



PERFORMANCE AUDIT

OF

THE GOVERNMENT OF MONTSERRAT'S U.K.

OFFICE: Governance, Efficiency, Effectiveness &

Quality of Service

Office of the Auditor General
September, 2024

**THE GOVERNMENT OF
MONTserrat'S U.K. OFFICE**

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.

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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, the effectiveness and the quality of service of the Government of Montserrat's U.K. Office (hereinafter, the MUKO). Overall, the evidence gathered reveals that there are satisfactory aspects of governance and structure, but weaknesses in practice. The MUKO is an overseas entity reporting to the Office of the Premier (OP); in turn, the OP reports variously to the MOFEM, to the Premier, and to the Cabinet on its finances, policies, and operations.

In terms of effectiveness, efficiency, and accountability, we found a number of areas requiring immediate improvement: e.g., (1) a backlog of external financial statements to be completed; (2) low levels of outreach, Diasporic engagement, and impact; (3) little to no capacity or support for developing trade, business, investments, and tourism; and (4) lack of compliance with best practices and established frameworks for strategic planning and budgeting. The MUKO is lagging digitally. It is struggling in some areas of record-keeping and of being responsive to stakeholders' requests in a timely manner.

The Government of Montserrat's Sustainable Development Plan (SDP) 2008 to 2020 identified economic management as its number one strategic goal. The GOM's Policy Agenda 2021/2024 identified the following areas as some of the pillars for rebuilding and for growing Montserrat's economy: (i) Develop strategies for addressing obstacles to doing business and implement sequenced plans for the removal and mitigation of these obstacles; (ii) Sectoral resources unlocked for business development, investment promotion, and trade-facilitation aimed at stimulating economic growth; and (iii) An environment that fosters prudent economic management, sustained growth, a diversified economy and the generation of employment opportunities. These strategic priorities and national outcomes are directly relevant to the MUKO/OP and the contributions desired from the Diaspora.

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 staff of the U.K. Office, other participating Ministries and Departments, and all other persons who provided information, clarifications or extended any courtesy to my staff during this assignment.



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September 5, 2024

ABBREVIATIONS

CARICOM	Caribbean Community
FCDO	Foreign, Commonwealth & Development Office, U.K. Government
GDP	Gross Domestic Product
GOM	Government of Montserrat
HRMU	Human Resources Management Unit (GOM)
INTOSAI	International Organisation of Supreme Audit Institutions
ISSAI	International Standards for Supreme Audit Institutions
MCRS	Montserrat Customs & Revenue Division (MOFEM)
MOFEM	Ministry of Finance & Economic Management (GOM)
MPS	Montserrat Public Service
OAG	Office of the Auditor General (GOM)
OOP	Office of the Premier (GOM)
SDP	Sustainable Development Plan 2008 to 2020 (GOM)
UKO	U. K. Office (GOM)
UKOTA	U. K. Overseas Territories Association

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EXECUTIVE SUMMARY

Overview

The Government of Montserrat's U.K. Office is an overseas unit reporting (up to year 2023) to the Office of the Premier (OP). As the GOM's resident representative in the U.K., the MUKO began during the exodus from Montserrat to the U.K. during the volcanic crisis of the 1990s. Over the past 3 decades, it has evolved to provide a range of services to Montserratians abroad as well as responding to other parties seeking information about Montserrat (e.g., tourism, travel, business, investments, taxation, & owning properties). Operational oversight and funding for the MUKO are provided by the OP with support from the Ministry of Finance & Economic Management (MOFEM).

Main Findings

- 1. Low level of Diasporic engagement.** Beyond the initial efforts at helping newcomers to the U.K. in the late 1990s, very little was done to build/sustain a robust programme of outreach to the Montserratian Diaspora. Small numbers of persons are actively engaged in committees, events, and social groups, and the MUKO has a loyal core of contacts in the U.K., but the database does not exceed 150 persons. By contrast, the Diaspora is estimated to be in the tens of thousands.
- 2. The size of the Diaspora remains unknown.** Some of the contributing factors include: outdated records, unrecorded deaths, cases of emigration, cases of repatriation, changes of residential address, changes of employer, and inadequate scope, scale, and frequency of communication with Montserratians abroad. Frequently, a lack of timely information-sharing across public entities (e.g., the GOM's Treasury Dept., the Inland Revenue Division, the Office of the Deputy Governor, the Montserrat Social Security Fund, and the Tourism Division) means that any one Department's information about individuals and businesses is incomplete, inaccurate, partly outdated, and not consolidated to give a current picture of the status and the location of citizens.
- 3. Limited services; small numbers served.** The MUKO has provided a considerable range of types of services and assistance over the past 3 decades. However, the actual numbers of clients assisted have been small, on average, and the impact, as a percentage of the Diaspora, has been very low. Much of the MUKO's effort has focused on administrative matters (primarily, correspondence with stakeholders, representing Montserrat at various events, and participating in the U.K. Overseas Territories Association). Beyond answering occasional queries and providing advice to Montserratians abroad, very little has been done to contribute measurable value to

developing travel, tourism, businesses, repatriation, and other tangible outcomes for the benefit of Montserratians abroad, and for furthering Montserrat's social and economic development.

4. Overall, the MUKO has had a weak governance framework in place and inadequate oversight for its operations. By policy, the OP has immediate oversight for operations within the MUKO. There are clear lines of reporting and accountability as the Head of the MUKO liaises with the P.S. of the OP, who reports to, and is held accountable by, the Premier and the Cabinet. In practice, however, for most of its history, the MUKO lacked a robust approach to strategic planning, budgeting and reporting, and was not using the established procedures and templates provided by the MOFEM and the HRMU for all Ministries and Departments. There were also repeated long delays in agreeing the MUKO's Head's terms of employment and formal contracts.

5. Inadequate staffing and resourcing to achieve expected performance. The MUKO has never had more than 2 to 3 officers to execute its mandate, and they were not all full-time. Throughout its history, there has been a lack of capacity, support, and funding for the MUKO to be as useful as stakeholders desire it to be in responding to queries and expressions of interest about Montserrat and related travel, tourism, taxation, business opportunities, regulations and laws, trade between the U.K. and Montserrat, et cetera. For instance, it has frequently asked for tourism-related support and marketing materials, but, in several instances, received too little or did not receive any, and, in other cases, did not receive timely responses to queries. Surveyed stakeholders in the Diaspora also complained about non-responses from various Government of Montserrat Ministries and Departments.

Key Recommendations

6. Strengthen the MUKO's capacity. The MUKO and the OP should advocate through the Financial Secretary and the Minister of Finance for the soonest equipping of the MUKO with expertise both in marketing and in facilitating international trade, business, and tourism for Montserrat. Having more qualified, experienced, and dedicated officers/contractors for each of these major functions will allow the existing staff to refocus on their core areas of responsibility and competence, rather than being split across functions. Upskilling of the MUKO's staff is also essential.

7. Urgently improve inter-Departmental co-operation. The MUKO/OP should design and implement a plan of action with clear milestones to reduce the instances of non-responses,

slow action, and/or inaction on queries/requests from the MUKO and through it on behalf of clients/stakeholders abroad. This should also be reported to the public to aid in accountability and transparency. The focus should shift from fragmented efforts by individual agencies/Departments to effective coordination of responses and actions across GOM, choosing methods and technologies that will be sustainable and suitable for Montserrat's Diaspora in an era of global communications, trade, and travel. Prompt responses to, and multi-agency facilitation of, identified business-opportunities, property-owners' queries, and other expressions of interest in Montserrat, will further encourage early/prompt reporting, filing, tax-compliance, business development, and investments, spurring the potential growth of local revenues and Montserrat's exports of goods and services. Make the MUKO a responsive, highly effective, and conveniently accessible one-stop hub for all overseas stakeholders and interested parties in, or related to, the Diaspora and Montserrat.

8. Grow and diversify revenues & fundraising. The MUKO should lessen its very heavy dependence on grants from the GOM. This requires increasing the range of revenue-generating services and fundraising activities. It also requires increasing the numbers of services delivered, the number of events/fundraisers hosted, the percentage of the Diaspora effectively engaged/mobilised, and the numbers of persons served. Fees should be revised to cover all costs.

9. Further enhance the MUKO's accountability and transparency at all levels. For example, the MUKO should (a) convene a regular forum with investors and businesses, acting on their feedback, (b) use multiple channels of communication with individual tax-payers (especially overseas owners of properties and businesses in Montserrat) and the public, improving their knowledge of immigration, imports/exports and customs, tax-laws and procedures, while addressing queries, concerns, and complaints, and (c) report to the public each year on its performance and progress. This would extend the MUKO's and the OP's transparency beyond the annual financial statements and other data that are reported internally and to the GOM.

Audit Conclusion

10. The MUKO began in a time of crisis in the mid-1990s and evolved ad hoc over the past two decades. Overall, for most of its history, it was lacking a clear legislative framework and robust governance structure for its operations, which were subcontracted rather than being a formal part of the public service. In practice, we have noted several inefficiencies in operations, prolonged periods without formal employment-contracts, insufficient training and capacity, and low levels of support/responses from other agencies within the GOM. Staffing expenses and the high cost of renting premises in central London consume most of the allocated funds each year, leaving very little for actual products, services, and outreach to the Diaspora. There are large and recurring

financial gaps between [a] what the MUKO needs to fulfil its mandate and stakeholders' expectations, and, on the other hand, [b] the actual budgets and resources allotted to that Office each year.

CHAPTER 1: INTRODUCTION

Background

1.1 The U. K. Office’s history spans more than 25 years. Following the onset of the volcanic crisis in year 1995, the MUKO was formed to handle the needs of those residents who were part of the mass exodus from Montserrat to the U.K. Based in London, it is an overseas unit reporting (until year 2022/2023) to the Office of the Premier (OP), a key part of the Government of Montserrat’s central government structure. The importance of this Ministry and of its Departments is evident in that they are overseen by the Premier, who is both a key member of the Cabinet, and is also the Minister of Finance. Important Update: the MUKO now reports to the Deputy Financial Secretary, MOFEM.

Overview of the U.K. Office

1.2 The U.K. Office was originally established for the administration of support to those leaving Montserrat amidst the volcanic crisis in the 1990s. Over the years, it became the GOM’s resident representative in the U.K. and the European Union, assuming diplomatic and consular roles. The purpose of the MUKO remains to assist Montserratians in the U.K., and has gradually evolved to include Diasporic outreach, and responding to queries from other parties who are interested in Montserrat (e.g., travel, tourism, business, investments, real estate). Presently, the MUKO has two officers, and provides a range of services, including assisting the Diaspora with matters related to Montserrat (e.g., Birth Certificates, Marriage Certificates, certificates of divorce), as well as matters related to Montserratians pursuing studies, residence, or relocation to the U.K. (e.g., the U.K.’s immigration processes, housing assistance, urgent medical needs, and urgent financial needs).

Objectives of the Audit

1.3 Objectives. This audit sought to examine the management of the UKO, including the level of governance, the quality of the service to the public, financial sustainability, and overall performance. The overall objective of the audit was to assess whether the UKO is performing efficiently and effectively, and especially in performing services to the Diaspora, and responding to stakeholders’ queries and interest regarding Montserrat. To answer this overarching question, we considered 4 issues:

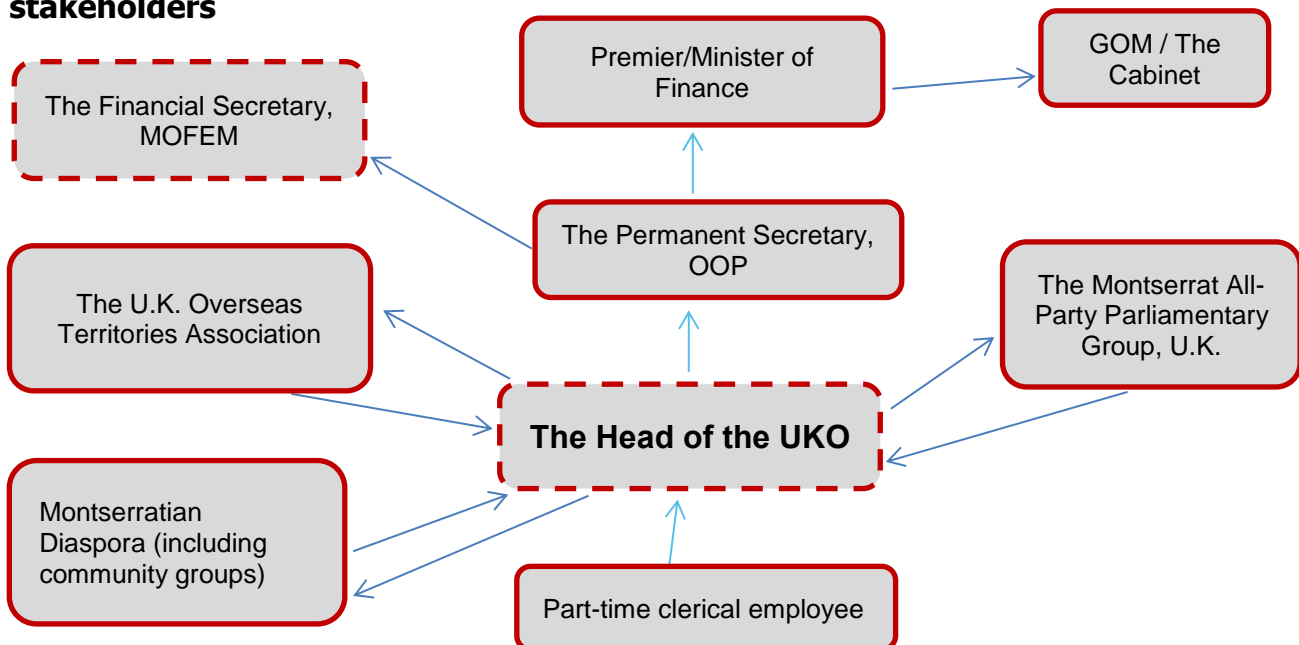
- [a] Governance: Are the legislative framework and governance effective in supporting the UKO to deliver its mandates?
- [b] Efficiency: Is the UKO applying good practices in managing its operations?
- [c] Efficiency: Does the UKO manage its finances efficiently?
- [d] Effectiveness: Is the UKO performing effectively in achieving its goals and targets?

Profile of the UKO

1.4 Structure. The active structure of the UKO has largely remained administratively oriented. (See the organisational chart in Diagram 1.1 below.) Currently, the UKO is led by the independently contracted Head of Office, who is assisted by one part-time employee (previously, two employees), who handles internal accounting and supports projects. Within the overarching framework of the GOM, the Permanent Secretary in the OOP oversees the Head of the UKO. The OOP, in turn, reports to the Financial Secretary on matters of budgets and plans, and through the Premier/Minister of Finance to the GOM’s Cabinet.

1.5 Roles and functions. The UKO’s activities include (a) the administering of inquiries about Montserrat, correspondence with stakeholders, and liaising with relevant GOM Departments (e.g., MCRS, OOP, Tourism Division, MOFEM, Office of the Deputy Governor); (b) the providing of client-services and assistance to stakeholders with queries about GOM/U.K. procedures, processes, and completing related Government forms; (c) assisting with applications for passports, birth/marriage certificates, etc.; and (d) representing the GOM at various events, conferences, and activities.

Diagram 1.1: Relationships and reporting structure of the UKO and related stakeholders



Sources: interviews with the Head of the UKO and other stakeholders.

Table 1.3: Overview of the UKO’s grants and spending: Fiscal Years ending December 31, 2016 to 2020.

Financial Year	Year 2016	Year 2017	Year 2018	Year 2019	Year 2020
The GOM’s grants to the UKO	GBP 95,481 *GBP 17,366	GBP 152,031	GBP 118,767	GBP 135,755	GBP 115,891
UKO’s Actual Spending	GBP 117,191	GBP 141,638	GBP 143,188	GBP 129,273	GBP 111,479
Net Surplus / /(Deficit) on operations	GBP (3,848)	GBP 11,119	GBP (24,052)	GBP 6,763	GBP 4,412

Source: The UKO’s financial statements externally prepared by chartered accountants Allen Robyn and Associates Limited, U.K.

*This extra amount represents reimbursements for GOM officials’ travel expenses, accommodation costs, and other items in the U.K.

CHAPTER 2: GOVERNANCE FOR THE MANAGEMENT OF THE GOVERNMENT OF MONTSERRAT'S U.K. OFFICE

Overview

2.1 The Montserratian Diaspora plays a critical role in the economic and social well-being and development of Montserrat. It contributes in several ways, including donations, philanthropy, remittances, travel, tourism, savings, investments, property taxes, and business interests on the island or related to Montserratians abroad. These dynamic interrelationships between those at home and those in other countries affect and benefit households, employees, businesses, public servants, and the GOM. In partnership, the UKO and the OOP have a mandate to develop these flows of benefits for Montserrat and for its people.

Findings

2.2 The GOM/OOP has a governance structure in place. The OOP provides oversight to the UKO's operations, which are the direct responsibility of the Head of the UKO. We found a history of regular correspondence between the Head of the UKO and the P.S./Minister of the OOP.

2.3 There are clear lines of reporting/accountability. From the UKO's inception until year 2022/2023, the Head of the UKO reported to the Permanent Secretary in the OOP, who reports to the Financial Secretary (MOFEM), who is accountable to the Minister of Finance and to the Cabinet; ultimately, all of them are accountable to the Legislative Assembly. The UKO now reports to the Deputy Financial Secretary, MOFEM. Various forms of correspondence and reporting are done monthly, quarterly and annually, including direct correspondence between the UKO and the F.S., Premier, and other Ministers, depending on the matters being queried, reported, or referred on the behalf of other stakeholders. Monthly reports are done for internal operations and management. Quarterly reports are done for internal purposes and for the OOP and onward to the MOFEM. The GOM's policies and the Public Finance (Management and Accountability) Act (2008) require annual financial reporting and external audits after the end of each fiscal year. These reports are sent to the MOFEM and all Departments' results are reported through the financial audits of the Public Accounts, which are published annually, are reported to the Legislative Assembly, and are also made available to the public.

2.4 The UKO's roles and functions are not clearly outlined in the legislative framework. The UKO arose from the GOM's responses to a national emergency in the mid-1990s, but was not clearly provided for in the legal framework for the GOM or the OOP. The roles and functions of the UKO have evolved ad hoc over a number of decades. It has operated more as a stand-alone entity managed by a contractor rather than as a formal Department/post in the establishment of the Montserrat Public Service (MPS). In this regard, it is unique as an overseas entity, and different from public-service Ministries and Departments.

2.5 The UKO lacked clear and timely contracts with the GOM. The GOM's central Human Resources Management Unit (HRMU) has a long-established framework for the recruitment, onboarding, terms and conditions of employment, and regular appraisal of public servants and contract-employees. However, in practice, we found that the GOM/OOP failed to provide timely contracts and renewals for the Head of the UKO. In several instances, the Head operated without a formal agreement for extended periods. For example, the contract for the two-year period ending February, 2023, was still not formalised as of November/December, 2022 (i.e., within 3 months of the expiry of that contract-term). This reflected a high degree of informality in the relationship between the UKO and the GOM/OOP, as well as great inefficiency in the operational framework even after decades of the UKO's existence.

2.6 Good internal controls are in place. Generally, the UKO ensures that there is clear and consistent segregation of duties within its staff. Tasks performed by each employee are reviewed by the Head of the UKO. In our site-visits, we observed that procedures are in place whereby all incoming correspondence is documented, sorted, and delivered to the relevant officer for processing/response. Sensitive items, in particular, go directly to the Head. The assistant officer uses a well-known software, Quickbooks, to enter the UKO's transactions, revenues and expenses.

2.7 Some Minutes were kept, but Committees were not assessed. One of the most active stakeholder-groups relevant to the UKO is titled the Steering Committee. The committee includes the UKO's Head and interested representatives from the Montserratian Diaspora in Britain. The records that we reviewed showed that regular meetings took place and that the Steering Committee's Minutes were maintained, spanning a number of years. However, we found no records of self-reviews, internal reviews, or external assessments of this or other committees involving, or relevant to, the UKO. Furthermore, available records of meetings were mostly drafts, and they were not signed as complete, correct, and formally approved. Most details pertained to discussions. There were few instances of key decisions made or specific tasks assigned.

2.8 Good retention of some records, though incomplete. The UKO has a computer system that is networked for its employees; correspondence and other types of records are generally created and retained electronically. There is extensive internal use of telecommunications, software, Excel spreadsheets and Microsoft Word documents; however, during our site-visits, we observed that printed records continue on a significant scale. The UKO's employees also use filing cabinets and personal drawers to store physical files. To its credit, the UKO was able to provide us copies of some documents spanning more than 20 years of its history: e.g., rental agreements; correspondence; contracts. However, the sequence of some types of documents was incomplete. E.g., the records of the UKO Head's employment contracts that remained available were dated years 1998, 1999, 2002, and 2009, indicating up to a 25-year span of some records, but many gaps in the sequence.

2.9 Internal & virtual meetings are held regularly, but they are not all adequately documented. The Head of the UKO regularly attends/hosts events and meets with stakeholders, including virtual meetings with the OOP, and community/townhall meetings when the Premier or other GOM officials visit England. However, satisfactory Minutes have not been kept for all of these meetings/events. Therefore, we were unable to confirm the precise frequency of such meetings/events, the level of participation, the quality of the discussions, the nature of decisions (if any), or the accountability for specific tasks, responsibilities, deliverables, outputs, or outcomes. This is reflective of an informal culture with spontaneous communication between parties, but without full transparency or accountability. Lack of record-keeping, as well as incomplete records/Minutes, also makes it difficult for the participants to remember what was discussed or what was expected to be achieved after each meeting/event. It also increases the risk of forgetting key details, increases the risks of misunderstandings, and leaves no trail for successors to follow, or even for the current staff to document its experiences, shortcomings, and successes, along with lessons learned in support of preserving institutional memory and reaping long-term benefits from collective wisdom.

2.10 Conclusion re Governance. The relevant laws and regulations are clear as to structures, roles, and responsibilities regarding the OOP's operations and finances. However, there is much less clarity about formal policies for the unique nature of the UKO, which is an overseas entity representing the GOM, but managed by external contractors and subcontractors. Despite the availability of telecommunications and electronic systems and software, the UKO remains in an outdated modus operandi that is paper-intensive in some areas of its operations/records, and that emphasises stakeholders' having to make in-person visits, although electronic mail is the predominant form of outward communication. These findings set the background for the

following two Chapters, which highlight some instances of inefficient operations and considerable degrees of ineffectiveness vis-à-vis mandates as well as all stakeholders' expectations.

Recommendations

2.11 Review laws, procedures, policies, and roles for better alignment and outcomes. The UKO and the OOP, along with the F.S., MOFEM, and the Cabinet, should comprehensively review the existing laws, policies, and procedures relevant to the Diaspora, in particular, and GOM's international relations, generally, including the UKO's roles, operations, and structure, to ensure that they are current with the Policy Agenda and the SDP, still relevant to stakeholders' needs and Montserrat's circumstances, and coherent with each other. E.g., the provisions of the Electronic Transactions Act, and the Montserrat Information & Communications Technology Policy, should be given full and immediate effect, thus improving relations with citizens, including resident and overseas taxpayers, and saving time, cost, and effort for all stakeholders in doing business with the GOM, with the UKO, and with Montserrat. This review should take a whole-of-Government approach to include other stakeholders such as the DITES, the ODG, the Montserrat Social Security Fund, the Financial Services Commission, the Director of Public Prosecutions, the Governor's office, the Ministry of Health, the Social Services Department, the Attorney General's Chambers, the Police Service, etc. In particular, where more than one stakeholder/agency has been involved in a given situation, review roles and responsibilities for areas of actual or potential overlap. Seek to improve clarity of roles and responsibilities. Look for opportunities to improve efficiency and effectiveness by consolidating each category of activities within one body/agency.

2.12 Improve & document engagement and oversight within the UKO/OOP. In line with best practice, the frequency of meetings should be not less than monthly. All such meetings should be planned and documented, including date, time started and ended, place, participants, topics discussed, decisions made, review of progress against prior meetings' action-items, and details of new tasks assigned, to whom, and with deliverables by which dates. There is need for more regular attention and oversight by the OOP and MOFEM to hold the UKO and related parties accountable for budgets, for timely and useful reporting, and for the closing of gaps in progress towards objectives, targets, and Key Performance Indicators. Strategic plans and budgets should be regularly reviewed and updated before the periods that they cover expire. Review the performance of the UKO and each of its employees, contractors, affiliates, committees, and sub-committees at least annually, including attendance, participation, outputs, outcomes, and lags in decision-making.

2.13 Make fuller use of telecommunications and virtual meetings. Among the lessons of the COVID-19 pandemic have been the great opportunities for remote working, for virtual meetings, and for wider use of telecommunications and electronic channels. In these ways, the vital functions of each entity can continue regardless of absences or temporary restrictions on physical meetings, and in spite of other contingencies arising from time to time. Even after the removal of pandemic-related restrictions on in-person meetings, for instance, the UKO's staff, partners, clients, and related entities should make full use of telecommunications, and also enable virtual attendance and participation when persons are overseas or otherwise absent from an in-person event.

2.14 Review and assess each Committee/event. The UKO and the OOP should individually and collectively review and improve each of the processes whereby candidates are nominated, selected, and appointed to Committees and/or to represent GOM at events. It is then essential to good governance to ensure that every Committee/event has clear mandates, benchmarks, targets, regular meetings, satisfactory attendance, satisfactory records, and documented outputs. It is also important to have regular quarterly reports to the relevant Ministry/Cabinet and annual reports to the public to ensure accountability and transparency at all levels. To achieve value for money, the UKO/OOP should reassess the existing practices to ensure that committees, associations, and any affiliate bodies have regular meetings, that nominees/appointees attend and participate meaningfully in assigned meetings/events, and fulfil statutory obligations and best practices, including complete and timely record-keeping, secure document-storage, and all reporting requirements. It should then advise the Cabinet accordingly: e.g., whether to revise the terms of reference; whether and how to improve the existing model of appointments and representation/participation; or whether to adopt an alternate 21st-century model focused on rewards for results achieved, quality of outcomes, client-satisfaction indices, and value added.

CHAPTER 3: EFFICIENCY IN THE OPERATIONS OF THE GOVERNMENT OF MONTSERRAT'S U.K. OFFICE

Overview

3.1 The UKO's operations are managed by a Head of Office, and supported by an office-staff comprising 2 persons in earlier years, but only 1 junior officer/administrative assistant in recent years. Each year, basic operational budgets are prepared for the UKO and presented to the Permanent Secretary of the OOP for review, and then outward to the MOFEM and the Cabinet for final approval.

The UKO's Objectives & Planning

3.2 Overview. Strategic planning sets the direction for each Department/statutory corporation and how it uses resources. Effective budgeting determines the sources and the uses of funds and holds each Department, Division, Unit, and each employee 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 The GOM's Policy Agenda. The Cabinet's Policy Agenda is based on the 5 overarching strategic objectives from the national Sustainable Development Plan (SDP) (2008 to 2020): (1) economic development, (2) social development, (3) environmental management and sustainability, (4) improved governance, and (5) rebuilding of the population. 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. These cascade to all levels of each organisation, including individual employees. It is increasingly important for all entities to add to their budgets and plans clear links to the relevant United Nations' Sustainable Development Goals (SDGs) to assist in Montserrat's progress to the 2030 Agenda for Sustainable Development.

3.4 Framework for strategic planning. In line with the GOM's standard framework, the OOP and its Departments are required to have 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 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 UKO's budget is subject to this process each year, including confirming the actual allocation that the GOM will provide to the UKO through the OOP.

3.5 The UKO did not explicitly link its objectives to the Policy Agenda/SDP/SDGs.

The plans and other documents that we reviewed did not consistently show clear references to the SDP and to the Cabinet's Policy Agenda. Some of the links and relevance are only implicit in considering the objectives of the OOP. For instance, in correspondence dated June 23, 2022, the UKO proposed three strategic priorities, but none of them cites relevant sections of the Cabinet's Policy Agenda, or the SDP, or any of the SDGs. [See the quotations below.] By contrast, in the GOM's Budget for fiscal year 2023/2024, the OOP itself states a number of Key Strategies, and does refer to the SDP and National Outcomes for fiscal years 2021 to 2024.

"Achieve greater liaison between MGUKO and the ministries in order to support the development aspirations [of] each Montserrat national and support GOM development goals and in this regard: work closely with HMG and in particular FCDO; continue to closely [*word missing*] within UKOTA, and bilaterally with U.K. Representatives, NGOs and agencies and to network in order to gain information and so enhance the transfer of knowledge and build capacity"

"Provide Information on development opportunities, niche tourism products and trade"

"Support opportunities for diaspora engagement and provide support to members of the community according to needs."

3.6 The UKO lacked performance indicators for its objectives. In the documents that we reviewed, the language of objectives or strategic priorities was generic and vague. It was unclear how objectives would be achieved, what was their ranking by priority, and the way that outputs and outcomes would be measured, monitored, and assessed. Correspondence and reports were almost entirely general descriptions about events and activities rather than precise value created or specific outcomes achieved.

The UKO's Operations

3.7 The office is very small and difficult to find/access. One of the major issues facing the UKO in its present location (Grosvenor Gardens, Victoria, London) (up to year 2023) is that it is not on the ground floor and does not have its own premises. There is no signage outside the multi-

storey office-tower in which the UKO's very small office is located. This makes it difficult for first-time visitors to find the UKO. By contrast, during our site-visits, we found that representatives for other U.K. Overseas Territories, such as the Falkland Islands, have ground-floor premises and large signs outside easily visible to passers-by.

3.8 Limited hours and days of business. The status quo limits the availability of services from the UKO to Mondays to Fridays and one shift per day at its sole physical location (e.g., at Grosvenor Gardens, Victoria, London, up to year 2023). The assistant officer works only part-time (four days per week). These facts limit the ease of, and the scope for, communications with stakeholders, accessibility to clients, and in-person visits: especially [1] for shift-workers, [2] for persons overseas or outside of London, [3] for most employees whose work-hours clash with the UKO's opening hours, and [4] for business-persons whose income depends strongly on hours of working, usually without a set salary or a guaranteed base of income. Any time diverted to non-earning activities such as paperwork, in-person meetings/appointments, and physical delivery/collection of documents, for example, is not only an inconvenience, but it is also a significant direct cost of time, of effort, of lost income, and of travel. Persons with physical challenges and/or difficulties in accessing/affording transportation are put at a distinct disadvantage.

3.9 This is contrary to the GOM's Montserrat Energy Policy and the goal of reducing carbon-emissions, as well as out of line with the GOM's ICT Policy, as well as the capabilities and platforms supported by the e-Government initiatives of the DITES. Incrementally and aggregately across thousands of persons in the Diaspora, this situation represents lost productivity and a considerable opportunity-cost, all of which dampens the enthusiasm for engagement with the UKO/GOM. The limited business-hours and business-days of the UKO/OOP further limit when stakeholders can access the UKO's services where hands-on help is needed or where matters are particularly confidential/sensitive, including assistance with completing social-welfare/tax returns, getting answers to queries, resolving concerns, addressing disputes and objections, and meeting with officers.

3.10 The UKO has no dedicated trade/tourism/business-development functions. An important finding of this study was that, contrary to best practice, the UKO has no dedicated staffing and resourcing for contributing to key areas of Montserrat's promotion and development. From its prime location in the centre of London, the UKO is geographically well placed to have easy access to businesses, policymakers, Parliamentarians, and other stakeholders across the Diaspora, but lacks the capacity to make full use of these opportunities. Compared with other embassies and consulates of O.E.C.S./CARICOM/U.K. Overseas Territories, this is a major weakness in the structure of the UKO and contributes to a lack of impact and low scope of outputs and outcomes.

3.11 Having very few employees poses high risks to service-delivery and continuity. With only 2 officers (previously 3 persons), the UKO depends heavily on the presence of the Head. When either the Head of the UKO or the assistant officer is absent for any reason, there are extra delays in receiving and responding to stakeholders' queries and needs for assistance. Depending almost exclusively on the Head of the UKO to represent the GOM within the Diaspora also has a high risk of missed opportunities if, for any reason, the Head of the UKO became ill, had a personal emergency, or were otherwise unavailable for planned meetings, events, or appointments with clients.

3.12 No succession-planning; long gap in recruitment. The Head of the UKO continued serving many years beyond normal retirement-age. Even after several extensions of her contract, notwithstanding her documented desire to demit office, the OOP/GOM took several years (until year 2023) to formally announce that the position was vacant and to seek a replacement. The situation highlighted the absence of succession-planning within the UKO, and also pointed to the fact that there was no post of Deputy Head (or equivalent) to develop a successor internally.

3.13 Complaints about slow/no responses to various queries. Interviewees and persons responding to our surveys frequently gave examples of making requests to or through the UKO (e.g., re trade, travel, tourism, investments, properties, taxes) and either getting no reply or having long delays in receiving answers and information. In some cases, the UKO itself had difficulty in getting timely and meaningful responses from various Departments/agencies of the GOM.

3.14 Low public profile; Limited online presence/social media; no e-payments. Since April, 2013, the UKO has retained an external service-provider to design and to maintain a small website for the UKO. It does not offer online accounts or online payment-options to clients. Moreover, the UKO has been allocated only one page (<https://www.gov.ms/government/ministries/office-of-the-premier/montserrat-government-uk-office/>) among the OOP's web-pages on the GOM's website, gov.ms, and this is a static informational page. We also found that, on average, the UKO has not been very active in social media during the past 10 years. Online search-results are dominated by items from other entities referred by, or referring to, the UKO rather than original items from the UKO itself.

3.15 Infrequent online outreach to the Diaspora. We reviewed recent years' postings to the UKO's Facebook page and found that there were few postings, on average, per year. We also found that there were long gaps, up to nearly a full year, between clusters of postings. [See Table 3.1 below.] We did not find evidence that the UKO had ever done any surveys of the Diaspora.

Postings were primarily one-sided communication, giving information or simply forwarding other Departments' postings, rather than active discussions or polls inviting responses/feedback. There were no postings prior to January 27th, 2015.

3.16 Table 3.1: 8-year summary of the UKO's online postings: number & frequency.

Year	Number of postings	*Likes/comments/ shares	Time since the prior posting
2024	0 (up to March)	0	6 months
2023	1 on September 28 th 2023 total = 1	2 likes	11 months
2022	1 on November 04 th 4 on January 04 th 2022 total = 5	3 likes 2 likes; 1 share	10 months 9 months
2021	2 on April 07 th 2 on March 23 rd 2 on March 17 th 1 (duplicated) on Feb. 15 th 1 on January 01 st 2021 total = 8	0 0 16 likes; 25 shares 0 0	2 weeks 1 week 1 month 6 weeks 3 weeks
2020	1 on December 10 th 2 on October 21 st 1 on October 1 st 2 on August 20 th 1 on August 10 th 1 on July 30 th 3 on July 15 th 4 on July 10 th 1 on June 29 th 1 on June 25 th 1 on June 19 th 1 on June 12 th 5 on June 1 st 1 on May 18 th 1 on April 29 th 2 on April 27 th 8 on April 22 nd 1 on March 2 nd	0 0 1 like 0 0 0 1 like 3 shares 0 0 0 0 1 like 0 1 share 2 shares 0 4 likes; 2 shares	7 weeks 3 weeks 6 weeks 1.50 weeks 1.50 weeks 2 weeks 5 days 1.50 weeks 4 days 6 days 1 week 2 weeks 2 weeks 3 weeks 2 days 5 days 7 weeks 3.50 months

	2020 total = 37		
2019	1 on November 19 th <i>[1 empty on November 1st]</i> 1 on October 23 rd <i>[1 empty on October 3rd]</i> <i>[1 empty on July 15th]</i> 2019 total = 2 net	1 share 0	1 month 21 months
2018	1 on January 18 th 1 [duplicated] on Jan. 02 nd 2018 total = 2 net	0 5 likes; 5 shares	2 weeks 3 months & 1 week
2017	2 on September 26 th 3 on September 21 st 2 on September 20 th 1 on September 08 th 1 on September 05 th 2 on September 04 th 1 on August 31 st 1 on August 14 th 2 on August 07 th 1 on July 11 th 1 on June 30 th 1 on June 14 th 1 on June 08 th 1 on June 07 th 1 on March 14 th 1 on March 01 st 1 on February 28 th 1 on February 02 nd 2017 total = 24	0 4 likes; 5 shares 0 0 1 like 0 0 1 like 1 like 0 2 likes 0 0 0 0 0 0 1 like 2 shares	5 days 4 days 12 days 3 days 1 day 5 days 2 weeks 1 week 4 weeks 2 weeks 2 weeks 1 week 1 day 3 weeks 2 weeks 2 days 4 weeks 7 weeks

*Footnote: Likes and comments, excluding those of the UKO's staff.

3.17 Few/no responses to online postings. In addition to the low level of activity, on average, over the past eight years, we found that most postings had no third-party likes, no replies, and no sharings. [See Table 3.1 above.] Of a cumulative total of 79 postings on 48 dates over 8 calendar-years (2017 to 2024), there were likes on only 14 dates, and shares on only 10 dates. In this entire history, the number of likes/shares exceeded 5 on only one posting date (March 17, 2021). As of March, 2024, of a Diaspora plus friends of Montserrat estimated to be in the tens of

thousands, the UKO's number of Facebook followers was only 853 [an average of 85 per year over 10 years] compared with more than 11,000 for ZJB radio, for example.

Recommendations

3.18 Fully Integrate the UKO's/OOP's objectives with the Policy Agenda/SDP/SDGS. Ensure that the objectives for the UKO and for the OOP are aligned, clearly defined, measured, and assessed each year, and that each of them is more explicitly linked to the Cabinet's Policy Agenda. Further links to the national SDP and to the relevant global SDGs should be made also, along with specific actions to achieve both sets of goals/targets. This will contribute to the three intertwined objectives of [a] policy-coherence between Departments/Ministries, [b] vertical integration across all levels of the GOM, and [c] a whole-of-Government approach to the national objectives and outcomes, including measurable progress towards the 2030 Agenda.

3.19 Clarify objectives and KPIs. Review each objective for greater clarity and in practical terms. Ensure that every objective for the UKO and for the OOP has KPIs and that all KPIs clearly support objectives. The UKO/OOP and the related Departments/stakeholders should align and coordinate their strategic plans, objectives, KPIs, and targets.

3.20 Review and improve the KPIs over time. Annually, the UKO, the OOP, and the MOFEM should review and assess their KPIs to make them clearer, more measurable, more relevant to objectives, and focused more on strategic outcomes. Add new KPIs where the environment fundamentally changes (e.g., new technologies; COVID-19 or other pandemics; new public-health regulations; emerging social/economic/business trends and niches; changing demographics; climatic changes and local impacts).

3.21 Set standards of service. Develop measures that are results-oriented and client-centric, including standards of service for such key areas as (1) average timeframes for responding to inquiries, (2) average timeframes for providing assistance, (3) number of Diasporic exhibitions / conferences / events hosted, number of persons who participated, and outcomes, (4) the number of groups/communities visited each Quarter/year, (5) number of public-education or other outreach initiatives and, more importantly, their participation, impact, and outcomes, (6) measures of client-satisfaction, and (7) numbers of inquiries/requests/complaints/cases (by type)/issues (both new and brought forward), as well as average timeframes for resolution, and indicators of satisfactory outcomes (e.g., cases concluded versus cases pending versus cases not resolved/progressing; level

of grants/donations achieved; new property-purchases; new trade contracts/treaties/deals; new businesses opened).

3.22 Improve the reporting & reviewing of performance. The UKO, along with the OOP and GOM's other revenue Departments, 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. Go beyond mandatory/statutory reporting (e.g., to the Legislative Assembly) to include broader accountability and transparency to the public. Encourage and enable active participation of stakeholders (both at home and in the Diaspora) in understanding, reviewing, and assessing the UKO's performance and the GOM's overall strategy and progress in engaging the Diaspora. This would help to build trust in public institutions and more confidence about the governance of taxpayers' dollars. It will also contribute to effective and timely Voluntary National Reviews and better interfaces with partners within the O.E.C.S., within the CARICOM, and within the U.K. and British Overseas Territories, as well as regional and international bodies, multilateral agencies, donors, authorities, and regulators.

3.23 Broaden the scope for feedback from the public/stakeholders and communicate through multiple channels. The UKO/OOP should periodically seek, document, and report on feedback on its services and encourage inputs from employees, from current and past clients, from the Diaspora, and from other stakeholders (e.g., through annual surveys). Beyond the option of a regular radio programme or podcast both for public education and outreach, the UKO/OOP and other key stakeholders should collaborate in reaching and engaging individual clients, current and potential commercial interests, patrons, promoters, sponsors, hospitality providers, accommodation providers, and other categories of business stakeholders, using a range of available channels: e.g., websites, social media, telephone, mobile marketing, email, radio, news-broadcasts, audio, video, and other media. It is important to have targeted communication for each category of stakeholder, and to address the specific needs, concerns, and issues related to different types of businesses/investors/taxpayers, such as those who are affected by different types of import/export/trade/business incentives, concessions, public benefits, and taxes (e.g., not all payers of Income Taxes are property-owners; only specific businesses are affected by Insurance Levy, Bank Levy, Interest Levy, withholding taxes).

3.24 Reduce the waiting times for processing queries, expressions of interest, and issues. The UKO, the OOP, the Tourism Division, the Trade Division, the MOFEM, and partners such as the DITES should urgently collaborate to review each part of the process for receiving, processing, responding to, and actioning inquiries, requests for assistance, expressions of interest re trade/tourism/investments, and issues/disputes. Establish standards for service and measure

performance at each stage of each process. Major improvement is needed in shortening the time from receiving forms/requests to giving responses to stakeholders/clients. Improve the communication with stakeholders/clients: e.g., provide frequent updates and timely feedback throughout each stage of the process and not only at the end.

3.25 Enable full electronic reporting, payments, and online accounts. In line with the capabilities of e-Government, the goals of the Montserrat ICT Policy, and the rights of taxpayers in the Income and Corporation Tax Act, as well as the Electronic Transactions Act, the UKO/OOP should complete the journey towards full online functionality of its website and systems, as soon as possible. Whilst this has important benefits for local residents/stakeholders in Montserrat, it is especially needed for engaging and serving the Diaspora worldwide, as well as current and potential tourists, businesses, and investors with interests relevant to Montserrat/Diaspora. Enable clients both to access and to submit forms and returns online and via email. It will also give clients much more convenience and ease in timely filings with various GOM Departments and agencies, both on the island and from wherever in the world they happen to be, as many clients travel overseas, reside overseas full-time, or split their periods of residence across more than one country. Convert all forms to fully editable and configurable electronic/online formats, eliminating the need for printing, for manual filling, and for in-person delivery/submissions. Enable online payments, payment by credit-cards, and payment by debit-cards, thus widening the range of options available to clients, thus boosting collections, and improving compliance. Such diversity of payment-options and convenience could also improve collections of arrears, and better serve clients who are overseas.

3.26 Implement a comprehensive strategy for social media and e-commerce. The UKO should develop a strategic plan for its use of social media, for its website, and for growing its online revenue-generating activities. E.g., Identify, provide, and/or market more events, products and services that will meet the needs, concerns, and interests of the Diaspora. E.g., harness the power and the insights of search-engine optimisation. E.g., Have active advertising, rewards for referrals, and multi-segment outreach campaigns. Regularly monitor, measure, and assess key performance indicators and appropriate metrics (e.g., number of subscribers; number of page-visits; numbers of likes/shares/comments; attendance at marketed events; number of tickets sold; average duration of page-visits; number of pages visited per viewing session). Partnerships, sponsorships, influencers, content-creators, Montserratian businesses and celebrities, and affiliate marketing can also buttress the UKO's effective marketing strategy and generate additional revenues, while adding value to what it offers and provides to the Diaspora.

CHAPTER 4: EFFECTIVENESS OF THE GOVERNMENT OF MONTSERRAT'S U.K. OFFICE'S OPERATIONS

Overview

4.1 The UKO has a large portfolio of services to administer either directly or in partnership with other agencies, the main ones being Government documents, medical cases, travel/tourism queries, business/investment queries, queries re Montserrat's policies, laws, and taxes, and requests for financial assistance. I.T. support is provided through an external supplier. Apart from the two in-house officers, all other required labour, equipment and materials are procured and outsourced through contractors, consultants, and suppliers. Financial management is discussed in Part 1 of this chapter. Other aspects of management are presented in Part 2 of this chapter.

Part 1: Financial Management

Findings of the Audit

4.2 There are clear guidelines for financial management. The OOP is governed by the GOM's policies and procedures for managing its finances and its risks, and is subject to relevant laws and regulations such as the Public Finance (Management & Accountability) Act of 2008, and the related regulations of 2009. The MOFEM oversees the OOP's budgets and spending. The UKO is accountable to the OOP, which reports to the MOFEM, and to the Cabinet through Quarterly Reports.

4.3 Long-term trend of rapidly increasing expenses. Our review of the UKO's accounts and financial statements showed that operational expenses have sharply risen during the past decade. Apart from staffing costs, the rental of premises was the biggest cost, and this increased dramatically over the years, spanning at least five relocations within Greater London. These two categories of spending dominate the UKO's total expenses. For example, rent and associated costs soared from GBP 33,029 in year 2016 to 72,493 in year 2017 and reached GBP 81,319 in year 2018.

4.4 The UKO generates almost no revenues. By far, the biggest component of the UKO's income is grants from the GOM. (See Table 4.1 below.) Our review of the UKO's budgets and

financial statements showed that local revenues (primarily fees from assisting persons with birth-certificates, marriage certificates, etc.) have remained well below one percent of the UKO’s total inflows during the past decade. This reflects both the very small number of persons served by the UKO and the small fees actually charged for its services.

Table 4.1: 5-Year Summary of the UKO’s Grants from the GOM and Other Inflows

The UKO’s Actual Incomes for the Years Ended March 31st, 2016 to 2020					
INCOME/INFLOWS	YEAR 2016	YEAR 2017	YEAR 2018	YEAR 2019	YEAR 2020
(British Pounds)					
LOCAL REVENUE:					
Birth Certificates	375	416	215	1	175
Other Income	120	310	154	280	179
Refund					198
GOM’S GRANTS	95,481	152,031	118,767	135,755	115,338
Reimbursements	*17,366				
TOTAL INFLOWS	113,343	152,757	119,136	136,036	115,891

Footnote: *This extra amount represents reimbursements for GOM officials’ travel expenses, accommodation costs, and other items in the U.K. after they were paid by/through the UKO.

4.5 Mixed trend of small surpluses and large deficits. The trend over the past decade up to year 2020 was that there were alternating years of small surpluses (e.g., years 2019 and 2020) and years of significant deficits (e.g., years 2016 and 2018). The cumulative net effect was that deficits outweighed surpluses, leaving the UKO with an accumulated deficit. This ranged from GBP (13,041) at the end of year 2018 to GBP (405) at the end of year 2020: i.e., zero capital or reserves.

4.6 Exposure to foreign-currency risks. The UKO’s operations are conducted in Pounds Sterling, whilst the OOP and the GOM have budgets and resources predominantly measured in Eastern Caribbean dollars. As the exchange-rate of the GBP vis-à-vis the E.C.\$ fluctuates daily, there is considerable unhedged exposure to variations in the E.C.\$ value of GBP-denominated expenses incurred by or through the UKO.

4.7 A large sum remains owing to the Montserrat Cultural Centre. Decades ago, a large sum was accumulated through donations for the Montserrat Cultural Centre. This has

remained mostly unused for many years. At the end of year 2020, for instance, this sum exceeded GBP 46,000. At times, the UKO's cash-balance was below the amount owing to the MCC, indicating that some of the funds were used within the UKO's operations, pending the GOM's remittances to the UKO.

4.8 Backlog of financial reports and external audits. We received four sets of annual financial statements from the UKO with comparative data for only 5 years of the UKO's past 25 years of operations: years 2016 to 2020. They were all signed and dated June 5th, 2023, which was just two weeks before our planned site-visit. This indicates [a] that annual reports were not being done timely or regularly, [b] that those that were done were completed years after the periods to which they related, and [c] that there remains a years-long gap between the end of the last reported period (January to December, 2020) and the present. We also found that the external accounting firm used by the UKO provided a basic compilation service and not an attestation engagement such as a review, an examination, or a full audit; accordingly, it provided no audit opinion on any of the UKO's financial statements. The OAG's Financial Audit Unit is working to fill this gap from 2016 onwards.

4.9 The UKO's financial reports lack several important details and disclosures. The financial statements that we reviewed are generally straightforward and clear to understand. However, we found that there was no Management Discussion of operations and results for the reported periods, either financial or otherwise. The notes to the financial statements were few and too brief to give readers a clear understanding of the nature of some items and the context of their reporting. For example, there is no disclosure of why, how, or how long ago the very large amount shown as owing to/re the MCC was obtained/incurred; this was the biggest item in the UKO's Balance Sheets. Likewise, the note for cash resources has no explanations or details as to [a] how many accounts exist, [b] which kinds of accounts are represented, [c] whether they are earning or non-earning accounts, or [d] where they are held. Moreover, the note for Fixed Assets does not indicate the types of assets held nor does it show the value of each category of long-term asset.

Recommendations

4.10 Review and improve planning and budgeting. The UKO, with the support of the OOP and the MOFEM, should review its approach to planning and budgeting to minimise the large variances in grants and spending of past years. Realistic figures should be used for estimating expenses, and adequate amounts should be budgeted for agreed activities for the UKO/OOP to deliver on its mandate. In turn, the UKO should enhance its management of spending to deliver within its budget, while minimising underspent/overspent amounts. Therefore, the budgeted costs

and revenues should be revised in line with the actual trend, and regularly updated for any available more recent information affecting forecasts. This includes foreign-currency risks.

4.11 Develop & diversify the UKO's sources of income. The UKO and the OOP should review the fees that the UKO charges for its services to ensure that they cover the full direct costs plus the indirect costs of providing these services. The UKO/OOP should also develop the range and the scope of the UKO's earning and fund-raising activities, thus providing more value for money, while reducing the UKO's dependence on the GOM for nearly all of its funding. This requires a strategic plan and a multi-stakeholder approach to marketing and public relations.

4.12 Optimise the use of donations and fundraising resources. The UKO and the OOP should formulate/review policies for the use of funds collected or donated re the Montserrat Cultural Centre and other purposes. The on-going need for repairs and maintenance, for instance, could be met through periodic remittances from the accumulated fundraised resources. Periodic upgrades and renovations to key infrastructure such as the MCC would support the OOP's/GOM's thrust in developing tourism and hospitality in Montserrat, including the venues for major events, conferences, and entertainment. In the meanwhile, idle long-term funds could be earning income in low-risk to medium-risk forms of investment such as term-deposits and Government securities. E.g., even at relatively low rates of return (2% to 5% p.a.), the accumulated funds would have (more than) doubled over the past 20 to 25 years.

4.13 Improve the timeliness, quality, & disclosures of the UKO's financial reports. In line with the Cabinet's Policy Agenda (see items #4.1 and #4.2) to improve governance throughout the public sector, the UKO and the OOP should review and enhance the UKO's financial statements and accompanying reports, notes, and disclosures. Add suitably detailed and informative Management Discussion and analysis for each period reported. Expand the number of explanatory notes and add satisfactory details to each note to enable non-expert users of the financial reports to have a clear understanding of the nature, the purpose, and the context of each reported item. Every effort should be made to bring the UKO's financial statements and reporting from persistent backlog to being regular and current. Establish standards such as timeliness of annual reports: e.g., reviewed, approved, and published within 3 to 6 months of the end of the year to which they relate.

Part 2: Performance Management

Overview

4.14 National Vision. Becoming self-reliant and self-sufficient again are two of the complementary key national outcomes highlighted in the SDP, as well as subsequent capital-works programmes such as the Capital Investment Programme for Resilient Economic Growth (CIPREG) programmes #1 and #2, funded by the FCDO, as part of Montserrat's national strategy for economic redevelopment following the volcanic crisis that began in July, 1995. The generation and collection of local revenues, sustained through economic growth and a thriving private sector, are essential to achieving the National Vision, the SDP, and the global Sustainable Development Goals by year 2030.

4.15 Diasporic Context & Contributions. Creating, delivering, and maintaining housing, education, utilities, and infrastructure are some of the primary public services needed for the retention of the remaining population (which is still approximately 60% below the year-1995 level). These investments are also vital for encouraging and enabling the long-term repatriation of persons from the Diaspora, supplemented by a successful strategy for regional and global immigration of persons with needed capital and skills. Thus, the UKO's and the OOP's effective management of the GOM's policies and initiatives for trade, tourism, investment, and engagement of the Diaspora, and the impact of the UKO's operations in developing Montserrat's revenues, also directly contribute to the economy, to the business-environment, and to the society, helping to achieve various objectives in Montserrat's national SDP and in the Cabinet's Policy Agenda.

Findings of the Audit

4.16 Low level of Diasporic engagement. Beyond the initial efforts at helping newcomers to the U.K. in the late 1990s, very little was done to build/sustain a robust programme of outreach to the Montserratian Diaspora. Small numbers of persons are actively engaged in committees, events, and social groups, and the UKO has a loyal core of contacts in the U.K., but, up to the time of our site-visit during June, 2023, the database did not exceed 150 persons. By contrast, the Diaspora is estimated to be in the tens of thousands.

4.17 The exact size of the Diaspora remains unknown. Some of the contributing factors include: outdated records, unrecorded deaths, cases of emigration, cases of repatriation, changes of residential address, changes of employer, and inadequate scope, scale, and frequency of communication with Montserratians abroad. Frequently, a lack of timely information-sharing across public entities (e.g., the GOM’s Treasury Dept., the Inland Revenue Division, the Office of the Deputy Governor, the Montserrat Social Security Fund, and the Tourism Division) means that any one Department’s information about individuals and businesses is incomplete, inaccurate, partly outdated, and not consolidated to give a current picture of the status and the location of citizens.

4.18 The UKO had stated objectives, but did not consistently achieve or report on all of them. The strategic objectives for the OOP (including the UKO implicitly) have been outlined in its Strategic Vision. These objectives are also listed within the GOM’s annual budgets and plans: e.g., “a vibrant and diverse economy that supports sustainable private sector led economic activity and generates employment – stable and diversified economy”. [See National Outcomes for the OOP, Vote 15, in the GOM’s Budget Estimates for the fiscal year 2023/2024.] However, the objectives for the UKO itself were not specifically and consistently measured or reported.

4.19 Limited achievement of objectives. The original mandate from the GOM’s Chief Minister to the Head of the UKO is dated October, 1998. (See Table 4.2 below.) Of these four objectives, we have assessed that only one was not being consistently achieved. However, the scale and the scope of achievements were limited by low capacity and inadequate resourcing. For more recent years, considering the broader context of the OOP’s objectives and the Cabinet’s Policy Agenda, the evidence points to considerable gaps between actual outputs, results, and impact, on the one hand, and the Policy Agenda’s goals and stakeholders’ expectations, on the other hand.

4.20 Table 4.2: The UKO’s Original Mandate and Objectives

Stated Objectives	Auditors’ Assessment
<ul style="list-style-type: none"> To provide information to Montserrat groups and individuals in the U.K. 	<p>Being achieved on a small scale. The UKO’s physical presence in London over many years has provided a local contact-point for the Diaspora in the U.K. Communication through email, telephone, website, and occasional in-person events. Limited services. Limited outreach to a small percentage of the Diaspora.</p>

<ul style="list-style-type: none"> To promote Montserrat’s trade and tourism activities in the U.K. 	<p>Not fully achieved. Low capacity in promotion of tourism and trade development. Low level of support from the Tourism Division in Montserrat. Little evidence of developing business or investment opportunities for Montserrat.</p>
<ul style="list-style-type: none"> To provide occasional secretariat services for visiting officials. 	<p>Fully achieved. The UKO has a long history of providing services to GOM’s Premier, Ministers, and other officials visiting the U.K. Including arranging accommodation, travel, and meetings with U.K. Government officials, Montserratians in the U.K., and other stakeholders.</p>
<ul style="list-style-type: none"> To feedback information to the Government of Montserrat and to the U.K. Government relating to the above activities. 	<p>Being achieved; limited scope. Regular correspondence between the Head of the UKO and the OOP/GOM. Frequent virtual meetings in recent years. Limited scope of reporting and performance measurement.</p>

Source: Objectives were extracted from the original mandate (dated October, 1998) from the GOM’s Chief Minister to the Head of the UKO.

4.21 Lack of evidence of performance reviews. The UKO’s staff reported to us that performance appraisals were done. However, we have not received any documents to substantiate this. Hence, we were unable to confirm the frequency, the timeliness, the completeness, or the outcomes of performance reviews and assessments.

Recommendations

4.22 Regular, documented performance & development reviews for all officers.

The UKO and the OOP, together with the Human Resources Management Unit, should review, document, and monitor procedures for, and the status of, all the employee-assessments within their portfolios to keep them in line with the GOM’s standards and best practices. Each year, compile a prioritised list of items needing to be actioned: e.g., completion of all years’ assessments where they

have not been done timely, or at all, for some officers, including senior officers; e.g., coaching/mentoring/training and development-planning and support to enhance each officer's performance; e.g., individual career-plans and succession-plans.

4.23 Measure and address issues related to stakeholders' satisfaction, engagement, and feedback. The UKO and the OOP should regularly measure stakeholders' satisfaction, identify areas of dissatisfaction or low engagement, and take appropriate actions to achieve documented improvements. E.g., [a] Survey customers (e.g., annually) to measure their engagement, satisfaction, and other key variables for performance and retention; also include stakeholders' feedback on specific service-experiences and client-employee encounters. [b] Prioritise cases and causes of dissatisfaction, weakness, and underperformance, both individually and organisationally, and implement plans of action to address these areas, and to respond effectively to feedback from other stakeholders. [c] Develop a system to track actions, complaints, and issues from receipt, to planning of responses/interventions, all the way to completion. This should include a monitoring dashboard of progress, of actions taken, and of the status of each case/issue. [d] Report to stakeholders the actions taken to address their concerns and the progress achieved to date.

4.24 Regular visits of all towns with concentrations of the Diaspora. The UKO should take a proactive approach to client-relations management versus the current reactive mode that prevails. It is easier and cheaper for one or two UKO officers to visit a Montserratian community than for persons from distant communities to come to central London. Whilst the UKO generally responds promptly to stakeholders' calls and in-person reports of queries and issues, our survey revealed that most stakeholders are not regularly reaching out to the UKO. They also reported not being regularly reached by the UKO. To ensure that queries and concerns are addressed promptly, and that there is better visibility and accessibility of the UKO/GOM throughout the Diaspora, the UKO should institute a regular schedule of visiting each of the key towns and cities at least once every year. E.g., a rotating monthly schedule of visits and events would ensure broader coverage.

4.25 Enhance public outreach and education for stakeholders. The UKO/OOP should develop and implement a strategic approach to public education about GOM/UK laws, policies, forms, filing procedures, and tax-processes. Surveyed persons indicated that online tutorials (e.g., YouTube videos) would be helpful. This approach would also enhance the UKO's/OOP's/MOFEM'S efficiency and effectiveness by allowing in-person training and events (e.g., the Premier's/Ministers' annual meetings in various U.K. communities) to be both live-streamed to a much wider audience than the small numbers of in-person attendees, and then recorded for repeated uses long afterward. Regular updates via mobile phones and email would also keep them informed about

changes to policies, laws and regulations, deadlines for various filings, and tips on how to make access to public services, and compliance with official procedures, simpler, easier, and faster.

4.26 Improve the quality and the frequency of communication. The UKO and the OOP/MOFEM should develop and implement a strategic Communication Plan along with supporting policies, documented procedures, and appropriate training/re-training of all of their employees and key partners. Set standards for the use and the timeliness of each mode of communication: e.g., [a] how incoming postal mail, external e-mails, and telephone-messages should be handled, documented, and answered; [b] how customers' complaints, queries, and disputes should be documented and resolved; [c] interim communication to advise stakeholders/clients of the in-process status of their queries, matters, or pending requests.

CHAPTER 5: AUDIT CONCLUSION

5.1 The UKO began in a time of crisis in the mid-1990s and evolved ad hoc over the past two decades. Overall, for most of its history, it was lacking a clear legislative framework and a robust governance structure for its operations, which were subcontracted rather than being a formal part of the public service. In practice, we have noted several inefficiencies in operations, prolonged periods without formal employment-contracts, insufficient training and capacity, and low levels of support/responses from other agencies within the GOM. Staffing expenses and the high cost of renting premises in central London consume most of the allocated funds each year, leaving very little for actual products, services, and outreach to the Diaspora. There are large and recurring financial gaps between [a] what the UKO needs to fulfil its mandate and stakeholders' expectations, and, on the other hand, [b] the actual budgets and resources that are allotted to the UKO each year.

CHAPTER 6: KEY STAKEHOLDERS' MANAGEMENT RESPONSES

Audit Recommendations & Follow-up Actions

Re: Performance Review of the Government of Montserrat's U.K. Office
Consolidated Responses received in July & August, 2024

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	Chapter 2: Governance			
<p>2.2 The GOM/OOP has a governance structure in place.</p> <p>2.3 There are clear lines of reporting /</p>	<p>2.11 Review laws, procedures, policies, and roles for better alignment and outcomes.</p> <p>The UKO and the OOP, along with the F.S., MOFEM, and the Cabinet, should comprehensively review the existing laws, policies, and procedures relevant to the Diaspora, in particular, and GOM's international relations,</p>	<p><i>MOFEM: The Ministry of Finance will support the Montserrat UK Office as far as practical in providing the necessary resources to carry out any Cabinet approved update to the Montserrat UK Office functions and its role in engaging the diaspora. It is understood that the role of the Montserrat UK Office should evolve with the dynamics and needs of the diaspora and Montserrat. This shift will</i></p>	<p><i>UKO, Cabinet Secretariat and MOFEM</i></p>	<p><i>Possible review to commence in Fiscal year 2025-2026.</i></p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>accountability .</p> <p>2.4 The UKO's roles and functions are not clearly outlined in the legislative framework.</p>	<p>generally, including the UKO's roles, operations, and structure, to ensure that they are current with the Policy Agenda and the SDP, still relevant to stakeholders' needs and Montserrat's circumstances, and coherent with each other.</p> <p>E.g., the provisions of the Electronic Transactions Act, and the Montserrat Information & Communications Technology Policy, should be given full and immediate effect, thus improving relations with citizens, including resident and overseas taxpayers, and saving time, cost, and effort for all stakeholders in doing business with the GOM, with the UKO, and with Montserrat.</p> <p>This review should take a whole-of-Government approach to include other stakeholders such as the DITES, the</p>	<p><i>take clear strategic planning and defined goals with required resources. It will also take time and may need to be staggered to account for availability of resources.</i></p> <p>UKO: The Head of MGUKO is currently conducting a desk review of operational strategies, policies, and processes. We will also consider alignment with the UK operating environment, including legislation and regulation. This review aims to develop a comprehensive improvement plan that will be integrated into the office's strategic plan, monitoring, and evaluation framework.</p> <p>UKO will collaborate with OOP, F.S., MOFEM, and the Cabinet to address the review of existing laws, policies, and procedures relevant to the Diaspora and international relations, ensuring alignment with the Policy Agenda and SDP, and</p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	<p>ODG, the Montserrat Social Security Fund, the Financial Services Commission, the Director of Public Prosecutions, the Governor’s office, the Ministry of Health, the Social Services Department, the Attorney General’s Chambers, the Police Service, etc.</p> <p>In particular, where more than one stakeholder/agency has been involved in a given situation, review roles and responsibilities for areas of actual or potential overlap.</p> <p>Seek to improve clarity of roles and responsibilities.</p> <p>Look for opportunities to improve efficiency and effectiveness by consolidating each category of activities within one body / agency.</p>	<p>addressing the needs of stakeholders and Montserrat’s circumstances.</p> <p>OOP: The Terms of Reference for the Strategic Review of the MGUKO were prepared in January, 2023, in anticipation of funding to undertake this Review in three (3) phases: (1) Fact Finding Mission; (2) Organisational Review; and (3) Costed Implementation Plan. The core functional areas identified for the focused Review of the MGUKO were Representation, Advocacy & Outreach, Trade and Investment Promotion, Diaspora Engagement, Consular Support, and Office Administration.</p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>2.5 The UKO lacked clear and timely contracts with the GOM.</p> <p>2.7 Some Minutes were kept, but Committees were not assessed.</p> <p>2.8 Good retention of some records, though incomplete.</p> <p>2.9 Internal & virtual meetings are held regularly,</p>	<p>2.12 Improve & document engagement and oversight within the UKO/OOP.</p> <p>In line with best practice, the frequency of meetings should be not less than monthly.</p> <p>All such meetings should be planned and documented, including date, time started and ended, place, participants, topics discussed, decisions made, review of progress against prior meetings' action-items, and details of new tasks assigned, to whom, and with deliverables by which dates.</p> <p>There is need for more regular attention and oversight by the OOP and MOFEM to hold the UKO and related parties accountable for budgets, for timely and useful reporting, and for the</p>	<p><i>MoFEM: The Ministry of Finance has committed to providing a similar level of oversight over the UKO, as it does all other Ministries/Departments. The future reporting expectations have been outlined to the UKO.</i></p> <p>UKO: We acknowledge the recommendation to improve and document engagement and oversight within the UKO/OOP. To enhance governance, we will develop a meeting template to document necessary details and work closely with OOP and MOFEM to improve interaction and engagement for better budgeting and reporting. Our strategic plans and budgets will undergo quarterly assessments and annual updates, ensuring alignment with goals. We will implement annual performance reviews for all UKO staff and associates, establishing clear performance metrics and KPIs.</p>	<p>MoFEM, UKO</p>	<p>Fiscal year 2024-2025 and Ongoing</p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>but they are not all adequately documented.</p> <p>3.13 Complaints about slow/no responses to various queries.</p> <p>4.19 Limited achievement of objectives.</p>	<p>closing of gaps in progress towards objectives, targets, and Key Performance Indicators.</p> <p>Strategic plans and budgets should be regularly reviewed and updated before the periods that they cover expire.</p> <p>Review the performance of the UKO and each of its employees, contractors, affiliates, committees, and sub-committees at least annually, including attendance, participation, outputs, outcomes, and lags in decision-making.</p>	<p>Additionally, we will improve service provision by developing a framework for monitoring and enhancing the handling of casework, consular affairs, and other services. These improvements will be embedded into the strategic plan and monitoring framework to ensure systematic tracking and implementation, enhancing efficiency and accountability.</p>		
<p>2.9 Internal & virtual meetings are held regularly, but they are</p>	<p>2.13 Make fuller use of telecommunications and virtual meetings.</p>	<p><i>UKO: We recognise the importance of leveraging telecommunications and virtual meetings. The UKO will integrate these capabilities into our standard practices.</i></p>	<p><i>UKO: To date, the UKO has increased its use of telecommunicati</i></p>	

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>not all adequately documented.</p>	<p>Among the lessons of the COVID-19 pandemic have been the great opportunities for remote working, for virtual meetings, and for wider use of telecommunications and electronic channels.</p> <p>In these ways, the vital functions of each entity can continue regardless of absences or temporary restrictions on physical meetings, and in spite of other contingencies arising from time to time.</p> <p>Even after the removal of pandemic-related restrictions on in-person meetings, for instance, the UKO's staff, partners, clients, and related entities should make full use of telecommunications, and also enable virtual attendance and participation when persons are overseas or otherwise absent from an in-person event.</p>		<p><i>ons, utilising various platforms to engage with stakeholders effectively.</i></p>	

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>2.7 Some Minutes were kept, but Committees were not assessed.</p> <p>2.9 Internal & virtual meetings are held regularly, but they are not all adequately documented.</p>	<p>2.14 Review and assess each Committee/event.</p> <p>The UKO and the OOP should individually and collectively review and improve each of the processes whereby candidates are nominated, selected, and appointed to Committees and/or to represent GOM at events.</p> <p>It is then essential to good governance to ensure that every Committee/event has clear mandates, benchmarks, targets, regular meetings, satisfactory attendance, satisfactory records, and documented outputs.</p> <p>It is also important to have regular quarterly reports to the relevant Ministry/Cabinet and annual reports to the public to ensure accountability and transparency at all levels.</p>	<p><i>MoFEM: No objection to the recommendation. The MoFEM agrees to work with the UKO on the implementation.</i></p> <p><i>UKO: We acknowledge the findings and will enhance the nomination and appointment processes for Committees and GOM event representation. Clear mandates, benchmarks, targets, and regular meetings will be established with comprehensive records and satisfactory attendance. We will implement quarterly reports to the relevant Ministry/Cabinet and annual public reports for accountability. Current practices will be reassessed to ensure meaningful participation, statutory compliance, secure document storage, and timely reporting.</i></p>	<p>UKO</p> <p><i>UKO: To date, the UKO has held 121 meetings with members of UKO committees and has drafted new terms of reference for the UKO steering committee.</i></p>	<p><i>Fiscal year 2025-2026 and Ongoing</i></p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
4.19 Limited achievement of objectives.	<p>To achieve value for money, the UKO/OOP should reassess the existing practices to ensure that committees, associations, and any affiliate bodies have regular meetings, that nominees/appointees attend and participate meaningfully in assigned meetings/events, and fulfil statutory obligations and best practices, including complete and timely record-keeping, secure document-storage, and all reporting requirements.</p> <p>It should then advise the Cabinet accordingly: e.g., whether to revise the terms of reference; whether and how to improve the existing model of appointments and representation/participation; or whether to adopt an alternate 21st-century model focused on rewards for results achieved, quality of outcomes,</p>	<p><i>Recommendations will be made to the Cabinet on necessary revisions, focusing on results, quality outcomes, client satisfaction, and value added.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	client-satisfaction indices, and value added.			
	Chapter 3: Efficiency			
<p>3.5 The UKO did not explicitly link its objectives to the Policy Agenda/SDP/SDGs.</p> <p>4.19 Limited achievement of objectives.</p>	<p>3.18 Fully Integrate the UKO's/OOP's objectives with the Policy Agenda / SDP / SDGs.</p> <p>Ensure that the objectives for the UKO and for the OOP are aligned, clearly defined, measured, and assessed each year, and that each of them is more explicitly linked to the Cabinet's Policy Agenda.</p> <p>Further links to the national SDP and to the relevant global SDGs should be made also, along with specific actions to achieve both sets of goals/targets.</p> <p>This will contribute to the three intertwined objectives of [a] policy-coherence between</p>	<p>MoFEM: Work has already been initiated to ensure that the UKO's strategic objectives are clearly defined and linked to the GoM's overall priorities. This will be carried out in collaboration with the Policy Unit within the Cabinet Secretariat.</p> <p>OOP: The Regional Affairs Unit in the Office of the Premier as the Unit with direct liaison with the MGUKO defined a key strategy in its 2020 to 2024 Strategic Plans, as follows: <i>“Develop and implement a Diaspora Engagement Programme to strengthen ties between Montserratians on island and those in the diaspora to encourage a return of Montserratians, investment and/or technical assistance”</i>. (PA 1.6) with link to Policy Agenda item 1.6.</p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	<p>Departments/Ministries, [b] vertical integration across all levels of the GOM, and [c] a whole-of-Government approach to the national objectives and outcomes, including measurable progress towards the 2030 Agenda.</p>	<p>UKO: We acknowledge the recommendation to fully integrate the UKO's and OOP's objectives with the Policy Agenda, SDP, and SDGs. We will ensure our objectives are aligned, clearly defined, and assessed annually, linking them explicitly to the Cabinet's Policy Agenda, the national SDP, and relevant global SDGs. Specific actions will be outlined to achieve these goals. This integration forms the foundation of the UKO's strategic plan and monitoring framework, which is a live document subject to quarterly and annual review. This approach will enhance policy coherence, vertical integration across all levels of the GOM, and a whole-of-government approach to national objectives and measurable progress towards the 2030 Agenda.</p>	<p>UKO: A draft strategic plan and monitoring framework for the office has been developed and will be refined in the coming months through conversations with stakeholders.</p>	
<p>3.6 The UKO lacked performance</p>	<p>3.19 Clarify objectives and KPIs. Review each objective for greater clarity and in practical terms.</p>	<p>MoFEM: Similar to above, this work has already commenced in collaboration with the Cabinet Secretariat.</p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>indicators for its objectives.</p>	<p>Ensure that every objective for the UKO and for the OOP has KPIs and that all KPIs clearly support objectives.</p> <p>The UKO/OOP and the related Departments / stakeholders should align and coordinate their strategic plans, objectives, KPIs, and targets.</p>	<p><i>UKO: We acknowledge the recommendation to clarify objectives and KPIs for the UKO and OOP. To ensure greater clarity and practicality, we will review each objective and establish clear KPIs that directly support these objectives. We will work with related departments and stakeholders to align and coordinate our strategic plans, objectives, KPIs, and targets. These elements will be integrated into the office's strategic plan and monitoring framework, ensuring transparency and accountability to all stakeholders. This coordinated approach will enhance our ability to measure progress effectively and achieve our strategic goals.</i></p>	<p><i>UKO: We have initiated the process to review office objectives in the context of our key stakeholders and the current operating environment.</i></p>	
<p>3.6 The UKO lacked performance indicators for its objectives.</p>	<p>3.20 Review and improve the KPIs over time.</p> <p>Annually, the UKO, the OOP, and the MOFEM should review and assess their KPIs to make them clearer, more</p>	<p><i>MoFEM: Agreed and work is in progress to ensure that the UKO's strategic plan and KPI development adheres to the established Government process and standards.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.19 Limited achievement of objectives.</p>	<p>measurable, more relevant to objectives, and focused more on strategic outcomes.</p> <p>Add new KPIs where the environment fundamentally changes (e.g., new technologies; COVID-19 or other pandemics; new public-health regulations; emerging social/economic/business trends and niches; changing demographics; climatic changes and local impacts).</p>	<p>UKO: We acknowledge the recommendation to review and improve our KPIs. Annually, the UKO will assess and refine KPIs to ensure clarity, measurability, relevance, and strategic focus. This will help us adapt to evolving circumstances and maintain alignment with our strategic goals, forming part of our monitoring, evaluation, and learning plan.</p>	<p>UKO: As a step already taken, a draft Monitoring, Evaluation, and Learning (MEL) framework has been developed.</p>	
<p>3.6 The UKO lacked performance indicators for its objectives.</p> <p>3.7 The office is very small and difficult to find/access.</p>	<p>3.21 Set standards of service.</p> <p>Develop measures that are results-oriented and client-centric, including standards of service for such key areas as</p> <p>(1) average timeframes for responding to inquiries,</p>	<p>MoFEM: Commits to working with the UKO towards improving the identified standards of service in a reasonably timed and systematic process.</p> <p>UKO: We acknowledge the recommendation to set standards of service. We will develop a framework to monitor and measure results across Diplomacy/Representation, Consular</p>	<p>UKO</p>	<p>Fiscal year 2025/2026.</p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>3.8 Limited hours and days of business.</p> <p>3.13 Complaints about slow/no responses to various queries.</p>	<p>(2) average timeframes for providing assistance,</p> <p>(3) number of Diasporic exhibitions / conferences / events hosted, number of persons who participated, and outcomes,</p> <p>(4) the number of groups/communities visited each Quarter/year,</p> <p>(5) number of public-education or other outreach initiatives and, more importantly, their participation, impact, and outcomes,</p> <p>(6) measures of client-satisfaction, and</p> <p>(7) numbers of inquiries / requests / complaints / cases (by type)/issues (both new and brought forward), as well as average timeframes for resolution, and</p>	<p><i>Affairs, and Diaspora Engagement. This will include response times, event outcomes, community visits, client satisfaction, case resolutions, and indicators of success such as new trade contracts and businesses. Leveraging technology will enhance the efficiency of monitoring and service provision, ensuring standards are clearly defined, monitored, and continuously improved to meet stakeholder needs effectively.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	(8) indicators of satisfactory outcomes (e.g., cases concluded versus cases pending versus cases not resolved/progressing; level of grants/donations achieved; new property-purchases; new trade contracts/treaties/deals; new businesses opened).			
<p>3.6 The UKO lacked performance indicators for its objectives.</p> <p>3.13 Complaints about slow/no responses to various queries.</p>	<p>3.22 Improve the reporting & reviewing of performance.</p> <p>The UKO, along with the OOP and GOM's other revenue Departments, should regularly measure, monitor, assess, and report their actual performance and progress against all of their objectives and KPIs, including public Annual Reports.</p> <p>The Quarterly Reports, for instance, should be complete and timely.</p>	<p><i>MoFEM: We have begun work on integrating the UKO into the GoM's wider strategic planning and budget reporting and monitoring processes. The expectations and requirements for the UKO have been established and are in line with the GoM's practices.</i></p>	<p>MOFEM: Strategic planning and budget reporting templates shared and training to be conducted with the UKO's staff.</p> <p>MoFEM, UKO</p>	<p>Year 2024</p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.19 Limited achievement of objectives.</p>	<p>Go beyond mandatory/statutory reporting (e.g., to the Legislative Assembly) to include broader accountability and transparency to the public.</p> <p>Encourage and enable active participation of stakeholders (both at home and in the Diaspora) in understanding, reviewing, and assessing the UKO's performance and the GOM's overall strategy and progress in engaging the Diaspora.</p> <p>This would help to build trust in public institutions and more confidence about the governance of taxpayers' dollars.</p> <p>It will also contribute to effective and timely Voluntary National Reviews and better interfaces with partners within the O.E.C.S., within the CARICOM, and within the U.K. and British Overseas Territories, as well as regional and</p>	<p><i>UKO: We acknowledge the recommendation to improve performance reporting. The UKO, the OOP, and the GOM's revenue Departments will measure, monitor, and report progress against objectives and KPIs through timely Quarterly and Annual Reports, integrated into our strategic plan and Monitoring, Evaluation, and Learning framework. We will enhance accountability and transparency, involving local and Diaspora stakeholders.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	international bodies, multilateral agencies, donors, authorities, and regulators.			
<p>3.8 Limited hours and days of business.</p> <p>3.13 Complaints about slow/no responses to various queries.</p>	<p>3.23 Broaden the scope for feedback from the public/stakeholders and communicate through multiple channels.</p> <p>The UKO/OOP should periodically seek, document, and report on feedback on its services and encourage inputs from employees, from current and past clients, from the Diaspora, and from other stakeholders (e.g., through annual surveys).</p> <p>Beyond the option of a regular radio programme or podcast both for public education and outreach, the UKO/OOP and other key stakeholders should collaborate in reaching and engaging</p>	<p><i>MoFEM: We accept the recommendation.</i></p> <p><i>UKO: We acknowledge the recommendation to broaden feedback and enhance communication.</i></p> <p><i>UKO: The UKO will seek and report feedback from employees, clients, the Diaspora, and stakeholders through annual surveys. We will engage stakeholders via websites, social media, telephone, email, and other media. Targeted communication strategies will address the specific needs of different business and taxpayer groups. Additionally, we will conduct research into the Diaspora and develop a Diaspora</i></p>	<p><i>UKO</i></p> <p><i>UKO: Steps already taken include updating our website, creating social media channels, and establishing a WhatsApp / mobile number for easier access. Additionally, we have initiated one-on-one conversations</i></p>	<p><i>Year 2025</i></p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	<p>individual clients, current and potential commercial interests, patrons, promoters, sponsors, hospitality providers, accommodation providers, and other categories of business stakeholders, using a range of available channels: e.g., websites, social media, telephone, mobile marketing, email, radio, news-broadcasts, audio, video, and other media.</p> <p>It is important to have targeted communication for each category of stakeholder, and to address the specific needs, concerns, and issues related to different types of businesses / investors / taxpayers, such as those who are affected by different types of import / export / trade / business incentives, concessions, public benefits, and taxes (e.g., not all payers of Income Taxes are property-owners; only specific businesses are affected by Insurance</p>	<p><i>database to create a comprehensive communication strategy for effective outreach and engagement. This will feed into the overall strategic plan, monitoring framework, and other governance initiatives.</i></p>	<p><i>with key stakeholders in the Diaspora.</i></p>	

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	Levy, Bank Levy, Interest Levy, withholding taxes).			
<p>3.10 The UKO has no dedicated trade/tourism /business-development functions.</p> <p>3.11 Having very few employees poses high risks to service-delivery and continuity.</p> <p>3.12 No succession-planning; long</p>	<p>3.24 Reduce the waiting times for processing queries, expressions of interest, and issues. The UKO, the OOP, the Tourism Division, the Trade Division, the MOFEM, and partners such as the DITES should urgently collaborate to review each part of the process for receiving, processing, responding to, and actioning inquiries, requests for assistance, expressions of interest re trade/tourism/investments, and issues/disputes.</p> <p>Establish standards for service and measure performance at each stage of each process.</p> <p>Major improvement is needed in shortening the time from receiving</p>	<p><i>MOFEM: We accept the recommendation and will work with the UKO where necessary to implement any planned initiatives.</i></p> <p><i>UKO: We acknowledge the recommendation to reduce waiting times for processing queries, expressions of interest, and issues. The UKO intends to collaborate with partners such as the OOP, Tourism Division, Trade Division, MOFEM, and DITES to streamline processes for receiving, processing, and responding to inquiries, requests, and expressions of interest in trade, tourism, and investments. We are establishing service standards and measuring performance at each stage, aiming to significantly reduce response times and improve communication with stakeholders. Our framework for case and</i></p>	UKO	Year 2026

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>gap in recruitment.</p> <p>3.13 Complaints about slow/no responses to various queries.</p>	<p>forms/requests to giving responses to stakeholders/clients. Improve the communication with stakeholders/clients: e.g., provide frequent updates and timely feedback throughout each stage of the process and not only at the end.</p>	<p><i>query management will integrate actionable improvements into our strategic plan. We will consider how we can leverage technology for real-time updates on trade, tourism, and investment information for the diaspora to ensure it remains current and relevant. Proactive monitoring and engagement will enhance our responsiveness and service delivery.</i></p>		
<p>3.8 Limited hours and days of business.</p> <p>3.11 Having very few employees poses high risks to service-</p>	<p>3.25 Enable full electronic reporting, payments, and online accounts.</p> <p>In line with the capabilities of e-Government, the goals of the Montserrat ICT Policy, and the rights of taxpayers in the Income and Corporation Tax Act, as well as the Electronic Transactions Act, the UKO/OOP should complete the journey towards full online functionality of its</p>	<p>MoFEM: <i>This will take a reasonably timed approach and a phased approach will be necessary and will be in line with wider government initiatives.</i></p> <p>UKO: <i>We acknowledge the recommendation to enhance online functionality of the UKO/OOP website. Currently, digital versions of office forms are available, and payments can be made online via bank transfer. We will explore additional payment options, such as credit</i></p>	<p>UKO</p>	<p>Fiscal year 2025-2026</p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>delivery and continuity.</p> <p>3.13 Complaints about slow/no responses to various queries.</p> <p>3.14 Low public profile; Limited online presence / social media; no e-payments.</p>	<p>website and systems, as soon as possible.</p> <p>Whilst this has important benefits for local residents/stakeholders in Montserrat, it is especially needed for engaging and serving the Diaspora worldwide, as well as current and potential tourists, businesses, and investors with interests relevant to Montserrat/Diaspora.</p> <p>Enable clients both to access and to submit forms and returns online and via email.</p> <p>It will also give clients much more convenience and ease in timely filings with various GOM Departments and agencies, both on the island and from wherever in the world they happen to be, as many clients travel overseas, reside overseas full-time, or split their</p>	<p><i>and debit cards, though costs and trade-offs must be considered based on current and projected transaction volumes.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	<p>periods of residence across more than one country.</p> <p>Convert all forms to fully editable and configurable electronic/online formats, eliminating the need for printing, for manual filling, and for in-person delivery/submissions.</p> <p>Enable online payments, payment by credit-cards, and payment by debit-cards, thus widening the range of options available to clients, thus boosting collections, and improving compliance.</p> <p>Such diversity of payment-options and convenience could also improve collections of arrears, and better serve clients who are overseas.</p>			

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>3.14 Low public profile; Limited online presence / social media; no e-payments.</p> <p>3.15 Infrequent online outreach to the Diaspora.</p> <p>3.16 Table 3.1: 8-year summary of the UKO's online postings: number & frequency.</p>	<p>3.26 Implement a comprehensive strategy for social media and e-commerce.</p> <p>The UKO should develop a strategic plan for its use of social media, for its website, and for growing its online revenue-generating activities.</p> <p>E.g., Identify, provide, and/or market more events, products and services that will meet the needs, concerns, and interests of the Diaspora.</p> <p>E.g., harness the power and the insights of search-engine optimisation.</p> <p>E.g., Have active advertising, rewards for referrals, and multi-segment outreach campaigns.</p> <p>Regularly monitor, measure, and assess key performance indicators and appropriate metrics (e.g., number of</p>	<p>MoFEM: We agree with the recommendation in principle but the UKO will lead efforts and determine the level of implementation of the recommendations.</p> <p>UKO: We acknowledge the recommendation to implement a comprehensive strategy for social media and e-commerce. The UKO is in the process of developing a strategic plan to enhance social media use, website functionality, and online revenue. We are still considering options, given our constrained resources.</p>	<p>UKO</p> <p>UKO: Steps taken so far include updating our website, creating new social media pages, and monitoring analytics. Although this initiative is still new, we are committed to reviewing and adjusting our</p>	<p>To be determined</p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
3.17 Few/no responses to online postings.	<p>subscribers; number of page-visits; numbers of likes/shares/comments; attendance at marketed events; number of tickets sold; average duration of page-visits; number of pages visited per viewing session).</p> <p>Partnerships, sponsorships, influencers, content-creators, Montserratian businesses and celebrities, and affiliate marketing can also buttress the UKO's effective marketing strategy and generate additional revenues, while adding value to what it offers and provides to the Diaspora.</p>		<i>strategy as we move forward.</i>	
	<p>Chapter 4: Effectiveness: Part 1</p>			
4.3 Long-term trend of rapidly	4.10 Review and improve planning and budgeting.	<i>MoFEM: Efforts are already underway to improve the overall financial management practices of the UKO. Clear expectations on forecasting and reporting have been</i>	UKO, MoFEM	2024

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>increasing expenses.</p> <p>4.4 The UKO generates almost no revenues.</p> <p>4.5 Mixed trend of small surpluses and large deficits.</p>	<p>The UKO, with the support of the OOP and the MOFEM, should review its approach to planning and budgeting to minimise the large variances in grants and spending of past years.</p> <p>Realistic figures should be used for estimating expenses, and adequate amounts should be budgeted for agreed activities for the UKO/OOP to deliver on its mandate.</p> <p>In turn, the UKO should enhance its management of spending to deliver within its budget, while minimising underspent/overspent amounts.</p> <p>Therefore, the budgeted costs and revenues should be revised in line with the actual trend, and regularly updated for any available more recent information affecting forecasts.</p> <p>This includes foreign-currency risks.</p>	<p><i>communicated and training is scheduled with the UKO's staff on the GoM's requirements.</i></p> <p>UKO: <i>We acknowledge the recommendation to review and improve planning and budgeting. The UKO is already working more closely with MOFEM to address this issue. We envision this relationship will grow and strengthen to minimise the large variances in grants and spending seen in past years.</i></p> <p>OOP: A new spend submission of \$30,000 was made to undertake a technical consultancy for the Montserrat Government UK Office (MG UK Office) for the 2023-2024 fiscal year. The consultancy costs to assist in the organisational review of the MG UK Office to make it more fit for purpose and in line with GoM's policy requirements including the introduction of investment and trade promotion; identification of funding and investment opportunities; and other initiatives consistent with GoM's prioritised policy agenda. No funding was secured to initiate the stated intervention.</p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
4.6 Exposure to foreign-currency risks.		<p>Additionally, a new spend submission for Diaspora Direct Investment (DDI) in amount of \$20,000 was submitted for resourcing. It was rationalized that the conventional methods of development funding (public and private) have proven inadequate for the redevelopment needs of the island. The importance of the DDI consultancy is to allow GoM the ability to contract in the expertise required to engage the Diaspora as a potentially powerful tool for investment and bridging the funding gap.</p> <p>The two consultancies were earmarked to result in the development of foundational frameworks to better leverage achievements aligned to GoM's policy steer and priorities, in particular the Policy Agenda Goals 1, 2, & 3.</p>		
4.3 Long-term trend of rapidly increasing expenses.	<p>4.11 Develop & diversify the UKO's sources of income.</p> <p>The UKO and the OOP should review the fees that the UKO charges for its</p>	<p><i>MoFEM: We agree in principle but note that the scope for improved revenue potential is a longer-term initiative, with other priorities in regards to the</i></p>	UKO, MoFEM	To be determined

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.4 The UKO generates almost no revenues.</p> <p>4.5 Mixed trend of small surpluses and large deficits.</p>	<p>services to ensure that they cover the full direct costs plus the indirect costs of providing these services.</p> <p>The UKO/OOP should also develop the range and the scope of the UKO's earning and fund-raising activities, thus providing more value for money, while reducing the UKO's dependence on the GOM for nearly all of its funding.</p> <p>This requires a strategic plan and a multi-stakeholder approach to marketing and public relations.</p>	<p><i>overall purpose and function of the office taking precedence.</i></p> <p>UKO: <i>We acknowledge the recommendation to develop and to diversify the UKO's sources of income. We will explore options to diversify income by reviewing fees for services. Additionally, we are considering increasing the range of services offered and introducing merchandise as potential revenue streams. However, we recognise that resources in the U.K. Office are currently constrained regarding business development.</i></p>		
<p>4.4 The UKO generates almost no revenues.</p> <p>4.5 Mixed trend of small</p>	<p>4.12 Optimise the use of donations and fundraising resources.</p> <p>The UKO and the OOP should formulate/review policies for the use of funds collected or donated re the</p>	<p>MoFEM: <i>Recommendation is noted and will be reviewed in the long-term strategy for the UKO and for the Montserrat Cultural Centre.</i></p>	<p>UKO, MoFEM, Cabinet</p>	

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>surpluses and large deficits.</p>	<p>Montserrat Cultural Centre and other purposes.</p> <p>The on-going need for repairs and maintenance, for instance, could be met through periodic remittances from the accumulated fundraised resources.</p> <p>Periodic upgrades and renovations to key infrastructure such as the MCC would support the OOP's/GOM's thrust in developing tourism and hospitality in Montserrat, including the venues for major events, conferences, and entertainment.</p> <p>In the meanwhile, idle long-term funds could be earning income in low-risk to medium-risk forms of investment such as term-deposits and Government securities.</p> <p>E.g., even at relatively low rates of return (2% to 5% p.a.), the accumulated</p>	<p><i>UKO: We acknowledge the recommendation to optimise the use of donations and fundraising resources. The Head of the MGUKO will engage in conversations with the MOFEM and the OOP to better understand the current policies and practices regarding the use of funds collected or donated for the Montserrat Cultural Centre and other purposes.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	funds would have (more than) doubled over the past 20 to 25 years.			
<p>4.8 Backlog of financial reports and external audits.</p> <p>4.9 The UKO's financial reports lack several important details and disclosures.</p>	<p>4.13 Improve the timeliness, quality, & disclosures of the UKO's financial reports.</p> <p>In line with the Cabinet's Policy Agenda (see items #4.1 and #4.2) to improve governance throughout the public sector, the UKO and the OOP should review and enhance the UKO's financial statements and accompanying reports, notes, and disclosures.</p> <p>Add suitably detailed and informative Management Discussion and analysis for each period reported.</p> <p>Expand the number of explanatory notes and add satisfactory details to each note to enable non-expert users of the financial reports to have a clear understanding of the nature, the</p>	<p>MoFEM: Recommendation accepted and work is being carried out to improve the UKO's financial management systems.</p> <p>UKO: We acknowledge the recommendation to improve the timeliness, quality, and disclosures of the UKO's financial reports. We will work with the MOFEM to explore and to implement actions to enhance our financial statements and accompanying reports. Efforts will be made to address the backlog and to ensure that financial reports are regular and current, with annual reports reviewed, approved, and published within an appropriate time frame.</p>	UKO, MoFEM	Fiscal years 2024-2025 and 2025-2026.

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	<p>purpose, and the context of each reported item.</p> <p>Every effort should be made to bring the UKO's financial statements and reporting from persistent backlog to being regular and current.</p> <p>Establish standards such as timeliness of annual reports: e.g., reviewed, approved, and published within 3 to 6 months of the end of the year to which they relate.</p>	<p>OOP: This recommendation should be implemented with support from the Internal Audit Unit.</p>		
	<p>Chapter 4: Effectiveness: Part 2</p>			
<p>4.21 Lack of evidence of performance reviews.</p>	<p>4.22 Regular, documented performance & development reviews for all officers.</p> <p>The UKO and the OOP, together with the Human Resources Management</p>	<p>MoFEM: Recommendation is agreed and efforts to continue to integrate the UKO to the GoM's standards in both financial</p>	<p>UKO, MoFEM.</p>	<p>Fiscal years 2024-2025 and 2025-2026.</p>

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.19 Limited achievement of objectives.</p>	<p>Unit, should review, document, and monitor procedures for, and the status of, all the employee-assessments within their portfolios to keep them in line with the GOM’s standards and best practices.</p> <p>Each year, compile a prioritised list of items needing to be actioned: e.g., completion of all years’ assessments where they have not been done timely, or at all, for some officers, including senior officers;</p> <p>e.g., coaching/mentoring/training and development-planning and support to enhance each officer’s performance;</p> <p>e.g., individual career-plans and succession-plans.</p>	<p><i>management and Human Resources Management practices.</i></p> <p>UKO: We acknowledge the recommendation for regular performance and development reviews. The UKO and the OOP, along with the Human Resources Management Unit, will review and monitor assessment procedures to align with GOM standards and internationally recognised best practices. We are exploring talent development, career and succession planning.</p>	<p>UKO: Steps taken include implementing monthly 1:1 development conversations with officers, and we will conduct annual appraisals.</p>	
	<p>4.23 Measure and address issues related to stakeholders’</p>		<p>UKO</p>	

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.16 Low level of Diasporic engagement.</p> <p>4.18 The UKO had stated objectives, but did not consistently achieve or report on all of them.</p>	<p>satisfaction, engagement, and feedback.</p> <p>The UKO and the OOP should regularly measure stakeholders' satisfaction, identify areas of dissatisfaction or low engagement, and take appropriate actions to achieve documented improvements. E.g.,</p> <p>[a] Survey customers (e.g., annually) to measure their engagement, satisfaction, and other key variables for performance and retention; also include stakeholders' feedback on specific service-experiences and client-employee encounters.</p> <p>[b] Prioritise cases and causes of dissatisfaction, weakness, and underperformance, both individually and organisationally, and implement</p>	<p>MoFEM: <i>The UKO will advance this recommendation within the overall agreed strategic outlook and capacity constraints.</i></p> <p>UKO: <i>We acknowledge the recommendation to measure and to address stakeholders' satisfaction, engagement, and feedback. The UKO and the OOP will consider the implementation of a cycle of regular engagement with our Diaspora and service users. We will prioritise and address areas of dissatisfaction and underperformance. Actionable improvements derived from this process will feed into our strategic plan through monitoring, evaluation, and learning.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
4.19 Limited achievement of objectives.	<p>plans of action to address these areas, and to respond effectively to feedback from other stakeholders.</p> <p>[c] Develop a system to track actions, complaints, and issues from receipt, to planning of responses/interventions, all the way to completion. This should include a monitoring dashboard of progress, of actions taken, and of the status of each case/issue.</p> <p>[d] Report to stakeholders the actions taken to address their concerns and the progress achieved to date.</p>			
4.16 Low level of Diasporic engagement.	<p>4.24 Regular visits of all towns with concentrations of the Diaspora.</p> <p>The UKO should take a proactive approach to client-relations</p>	<p><i>MoFEM: The UKO will advance this recommendation within the overall agreed strategic outlook and capacity constraints.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.17 The exact size of the Diaspora remains unknown.</p> <p>4.19 Limited achievement of objectives.</p>	<p>management versus the current reactive mode that prevails.</p> <p>It is easier and cheaper for one or two UKO officers to visit a Montserratian community than for persons from distant communities to come to central London.</p> <p>Whilst the UKO generally responds promptly to stakeholders' calls and in-person reports of queries and issues, our survey revealed that most stakeholders are not regularly reaching out to the UKO.</p> <p>They also reported not being regularly reached by the UKO.</p> <p>To ensure that queries and concerns are addressed promptly, and that there is better visibility and accessibility of the UKO/GOM throughout the Diaspora, the UKO should institute a</p>	<p><i>UKO: We acknowledge the recommendation to undertake regular visits to all towns with concentrations of the Diaspora. In response, we have developed a Diaspora engagement workstream within the UKO's strategy. This includes improving two-way communication, strengthening the Steering Group, attending community events, and conducting an annual Diaspora survey. While resource constraints currently limit what is possible, we will be taking a proactive approach that will enhance visibility, accessibility, and engagement with the Diaspora, ensuring that queries and concerns are promptly addressed.</i></p>	<p><i>UKO: Actions taken so far include the Head of the MGUKO's attending the Annual General Meetings of [U.K.-based] Montserrat-related associations. We are also planning to attend community events across the Summer.</i></p>	

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
	<p>regular schedule of visiting each of the key towns and cities at least once every year.</p> <p>E.g., a rotating monthly schedule of visits and events would ensure broader coverage.</p>			
<p>4.16 Low level of Diasporic engagement.</p> <p>4.17 The exact size of the Diaspora remains unknown.</p>	<p>4.25 Enhance public outreach and education for stakeholders.</p> <p>The UKO/OOP should develop and implement a strategic approach to public education about GOM/UK laws, policies, forms, filing procedures, and tax-processes.</p> <p>Surveyed persons indicated that online tutorials (e.g., YouTube videos) would be helpful.</p> <p>This approach would also enhance the UKO's/OOP's/MOFEM'S efficiency and effectiveness by allowing in-person</p>	<p><i>UKO: We acknowledge the recommendation to enhance public outreach and education for stakeholders. We will explore this recommendation alongside the OOP and the MOFEM. We are considering the creation of a YouTube channel and exploring what digital content we can create for the Diaspora. Implementation will require additional resources and time.</i></p>		

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.18 The UKO had stated objectives, but did not consistently achieve or report on all of them.</p> <p>4.19 Limited achievement of objectives.</p>	<p>training and events (e.g., the Premier's/Ministers' annual meetings in various U.K. communities) to be both live-streamed to a much wider audience than the small numbers of in-person attendees, and then recorded for repeated uses long afterward.</p> <p>Regular updates via mobile phones and email would also keep them informed about changes to policies, laws and regulations, deadlines for various filings, and tips on how to make access to public services, and compliance with official procedures, simpler, easier, and faster.</p>			
<p>4.16 Low level of Diasporic engagement.</p>	<p>4.26 Improve the quality and the frequency of communication.</p> <p>The UKO and the OOP/MOFEM should develop and implement a strategic Communication Plan along with supporting policies, documented</p>	<p><i>MoFEM: The UKO will advance this recommendation within the overall agreed strategic outlook and capacity constraints.</i></p>	<p>UKO</p>	

Findings	Recommendations	Management Responses	Actions Undertaken & Responsible Person/entity	Dates of Planned Implementation
<p>4.17 The exact size of the Diaspora remains unknown.</p> <p>4.18 The UKO had stated objectives, but did not consistently achieve or report on all of them.</p> <p>4.19 Limited achievement of objectives.</p>	<p>procedures, and appropriate training/re-training of all of their employees and key partners.</p> <p>Set standards for the use and the timeliness of each mode of communication: e.g.,</p> <p>[a] how incoming postal mail, external e-mails, and telephone-messages should be handled, documented, and answered;</p> <p>[b] how customers' complaints, queries, and disputes should be documented and resolved;</p> <p>[c] interim communication to advise stakeholders/clients of the in-process status of their queries, matters, or pending requests.</p>			

Entity: *Responding Representative/Senior Responsible Officer:*

[a] UKO: **The Head of the Government of Montserrat's U.K. Office; [new from May, 2024]**

Management Responses above were received on July 19th, 2024.

[b] OOP: **Permanent Secretary, Office of the Premier; [The OOP had oversight of the UKO from October, 1998, to c. December, 2022/early 2023]**

Management Responses above were received on July 18th, 2024.

[c] MOFEM: **Deputy Financial Secretary, Ministry of Finance and Economic Management.**

Management Responses above received on August 28th, 2024.

[d] Cabinet Secretariat: **The post of Cabinet Secretary was still vacant up to September, 2024. Hence, the Deputy F.S. (Acting F.S.) was the interim oversight/Accounting Officer (years 2023 & 2024) and responded accordingly above.**

APPENDIX 1: AUDIT FIELDWORK

Background

The Diaspora is now much larger than Montserrat's on-island population, which, in turn, includes over 40% of its residents from other countries (Census, 2018). This performance audit focused on (1) the governance and processes of the UKO, (2) the GOM's policy framework for services to the Diaspora, and (3) the UKO's efficiency, effectiveness, and accountability in its use of resources. These connected dimensions have implications (a) for governance, (b) for departmental stewardship of public funds and other assets, and (c) for the quality of outputs, of outcomes, and of the delivery of services to the public. In turn, the OOP's and the GOM's policies and operations impact both residents and persons in the Diaspora, every person/entity wishing to do business in or with Montserrat (e.g., travel, transportation, taxes on imports, taxes on profits, and remittances on behalf of employees), and every resident or non-resident owner of properties in Montserrat (e.g., requirement of annual tax-payments). In turn, public services, especially taxation, affect the economy and society of Montserrat. This is important since, in the post-1995 era, the central GOM and the wider public sector contribute, directly and indirectly, to 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. This study was one of the topics of interest to the public, arising from years of stakeholders' feedback, including 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 UKO's services to the Diaspora, including the level of governance, the quality of the processes of planning and budgeting, the use of people and assets, and overall performance. We considered (a) the quality of internal records, monitoring, and reporting, (b) the related management of human, financial, 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/entities. Finally, the study aimed to assess the impact of the UKO in relation to major policies and strategic plans, including [1] the GOM's Consolidated Budget, [2] the Cabinet's Policy Agenda, and [3] the Montserrat Sustainable Development Plan (SDP) 2008 to 2020 and its sequel. In particular, we sought to identify the major planning challenges, budgeting deficiencies, and operational issues

facing the UKO and related stakeholders, and, hence, opportunities and recommendations for improving their outputs and outcomes for all stakeholders [i] in reporting useful information, [ii] in responding to stakeholders' queries, [iii] collaborating with other Departments and partners, and [iv] in outreach to, and engagement of, persons in the Diaspora.

Key questions. The overall objective of the audit was to assess whether the UKO is managed efficiently and effectively in providing services to the Montserratian Diaspora and to other members of the public who are interested in Montserrat. To answer this overarching question, we considered 4 issues:

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

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

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

[d] How are the UKO 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, the performance, and the status of the UKO over the years since its inception c. year 1998/1999. We emphasised the past 10 years' trends of planning, budgeting, and use of resources within the UKO. We included the OOP and several related entities in our interviews of stakeholders in order to assess the perspectives and the experiences of stakeholders regarding the UKO vis-à-vis its mandate, structure, efficiency, quality of outputs, communication, quality of service, and overall performance. Financial and other data-analyses focused mostly on the prior 10 years (i.e., fiscal years 2013/2014 to 2021/2023). 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 UKO, [b] a sample of the U.K. representatives of other British Overseas Territories, [c] the OOP, and [d] the relations between the UKO and stakeholders such as the Tourism Division, the MOFEM, and Montserratians abroad. Prior financial audits by the OAG, Diasporic surveys/research by other entities, as well as past financial audits by the UKO's external audit firm, provided additional data and perspectives of other stakeholders and other areas relevant to the background of this study.

What We Excluded from this Audit

We excluded data preceding those of the year 1995, except for background knowledge and local context (e.g., the history of trade, tourism, and international relations and how their structure and patterns evolved before and after the volcanic crisis). 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 (FCDO). 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. 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 Local Revenues. Since most of the island's employment is within or related to the public sector, the SDP aims at developing the private sector. However, a large percentage of the population remains dependent on the Government for locally funded services, including public education, for social housing, for social welfare, and various forms of assistance with building or repairing private homes. As part of the policy towards increasing self-reliance, the GOM desires to grow the local economy, local employment, and local tax-revenues to fund public services. The OOP's mandate includes developing entrepreneurship, trade, travel, and tourism to ensure the rebuilding of the local economy. The UKO is expected to make an important contribution to this effort through effective engagement of the Diaspora in each of these areas.

Governance & Quality of Public Services. As it is entrusted with representing Montserrat in the U.K. and the E.U., and because it is also funded by the GOM's annual grant to the OOP through the oversight of the MOFEM, the UKO is accountable both for the collection of revenues/donations and for the use of public funds in each year's budget and operations. Efficient administration and effective collections require adequate attention to the level of front-line staffing, channels for payment, channels for communication with stakeholders, and mechanisms for receiving,

documenting, and resolving stakeholders' questions, concerns, and complaints. As the UKO handles external inquiries and also provides information to stakeholders, a two-way dialogue is essential for a high quality of public services. Overseas investors, travellers, businesses, citizens, and tax-payers (especially owners of properties in Montserrat) expect regular communication, prompt responses, and timely actions to address their queries, interests, and concerns related to Montserrat.

How We Performed This Audit

Interviews & site-visits. We engaged in interviews with employees of the UKO and with senior public-sector officials across related departments, including site-visits to see the premises that they use and a broad sample of Montserratians in the Diaspora as well as U.K. representatives of other British Overseas Territories. 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 UKO 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. The preliminary planning and first on-site visit (by the Acting Auditor General) took place in late 2022; the full on-site visit to the UKO took place during June, 2023, during the Fieldwork Stage of this study.

Reviews of relevant law, regulations and literature. Before and during our fieldwork, we researched the GOM's policies, laws, and regulations related to public finance, tourism, travel, international business and trade, and the Diaspora, 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, (f) performance benchmarks, and (g) 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 administration of the various tax-systems and client-services. The uniqueness of this study was that it included overseas operations on behalf of the GOM.

Internal & External Evidence. Various requests for information were made during December, 2022, to August, 2023. Site-visits, interviews, and surveys with stakeholders were concluded within this period. Emphasis was placed on factors affecting the UKO's and the related Departments' governance, planning, budgets, implementation, 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 UKO's processes, progress, and outputs, (c) the quality of reporting, communication, and co-operation among the stakeholders, and (d) recommendations/opportunities for improvements. Above all, we sought to get the Diaspora' perspectives and experiences in assessing the quality of information, the adequacy of communication, and the overall service that they receive from the UKO and related parts of GOM.

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. These standards also require us to communicate with auditees and other stakeholders throughout the stages of each audit. Emerging themes include: [a] gender-equity; [b] multi-stakeholder engagement; [c] effective inclusion, especially vulnerable groups; and [d] fair access to public services. 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.

Survey of Montserratians in the U.K. Diaspora

In addition to the various in-depth interviews with both internal stakeholders of the UKO and external stakeholders of the UKO, this audit included a broader survey of individuals and businesses in the Diaspora spanning a wide range of age-groups, socio-economic strata, and occupations/industries: e.g., youth, retirees, professionals, families, entrepreneurs, community groups, interest-groups, and activists. Some of the key questions that we discussed with stakeholders in this outreach were:

[A] Public Services: While living outside Montserrat, have you reached (or have you tried to reach) any Department/Office of the G.O.M.? If yes, please list each Ministry / Office / Department / agency that you approached or tried to reach. In each case, **please explain what were your area(s) of interest/inquiry/request:**

[B] Service-Quality: How satisfied were you with the outcome of your communication/interaction with each Department / Office / Agency of the G.O.M. that you contacted or approached while living outside Montserrat? Please explain your answer in each case:

[C] Information/communication: In dealing with any Office/Department of the G.O.M., which channels / forms of communication and information would you PREFER?

[D] Tourism/Travel: Since living abroad, how often have you visited Montserrat? While living abroad, when was the last time that you visited Montserrat? Which types of tourism or tourism-related products, services, events, experiences, etc., would be of interest to you in Montserrat? Please explain each of your answers:

Questionnaire for Interviewees

Correspondents & Interviewees

- (1) The Head, GOM's U.K. Office (incumbent from October, 1998 to April, 2024)
- (2) The Project Officer/Administrative Assistant, GOM's U.K. Office
- (3) The Permanent Secretary, Office of the Premier
- (4) The Director, External Affairs, Office of the Premier (no response since June, 2023)
- (5) The Director, Tourism Division, Office of the Premier (no response since June, 2023)
- (6) Individuals/businesses in the U.K. Diaspora (in person, by email, and via online surveys)
- (7) Heads of other British Overseas Territories' U.K. Offices, London

APPENDIX 2: KEY REFERENCES

Government at Work Year (2023) in Review (2024, January 11). Government Information Unit's

Youtube channel. Retrieved from <https://www.youtube.com/watch?v=LGjXmRUITbQ>

[Last few minutes highlight GOM's Diaspora policy and outreach for the fiscal year ending, March 31st, 2024.]

Cabinet's Policy Agendas. Government of Montserrat.

Annual Budgets and Budget Speeches. Government of Montserrat.

Sustainable Development Plan (2008 to 2020). Government of Montserrat.