA's formation in March 2012, the Festival has grown from one day to about two weeks in March each year, the annual total of tourist arrivals doubled (years 2011 to 2019), and the number of tourists in March nearly tripled (years 2015 to 2019). (See Chapter 4.) However, patrons and stakeholders have reported many complaints about limited access to Montserrat, passengers' unpleasant travel-experiences to and from the island, inadequate service and amenities at ports/airport, and inadequate amenities and infrastructure at the Festival's venues. No performance reports were made available to us for the fiscal years 2012/2013 or 2013/2014; hence, we could not make detailed assessment for those financial years. The SPDA also advised us that several years of its Minutes and other records were lost.

2. Since its inception, the SPDA has repeatedly failed to comply with its statutory obligations.

The Financial Services Commission, through its Registrar of Friendly Societies, has written to the SPDA about its non-compliance every year since it was registered in March, 2012. The SPDA repeatedly failed to submit Annual Returns of its membership, of its assets, and of its performance. (See Chapter 2.) Despite receiving large public grants each year, the SPDA never hired an external auditor, thus failing to meet the FSC's requirement of audited annual financial statements. The public has great interest in the Festival, but the SPDA has not published annual reports to account for its stewardship of the Festival on the GOM's behalf.

3. The SPDA uses volunteers to fill critical posts and has several gaps in the process for appointment and management of officers.

The SPDA's Management Committee comprises 5 volunteers, who receive a stipend for their 3 to 4 months of work prior to the Festival. Unpaid volunteers comprise all other committees and sub-committees. Historically, most persons were political appointees. We found no documented policy for the appointment or assessment of members of committees or the Management Committee, nor evidence of oversight by the Trustees or by the GOM to ensure that [a] appointments were based and kept on merit, [b] term-limits were in place, and [c] roles and/or members were rotated within a reasonable number of years. (See Chapter 2.)

4. The SPDA depends almost entirely on public grants and private sponsorship.

Despite nearly a decade of existence, the SPDA earns very little revenue from its activities. Several of the Festival's events and activities are free of charge to the public. The GOM is the biggest source

of the SPDA's funding: a grant of at least EC\$200,000 per year since year 2016. Almost all of the Festival's revenues go to private promoters, who are the risk-takers in developing, in promoting, and in delivering most of the island's events during the two-week Festival Calendar.

5. The GOM has oversight of the SPDA's budget and annual spending, but the SPDA has incurred deficits. Since 2018, the OP, through the MAC, reviews the SPDA's budgetary requests yearly and controls disbursements of the GOM's grants for the SPDA. Financial performance for the SPDA has varied widely since year 2013 as the Festival grew: for example, its activities incurred expenses of (a) \$80,000 for fiscal year 2013/2014 (Festival 2014), (b) \$111,847 (\$74,963 paid plus \$36,884 owing) for fiscal year 2014/2015 (Festival 2015), and (c) \$367,140 (\$301,416 paid plus \$65,724 owing) for fiscal year 2015/2016 (Festival 2016). The GOM's annual grant to the SPDA increased to \$200,000 in year 2016, but the SPDA's actual receipts have often been less than its budgeted revenues, and the SPDA's actual expenses for continuing and/or expanding the various Festival events have regularly exceeded its actual revenues/grants. The net result was a deficit each year.

Key Recommendations

6. Improve the SPDA's coordination with other partners in the marketing and growth of the St. Patrick's Festival as the main pillar in Montserrat's tourism calendar. The SPDA should work more closely with other stakeholders (e.g., Access Division, Tourism Division, Ministry of Health, Private Promoters) to ensure better alignment of their plans and activities, and more effective use of their collective resources. For example, to achieve the SDP Goals #1 & #4 (Appendix 5), improved access and passenger experience, as well as maintenance and upgrades to the infrastructure, to the public venues, and to other items used in the Festival, are essential. This supports both [1] the health and safety of participants (especially in a pandemic environment), and [2] the infrastructure for high standards of service and quality of experience for tourists and local patrons. Also important is effective local, regional, and global marketing of the Festival and its events, alongside tourism. Better engagement of the private sector can further these goals, including funding them.

7. Ensure that the SPDA meets all of its statutory obligations. Given its unacceptably long history of non-compliance, the SPDA should urgently reform its planning, its budgeting, and its operations so that it can meet all of its statutory obligations, including these:

- [a] Complete and submit all required Annual Returns to the Registrar of Friendly Societies (within the FSC), along with the required fees (which must be included in all budgets);
- [b] Appoint and budget for an appropriate external auditor who meets the FSC's criteria; and
- [c] Appoint and budget for an accountant to prepare complete accounts and to submit for audit each year.
- [d] To avoid the continuing accumulation of overdue filing fees and the penalties for non-compliance (including suspension and de-registration by the FSC), the SPDA must eliminate the backlog of legally required filings and unpaid fees, and it must start to submit all of its current obligations before their regulatory deadlines.

8. Strengthen strategic planning, measurement, and reporting of performance.

The SPDA should ensure that all aspects of its strategic plans and budgets clearly relate to the GOM's Policy Agenda and serve the national interest. With the OP's oversight and with the MAC's support, recommended improvements for the SPDA include:

- [a] Each objective should have clear, appropriate, and measurable Key Performance Indicators,
- [b] Each reported KPI should support achievement of at least one identified part of the Policy Agenda, and
- [c] Each KPI should be included in the SPDA's and the MAC's annual reports of the Festival to OP.
- [d] Also important is to develop the SPDA's planning, budgeting, and reporting into a robust framework that integrates GOM's related policies and plans, including the national Tourism Strategy, the Montserrat Energy Policy, and the Montserrat Economic Growth Strategy.
- [e] The SPDA should publish an annual report of its activities for the public and all stakeholders.

9. Strengthen the oversight of the SPDA's officers. On behalf of the GOM, the main funder of the SPDA, the OP (the relevant Accounting Officer) should urgently review the SPDA's existing practices and performance, and hence develop and document suitable policies to ensure that best practices of governance and approved processes are consistently followed, including:

- [a] Stating clear criteria for the eligibility of candidates for positions in any of the committees or sub-committees, and ensure that all selected candidates are appropriately vetted and briefed;
- [b] Obtaining and documenting the OP's/Cabinet's approval of all appointments to these posts;
- [c] Ensuring that the Trustees are meeting regularly and actively hold the SPDA accountable;
- [d] Reviewing the performance of all committees and of each of their members at least annually;
- [e] Setting reasonable term-limits for key positions, while permitting some rotation of roles, and
- [f] Proper induction and ongoing training and development of officers and volunteers in line with their roles and to keep them abreast of relevant regulations, policies, and trends.

This approach will strengthen governance, expand the pool of candidates, and build local capacity so that the intended benefits of the SPDA and of the Festival will be sustained for the long term.

10. Strengthen the SPDA's record keeping and reporting for decision making. [1]

The SPDA should ensure that records are consistently kept for management meetings and for other important activities to document decisions, actions, and progress.

[2] As key stakeholders and funders of the SPDA and the Festival, the OP and *the MAC should assist the SPDA in improving the management of its records and reporting by [a] having a dedicated workstation and filing cabinets for the SPDA within the MAC Office, [b] maintaining data for business continuity, for annual audits, and for timely and complete statutory compliance, and [c] Safeguarding and organising of documents to facilitate effective succession planning, including ensuring that persons appointed to posts, or acting temporarily, can easily locate necessary information from predecessors, while leaving a clear trail for those coming after them to follow.

Audit Conclusion

11. Overall, the SPDA has functions and objectives that contribute to the GOM's Policy Agenda and the SDP, and particularly the focus on tourism and economic growth. However, despite a strong regulatory framework, the SPDA has habitually failed to meet its statutory obligations, including submitting Annual Returns to the FSC, appointing external auditors, and providing audited financial statements each year. It operates through a Management Committee comprising a few compensated part-time officers and through ad hoc subcommittees of unpaid volunteers. Some persons, including the Trustees, have not met the responsibilities of their assigned roles; some positions remain vacant.

12. Since the Montserrat Tourism Board was abolished, GOM's funding for tourism plummeted; likewise, after increasing during years 2015/2016 to 2017/2018, the GOM's yearly grant to the SPDA fell sharply in fiscal years 2018/2019 and 2019/2020. Neither the SPDA nor the GOM has published formal policies governing festivals or cohesive strategic plans for their funding and development. Meanwhile, both the Festival and tourist arrivals have grown rapidly since year 2017. However, too much is left to informal processes and to ad hoc private initiatives. Regrettably, since March 2020, the GOM's strict public health measures against COVID-19 have shut down the entire sector of tourism indefinitely, cancelled the year 2020 edition of the Festival while it was in progress, and have also created much uncertainty about whether or when tourism and festivals will resume, far less recover. Hence, a new Festival strategy will be necessary for the coming years.

CHAPTER 1: INTRODUCTION

Background

1.1 The St. Patrick Day Association (SPDA) was established as a registered Friendly Society (#1/2012) on March 07th, 2012, with the objective of coordinating the public and private activities of the St. Patrick's Festival (hereinafter, the Festival), as well as organising some of the events (such as the Opening Ceremony) on behalf of the Government of Montserrat (GOM). The original structure registered with the Financial Services Commission (FSC) outlined a Board of Trustees, comprising 3 members and a Secretary, and a Management Committee, comprising a Chairman, a Vice Chairman, a Secretary, a Treasurer, and 3 Floor Members.

Overview of the St. Patrick's Festival

1.2 The Festival originated in commemoration of the revolt for freedom planned in year 1768 by several African slaves against the British colonial rule in Montserrat. It began as a one-day celebration in the village of St. Patricks and continued in that format for many years pre-dating the Soufriere volcanic crisis in year 1995. Since year 2012, however, more and more private promoters have emerged, adding dozens of fetes, parties, shows with international performers, and other types of events to the Festival, which now spans two weeks in March each year, culminating in the public holiday of St. Patrick's Day (March 17th). Montserrat is one of very few countries in the world with an official large-scale celebration of, and a public holiday for, St. Patrick's Day, reflecting the island's long colonial history and its enduring Afro-Irish cultural heritage.

Objectives of the Audit

1.3 Objectives. This audit sought to examine the management of the Festival, including the level of governance, the quality of the processes of planning and budgeting, the use of people and assets, and overall performance. The overall objective of the audit was to assess whether the SPDA, along with related Departments, is performing efficiently and effectively. To answer this overarching question, we considered 4 issues:

[a] Mandates: Are the objectives of the SPDA and the St. Patrick's Festival clear?

[b] Governance: Does the SPDA have the governance and organisational structures in place to deliver its objectives?

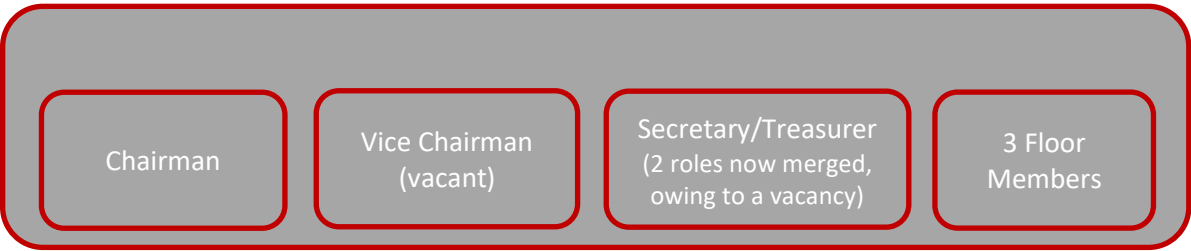
- [c] Efficiency: Has the SPDA applied good practices in the use of its resources to meet its objectives?
- [d] Effectiveness: How is the SPDA performing against its objectives/metrics?

Profile of the SPDA

1.4 Structure. The active structure of the SPDA has ebbed and flowed over the past decade, depending on the availability of volunteers, their level of involvement, and their various skills and knowledge. Currently, the post of Vice Chairman remains vacant, having not been filled in recent years. Instead of having separate members to fulfil them, the roles of Secretary and Treasurer are being performed by one person. Several of the members originally listed in the registration of the SPDA have either emigrated or not been active in the SPDA.

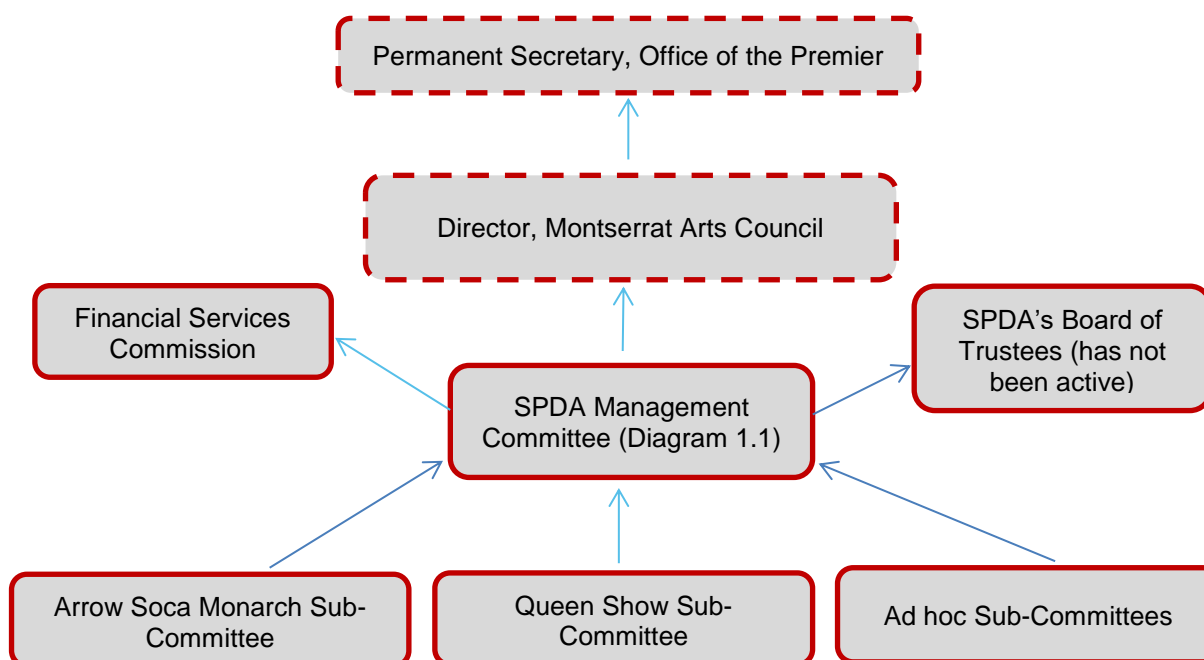
1.5 Roles and functions. The SPDA organises the official events within the Festival on behalf of the GOM, including the Opening Ceremony, the Freedom Walk and Run, the Closing Ceremony, and the annual ecumenical church service. It also co-ordinates the overall calendar of events and activities for the Festival, ensuring that the events organised by the various private promoters do not clash with each other (e.g., not having two major international performers scheduled for the same date).

Diagram 1.1: Organisational chart of the SPDA’s Management committee



Sources: The SPDA’s official files with the FSC; interviews with the SPDA’s Committee members.

Diagram 1.2: Reporting structure of the SPDA and related Departments



Sources: The SPDA's official files with the FSC; interviews with the SPDA's Committee members.

Table 1.3: Overview of the SPDA's planned spending versus actual spending: Festival Years 2018 to 2020

	FY 2017/2018	FY 2018/2019	FY 2019/2020	3-year TOTAL
St Patrick Day Association Budgeted Spending	408,000	245,100	243,250	896,350
Actual Expenditure	417,640	258,780	148,605	825,025
Overspent / (Underspent)	9,640	13,680	(94,645)	(71,325)

Sources: The SPDA's records.

Note: The SDPA's exceptional underspending in March, 2020, reflected the COVID-19-related cancellation of the Festival mid-way. The trend of prior years was net overspending versus budget.

CHAPTER 2: GOVERNANCE FOR THE MANAGEMENT OF THE ST. PATRICK'S FESTIVAL

Overview

2.1 The St. Patrick Day Association (SPDA) was registered as a Friendly Society (#1/2012) on March 07th, 2012. The SPDA is directly responsible for the management of the St. Patrick's Festival and for the co-ordination of the overall two-week calendar of events with the private promoters. Regulatory oversight is provided by the Financial Services Commission (FSC). Key operational oversight and funding for the SPDA and, hence, for the Festival are provided by the Office of the Premier (OP) via the Montserrat Arts Council (MAC).

Findings

2.2 Oversight of the SPDA's funding has improved in recent years. Prior to year 2018, the funds to support the Festival came from the GOM and were deposited directly into the SPDA's account at the Bank of Montserrat with little accountability. From 2018 to present, there have been improvements in the administration of the GOM's subventions to the SPDA, as the funds are now directly managed by the MAC. Each year, the MAC now receives the GOM's annual grant for the SPDA, deposits it to its (MAC's) bank account, and has the responsibility of disbursing payments for the SPDA to its suppliers and contractors based on vouchers/invoices upon approval.

2.3 There are clear lines of reporting/accountability. The SPDA's Management Committee reports to the MAC, whose Director then reports to the Office of the Premier (OP). Reporting is done annually after each St Patrick's Festival. To begin this process of accountability, the Committee's Treasurer and Coordinator thereafter prepare a report, which goes to the MAC. The Director of MAC then does a separate report on the Festival, and this is sent to the Permanent Secretary in the OP.

2.4 The SPDA's management structure is in place, but has weaknesses. The current structure of the SPDA's Management Committee comprises 5 posts: a Chairman; a Secretary; a Treasurer; Coordinator; and a Logistics Officer. This is supported by two assistants. Owing to a shortage in the SPDA's budget, the Treasurer has had to fulfil the duties of Secretary as well as those of Treasurer. The original registration of the SPDA also included the post of Vice Chairman,

but this has long been vacant. It also provided for at least 3 Floor Members; however, in recent years, not all positions were filled and/or actively participating in the SPDA.

2.5 The SPDA's Trustees are inactive. In law and in best practice, the role of Trustees is to serve as an independent board to hold the Management Committee accountable for its policies and decisions and for its management of the SPDA's operations. In the original registration of the SPDA with the FSC, the names of three (3) Trustees and a Secretary were provided. In practice, the Board of Trustees has never functioned. (Source: The SPDA's history of files at the FSC, years 2012 to 2019.)

2.6 The performance of the SPDA's officers is not being measured. There is no official performance measurement system in place to assess indicators such as officers' attendance at meetings, contributions to meetings, responsibilities for actions, and whether the various committees' members are active and providing meaningful contribution. Criteria for organisational performance are also not documented, formally assessed, or regularly reported.

2.7 Internal procedures are in place, but have had gaps and weaknesses. The internal procedures currently in place for the SPDA's spending are based on a vouching system, which is neither written nor formalised. The process for issuing payments starts with quotations from suppliers, which are obtained by the SPDA's Management Committee. Particularly for smaller amounts, the SPDA has tended to use single-source procurement over the years, whereby contractors from the previous year are reused the next year. The MAC then has the responsibility of reviewing each quotation to ensure that it is within the approved budget for the SPDA. If the quotation is approved, the SPDA gives the contract to the selected contractor; it is the SPDA's Management Committee that selects contractors for the Festival. Whenever the procured service is rendered, the contractors send their invoices to the SPDA's Treasurer so that they can be vetted before being submitted to the MAC for its approval of payment.

2.8 Minutes of the SPDA's meetings are not formally kept. During this audit, the SPDA provided no record of minutes for any of its committees for any period since the SPDA's inception in March, 2012. It stated that Minutes were kept for some earlier years, but that these and other records were lost. Since then, the Management Committee has resorted to an informal way in which decisions have been made. Instead of formal meetings and official minutes, the members of the Committee usually have informal discussions via telecommunications. Information is being communicated through WhatsApp messages and calls, but it has not been properly recorded to document policies and decisions.

2.9 The SPDA has not complied with its Constitution. Since its formation, the SPDA has had a Constitution in place to guide the operations of the Festival, but the SPDA has not been fully adhering to its Constitution. For example, General Meetings are not held annually, nor are regular meetings held quarterly, as required by the Constitution. The SPDA has not had official elections of officers, which should be conducted every two years in line with its Constitution. In addition, in practice, membership dues have not been paid within the SPDA and are not mentioned in any of its budgets.

2.10 No changes to the SPDA's committee members since year 2014. Prior to the volcanic eruptions (July 1995, onward), members of the SPDA's committee were selected from the community. From the evidence that we gathered, the current membership was based on persons selected by a former parliamentarian under the PDM administration in year 2014. The SPDA's Constitution stipulates that a member can serve for a term up to two years and may be re-elected to the post, but, in practice, annual meetings and elections have not been done. The SPDA's official files at the FSC also show that the original Management Committee listed in March, 2012, included as Chairman a person who was a Minister in the then Cabinet.

2.11 The SPDA has been non-compliant with the FSC for several years. Since its inception, the SPDA has repeatedly failed to comply with its statutory obligations. The FSC, through its Registrar of Friendly Societies, has written to the SPDA about its non-compliance every year since it was registered in March 2012. For instance, the SPDA repeatedly failed to submit Annual Returns of its membership, of its assets, and of its performance; these are due by April 01st each year for the previous calendar year (e.g., the fees and filings for year 2020 were due by April 01st, 2021). As another example, despite receiving large public grants each year, the SPDA has never hired an external auditor, thus failing to meet the FSC's requirement of audited annual financial statements, which are also important for transparency and accountability to the GOM, the primary funder of the SPDA, and to the public.

2.12 Mounting unpaid fees; high risk of the SPDA's de-registration by the FSC. As a consequence of not being current and compliant with its statutory requirements, the SPDA has incurred filing fees of \$100.00 per year, totalling \$900.00 to date. Since the SPDA is registered as a not-for-profit Friendly Society and not as a corporation, the FSC has not imposed additional fines for late filings or for non-payment or late payment of fees. However, the SPDA does face serious non-monetary penalties: after three consecutive years of making no reports to the FSC, the SPDA received official correspondence from the FSC warning that the next step would be the formal de-registration of the SPDA. Since then, the SPDA has made some informal and unaudited submissions to the regulators, but it remains non-compliant with the relevant regulations. On

November 30, 2017, the SPDA made overdue filings with the FSC for years 2014, 2015, and 2016, and paid the FSC the overdue annual fees for these three years. In the official records at the FSC, this was the SPDA's first and only recorded payment to the FSC during the years 2012 to 2020. As of June, 2021, no further filings or payments were made to the FSC; hence, fees totalling \$600.00 remain payable for the years 2012, 2013, and 2017 to 2020.

2.13 No dedicated office or file-storage. Since its inception in March, 2012, the SPDA has not had a dedicated office or a formal system of storing files, data, and records. Hence, the SPDA's records are kept in the possession of, and on the personal computer and flash-drive, of the Secretary/Treasurer.

2.14 Loss of years of records. The Secretary/Treasurer reported that, in its early years, the SPDA stored files on a portable device, but this was lost. Thus, Committees' Minutes and the SPDA's accounting records for years 2012 and 2013, for instance, were not directly available from the SPDA for this audit. To fill these gaps, we gathered some evidence through analysis of financial reports found in the SPDA's filings with the FSC, and through other internal records of the SPDA such as copies of emails and physical correspondence.

Recommendations

2.15 Strengthen the oversight of the SPDA's officers. As the relevant Accounting Officer, the OP should urgently review the SPDA's existing practices and performance, and hence develop and document suitable policies to ensure that best practices of governance and approved processes are consistently followed, including:

- [a] State clear criteria for the eligibility of candidates for positions in any of the committees or sub-committees, and ensure that all selected candidates are appropriately vetted and briefed;
- [b] Obtain and document the OP's/Cabinet's approval of all appointments to these posts;
- [c] Ensure that Trustees are appointed, meet regularly, and actively hold the SPDA accountable;
- [d] Review the performance of all committees and of each of their members at least annually;
- [e] Set reasonable term limits for key positions, while permitting some rotation of roles, and
- [f] Proper induction and ongoing training and development of officers and volunteers (e.g., to keep them abreast of relevant policies, laws, regulations, standards, and trends).

This approach will strengthen governance, will expand the pool of candidates, and will build local capacity so that the intended benefits of the SPDA and of the Festival will be sustained for the long term.

2.16 Ensure that the SPDA meets all of its statutory obligations. Given its long history of non-compliance, the SPDA, with the necessary support from the OP and the MAC, should urgently reform its planning, its budgeting, and its operations so that it can:

[a] Complete and submit all required Annual Returns to the Registrar of Friendly Societies (within the FSC), along with the required fees (which must be included in all budgets);

[b] Appoint and budget for an appropriate external auditor who meets the FSC's criteria; and

[c] Appoint and budget for an accountant to prepare complete accounts and submit for auditing each year.

[d] The SPDA must eliminate the backlog of legally required filings and unpaid fees, and start to submit all of its current obligations before their regulatory deadlines.

2.17 Strengthen the SPDA's record keeping and reporting for decision making. The SPDA should ensure that records are consistently kept for management meetings and for other important activities to document decisions, actions, and progress. As key stakeholders and funders of the SPDA and the Festival, the OP and MAC should assist the SPDA with access to a dedicated office/work-station, and work with the SPDA in improving the management of its records and reporting.

CHAPTER 3: EFFICIENCY IN THE MANAGEMENT OF THE ST. PATRICK'S FESTIVAL

Overview

3.1 From year 2017 to year 2019, on average, at least 89% of the SPDA's annual budget was funded by the GOM under the OP through the MAC with 11% from private funding or donations. Within the GOM, each Accounting Officer is responsible for producing the budgets and plans, including for projects and capital assets, for his/her Ministry/Department. As the Accounting Officer for the OP, the Permanent Secretary in OP oversees the strategic plans and budgets for all of the OP's Departments. Within this framework, the SPDA presents its plans and budgetary requests to the MAC, which then reports to the Permanent Secretary in OP for final approval. The OP, like all other Ministries of the GOM, then presents its plans and budgets to the Ministry of Finance and Economic Management (MOFEM) for assessment, for ranking of spending requests by the Cabinet's priorities, and for the ultimate allocations of the GOM's funds for each fiscal year.

The SPDA's Objectives

3.2 Overview. Strategic planning sets the direction for each Department and how it uses resources. Effective budgeting determines the sources and the uses of funds and holds each Department accountable for its performance. Criteria used for assessing objectives in this audit were: (1) Are there clear, stated objectives that are aligned to the overall strategy?; (2) Are there plans detailing how the objectives will be met?; (3) Are the related Key Performance Indicators (KPIs)/metrics defined and explained?

3.3 GOM's Policy Agenda. The Cabinet's Policy Agenda is based on the 5 overarching strategic objectives from the *SDP: (1) economic development, (2) social development, (3) environmental management and sustainability, (4) improved governance, and (5) rebuilding of the population (*See Appendix 5). In turn, the MOFEM's central framework for strategic planning and budgeting requires all Departments to show clear links between their budgets and strategic plans and the *Policy Agenda.

3.4 Framework for strategic planning. In line with the GOM's standard framework, the OP has a rolling three-year Strategic Plan that outlines strategic priorities, policy-based goals, and KPIs. Each Department's budget and strategic plan are reviewed and revised every year. The Departments (including the MAC, the Access Division, and the Tourism Division) report regularly to

the MOFEM, which a previous audit confirmed has a PEFA-compliant framework for assessing and for prioritising Departments' requests for new spending. Thus, the SPDA's budget is subject to this process each year to arrive at the actual subvention that the GOM will provide to the SPDA.

3.5 Policy-links to objectives/strategies. Each Department within the OP has developed a set of objectives, which are also called "key strategies" in its plans and budgets. With few exceptions, these are clearly stated and are linked clearly to the Policy Agenda/the SDP. (See Table 3.1, Appendix 6.) The objectives for the OP's headquarters include references to the MAC, to festivals, to access, and to tourism. (See Table 3.1, Appendix 6.) Hence, the objectives that are most relevant to the SPDA and to the Festival are highlighted in this framework. The two major objectives of the SPDA are (a) the oversight and growth of the St. Patrick's Festival, and (b) the co-ordination of the Festival Calendar.

Key Performance Indicators (KPIs)

3.6 Overview. Key performance indicators are important for measuring progress towards strategic plans, budgets, and related objectives. Indicators measure such variables as (a) inputs, (b) outputs, (c) outcomes, (d) milestones, (e) activities, and (f) the impacts of policies and of processes. Well-designed indicators enable easy monitoring and reporting of performance. Criteria used for assessing indicators in this audit were: (1) Are KPIs clearly stated?; (2) Are the KPIs correctly classified?; (3) Are the KPIs appropriate?; (4) Are the KPIs measurable and effective?

3.7 The SPDA lacks a robust framework for measuring performance against its objectives. The SPDA has an annual budget ahead of each year's Festival. However, unlike OP and related Departments using GOM's strategic planning and budgeting models, the SPDA's budgeting framework does not state specific objectives, KPIs, or links to GOM's Policy Agenda.

3.8 The SPDA, the OP, and other Festival stakeholders lack shared KPIs and data. There is general agreement among the stakeholders that the Festival is important both culturally and economically, and that it serves as the key anchor for Montserrat's tourist arrivals in March above all. However, we did not find a formal unifying framework across all the stakeholders in the Festival. Specific and precise supporting objectives, outcomes, and/or KPIs for the SPDA and for the Festival's other stakeholders are undocumented, incomplete, and/or missing. For example, despite its overarching role in the Festival Calendar, the SPDA has received some informal feedback year by year, but it does not get formal reports from the private promoters and other stakeholders in the Festival. Therefore, key data and metrics (such as attendance at each event; number of

persons employed in or related to the Festival; and total spending by patrons) are either not collected at all or are not readily available (even confidentially) to the SPDA.

Uses of Management Information

3.9 Overview. Information is useful to the extent that it is (a) relevant to objectives, (b) timely, (c) accurate and reliable, and (d) adequately reported to the appropriate stakeholders. Criteria used for assessing the use of information in this audit were:

- (1) Is there a clearly defined system of accountability?
- (2) Are the SPDA and relevant Departments regularly reporting their progress against their budgets and strategic plans?
- (3) Do patrons give appropriate and timely feedback to reporters?
- (4) Is there evidence of an effective feedback-loop whereby measuring, reporting and monitoring of progress (or lack of it) results in timely actions and better decision-making?

3.10 Uses by the OP. Reports are primarily used internally for financial management. Beyond this, it is unclear if or how data are being used to assess performance and to inform other managerial decisions. Each Department has occasional management meetings chaired by the Head of Department. For periods prior to January, 2020, no minutes/agendas of Departments' internal meetings were provided to us. However, subsequent to our fieldwork, we received some evidence that improvements are being made, since early 2020, including the keeping of records of minutes for some management meetings at the MAC.

3.11 Uses by the SPDA. The SPDA primarily focuses on financial information to support its budgeting for the Festival and its related requests for funds from the OP via the MAC. Whilst the mandate of other stakeholders spans the full range of festivals and/or tourism generally, the SPDA's use of information is exclusively for the St. Patrick's Festival.

3.12 Uses by the GOM. The OP sends quarterly reports (1) to the MOFEM and (2) to the Monitoring and Evaluation Unit (MEU) (within the OP). Formats for these reports have also been changed over time. During fiscal years 2014/2015 to fiscal year 2018/2019, we found no consolidated monitoring and evaluation reports regarding the GOM's progress in achieving the SDP. However, in year 2019, the MEU produced its first national report on progress towards the SDP's objectives as of fiscal year 2017/2018. In year 2020, it produced another report on progress towards the SDP's objectives as of fiscal year 2018/2019.

3.13 Uses by the FCDO (U.K. Government). Like all other Ministries of the GOM, the OP reports to the FCDO twice a year: (a) before the annual Financial Aid Mission and (b) again to confirm the final budget before the new fiscal year begins each April. The main use of these reports is to negotiate budgets and to allocate funding support. This process ultimately determines the OP's annual grants for the SPDA through the MAC.

Communication & Collaboration with Stakeholders

3.14 Limited involvement of the Tourism Division. Although the SPDA has, in recent years, made some effort in collaborating with stakeholders, the Tourism Division reported that it had largely been excluded from the SPDA's planning and budgeting over the years. Until year 2019, it did not have a close relationship with the SPDA in coordinating activities related to the Festival. This is a significant finding, considering the responsibility of the Tourism Division in terms of marketing Montserrat, boosting visitors' arrivals, promoting of festivals and events, and the significant contribution that the Festival has in this regard. For year 2020, this situation improved slightly as the Tourism Division acted in an advisory role to the SPDA.

3.15 Need for more collaboration, flexibility, and adaptability. Stakeholders that we interviewed reported that, over the years, there has been some reluctance from the SPDA to work with people who are not part of the Committee, but this was diminished closer to the dates of the festival. There is resistance to new ideas from outsiders/private promoters and, sometimes, evidence of failure to adapt effectively to changing circumstances. For example, in a previous year (March, 2019), the St. Patrick's Public Holiday (March 17th) was a Sunday. The Closing Ceremony was deferred to the Monday (March 18th); however, the special ferries from other islands were for the weekend only. Therefore, the Tourism Division recommended to the SPDA about doing a special event at the Marine Village at Little Bay on the weekend to welcome the weekend ferry with Caribbean visitors (coming from Antigua, Nevis, and Guadeloupe). The events happened on the Saturday (only) especially to accommodate these day-trippers (i.e., the ferries did not stay overnight in Montserrat). The programme included disc-jockey musicians, the Iron Band, the Masquerade Dancers, and the opening of restaurants. The Tourism Division developed a budget for this mini-Festival with a total that was much reduced from the SPDA's initial request for funding and did the entire event for less than EC\$10,000.

3.16 The SPDA offers little scope for public feedback on the Festival. The SPDA has never done a survey on the Festival to get patrons' feedback. The only thing that the SPDA has regularly done to engage the public is an annual radio programme about 1 to 2 weeks after the Festival ends to get people's feedback. The disadvantages of this approach include these: [1] it is

limited to persons who listen to ZJB (the island's only radio station), [2] persons can listen from anywhere in the Diaspora, but it further limits active participation to those who are listening on that particular day and at that specific time, [3] it has a limited time and scope for persons to call into the programme to discuss the Festival, and [4] it favours those few who are outgoing in personality (extraverted) and willing to broadcast their views and experiences publicly.

3.17 Limited engagement of the private sector. The SPDA does not maintain formal registers or databases of promoters, entertainers, contractors, and other stakeholders. By contrast, we found that the Tourism Division maintains a registry of hotels, guesthouses, and rented villas. However, there is no established mechanism for the accreditation of persons hosting events or holding activities during the Festival, nor any rigorous and objective evaluation of the quality of events/activities themselves. Perspectives of standards and expectations remain largely informal and anecdotal. Over the years, most of the communication has been done verbally and informally. Once a year, for example, the SPDA has traditionally convened a forum of interested parties before the official start of the Festival. On average, however, attendance is relatively small, and this approach has not engaged the full range of local businesses, promoters, sponsors, and other stakeholders.

Recommendations

3.18 Ensure that the objectives for the SPDA and for the Festival are clearly defined, measured, and assessed each year, and linked to the Policy Agenda.

3.19 Ensure that every objective for the SPDA, for the OP, and for its related Departments has KPIs and that all KPIs clearly support objectives. The SPDA and the related Departments/stakeholders should align and coordinate their strategic plans, objectives, KPIs, and targets. Add new KPIs where the environment fundamentally changes (e.g., new technologies; COVID-19 or other pandemics; new public-health regulations; emerging travel/tourism trends and niches; changing demographics; climatic changes and local impacts).

3.20 Review and improve the KPIs over time. At least annually, the SPDA, the OP, and the MAC should review and assess their KPIs to make them clearer, more measurable, more relevant to objectives, and focused more on strategic outcomes.

3.21 Improve the reporting of performance. The SPDA, along with the OP and its Departments that are relevant to the Festival, should regularly measure, monitor, assess, and report

their actual performance and progress against all of their objectives and KPIs, including public Annual Reports. The Quarterly Reports, for instance, should be complete and timely.

3.22 Broaden the scope for feedback from the public/stakeholders and communicate through multiple channels. The SPDA and the OP should collaborate to do interviews and surveys of patrons and organisers at events in the Festival, including both locals and visitors. Key stakeholders such as the Access Division, the Tourism Division (e.g., integrating queries about festivals in the Exit Surveys of visitors), and the Statistics Department could assist in these efforts, avoiding duplication of effort, and ensuring the maximum of collective value, benefits, and reach, and at the least cost and effort to each stakeholder. Beyond the SPDA's radio programme once a year after the Festival, the SPDA and other key stakeholders should collaborate in reaching and engaging patrons, promoters, sponsors, hospitality providers, accommodation providers, and other categories of stakeholders, using all available channels: e.g., websites, social media, telephone, mobile marketing, email, radio, news-broadcasts, audio, video, and other media.

3.23 Develop a strategic approach to marketing, sponsorship, and relations with stakeholders. In order to maximise the value of the Festival to the public, to the private sector, and to the GOM, the SPDA, along with the OP, should develop formal policies and strategies for communication, for marketing, and for engagement of sponsors and other stakeholders (e.g., airlines, hotels, restaurants, promoters, performers, providers of telecommunications, providers of utilities, et cetera). Larger local and regional businesses have both financial contributions, technical skills, and strong marketing capabilities to offer, and these can greatly extend the range, the depth, the quality, and the impact of the marketing and delivery of the Festival and each of its multiple components. In particular, with each contributor or sponsor, the SPDA and the OP should seek to build long-term relationships, multi-year contracts and agreements, and clear targets, indicators, and outcomes for each such relationship. This will lead to predictable funding for the Festival and greater cohesiveness and synergies among all the stakeholders, improving the revenues from the Festival, while reducing the relative cost and effort of each stakeholder, agency, partner, or sponsor working in isolation.

CHAPTER 4: EFFECTIVENESS IN THE MANAGEMENT OF THE ST. PATRICK'S FESTIVAL

Overview

4.1 The SPDA officially has no assets of its own. The Festival Stage belongs to the GOM and is provided each year for the official events that the SPDA organises, as well as shared with the private promoters as a form of public support for the development of the Festival. All of the events and activities overseen by the SPDA depend primarily on funds from the GOM, supplemented by limited sponsorship and donations. Human resources include the SPDA's committees and sub-committees, all of which comprise, and are assisted by, part-time volunteers. All other required labour, equipment and materials are procured and outsourced through petty contractors through single source arrangements. Financial management is discussed in Part 1 of this chapter. However, beyond internal uses of resources, the OP's policies and oversight, the SPDA's operations, and the Festival together have a broad impact on the economy, and they make a major contribution to tourism especially. (See Part 2 of this chapter.)

Part 1: Financial Management

Findings of the Audit

4.2 The SPDA depends almost entirely on public grants and private sponsorship.

Despite nearly a decade of existence, the SPDA earns very little revenue from its activities. (See Table 4.1 below and Appendix 7.) Several of the Festival's events and activities are free of charge to the public. The GOM is the biggest source of the SPDA's funding each year. Supporting this, the GOM's annual grant to the SPDA increased (from as low as EC\$20,000 to EC\$50,000 in prior years when the Festival was one day) to EC\$200,000 in year 2016 (when the Festival began to grow towards a two-week format). Almost all of the Festival's direct revenues go to private promoters, who are the risk-takers in developing, in promoting, and in delivering almost all of the island's pay-for-admission events during the two-week Festival Calendar.

4.3 GOM's cut its grants to the SPDA almost 40% during years 2018 to 2020. After increasing during years 2015/2016 to 2017/2018, the GOM's yearly grant to the SPDA fell sharply in fiscal year 2018/2019: from EC\$325,000 to EC\$253,630, a reduction of EC\$71,370 or 22%. The GOM's yearly grant to the SPDA fell again the following year (fiscal year 2019/2020): from

EC\$253,630 to EC\$200,000, a reduction of EC\$53,630 or 21%. This represents a total funding cut of EC\$125,000 (over 38%) per year compared with the funding provided in fiscal year 2018/2019. (See Table 4.1 below and Appendix 7.)

Table 4.1: Summary of the SPDA's Grants versus Other Revenues & Spending: Festival Years 2017 to 2019

	Fiscal Year 2016/2017 (Festival 2017)	Fiscal Year 2017/2018 (Festival 2018)	Fiscal Year 2018/2019 (Festival 2019)
Public grants to the SPDA	\$211,000	\$325,000	\$253,630
	\$55,000	0	0
TOTAL FUNDS FROM GOM	\$266,000	\$325,000	\$253,630
% from public funds	73%	95%	98%
Other Income to the SPDA	\$99,447	\$18,572	\$5,150.00
% from private funds	27%	5%	2%
The SPDA's TOTAL INFLOWS	\$365,447	\$343,572	\$258,780
The SPDA's Total Expenditure	\$451,287	\$417,639	\$258,780
The SPDA's Annual Shortfall	(\$85,840)	(\$74,067)	\$0.00

Source: Auditors' analysis of historical files and the current updates from the SPDA's Treasurer and records.

4.4 Sponsorship has been very limited and mostly ad hoc. In some years, sponsorship made an important contribution to the funding of the SPDA's budget for the Festival. Generally, however, the amounts are very small, and they are unpredictable from year to year. Furthermore, there has been no comprehensive strategy for marketing the Festival and for building and growing long-term relationships with sponsors. This is in stark contrast with the approach observable in several other Caribbean islands, where festivals and carnivals are treated as major business opportunities, and they create mutually rewarding partnerships for the public sector with the

private sector, including major dedicated partners with multi-year sponsorship contracts/agreements. (See examples in Appendix 2.)

4.5 The GOM oversees the SPDA’s budget and annual spending, but the SPDA has incurred deficits. Since year 2018, the OP, through the MAC, reviews the SPDA’s budgetary requests yearly and controls disbursements of the GOM’s grants for the SPDA. Financial performance for the SPDA has varied widely since year 2013 as the Festival grew: for example, its activities incurred expenses of (a) EC\$80,000 for fiscal year 2013/2014 (Festival 2014), (b) EC\$111,847 (\$74,963 paid plus \$36,884 owing) for fiscal year 2014/2015 (Festival 2015), and (c) EC\$367,140 (\$301,416 paid plus \$65,724 owing) for fiscal year 2015/2016 (Festival 2016). This large spike in spending coincided with the evolution of the Festival from a one-day festival to a two-week calendar of events. However, the SPDA’s actual receipts have often been less than its budgeted revenues, and the SPDA’s actual expenses for continuing and/or expanding the various Festival events have regularly exceeded its actual revenues/grants. The net result is a deficit each year. (See Table 4.1 above and Appendix 7: Tables 4.2 to 4.8.) Overall, the SPDA’s budgeting, planning, internal resources and capacity have not kept pace with the rapid growth of the Festival since year 2015 or with tourism’s major contribution to the economy of Montserrat. (See Tables 4.9, 4.10, and 4.11 in Part 2 of this Chapter.)

Table 4.A: Growth of the SPDA’s Festival Budgets over the past decade

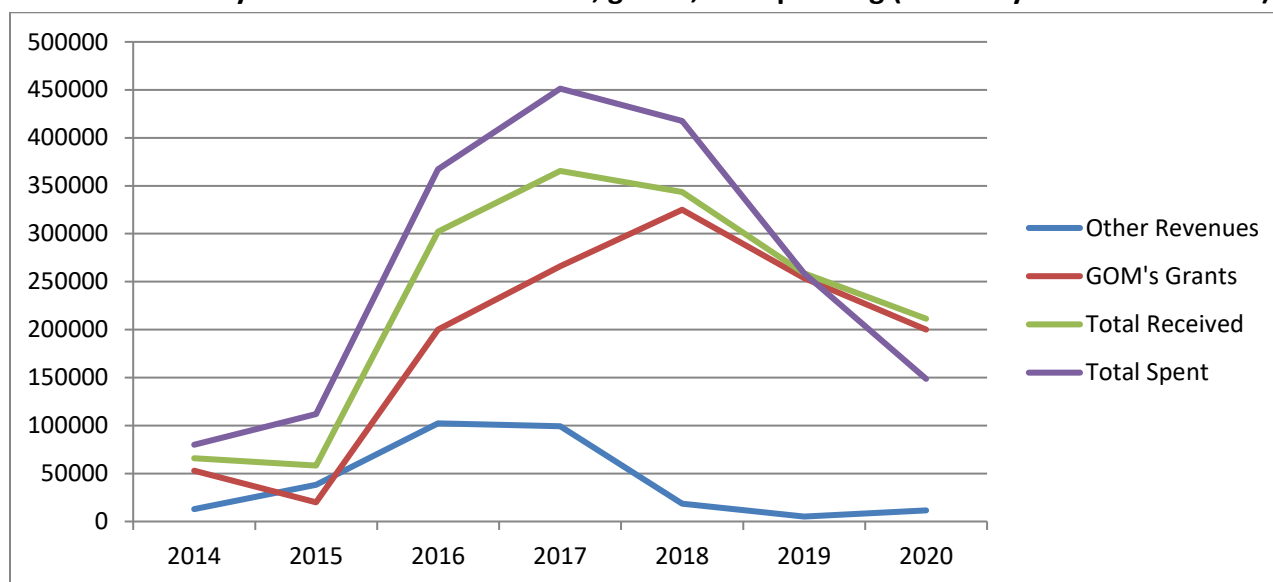
Year	Budgeted	
	Revenue	Expenditure
2010	\$ 40,000	\$ 40,000
2011	\$ 42,750	\$ 71,030
2012 - 2013	[data lost/not available]	
2014	\$ 80,000	\$ 80,000
2015	\$ 140,000	\$ 140,000
2016	\$ 302,310	\$ 302,310
2017	\$ 310,550	\$ 310,550
2018	\$ 408,000	\$ 408,000
2019	\$ 245,100	\$ 245,100
2020	\$ 243,250	\$ 243,250

Source: Historical files and the current updates from the SPDA’s Treasurer and records.

4.6 Trend of overspending versus budgets/revenues. The SPDA had a pattern of net overspending versus its budgets and/or actual revenues during the years 2014 to 2019. In year

2017, for example, this required a further grant of \$55,000. (See Chart 1 below and Table 4.1 above.) Whilst many of the expenses were readily predictable from year to year, the revenues (e.g., donations and sponsorship) were volatile and often fell short of expectations. With no budget/funding for contingencies, the SPDA frequently had to ask the GOM for additional grants as the true costs of events came to light. Tables 4.2 to 4.8 in Appendix 7 summarise the SPDA's total revenues, total spending, and net outcome for each fiscal year, as well as the variances from its budgets.

Chart 1: Summary of SPDA's other revenues, grants, and spending (Festival years 2014 to 2020)



4.7 Trend of increased spending on the Festival. During the past decade, the SPDA's budgets and spending reflected the growth of the Festival from a one-day format to a two-week calendar of events and activities. Correspondingly, Table 4.A above illustrates the contrast of the SPDA's budgeted spending for earlier years (Festivals 2010 to 2015) with that for recent years (Festivals 2016 to 2020). The peak of planned spending in year 2018 represented over 900% growth from the year-2010 baseline. Given that most of the events and activities within the Festival weeks are organised by private promoters, the total spending on the island, related to the Festival, far exceeds the portion planned and directly managed by the SPDA. (Refer to Table 4.9.)

4.8 Most of the SPDA's spending is for outsourced services, but procurement has had weaknesses. The SPDA remains primarily responsible for organising its annual Festival budget, subject to the OP's approval of the overall amount to be spent. Most of the SPDA's spending each year is done through contractors who deliver the various goods and services requested by the SPDA for the management of the Festival. (See Appendix 7.) Whilst there is general knowledge of the GOM's procurement rules, such as requesting quotations from at least 3

contractors, the SPDA has tended to re-use the same contractors for several goods and services. For example, the Festival Stage was specially made for Montserrat and the MAC advised us that there is only one business on the island that has the knowledge and capabilities to assemble the Festival Stage. Therefore, that major contract in the SPDA's Festival budget goes to the same service-provider each year. We also found that, in many cases, there are no formal written contracts or agreements. The SPDA simply requested estimates or quotations and chose suppliers based on the amounts of the bids and the SPDA's assessment of the quality and capabilities of each supplier for the product/service being procured. Often, these processes are verbal and based on the building of trust arising from long acquaintance with the established suppliers.

4.9 Oversight of disbursements has improved, but weaknesses remain. The MAC, particularly in the past two years, has improved its oversight of the disbursements to the contractors based on written Requests for Disbursement from the SPDA's Treasurer. We found very good documentation by the MAC of all disbursements (directly to the service-providers and not to/through the SPDA), but there were some other weaknesses in the processes from planning to procurement to payments. For instance, invoices were duly paid according to the SPDA's written and signed Requests for Disbursement, but, in many cases, there was no attached copy of the original estimate/quotation for comparison with the invoices. The controls in place were, therefore, more useful for regulating the total of disbursements against the total budget approved by the OP and the MAC for the SPDA, than for assessing the individual disbursements against the individual budget-lines. Without appropriate controls at the level of individual disbursements by supplier, there is the continuing risk of disbursing up to the approved budget, in total, on a first-come, first-served basis, and then having some suppliers left unpaid at the end of the Festival, when the budgeted funds have been exhausted. Over the years, this partly explains the trend of spending more than budget and the history of having some suppliers waiting a long time to be paid after their product/service was delivered.

Recommendations

4.10 Continue to improve planning, budgeting, and reporting. The SPDA, with the support of the OP and the MAC, should review its approach to planning and budgeting to minimise the large variances of past years: e.g., overspending versus budget; overspending versus actual revenue. Realistic figures should be used for estimating costs and adequate amounts should be budgeted for agreed activities for the SPDA to deliver on its mandate. In turn, the SPDA should enhance its management of spending to deliver within its budget. A prudent approach also includes making provision for contingencies within the budget for each year, thus minimising the need for frequent requests for supplementary funds. Likewise, realistic figures should be used for projecting

revenues. Therefore, the budgeted revenues should be revised in line with the actual trend, and regularly updated for any available more recent information affecting forecasts.

4.11 The SPDA should diversify and grow its streams of revenue. Building on the successful revenue-generating events of earlier years, the SPDA, with the support of the OP, the MAC, and the Tourism Division, should relaunch events that have proven capacity to cover their costs and to grow into the future. In addition, the SPDA should collaborate with its stakeholders to add new events, products, and services that can provide sustainable new streams of revenues. This will assist the SPDA in becoming more self-sustaining, while continuing to build the Festival for the benefit of all stakeholders.

4.12 The SPDA should improve its procedures for procurement. The SPDA should document its agreements and contracts with its suppliers wherever written contracts do not exist. The SPDA should also advertise more of the goods/services that it intends to buy for the Festival. Furthermore, the SPDA should use the GOM's Procurement Unit for assistance, and to vet the process throughout procurement. For example, it should use published invitations to bid, as well as announcing successful bidders and contracts awarded, to ensure greater transparency in the selection of suppliers and in the awarding of contracts. In making Requests for Payment, the SPDA should ensure that there is a clear trail in the documentation: from budgets, to bids/quotations, to contracts/agreements, and, finally, to invoices presented for payment. Any variations from budgets/contracts should be clearly highlighted, explained, and approved before work is done, rather than after the fact (e.g., at the time that SPDA requests payment, or when the supplier goes to the MAC requesting payment and/or complaining about delays in payment).

Part 2: Economic Impact of the Festival

Overview

4.13 Tourism is one of the key sectors highlighted in the SDP as part of Montserrat's national strategy for economic redevelopment following the volcanic crisis that began in July, 1995. Festivals comprise a major part of the island's tourism and the St. Patrick's Festival each March is, by far, the largest festival of the year. Thus, the OP's effective management of the GOM's policies and initiatives for tourism and for culture, and the impact of the SPDA's operations in developing the country's premier festival, also directly contribute to the economy and to the society, helping to achieve various objectives stated in the Cabinet's Policy Agenda and in the SDP.

Findings of the Audit

4.14 The number of persons employed in the Festival has increased since 2015.

Though precise data are not available on employment specifically related to festivals, our observations, as well as the interviews with stakeholders, confirm that *the expansion of the Festival's format from one day to nearly two weeks of activities has provided many new opportunities for entrepreneurship and for seasonal employment. *As the number of events has grown from year to year, the number of persons participating in various aspects of the Festival has increased: e.g., lectures, Gospel and other musical shows, arts and crafts, fetes, private parties, other performances, culinary offerings, cleaning services, sound and lighting services, advertising, marketing, publicity, technical services, logistics, transportation, security, decorating services, and the retail of various products and services. (*See the overall patterns of data in Tables 4.9 to 4.11.)

4.15 In the past decade, national statistics also show that persons employed in hotels and restaurants increased from 109 (Census, 2011) to 145 (Census, 2018). The internal records of the SPDA further confirm the large growth in payments to contractors and to suppliers since year 2015. (See Appendix 7.) The latest Census (September, 2018) also points to a higher rate of participation in the labour-market since the Census of 2011 (i.e., just prior to the incorporation of the SPDA in March, 2012). Altogether, the evidence points to higher numbers of persons being employed, both directly and indirectly, through the many activities before, during, after, and related to the Festival.

4.16 Economic activity and incomes have increased through the Festival. The Gross Domestic Product of Montserrat has grown slowly since year 2012, including some recessionary

years. However, tourism has shown significant growth, and the Festival makes an important contribution to this vital sector, increasing visitors' spending in March to nearly one third of visitors' annual spending on the island. (See Table 4.9 below.) The other side of greatly increased participation in the Festival and the larger number of events within it, in recent years, is the income and revenues earned by local promoters, suppliers, contractors, performers, retailers, hotels, guesthouses, airlines, ferry-services, cafés, and restaurants. When they come to Montserrat, the progressively larger numbers of visitors in March each year (see Table 4.10) are spending more in the local economy: not only directly on the Festival's events and activities, but also indirectly on an array of products and services (e.g., accommodation, utilities, transportation, food, drinks, other forms of entertainment besides those directly related to the Festival, telecommunications, et cetera). For example, in the four years since year 2015, visitors' total spending per year increased 18%, but their spending in March of each year grew 145% (8 times faster) in that same period. (See Table 4.9 below.) Accordingly, the percentage of total annual spending by visitors in March more than doubled (from 15% in March, 2015, to 31% in March, 2019).

Table 4.9: Spending by Visitors: years 2015 to 2019.

Year	Visitors' Total Spending for the Year (E.C.\$ millions)	Visitors' Total Spending for March (E.C.\$ millions)	% of Visitors' Annual Spending in March	Increase from Prior March (E.C.\$ millions)	Increase from Prior March (%)
2015	22.88	3.43	15%		
2016	22.80	5.33	23%	1.89	55%
2017	25.36	7.25	29%	1.93	36%
2018	26.76	8.41	31%	1.16	16%
2019	26.98	8.40	31%	-0.01	0%
5-year totals	124.79	32.82			
4-year growth	18%	145%			

Source: Auditors' analysis of data from the Montserrat Statistics Department

4.17 Development of the Festival has contributed to major growth in tourism.

Available national statistics show that, since year 2012, when the SPDA was launched, the number of tourists (defined as overnight to long-stay visitors) to Montserrat has increased nearly 300%: rising from a low of 2,699 in year 2013 to a 15-year high of 10,232 in year 2018. (See Table 4.10.) Within that period, the short-term categories of visitors also showed remarkable increases: excursionists (day-trippers) tripled; cruise passengers soared over 1,000% (from under 400 in year 2013 to more than 7,000 in year 2017); yacht passengers increased over 40%. (See Table 4.10

below.) Some of the excursionists include hundreds of persons coming for the Festival via chartered ferryboats from neighbouring islands, including the French islands. Apart from the COVID-19 pandemic, visitors' arrivals in year 2020 and beyond were on track to reach their highest level since the volcanic crisis a quarter of a century ago.

Table 4.10: Numbers of Visitors Per Category for Years 2005 to 2018.

Year	Total Visitor Arrivals	Tourists	Excursionists	Cruise Passengers	Yacht Passengers
2005	14,464	9,690	3,395	285	1094
2006	10,774	7,991	1,509	65	1,209
2007	10,449	7,746	968	273	1,462
2008	10,364	7,360	959	205	1,840
2009	8,864	6,311	1,024	189	1,340
2010	9,578	5,981	1,726	878	993
2011	9,672	5,395	1,197	1,114	1,966
2012	12,127	7,310	2,606	840	1,371
2013	4,944	2,699	743	364	1,138
2014	12,334	8,804	1,749	184	1,597
2015	15,090	8,944	1,740	2,591	1,815
2016	15,361	8,734	1,225	3,596	1,806
2017	19,521	9,539	1,903	7,128	951
2018	18,338	10,232	2,197	4,294	1,615

Source: Montserrat Statistics Department

4.18 Growth of the Festival has greatly increased visitors' arrivals in March each year. Data from the Montserrat Statistics Department have shown a major increase in the number of visitors over the past five years (Table 4.10 above), with notable increases specifically and consistently in the month of March. (See Table 4.11 below.) This trend began in March, 2015, which coincides with the time that the Festival transitioned from a one-day celebration to a full calendar spanning one to two weeks of activities. The data also show strong growth in the proportion of tourists (long-stay visitors) versus one-day visitors. (See Table 4.9 above.) This trend is consistent with the expanding format and duration of the Festival and bodes well for higher total spending per tourist (versus brief visits with no accommodation overnight by excursionists, by cruise-passengers, and by yacht-passengers).

Table 4.11: Number and Percentage of Annual Total of Visitors Per Category during March: Years 2015 to 2019.

Year	Tourists		Excursionists		Cruise Passengers		Yacht Passengers	
	%	March	%	March	%	March	%	March
2015	12.46%	1114	17.64%	307	19.99%	518	23.20%	421
2016	20.49%	1790	28.98%	355	25.22%	907	14.67%	265
2017	24.75%	2361	14.29%	272	21.25%	1515	3.05%	29
2018	27.22%	2785	16.57%	364	2.72%	117	16.35%	264
2019	28.41%	2955	12.38%	260	15.47%	1055	14.46%	239

Source: Auditors' analysis of data from the Montserrat Statistics Department.

Note: This table shows the arrivals in March within each category as a percentage of that category's total arrivals for the year. E.g., in 2018, 27% of tourists for the year came in March alone. This was more than double the proportion of March's tourists just 3 years earlier.

4.19 Urgent need for upgrades of public venues for Festival events. Interviewed stakeholders shared their concerns with the state of venues used during the Festival and the limited amenities for patrons. The public outdoor location at Salem that is used for the Festival's Opening Ceremony, for instance, lacks shelter for patrons and adequate seating and washrooms. In year 2020, for example, rainy weather caused the Opening Ceremony to be cancelled, incurring a large loss of costs, of time, and of labour for the preparation of the venue, of the Festival's stage, and of the related infrastructure. In recent years, the OAG's performance audits have highlighted a number of deficiencies in public assets, and the GOM has also commissioned several independent studies of its assets and infrastructure; one of the key findings was that over 80% of the GOM's public buildings require urgent repairs and maintenance to meet B-standard. Since the COVID-19 global pandemic began to affect Montserrat in March 2020, the new protocols and enhanced regulations for public health make even more urgent the review, the assessment, the retrofitting and the upgrading of public buildings and spaces.

4.20 Limited access to Montserrat; worst during Festival seasons. Much of the year, the regular air-services and the ferry-service are more than adequate (in terms of number of seats)

to handle the normal flow of passengers. However, at peak seasons (e.g., Christmas and Montserrat Carnival in December; St. Patrick's Festival in March), the current sizes of vessels/aircraft for access both by sea and by air are not enough to bring the numbers of persons wishing to visit the island and to experience the festivals. Scheduling of extra flights and ferry-trips is, therefore, necessary during the Festival season. However, both the ferry-port and the airport, which are already very small by inter-island and international comparisons, are too small and cramped to handle the large numbers of passengers comfortably at these times. Health and safety are of greater concern during these periods of overcrowding, both for customers and for employees. The COVID-19 pandemic and public-health protocols (e.g., physical distancing, requiring more square feet per passenger and per employee) have increased these concerns.

4.21 Passengers' unpleasant experiences arriving in/departing from Montserrat.

Over the years, the Access Division, the Tourism Division and other stakeholders have received many complaints about passengers' experiences in travelling to and from the island. Throughout the year, there are adequate numbers of seats in the ferry-boat, and scope for additional departures and arrivals per day/week when needed, but the ferry-ride is rough and unpleasant (e.g., to the point of nausea) for many passengers. At times, owing to bad weather or to high waves, the boat is unable to reach and/or to disembark at Little Bay, creating additional risks, delays, inconveniences, and costs. In special cases, these include diversion all around the coast to the old cargo-port in Plymouth (abandoned since the volcanic crisis in 1995), and having to get special approvals and arrangements to transit the Exclusion Zones (both at sea and on land). Furthermore, before and after the St. Patrick's Festival, the large numbers of persons arriving and departing Montserrat face several other challenges and inconveniences, including those being left behind because there is not enough room for everyone for all flights and ferry rides at peak times. This leads to extra delays and discomfort in what is an already long journey for the majority, who are coming from the U.K. and from North America, and must transit at least 3 airports each way. Complaints about the unpleasant experiences were also made on social media or during the annual radio programme.

4.22 The ports lack amenities; unsatisfactory levels of service for passengers.

From the feedback of many passengers, as well as their own personal observations and travel-experiences, stakeholders such as the SPDA, the Tourism Division and the Access Division are keenly aware of the inadequate space, the unsatisfactory quality of service, and the acute lack of amenities at the vital Antigua-to-&-from-Montserrat ferry port (in which the GOM has invested/contributed) and in both the airport and the ferry port in Montserrat. Despite this knowledge, there continues to be inadequate planning and/or preparation by the major stakeholders to fully accommodate the influx of visitors to the island for the Festival. There are not enough seats at the ferry ports for all passengers at peak times during the Festival season, for example. Washrooms are not always well

maintained. Overcrowding makes the in-transit experience even more unpleasant for passengers and also challenging for stakeholders/officials to manage the orderly flow of customers. There is very limited hospitality and little to no access to food and beverages at the ferry ports and at the Montserrat airport, and the hours of service are also very limited. There are usually no hospitality services or food-items during the ferry rides, which take one and a half hours each way, plus the hours spent at the ferry port before and after each ride, not counting the additional hours when flights/ferry-rides are full, delayed, or cancelled.

Recommendations

4.23 Improve the management and quality of the Festival's venues and infrastructure. The OP and the SPDA should review, document, and monitor the status of all venues used during the Festival. [a] Each year, compile a prioritised list of items needing to be repaired, replaced, renovated, added, or discarded. [b] Using stakeholders' feedback, evaluate whether alternate venues would better serve the public for some events. [c] Addressing the recognised risks of past events that were cancelled or interrupted, develop contingency plans for each event and for each venue (e.g., changing weather). [d] Develop a system to track scheduled repairs and restoration projects from planning to completion.

4.24 Better co-ordination to manage, to market, and to grow the St. Patrick's Festival as the main pillar in Montserrat's tourism calendar. The SPDA should improve its engagement of key stakeholders and it should better coordinate and align its budgets, plans, and operations with those of all relevant Departments (e.g., the OP, the Tourism Division, the Access Division, and the Ministry of Health & Social Services) and Private Promoters. Combined efforts and resources will achieve much more impact and more value for money than what can be achieved by the individual efforts of each agency acting alone or with only limited co-ordination. For example, to achieve the SDP Goals #1 & #4 (Appendix 5), improved access and passenger-experience, as well as maintenance and upgrades to the infrastructure supporting tourism, to the public venues used in the Festival, and to other items used in the Festival, are essential. This supports both [1] the health and safety of participants, and [2] the infrastructure for high standards of service and quality of experience for tourists and local patrons. Also important are effective local, regional, and global marketing and publicity of the Festival and its events, alongside tourism.

4.25 Improve maintenance and upgrades of the airport/ferry port facilities. To support the Policy Agenda's objectives and the National Vision to maintain a safe, healthy, and productive work environment for all (e.g., the employees, agents, and service providers), the OP

should plan and implement timely and adequate maintenance and upgrades of buildings and premises across the access infrastructure. In turn, this will improve the conditions in which the public receives services, including the Festival's organisers, participating small businesses (e.g., those renting stalls from the SPDA), patrons, and performers, most of whom are visitors. E.g., expanded and more comfortable seating; improved washrooms; enhanced sanitation and hygiene; better variety of, and access to, food and beverages; and better amenities for, and accessibility to, persons with special needs (e.g., parents travelling with young children, the elderly, those with limited mobility, and persons with various other disabilities). These are some of the basics requiring continuing review and management to match relevant regional and international standards, including new public health requirements, as well as to accommodate better the growing numbers of employees and passengers and their needs and expectations.

CHAPTER 5: AUDIT CONCLUSION

5.1 Overall, the SPDA has functions and objectives that contribute to the GOM's Policy Agenda and the SDP, and particularly the focus on tourism and economic growth. However, despite a strong regulatory framework, the SPDA has habitually failed to meet its statutory obligations, including submitting Annual Returns to the FSC, appointing external auditors, and providing audited financial statements each year. It operates through a Management Committee comprising a few compensated part-time officers and through ad hoc subcommittees of unpaid volunteers. Some persons, including the Trustees, have not met the responsibilities of their assigned roles; some positions remain vacant.

5.2 Since the Montserrat Tourism Board was abolished, GOM's funding for tourism plummeted; likewise, after increasing during years 2015/2016 to 2017/2018, the GOM's yearly grant to the SPDA fell sharply in fiscal years 2018/2019 and 2019/2020. Neither the SPDA nor the GOM has published formal policies governing festivals or cohesive strategic plans for their funding and development. Meanwhile, both the Festival and tourist arrivals have grown rapidly since year 2017. However, too much is left to informal processes and to ad hoc private initiatives. Regrettably, since March 2020, the GOM's strict public health measures against COVID-19 have shut down the entire sector of tourism indefinitely, cancelled the year 2020 edition of the Festival while it was in progress, and have also created much uncertainty about whether or when tourism and festivals will resume, far less recover. Hence, a new Festival strategy will be necessary for the coming years.

CHAPTER 6: MANAGEMENT RESPONSE

Audit Recommendations & Follow-up Actions Re: Performance Review of the St. Patrick's Festival and Related Departments July, 2021

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
<p>2.4 The SPDA's management structure is in place, but has weaknesses.</p> <p>2.5 The SPDA's Trustees are inactive.</p> <p>2.6 The performance of the SPDA's officers is not being measured.</p> <p>2.9 The SPDA has not complied with its Constitution.</p>	<p>2.15 Strengthen the oversight of the SPDA's officers. As the relevant Accounting Officer, the OP should urgently review the SPDA's existing practices and performance, and hence develop and document suitable policies to ensure that best practices of governance and approved processes are consistently followed, including:</p> <p>[a] State clear criteria for the eligibility of candidates for positions in any of the committees or sub-committees, and ensure that all selected</p>	<p>The Montserrat Arts Council assumed oversight of funding for St. Patrick's Festival celebrations.</p> <p>No funds have been directed to the SPDA since March, 2018. Similar to the Calypso Committee, the MAC has worked along with a small Committee for organising the last three Festivals.</p>	<p>In recent years, no funds have been directed to the SPDA for the St. Patrick's Festival. The OP and the MAC have considered that future disbursements to an Association will be done in accordance with the GoM's Procurement Regulations and that eligible Bidder Associations must demonstrate compliance with their Constitution and statutory requirements.</p>	

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
2.10 No changes to the SPDA's committee members since year 2014.	<p>candidates are appropriately vetted and briefed;</p> <p>[b] Obtain and document the OP's/Cabinet's approval of all appointments to these posts;</p> <p>[c] Ensure that Trustees are appointed, meet regularly, and actively hold the SPDA accountable;</p> <p>[d] Review the performance of all committees and of each of their members at least annually;</p> <p>[e] Set reasonable term limits for key positions, while permitting some rotation of roles, and</p> <p>[f] Proper induction and ongoing training and development of officers and volunteers (e.g., to keep them abreast of relevant policies, laws, regulations, standards, and trends).</p>		<p>More generally, the Montserrat Arts Council has development a <i>Festival and Events Guidelines</i> to guide the management of funds directed to Associations for implementation of Festivals.</p>	

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	This approach will strengthen governance, will expand the pool of candidates, and will build local capacity so that the intended benefits of the SPDA and of the Festival will be sustained for the long term.			
<p>2.11 The SPDA has been non-compliant with the FSC for several years.</p> <p>2.12 Mounting unpaid fees; high risk of the SPDA's de-registration by the FSC.</p>	<p>2.16 Ensure that the SPDA meets all of its statutory obligations. Given its long history of non-compliance, the SPDA, with the necessary support from the OP and the MAC, should urgently reform its planning, its budgeting, and its operations so that it can:</p> <p>[a] Complete and submit all required Annual Returns to the Registrar of Friendly Societies (within the FSC), along with the required fees (which must be included in all budgets);</p>	<p>Based on the non-compliance issues, the MAC has not directed funds to the SPDA for the last three years (March 2018 to March 2020).</p> <p>These recommendations would be captured in the new thrust for working with Associations with the requirements of the Procurement Regulations.</p>		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>[b] Appoint and budget for an appropriate external auditor who meets the FSC's criteria; and</p> <p>[c] Appoint and budget for an accountant to prepare complete accounts and submit for auditing each year.</p> <p>[d] The SPDA must eliminate the backlog of legally required filings and unpaid fees, and start to submit all of its current obligations before their regulatory deadlines.</p>			
<p>2.7 Internal procedures are in place, but have had gaps and weaknesses.</p> <p>2.8 Minutes of the SPDA's meetings are not formally kept.</p> <p>2.13 No dedicated office or file-storage.</p> <p>2.14 Loss of years of records.</p>	<p>2.17 Strengthen the SPDA's record keeping and reporting for decision making. The SPDA should ensure that records are consistently kept for management meetings and for other important activities to document decisions, actions, and progress.</p> <p>As key stakeholders and funders of the SPDA and the Festival, the OP</p>	Refer to the response above, outlining our operational shift.		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	and MAC should assist the SPDA with access to a dedicated office/work-station, and work with the SPDA in improving the management of its records and reporting.			
<p>3.7 The SPDA lacks a robust framework for measuring performance against its objectives.</p> <p>3.8 The SPDA, the OP, and other Festival stakeholders lack shared KPIs and data.</p>	<p>3.18 Ensure that the objectives for the SPDA and for the Festival are clearly defined, measured, and assessed each year, and linked to the Policy Agenda.</p> <p>3.19 Ensure that every objective for the SPDA, for the OP, and for its related Departments has KPIs and that all KPIs clearly support objectives.</p> <p>3.20 Review and improve the KPIs over time. At least annually, the SPDA, the OP, and the MAC should review and assess their KPIs to make them clearer, more measurable, more relevant to</p>	<p>These recommendations relating to KPIs and reporting are to be implemented by the Montserrat Arts Council.</p>		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>objectives, and focused more on strategic outcomes.</p> <p>3.21 Improve the reporting of performance. The SPDA, along with the OP and its Departments that are relevant to the Festival, should regularly measure, monitor, assess, and report their actual performance and progress against all of their objectives and KPIs, including public Annual Reports. The Quarterly Reports, for instance, should be complete and timely.</p>			
3.16 The SPDA offers little scope for public feedback on the Festival.	<p>3.22 Broaden the scope for feedback from the public/stakeholders and communicate through multiple channels. The SPDA and the OP should collaborate to do interviews and surveys of patrons and organisers at events in the Festival, including both locals and visitors.</p>	Agreed that the Montserrat Arts Council needs to take a greater lead, in alignment with the operational shift.		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>Key stakeholders such as the Access Division, the Tourism Division (e.g., integrating queries about festivals in the Exit Surveys of visitors), and the Statistics Department could assist in these efforts, avoiding duplication of effort, and ensuring the maximum of collective value, benefits, and reach, and at the least cost and effort to each stakeholder.</p> <p>Beyond the SPDA's radio programme once a year after the Festival, the SPDA and other key stakeholders should collaborate in reaching and engaging patrons, promoters, sponsors, hospitality providers, accommodation providers, and other categories of stakeholders, using all available channels: e.g., websites, social media, telephone, mobile marketing, email, radio, news-broadcasts, audio, video, and other media.</p>			

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
<p>3.14 Limited involvement of the Tourism Division.</p> <p>3.15 Need for more collaboration, flexibility, and adaptability.</p> <p>3.17 Limited engagement of the private sector.</p>	<p>3.23 Develop a strategic approach to marketing, sponsorship, and relations with stakeholders. In order to maximise the value of the Festival to the public, to the private sector, and to the GOM, the SPDA, along with the OP, should develop formal policies and strategies for communication, for marketing, and for engagement of sponsors and other stakeholders (e.g., airlines, hotels, restaurants, promoters, performers, providers of telecommunications, providers of utilities, et cetera).</p> <p>Larger local and regional businesses have both financial contributions, technical skills, and strong marketing capabilities to offer, and these can greatly extend the range, the depth, the quality, and the impact of the marketing and delivery of the Festival and each of its multiple components.</p>	<p>The Montserrat Arts Council has collaborated with the Tourism Division for marketing support. In particular, through channels, such as the Caribbean Tourism Organisation and the carousel in the V. C. Bird International Airport, Antigua & Barbuda.</p> <p>These efforts and the recommendations will be developed further.</p>		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>In particular, with each contributor or sponsor, the SPDA and the OP should seek to build long-term relationships, multi-year contracts and agreements, and clear targets, indicators, and outcomes for each such relationship.</p> <p>This will lead to predictable funding for the Festival and greater cohesiveness and synergies among all the stakeholders, improving the revenues from the Festival, while reducing the relative cost and effort of each stakeholder, agency, partner, or sponsor working in isolation.</p>			
4.5 The GOM oversees the SPDA's budget and annual spending, but the SPDA has incurred deficits.	4.10 Continue to improve planning, budgeting, and reporting. The SPDA, with the support of the OP and the MAC, should review its approach to planning and budgeting to minimise the large variances of past years: e.g., overspending	The Montserrat Arts Council, and the Office of the Premier have been engaging more extensively to improve the budgeting for the St. Patrick's Festival and other Festivals, and to provide early commitment		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>versus budget; overspending versus actual revenue.</p> <p>Realistic figures should be used for estimating costs and adequate amounts should be budgeted for agreed activities for the SPDA to deliver on its mandate.</p> <p>In turn, the SPDA should enhance its management of spending to deliver within its budget.</p> <p>A prudent approach also includes making provision for contingencies within the budget for each year, thus minimising the need for frequent requests for supplementary funds.</p> <p>Likewise, realistic figures should be used for projecting revenues. Therefore, the budgeted revenues should be revised in line with the actual trend, and regularly updated for any available more</p>	to allow planning within the resources allocated.		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	recent information affecting forecasts.			
<p>4.2 The SPDA depends almost entirely on public grants and private sponsorship.</p> <p>4.3 GOM's cut its grants to the SPDA almost 40% during years 2018 to 2020.</p> <p>4.5 Sponsorship has been very limited and mostly ad hoc.</p>	<p>4.11 The SPDA should diversify and grow its streams of revenue. Building on the successful revenue-generating events of earlier years, the SPDA, with the support of the OP, the MAC, and the Tourism Division, should relaunch events that have proven capacity to cover their costs and to grow into the future.</p> <p>In addition, the SPDA should collaborate with its stakeholders to add new events, products, and services that can provide sustainable new streams of revenues.</p> <p>This will assist the SPDA in becoming more self-sustaining, while continuing to build the Festival for the benefit of all stakeholders.</p>	<p>As indicated above, the MAC, as the designated body of Government with responsibility for Festivals, has now assumed more direct oversight and management of the Festival.</p> <p>Former members of the SPDA (referred as such, given the status of the SPDA) assist with planning and implementation.</p>		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
<p>4.8 Most of the SPDA's spending is for outsourced services, but procurement has had weaknesses.</p> <p>4.9 Oversight of disbursements has improved, but weaknesses remain.</p>	<p>4.12 The SPDA should improve its procedures for procurement. The SPDA should document its agreements and contracts with its suppliers wherever written contracts do not exist.</p> <p>The SPDA should also advertise more of the goods/services that it intends to buy for the Festival. Furthermore, the SPDA should use the GOM's Procurement Unit for assistance, and to vet the process throughout procurement.</p> <p>For example, it should use published invitations to bid, as well as announcing successful bidders and contracts awarded, to ensure greater transparency in the selection of suppliers and in the awarding of contracts.</p> <p>In making Requests for Payment, the SPDA should ensure that there is a clear trail in the documentation: from budgets, to</p>	<p>Financial Management was performed by the Montserrat Arts Council from March, 2018.</p>	<p>Systems for requisitioning of goods and services were implemented by the Montserrat Arts Council, working along with members of the SPDA.</p> <p>Additional work on Requests for Quotations and Requests for Bids is required to improve procurement.</p>	

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>bids/quotations, to contracts/agreements, and, finally, to invoices presented for payment.</p> <p>Any variations from budgets/contracts should be clearly highlighted, explained, and approved before work is done, rather than after the fact (e.g., at the time that SPDA requests payment, or when the supplier goes to the MAC requesting payment and/or complaining about delays in payment).</p>			
4.19 Urgent need for upgrades of public venues for Festival events.	<p>4.23 Improve the management and quality of the Festival's venues and infrastructure. The OP and the SPDA should review, document, and monitor the status of all venues used during the Festival.</p> <p>[a] Each year, compile a prioritised list of items needing to be repaired, replaced, renovated, added, or discarded.</p>	The main venue for Festivals (the Festival Village, Little Bay) has received several facelifts. A mobile stage is also maintained and erected in both the Festival Village and the Salem Park.	<p>The limitations identified demonstrate the urgent need to progress the development of a town in Little Bay, including a permanent venue for Festivals.</p> <p>The MAC's Board will feed the requirement into the town-development strategy and discussions.</p>	

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>[b] Using stakeholders' feedback, evaluate whether alternate venues would better serve the public for some events.</p> <p>[c] Addressing the recognised risks of past events that were cancelled or interrupted, develop contingency plans for each event and for each venue (e.g., changing weather).</p> <p>[d] Develop a system to track scheduled repairs and restoration projects from planning to completion.</p>	<p>A Best Bar competition was also mounted, to encourage the Bar Operators to improve the aesthetics of their premises.</p>	<p>The Director of the MAC and his team will continue minor repair works and track-restoration projects.</p>	<p>Annually (Q. 3)</p>
<p>4.14 The number of persons employed in the Festival has increased since year 2015.</p> <p>4.16 Economic activity and incomes have increased through the Festival.</p>	<p>4.24 Better co-ordination to manage, to market, and to grow the St. Patrick's Festival as the main pillar in Montserrat's tourism calendar. The SPDA should improve its engagement of key stakeholders and it should better coordinate and align its budgets, plans, and operations with those of all relevant</p>	<p>Management fully supports opportunities for better co-ordination of the St Patrick's Festival, given the potential to become a hallmark event.</p>	<p>Year on year, the Montserrat Arts Council has improved its collaboration with the Tourism Division, with the Access Division and also with the Ministry of Health since March, 2020.</p>	

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
4.17 Development of the Festival has contributed to major growth in tourism.	<p>Departments (e.g., the OP, the Tourism Division, the Access Division, and the Ministry of Health & Social Services).</p> <p>Combined efforts and resources will achieve much more impact and more value for money than what can be achieved by the individual efforts of each agency acting alone or with only limited co-ordination.</p> <p>For example, to achieve the SDP Goals #1 & #4 (Appendix 5), improved access and passenger-experience, as well as maintenance and upgrades to the infrastructure supporting tourism, to the public venues used in the Festival, and to other items used in the Festival, are essential.</p> <p>This supports both [1] the health and safety of participants, and [2] the infrastructure for high standards of service and quality of</p>		The MAC's Board and the Director of the MAC will examine additional avenues for stakeholders' engagement.	Q. 3 & Q. 4 (fiscal year 2021/2022)

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	<p>experience for tourists and local patrons.</p> <p>Also important are effective local, regional, and global marketing and publicity of the Festival and its events, alongside tourism.</p>			
<p>4.18 Growth of the Festival has greatly increased visitors' arrivals in March each year.</p> <p>4.20 Limited access to Montserrat; worst during Festival seasons.</p> <p>4.21 Passengers' unpleasant experiences arriving in/departing from Montserrat.</p>	<p>4.25 Improve maintenance and upgrades of the airport/ferry port facilities. To support the Policy Agenda's objectives and the National Vision to maintain a safe, healthy, and productive work environment for all (e.g., the employees, agents, and service providers), the OP should plan and implement timely and adequate maintenance and upgrades of buildings and premises across the access infrastructure.</p> <p>In turn, this will improve the conditions in which the public receives services, including the Festival's organisers, participating small businesses (e.g., those</p>	<p>The Air and Seaport Authorities in both Antigua and Montserrat are directly responsible for the maintenance of the port facilities.</p> <p>Additionally, the Access team and the Montserrat Port Manager were hosted by the Port Manager of Antigua to receive and provided inputs on their ports-expansion project. A</p>	<p>The Access Division, which currently falls under the portfolio of the Office of the Premier, will register the concerns and recommendations, as part of regular Port Stakeholder Meetings.</p> <p>The Access team will continue liaison with Antigua's Port Manager on the new passenger-ferry facility.</p>	<p>Q. 3 (fiscal year 2021/2022)</p> <p>Bi-annually</p>

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
4.22 The ports lack amenities; unsatisfactory levels of service for passengers.	<p>renting stalls from the SPDA), patrons, and performers, most of whom are visitors.</p> <p>E.g., expanded and more comfortable seating; improved washrooms; enhanced sanitation and hygiene; better variety of, and access to, food and beverages; and better amenities for, and accessibility to, persons with special needs (e.g., parents travelling with young children, the elderly, those with limited mobility, and persons with various other disabilities).</p> <p>These are some of the basics requiring continuing review and management to match relevant regional and international standards, including new public health requirements, as well as to accommodate better the growing numbers of employees and</p>	new terminal-building and jetty-facilities are planned for ferries to and from Montserrat, Barbuda, and other neighbouring islands.		

Findings	Recommendations	Management Response	Actions Undertaken To Date & Responsibility	Date of Planned Implementation
	passengers and their needs and expectations.			

The period of Audit spanned 2012 to 2020. It should be noted that the current Permanent Secretary, Office of the Premier assumed this role from December 2017/January 2018. In that regard, the overall response is to accept the findings as presented and to design an Action Plan to progress implementation of the recommendations, within the scope of the operational shift in the management and co-ordination of the St Patrick's Festival since March 2018.

Permanent Secretary
Office of the Premier
19 September, 2021

APPENDIX 1: OFFICE OF THE AUDITOR GENERAL

“Functions of Auditor-General

103. (1) The Auditor General shall audit and report on the public accounts of Montserrat and of **all public offices**, including the courts, the central and local government administrations, universities and higher education institutions, and any **public corporations or other bodies** or organisations established by an Act of the Legislature, and may conduct financial and value for money audits in respect of **any project involving public funds**.

(2) The Auditor General shall submit to the Legislative Assembly annually a report of the accounts audited by him or her under subsection (1) for the immediately preceding financial year.

(3) For the purposes of subsection (1), **the Auditor General and any person authorised by him or her shall have a right of access at all reasonable times to all such documents** as appear to him or her to be necessary for the purposes of the audit, and shall be entitled to **require from any person** holding or accountable for any such documents such information and explanation as he or she thinks necessary for those purposes.

(4) In the exercise of his or her functions, the Auditor-General shall not be subject to the direction or control of any other person or authority.”

The independence of both (a) the functioning of the Auditor General and (b) the budgetary allocations from the Government’s national Consolidated Fund to finance the Office of the Auditor General are clearly stated and emphatically declared as follows below:

“National Audit Office

104. (1) **The Legislature shall by law make provision for the establishment of an independent National Audit Office** headed by the Auditor General.

(2) **The budget for the National Audit Office** shall be charged on and paid out of the Consolidated Fund, and **must at all times be adequate** to enable the full performance of the functions conferred on the Auditor General by this Constitution or any other law.

(3) The accounts of the National Audit Office shall be audited and reported on by an auditor appointed by the Legislative Assembly.” [Bold and underlined emphases added throughout.]

In line with international standards for public-sector auditors and global best practices for Supreme Audit Authorities, the O.A.G. of Montserrat espouses the following values and priorities:

OUR VALUES

Respect. We seek to build productive professional associations and cordial personal working relationships with colleagues internally as well as with other public servants externally.

Honesty. We tell the truth even when it is unpleasant or embarrassing. Accurate self-assessment is vital for every person and for every unit of Government to acknowledge its strengths and its weaknesses, and to begin to address performance-gaps and shortfalls from relevant policies, from applicable standards, and from currently binding laws and regulations.

Transparency. Our work is in the service of the Government and the people of Montserrat. Therefore, all of our final reports on engagements undertaken are made available to all stakeholders, to the public and to any other interested parties via publication on our website.

Confidentiality. In the course of our duties, we protect the identity of all persons who reveal secret information or private details. Our reports disclose general conclusions and focus on practicable solutions rather than highlighting any person or department directly.

Accountability. By definition, the work of the O.A.G. is to hold accountable all public-sector Ministries, Departments, agencies, public-private partnerships, and State-owned enterprises. In turn, we are accountable (a) to colleagues through quality-control procedures and through peer-review, (b) to local, regional and multinational professional accounting and auditing bodies, and (c) to global standards-setting bodies. Finally, the O.A.G. itself is subject to annual audits by an independent external audit-firm of the highest repute.

Objectivity. Auditors must remain impartial, devoid of partisan bias, without membership of political parties, and otherwise focused on the truth and the facts, rather than personal opinions, emotions, or self-interest. All of our analyses, conclusions and recommendations are based on facts and verifiable and auditable evidence, supported by retained audit-papers and work-in-progress files throughout each and every audit-engagement. Information is gathered solely for the purposes of the official audit and never to be used for personal advantage of either the auditors themselves or of any other person, party, entity, or enterprise.

Independence. Vitally important to the respectability of the O.A.G. is the independence of the Auditor-General and of his/her staff both in appearance and in fact, both in public discourse and in social intercourse. Auditors must avoid any potentially compromising personal relationships or business activities with any public-sector auditee. Where he/she has (i) any material private indirect interest and/or (ii) any direct financial or other interest in an auditee and/or (iii) in or with any of its employees, suppliers, investors, creditors, or other related parties, an auditor must either refrain from any part of an audit of such entity and/or disclose the nature and the extent of such actually or potentially compromising interest whatsoever it be.

APPENDIX 2: KEY REFERENCES

- SDP (2010). **Montserrat Sustainable Development Plan 2008 to 2020: Journey to Sustainable Prosperity**. Ministry of Economic Development and Trade, Government of Montserrat. [hard copy]
- GOM's Policy Agenda** (2018). Cabinet, Legislative Assembly, Government of Montserrat.
- Citizen's Guide to the Budget for Fiscal Year 2016/2017** (2016, October). Cabinet, Legislative Assembly, Government of Montserrat. Retrieved from <http://finance.gov.ms/wp-content/uploads/2016/10/Citizens-Guide-Montserrat-2016-2017.pdf>
- Citizen's Guide to the Budget for Fiscal Year 2017/2018** (2017, September). Cabinet, Legislative Assembly, Government of Montserrat. Retrieved from <http://finance.gov.ms/wp-content/uploads/2017/09/Citizens-Guide-Montserrat-2017-2018.pdf>
- Citizen's Guide to the Budget for Fiscal Year 2018/2019** (2018, May). Cabinet, Legislative Assembly, Government of Montserrat. Retrieved from <http://finance.gov.ms/wp-content/uploads/2018/05/Citizens-Guide-Montserrat-2018-19.pdf>
- Montserrat Energy Policy 2016 – 2030: The Power to Change**. Government of Montserrat. Retrieved from https://www.dropbox.com/s/6klinip1du98ok6/The%20Power%20to%20Change%20MEP%20-VersionALL_IN_Jan19th.pdf?dl=0
- Budget Preparation Manual** (2014, August). Ministry of Finance and Economic Management, Government of Montserrat. Prepared by the International Monetary Fund's Caribbean Regional Technical Assistance Centre (CARTAC).
- Review Report for Medium Term Development Strategy 2008-2012** (July, 2013). Policy & Planning Unit, Cabinet Secretariat, Office of the Premier, Government of Montserrat. Retrieved from <http://www.gov.ms/wp-content/uploads/2014/05/Review-Report-for-Medium-Term-Strategy.pdf>
- Amended in March, 2017. Retrieved from <https://discovermni.com/2017/03/24/cabinet-approves-amendments-to-gom-general-orders/>
- Development Tracker**. Project-reporting website, Department for International Development, U.K. Government. Retrieved from <https://devtracker.dfid.gov.uk/projects/GB-1-202824/documents>

Discover Montserrat (2020, November 10). **14 Appointed to Montserrat Tourism Stakeholders Advisory Council.** Retrieved from <https://discovermni.com/2020/11/10/14-appointed-to-montserrat-tourism-stakeholders-advisory-council/>

Discover Montserrat (2020, November 10). **95% Drop in Montserrat's Tourism Spend, Division to Push Virtual Visibility.** Retrieved from <https://discovermni.com/2020/11/10/95-drop-in-montserrats-tourism-spend-division-to-push-virtual-visibility/>

Discover Montserrat (2020, October 28). **Montserrat Carnival 2020 to be a Virtual & Community Affair.** Retrieved from <https://discovermni.com/2020/10/28/montserrat-carnival-2020-to-be-a-virtual-community-affair/>

Skift Research (2020, September). **The Travel Industry Turned Upside Down.** Skift Research in partnership with McKinsey & Company. Retrieved from <https://www.mckinsey.com/~media/McKinsey/Industries/Travel%20Transport%20and%20Logistics/Our%20Insights/The%20travel%20industry%20turned%20upside%20down%20Insights%20analysis%20and%20actions%20for%20travel%20executives/The-travel-industry-turned-upside-down-Insights-analysis-and-actions-for-travel-executives.pdf>

Barbados GIS (2012, July 03). **Crop Over Gets Boost From SSA Sponsorship.** Government Information Service, Government of Barbados. Retrieved from <https://gisbarbados.gov.bb/blog/crop-over-gets-boost-from-ssa-sponsorship/>

Barbados GIS (2014, January 17). **Businesses Encouraged To Invest In Crop Over.** Government Information Service, Government of Barbados. Retrieved from <https://gisbarbados.gov.bb/blog/businesses-encouraged-to-invest-in-crop-over/>

Barbados GIS (2012, November 26). **Crop Over A Major Revenue Earner Despite The Recession.** Government Information Service, Government of Barbados. Retrieved from <https://gisbarbados.gov.bb/blog/crop-over-a-major-revenue-earner-despite-the-recession/>

Barbados GIS (2011, March 17). **Government Committed To Crop Over In Spite Of The Economic Recession.** Government Information Service, Government of Barbados. Retrieved from <https://gisbarbados.gov.bb/blog/government-committed-to-crop-over-in-spite-of-the-economic-recession/>

Barbados GIS (2011, February 03). **Crop Over Consultations Going Well.** Government Information Service, Government of Barbados. Retrieved from <https://gisbarbados.gov.bb/blog/crop-over-consultations-going-well/>

APPENDIX 3: TERMINOLOGY

Efficiency. Efficiency is measured as the ratio of inputs per given or desired unit of output. The performance goal is to minimise inputs and/or input-costs per unit of output.

Productivity. Productivity is measured as the ratio of actual units of output per given unit of each input. The performance goal is to maximise output per unit of each input.

Effectiveness. Effectiveness is measured as the ratio of actual units/costs of all outputs to the desired units/costs of output. The performance goal is to minimise gaps between desired output(s) and actual output(s), subject to the desired quality of that output.

Value for money. This is the *desired surplus and/or value of benefits* derived from actual output(s), deliverable(s), or outcome(s). It is measured as the consumer's utility or economic surplus: i. e., (1) the actual (and/or user perceived) value of all benefits of each unit of output, minus (2) the actual costs per unit of each input required to produce and to enjoy the benefits of that unit of output. The performance goal is to maximise the total value of incremental benefits (minus marginal costs) derived from all units of output (e. g., public services or public goods), subject to the desired quality of that output, and to any applicable standards, regulations, contractual obligations, client service objectives, or legal requirements.

Performance. This concept defines observable behaviours in respect of a specified function or activity. In practical terms, performance is measured as the comparison of *ex post* actual outcomes with *a priori* desired or pre-agreed outcomes. This lends itself very well to objective definition, measurement, monitoring, reporting, feedback, and recommendations for improvement, wherever gaps are identified between (a) desired behaviours and outcomes and (b) actual behaviours and outcomes. Learning, for instance, is measured by improved behaviours.

Performance audits. Performance audits are objective, external, and independent reviews of activities, processes, organisations, financial statements, and/or other objects of interest, having explicit regard to such parameters as (i) applicable laws, (ii) external regulations, (iii) internal policies, (iv) internal rules, (v) international treaties, (vi) bilateral or multilateral agreements, (vii) industrial benchmarks, (viii) contracts, (ix) codes of conduct, (xi) ethics, (xii) morals, and/or (xiii) professional standards. Performance audits go well beyond (1) *financial audits* and (2) *internal audits*, for instance, to examine the actual, observable, and measurable behaviours, outputs, efficiency, effectiveness, and value for money of an entity, a programme, an agency, a statutory corporation, or an entire public sector, as the case might be. In this regard, performance auditing is inherently more far reaching, more strategic, and more consultative than other types of audit. When it is well executed by the auditor(s), and when, thereafter, its findings are wisely attended and its recommendations expeditiously implemented, a performance audit in the public sector has the potential to offer the greatest value for money to the Government and, ultimately, to the people of Montserrat. In short, it pays for itself many times over.

APPENDIX 4: AUDIT FIELDWORK

Background

This performance audit focused on (1) the governance and processes of the SPDA and the GOM's related Departments for acquiring and using human resources and other assets for the Festival, (2) the GOM's policy framework for festivals, for tourism, and for travel, and (3) the SPDA's and related Departments' efficiency, effectiveness, and accountability in their use of resources. These connected dimensions have implications (a) for governance, (b) for departmental effectiveness and efficiency, and (c) for the quality of outputs, of outcomes, and of the delivery of services to the public. In turn, the OP's policies and operations impact every public employee and, in turn, public services affect the entire economy and society of Montserrat. This is important, since in the post-1995 era, the central GOM and the wider public sector constitute about 75% of GDP and roughly 65% of full-time employment in the national economy, and they have numerous multiplier effects.

Objectives of the Audit

Purpose and mandate. The audit sought to examine efficiency and effectiveness in the management of the Festival by the SPDA and related Departments within the OP, including the level of governance and the quality of the processes of planning, budgeting, and use of people and assets. We considered (a) the quality of internal records, monitoring, and reporting, (b) the related management of human and other resources, (c) interviewees' reported issues, limitations, and challenges and their causes, and (d) their impact on the efficiency and effectiveness of participating Departments. Finally, the study aimed to assess the impact of the Festival in relation to major policies and strategic plans, including [1] the GOM's Policy Agenda, and [2] the Montserrat Sustainable Development Plan (SDP) 2008 to 2020. In particular, we sought to identify the major planning challenges, budgeting deficiencies, and operational issues facing the SPDA and related Departments, and, hence, opportunities and recommendations for improving their outputs and outcomes for all stakeholders in the Festival.

Key questions. This study was one of the topics of interest to the public, arising from a focus-group in February, 2020, and contributes to the OAG's mandate to provide assurance about the efficiency and the effectiveness of the GOM's spending. This audit sought to examine the efficiency and the effectiveness of the management of the Festival by the SPDA and related Departments within the OP, including the level of governance, the quality of the processes of planning and budgeting, the use of people and assets, and overall performance. The overall objective of the audit was to assess whether the Festival is managed efficiently and effectively. To answer this overarching question, we considered 4 issues:

[a] Are the objectives of the SPDA and related Departments clear?

[b] Do the SPDA and related Departments have the governance and organisational structures in place to deliver their objectives?

[c] Have the SPDA and related Departments applied good practices in the use of their resources to meet their objectives?

[d] How are the SPDA and related Departments performing against their objectives/metrics?

Criteria used.

Criteria used for assessing the strategic objectives in this audit were:

- (1) Are there clear, stated objectives that are aligned to the overall strategy?
- (2) Are there plans detailing how the objectives will be met?
- (3) Are the related KPIs/metrics defined and explained?

Criteria used for assessing the key performance indicators (KPIs) in this audit were:

- (1) Are KPIs clearly stated?
- (2) Are KPIs correctly classified?
- (3) Are KPIs appropriate?
- (4) Are KPIs measurable and effective?

Criteria used for assessing the use of information in this audit were:

- (1) Is there a clearly defined system of accountability?
- (2) Are Departments regularly reporting their progress against budgets and strategic plans?
- (3) Do reportees give appropriate and timely feedback to reporters?

(4) Is there evidence of an effective feedback-loop whereby measuring, reporting and monitoring of progress (or lack of it) results in timely actions and better decision-making?

Scope of the Performance Audit

The scope of this performance audit was to examine the history and the status of the SPDA and the Festival over the years since the SPDA came into being in March, 2012. We emphasised the past 5 years' trends of planning, budgeting, and use of resources within the SPDA and related Departments in managing the Festival. We included the SPDA and several related GOM departments in our interviews of stakeholders in order to assess the perspectives and the experiences of stakeholders regarding the Festival vis-à-vis their mandate, structure, efficiency, quality of outputs, communication, quality of service, and overall performance. Financial and other data-analyses focused mostly on the prior 3 years (i.e., fiscal years 2017/2018 to 2019/2020). Where we received information subsequent to our fieldwork, more recent updates are provided in some parts of the report.

Scale of the Performance Audit

The scale of this performance audit included [a] the OP's headquarters, [b] the SPDA, [c] the Access Division, and [d] the Tourism Division. Prior performance audits by the OAG, as well as past audits by the GOM's Internal Audit Department, provided additional data and perspectives of many other stakeholders in tourism, in travel, in Customs, in the Police Service, the airport, the seaport, and other areas relevant to the background of this study.

What We Excluded from this Audit

We excluded data preceding those of the year 2012, except for background knowledge and local context (e.g., the history of tourist arrivals back to year 2002). We excluded comparative analyses and other cross-country reviews. We also largely excluded regional and international data sets, except for background information, thus emphasising Montserrat specific current and very recent historical data-sets.

Why We Performed This Audit

Accountability to external donors. In Montserrat, the public sector is largely funded by the UK Government through its Foreign, Commonwealth & Development Office (FCOD). Therefore, those providing aid have requested a series of performance reviews to provide greater assurance

about public planning, budgeting, and implementation, including the efficient and effective use of people and other assets, all of which directly affect both the public sector and the private sector.

Development of Tourism. Since most of the island's employment is within the public sector, the SDP aims at developing the private sector, including tourism as one of four primary pillars of economic redevelopment. The Festival is a major component of the island's tourism and the biggest event on the annual social and cultural calendar. Since year 2012, the scope and the scale of the Festival have grown rapidly. In the past five years, it has evolved from a one-day format catering mostly to local residents and Montserratians visiting from the Diaspora, to become a multifaceted festival spanning two weeks of diverse activities, and attracting growing numbers of international visitors.

Governance & Investment. Over 60% of the GOM's recurrent spending and about 90% of its capital spending are funded [1] by external aid from the UK Government and [2] by grants from multilateral institutions. Hence, the MPS faces increasing scrutiny and accountability [a] for the management of public funds, [b] for the execution of strategic plans, and [c] for the delivery of programmes, of projects, and of outputs. As it is largely funded by the GOM through the OP, the SPDA is accountable for the use of the public funds in each year's Festival.

How We Performed This Audit

Interviews & site-visits. Initially, we engaged in interviews with members of the SPDA and with senior public-sector officials across the OP's departments, including site-visits to see the premises that they use. The list of interviewees is provided at the end of this Appendix. With the guidance provided by these meetings and inspections, we proceeded to devise questionnaires and data gathering techniques suitable for the purpose of assessing (i) the governance of the SPDA and the related Departments, including their strategic planning and budgeting, (ii) the efficiency and the effectiveness of data gathering, reporting, human resources, and interdepartmental communication and co-operation related to the use of resources, and (iii) the recent trends, outputs, and outcomes of their uses of resources.

Reviews of relevant law, regulations and literature. Before and during our fieldwork, we researched the GOM's policies, laws, and regulations in order to establish the legislative framework for our performance audit. The programme of research also included literature on such relevant subjects as (a) governance, (b) strategic planning and national budgeting, (c) public sector efficiency and effectiveness, (d) monitoring and implementation, including project management and capital assets, and (f) performance benchmarks and standards of service. These sources supplemented our reviews of various internal and external documents related to the GOM's policies, structures,

and operations affecting the issues of public planning, budgeting, procurement, and deployment of resources in the development of the Festival.

Internal & External Evidence. Various requests for information were made during August 2020 to October 2020. Owing to several late responses, as well as some non-responses, the fieldwork extended into November, 2020. Emphasis was placed on factors affecting the SPDA's and the related Departments' governance, planning, budgets, implementation, asset management, efficiency, and performance. In particular, we sought to know (a) whether there were adequate staffing, skills and other resources during the past several years, (b) issues affecting the Departments' and the Festival's processes, progress, and outputs, (c) the quality of reporting, communication, and co-operation among the stakeholders, and (d) recommendations/opportunities for improvements.

Standards used. This audit was conducted according to standards promulgated by the International Organisation of Supreme Audit Institutions (INTOSAI) for performance audits. Those standards require that we plan and perform our audit in order to obtain sufficient and appropriate evidence to reach a reasonable conclusion about the performance of the entities/areas studied with regard to [a] their governance and [b] their management during the period under review. The international standards used to perform this audit-engagement and to assess the findings of this audit include ISSAI-P 12, ISSAI 100, ISSAI 3000, and GUID 3910.

Questionnaire for Interviewees

Correspondents & Interviewees

- (1) Permanent Secretary, OP
- (2) Director of Montserrat Arts Council, OP
- (3) Director of Tourism Division, OP
- (4) Access Co-ordinator, Access Division, OP
- (5) Assistant Access Co-ordinator, Access Division, OP
- (6) Chairman, Management committee, St. Patrick Day Association
- (7) Secretary Treasurer, Management committee, St. Patrick Day Association

APPENDIX 5: GOM'S POLICY AGENDAS

SAMPLE #1: YEAR 2017

Government of Montserrat Policy Agenda 2016/17 – 2018/19 and Priority Ranking from Cabinet Workshop on July 7th, 2017, and Follow-on Survey, All Responses

Goal 1: Prudent Economic Management	Cabinet Votes	Priority
1.1 To change the development focus from post-volcano mode to developing and implementing plans focused on sustainable self-sufficiency that capture the spirit of Montserrat's past and preserve Montserrat's culture including enhancing relationships within the region and with key development partners.	2	6
1.2 Priority sectors for generating foreign direct investment identified including those that leverage Montserrat's unique assets and character and implement appropriate sector strategies.	1	7
1.3 Identification of obstacles to doing business and sequenced plans implemented for their removal and mitigation.		8
1.4 Priority infrastructure for generating economic growth identified and plans put in place to deliver.	8	1
1.5 Local resources unlocked to stimulate growth in domestic business.	6	2
1.6 The diaspora and the expatriate community engaged in national development.		8
Goal 2: Enhanced Human Development		
2.1 Increased access to essential medical services through leveraging technology as well as direct service provision.	5	3
2.2 Increased and expanded health promotion services to reduce public health concerns, to reduce the incidence and effect of non-communicable diseases, to improve the care of the elderly and including a focus on vector-borne diseases.		8
2.3 Strengthened community-based treatment programs for vulnerable groups of society.	1	7
2.4 Education provision improved to raise educational outcomes to be regionally and internationally competitive and equip people for sustainable livelihoods.	5	3

2.5 An equitable social protection framework which transitions those able to work back into the labour market while adequately supporting those unable to work.	1	7
2.6 Improved access to affordable housing for low and middle income residents.	4	4
2.7 Increased social housing stock supported by an equitable allocation policy.	5	3
2.8 Enhanced youth development through national programs including sports.	5	3
2.9 Increased protection of our children and vulnerable youth.	2	6
2.10 Montserrat strives to promote gender equality, equity and social justice to improve the quality of life for all its citizens.	3	5
Goal 3: Sustainable Environmental Management and Appropriate Disaster Management Practices		
3.1 Improved legislation, governance framework, capacity, scientific monitoring and outreach to sustainably manage environmental resources (terrestrial and marine) and make the island a centre of excellence in environmental and volcanic research.		8
3.2 Increased focus on mitigating disasters in addition to strengthening preparedness and emergency response.	1	7
3.3 Physical infrastructure, including housing, designed and built for resilience against disasters and climate change conditions.		8
Goal 4: Good Governance		
4.1 Strengthened transparency, accountability and public engagement within the national Governance Framework.	1	7
4.2 Public Service reformed to improve efficiency and effectiveness in the provision of essential public services.	8	1
4.3 Montserrat's reputation preserved as a just, safe and secure place to live and visit.	3	5
Goal 5: Increased Population		
5.1 Rebuilt communities which embrace diversity and enable population growth to develop a sustainable Montserrat.		8
5.2 Essential skills attracted and retained through immigration management and training.		8

SAMPLE #2: YEAR 2019 DRAFT Government of Montserrat Policy Agenda 2019/20 – 2021/22

Agenda Item	Rank
1.7 Advance strategic actions for strengthening accessibility to the island (to include infrastructure considerations)	1st
2.1 Increased access to essential and specialised medical services through leveraging technology as well as direct service provision.	1st
2.8 Enhanced youth development through national programs including sports.	2nd
1.1 Advance the development focus from recovery mode to developing and implementing plans focused on sustainable self-sufficiency [that capture the spirit of Montserrat's past and preserve Montserrat's culture]	3rd
1.5 Operationalisation of plans to deliver priority infrastructure for generating economic growth	3rd
2.4 Education provision improved to raise educational outcomes to be regionally and internationally competitive and equip people for sustainable livelihoods.	3rd
3.3 Physical infrastructure, in particular housing and communication technology, designed and built for resilience against disasters and climate change conditions.	3rd
4.2 Public Service reformed through institutional strengthening (processes, tools, legal framework, procedures, policies) to improve efficiency and effectiveness in the provision of ALL public services.	3rd
1.4 Develop strategies for addressing obstacles to doing business and implement sequenced plans for the removal and mitigation of these obstacles.	4th
1.6 Sectoral resources unlocked for business development, investment promotion and trade facilitation aimed at stimulating economic growth.	4th
2.2 Increased and expanded health promotion services to reduce public health concerns, to reduce the incidence and effect of non-communicable diseases, to improve the care of the elderly and including a focus on vector-borne diseases	4th
2.5 An equitable social protection framework which transitions those able to work back into the labour market while adequately supporting those unable to work.	4th
2.6 Improved access to affordable housing for low- and middle-income residents.	4th
2.10 Promotion of gender equality, equity and social justice to improve the quality of life for all its citizens.	4th
3.1 Improved legislation, governance framework, capacity, scientific monitoring and outreach to sustainably manage environmental resources (terrestrial and marine) and make the island a centre of excellence in environmental and volcanic research.	4th
3.2 Increased focus on mitigating disasters in addition to strengthening preparedness and emergency response.	4th
4.1 Strengthened transparency, accountability and public engagement within the national governance framework.	4th
1.2 Develop stronger strategic relationships within the region and with key development partners.	5th
1.3 Develop and implement appropriate sector strategies for priority sectors aimed at generating foreign direct investment to leverage Montserrat's unique assets and character.	5th
1.8 Incorporation of the 'Innovation for Development' concept into sector development strategies	5th
1.9 Enhance the national capacity building programme and policy to address sectoral needs	5th
1.10 The diaspora and the expatriate community engaged in national development.	5th
2.3 Strengthened community-based treatment programs for vulnerable groups of society.	5th
2.7 Increased social housing stock supported by an equitable allocation policy.	5th
2.9 Increased protection of our children and vulnerable youth.	5th
4.3 Montserrat's reputation preserved as a just, safe and secure place to live and visit.	5th
5.1 Development and implementation of social cohesion initiatives which embrace diversity and enable population growth.	5th
5.2 Skills gaps reduced through attraction and retention of appropriate persons through immigration management and diaspora outreach	5th

APPENDIX 6: THE OP'S OBJECTIVES (Headquarters)

Table 2: OP central: Programme 150: Key Strategies for Fiscal Year 2017/2018		
Number	Objective	Links to Policy Agenda's Objectives
1	Reposition Montserrat as a prime tourism destination through the implementation of key development programmes which focus on an integrated approach from national economic, social, environmental and cultural policies.	1.2; 1.5
2	Further build, enhance and integrate aspects of Montserrat's cultural arts through social outreach programmes, workshops/training sessions, cultural festivals, and social media marketing.	1.1
3	Progress policy arrangements to formally transfer the management and operation of the Montserrat Cultural Centre to the Montserrat Arts Council.	1.1
4	Provide strategic and administrative oversight of the Basic Needs Trust Fund programme aimed at the provision of community development projects which focus on Montserrat's social and economic needs.	1.4
5	Implement a performance monitoring framework to monitor progress of Government in achieving its overarching goals of the country.	4.1
6	Coordinate and manage a safe and reliable air/sea access service by employing key resources to minimize constraints and improve overall visitor facilitation.	1.4
	Additional 2017/2018 objective for 2018/2019 and 2019/2020:	
7	Harmonise data in performance framework to meet demands from regional and international partners.	4.1

Table 3: OP central: Programme 150: Key Strategies for Fiscal Year 2019/2020.

Number	Objectives for Fiscal Year 2019/2020	Links to Policy Agenda's Objectives
1	Monitor, evaluate and communicate progress of Government's performance against the Policy Agenda priorities and the national goals of the country.	No link was stated
2	Secure approval of Air and Sea Access and Connectivity Strategy and progress implementation based on agreed Resourcing Plan.	1.7
3	Advance the revision and approval of a National Cultural Policy, to reposition the cultural agenda.	1.1
4	Advance the revision and implementation of the Festivals and Events Support Policy.	1.1, 1.6, 2.8, 4.1
5	Develop educational and informational programmes for dissemination on multiple communications platforms (e.g., radio, television).	4.1 and 4.2
6	Produce various branded collaterals for use at trade events, to promote Montserrat as a unique destination.	1.1
7	Implement new projects for the expansion of tourism products and services, to increase visitor satisfaction.	1.6
Number	Additional 2019/2020 objectives for 2020/2021 and 2021/2022	Links to Policy Agenda's Objectives
8	Expand the range of training for tour and taxi operators, to improve service standards in the tourism sector.	1.4
9	Assign focus to the development of facilities in both Montserrat and Antigua, to improve customer service and passenger comfort.	No link was stated

Table 3.1: The OP's Vision, Mission, and Strategic Objectives relevant to the Festival (e.g., the MAC, tourism, access, culture, festivals, etc.)

Vision
To be a fit-for-purpose, strategic-oriented and forward thinking portfolio of the Government of Montserrat that fosters resilient development.
Mission
To provide policy leadership and strategic management for the development of Montserrat, through innovation and effective partnering of its constituent units.
Strategic Priorities: Fiscal Year 2017/2018
In accordance with the Strategic Development Plan (2008-2020) (SDP), the Medium Term Development Strategy 2013-2017 (MTDS), and the Government of Montserrat's Policy Agenda, the OP's strategic priorities relevant to tourism and to festivals were:
1. Reposition Montserrat as a prime tourism destination through the implementation of key development programmes which focus on an integrated approach from national economic, social, environmental and cultural policies. (Policy Agenda: items 1.2 and 1.5).
2. Further build, enhance and integrate aspects of Montserrat's cultural arts through social outreach programmes, workshops/training sessions, cultural festivals, and social media marketing. (Policy Agenda: item 1.1).
3. Progress policy arrangements to formally transfer the management and operation of the Montserrat Cultural Centre to the Montserrat Arts Council. (Policy Agenda: item 1.1).
4. Implement a performance-monitoring framework to monitor the progress of Government in achieving its overarching goals of the country. (Policy Agenda: item 4.1).
5. Coordinate and manage a safe and reliable air/sea access service by employing key resources to minimise constraints and to improve overall visitor facilitation. (Policy Agenda: item 1.4)
(Sources: [1] The Vision and the Mission on the OP's website; [2] The strategic priorities are extracted from the OP Headquarters' section of the GOM's Budget for 2018/19 to 2020/21, page 77.)

Classification of KPIs. Over the fiscal years that we reviewed, the OP had a number of indicators related to tourism and to culture. However, the majority of the indicators measured activities and outputs rather than strategic impacts and outcomes; this improved from fiscal year 2019/2020. (See the Table 3.2 below.) In fiscal years from 2017/2018 onward, the OP’s headquarters presented its KPIs as measures of outputs and measures of outcomes; however, we assessed that, in some cases, these indicators were misclassified (e.g., for 2017/2018, some measures of outcomes were actually measures of outputs). This could indicate a lack of understanding about the difference between measures of outputs and measures of outcomes.

Table 3.2: The OP’s Tourism/Culture Performance Indicators – Classification

	Financial Year		
	2017/18	2018/19	2019/20
Number of Outcome/Performance indicators	2	2	6
Number of Output indicators	4	4	5
Total	6	6	11

KPIs need to improve. Our analysis of the OP headquarters’ KPIs for the fiscal years 2017/2018 to 2018/2020 showed that some of them were not clear, realistic, and/or measurable. For example, for fiscal year 2017/2018, the KPI entitled “Completion of Montserrat Arts Council Strategic Plan” had no target specified for any of the five fiscal years shown (2016/2017 to 2020/2021). As the MAC is the primary agency overseeing spending for the Festival, this is directly relevant to the SPDA, which has to liaise with the MAC for approval of spending for its entire budget. However, there was major improvement in fiscal year 2019/2020, for which all stated KPIs had measurable targets, although some were not clearly stated and/or realistic.

An example of an unclear KPI was “No. of persons trained in Tour Guiding and other sector training to raise standards e.g. housekeeping, customer care”; it is not clear [a] whether this refers to the number of newly trained persons each year or to the cumulative total of trained persons in the

industry/sector, [b] exactly how this will be measured (e.g., is it reflecting only trainings done/hosted by the OP, or all trainings done throughout the industry?) or [c] which standards will be applied to certify the training itself and/or the level of competency of trainees.

An example of an unrealistic KPI for fiscal year 2019/2020 was “Performance Report for 18/19 completed and published within 2 months of the end of the financial year”. Whilst publication within 60 days after a reporting period is highly desirable, this KPI was not realistic, given that the prior report was published more than a year after the financial year to which it related. This National Reporting Framework is, in part, relevant to the transparency and the accountability of OP, the MAC, and, by extension, the SPDA and the Festival, and disclosure of their actual performance versus planned outcomes and outputs.

APPENDIX 7: THE SPDA's BUDGETS & ACTUAL REVENUES AND SPENDING

Table 4.2: Summary of the SPDA's Total Revenues & Spending: Budgeted versus Actual for Year 2014

	FESTIVAL 2014: GOM's Fiscal Year 2013/2014		
	Budget	Actual Revenue / Spending	Variance - Over budget / (Under budget)
Revenue - Total Budget (SPDA's records)	80,000		
Revenue - Total Actual (SPDA's records)		66,000	
Revenue - Total variance over/(under)		[GOM's subvention was \$53,000]	*(14,000)
Expenditure - Total Budget (SPDA's records)	80,000		
Expenditure - Total Actual (FSC files + *extra)		80,000	
Expenditure - Total Variance over/(under)			0

Overall outcome:

Actual Expenditure versus Budget	100%	0% underspent
Excess of actual spending over actual revenues	\$14,000	

*Notes: [a] \$80,000 = \$70,565 expenses reported to the FSC plus \$9,435 confirmed subsequently.

[b] The SPDA requested an additional subvention of \$14,000 to cover this shortfall.

Table 4.3: Summary of the SPDA's Total Revenues & Spending: Budgeted versus Actual for Year 2015

	FESTIVAL 2015: GOM's Fiscal Year 2014/2015		
	Budget	Actual Revenue / Spending	Variance - Over budget / (Under budget)
Revenue - Total Budget (SPDA's records)	140,000		
Revenue - Total Actual (SPDA's records)		58,295	
Revenue - Total variance over/(under)		[GOM's subvention was \$20,000]	(81,705)
Expenditure - Total Budget (SPDA's records)	140,000		
Expenditure - Total Actual (FSC files)		111,847.24	
Expenditure - Total Variance over/(under)			(28,152.76)

Overall outcome:

Actual Expenditure versus Budget	80%	20% underspent
Excess of actual spending over actual revenues	\$53,552.24	

Table 4.4: Summary of the SPDA's Total Revenues & Spending: Budgeted versus Actual for Year 2016

	FESTIVAL 2016: GOM's Fiscal Year 2015/2016		
	Budget	Actual Revenue / Spending	Variance - Over budget / (Under budget)
Revenue - Total Budget (SPDA's records)	302,310		
Revenue - Total Actual (SPDA's records)		302,310	
Revenue - Total variance over/(under)		[GOM's subvention was \$200,000]	0,00
Expenditure - Total Budget (SPDA's records)	302,310		
Expenditure - Total Actual (FSC files + *extra)		367,139.78	
Expenditure - Total Variance over/(under)			64,829.78

Overall outcome:

Actual Expenditure versus Budget **121%** **21% overspent**
Excess of actual spending over actual revenues \$64,829.78

*Note: \$367,139.78 = [a] \$364,146 expenses reported to the FSC = \$301,416 paid plus \$62,730 owing (towards which the GOM subsequently provided an additional subvention of \$55,000 the following year); [b] plus \$2,993.78 of expenses confirmed subsequently.

Table 4.5: Summary of the SPDA's Total Revenues & Spending: Budgeted versus Actual for Year 2017

	FESTIVAL 2017: GOM's Fiscal Year 2016/2017		
	Budget	Actual Revenue / Spending	Variance - Over budget / (Under budget)
Revenue - Total Budget (SPDA's records)	310,550		
Revenue - Total Actual (SPDA's records)		365,447	
Revenue - Total variance over/(under)		[GOM's subventions: \$211,000 + \$55,000 re the shortfall in 2016]	54,897
Expenditure - Total Budget (SPDA's records)	310,550		
Expenditure - Total Actual (SPDA's records)		451,287	
Expenditure - Total Variance over/(under)			140,737

Overall outcome:
Actual Expenditure versus Budget **145%** **45% overspent**
Excess of actual spending over actual revenues \$85,840

Table 4.6: Summary of the SPDA's Total Revenues & Spending: Budgeted versus Actual for Year 2018

	FESTIVAL 2018: GOM's Fiscal Year 2017/2018		
	Budget	Actual Revenue / Spending	Variance - Over budget / (Under budget)
Revenue - Total Budget (SPDA's records)	408,000		
Revenue - Total Actual (SPDA's records)		343,572	
Revenue - Total variance over/(under)		[GOM's subvention was \$325,000]	(64,428)
Expenditure - Total Budget (SPDA's records)	408,000		
Expenditure - Total Actual (SPDA's records)		417,639.95	
Expenditure - Total Variance over/(under)			9,639.95

Overall outcome:

Actual Expenditure versus Budget

102% 2% overspent

Excess of actual spending over actual revenues

\$74,067.95

Table 4.7: Summary of the SPDA's Total Revenues & Spending: Budgeted versus Actual for Year 2019

	FESTIVAL 2019: GOM's Fiscal Year 2018/2019		
	Budget	Actual Revenue / Spending	Variance - Over budget / (Under budget)
Revenue - Total Budget (SPDA's records)	245,100		
Revenue - Total Actual (SPDA's records)		258,780	
Revenue - Total variance over/(under)		[GOM's subvention was \$253,630]	13,680
Expenditure - Total Budget (SPDA's records)	245,100		
Expenditure - Total Actual (SPDA's records)		258,780	
Expenditure - Total Variance over/(under)			13,680

Overall outcome:

Actual Expenditure versus Budget

\$13,680 more 13% overspent

Excess of actual spending over actual revenues

\$0 (breakeven)

Note: The GOM gave an exact extra subvention to cover the overspending for year 2019, resulting in a net breakeven for the overall actuals.

Table 4.8: Summary of the SPDA's Total Revenues & Spending: Budgeted versus Actual for Year 2020

	FESTIVAL 2020: GOM's Fiscal Year 2019/2020		
	Budget	Actual Revenue / Spending	Variance - Over budget / (Under budget)
Revenue - Total Budget (SPDA's records)	243,250		
Revenue - Total Actual (SPDA's records)		211,500	
Revenue - Total variance over/(under)		[GOM's subvention was \$200,000]	(31,750)
Expenditure - Total Budget (SPDA's records)	243,250		
Expenditure - Total Actual (SPDA's records)		*148,605	
Expenditure - Total Variance over/(under)			*(94,645)

Overall outcome:

Actual Expenditure versus Budget

61% 39% underspent

*Note: For the St. Patrick's Festival in year 2020, both the SPDA's income and the SPDA's spending were below expectations because the arrival of the COVID-19 pandemic in Montserrat mid-March 2020, and the swift and strict introduction of the GOM's related public health measures unexpectedly interrupted the Festival after some events had happened, but before several others happened. Hence, in several instances, preparatory expenses were already incurred for activities that were later not allowed to be delivered (e.g., the Closing Ceremony).

Table 4.12: Details of the SPDA's Spending: Fiscal Year 2016/2017**St. Patrick's Festival: March, 2017: The SPDA's Expenses**

#	Budget Line (BL)	Expenditure (E.C.\$)
1	Security	\$ 2,800.00
2	Arrow Tribute Regional Soca Monarch	\$ 114,699.25
3	Erection of Stage/ Salem Park	\$ 31,721.00
4	Heritage Village Construction & Cleanup	\$ 43,633.34
5	Media Marketing and Promotions	\$ 26,185.00
6	Opening of Week of Activities	\$ 4,650.00
7	Family Fun Day	\$ 920.00
8	T20 Cricket & football	\$ 230.00
9	Rhythm Nights	\$ 4,850.00
10	Heritage Freedom Run and Walk	\$ 3,090.00
11	Junior Calypso Competition	\$ 1,500.00
12	St. Patrick's Day Festival Parade	\$ 6,700.00
13	Heritage Day Feast & Cultural Show	\$ 14,360.00
14	Hikes, Tours & Heritage Boat Party	\$ 650.00
15	Secretariats & Administration	\$ 12,680.49
16	Lecture & Cultural Movie	\$ 1,955.00
17	Stipends	\$ 9,000.00
18	Coordinator of Festival	\$ 15,300.00
19	Sankofa Garden Party	\$ -
20	Early Morning Street Jam	\$ 6,000.00
21	Decorations & Buntings Erection	\$ 14,607.00
22	Transportation	\$ 20,185.00
23	Iron Band & other Bands	\$ 45,189.71
24	Miss Culture Pageant	\$ 52,521.53
25	Cuban Band/Martin Healy	\$ 17,860.00

Table 4.13: Details of the SPDA's Spending: Fiscal Year 2017/2018

St. Patrick's Festival: March 09th to 19th, 2018: The SPDA's Expenses		
#	Budget Line (BL)	Expenditure (E.C.\$)
1	Marketing and Promotions	\$ 13,975.00
2	Preparation of Venues	\$ 49,800.00
3	Decorations	\$ 26,200.00
4	Erection of Stage	\$ 47,500.00
5	Arrow Tribute Regional Soca Monarch	\$ 103,430.00
6	Miss Culture Show	\$ 18,650.00
7	Bands	\$ 22,800.00
8	Accommodation for Bands & Artists	\$ 9,800.00
9	Wages & Stipends	\$ 28,500.00
10	Freedom Run & Walk	\$ 4,600.00
11	St Patrick's Day Festival Parade	\$ 19,200.00
12	Rhythm Night/Music at Ports	\$ 7,500.00
13	Opening of Festival	\$ 2,800.00
14	Closing of Festival	\$ 15,000.00
15	Closing Ceremony & Cultural Show	\$ 2,000.00
16	M.A.C.'s Drama Production & Other Support	\$ 17,300.00

Table 4.14: Details of the SPDA's Spending: Fiscal Year 2018/2019**St. Patrick's Festival: March 08th to 18th, 2019: The SPDA's Expenses**

#	Budget Line (BL)	Expenditure (E.C.\$)
1	Marketing & Promotions	\$ 13,400.00
2	Preparation of Venues	\$ 34,530.00
3	Decorations	\$ 9,495.00
4	Erect & Dismantle the Festival Stage	\$ 51,050.00
5	Bands	\$ 30,305.00
6	Wages & Stipends	\$ 33,000.00
7	Freedom Run & Walk	\$ 6,000.00
8	Festival Day & Parade	\$ 26,200.00
9	Rhythm Night	\$ 4,900.00
10	Opening of Festival	\$ 9,100.00
11	Closing of Festival	\$ 15,000.00
12	Contingency support/Secretariat	\$ 15,000.00
13	M.A.C.'s Drama Support	\$ 10,800.00