GOVERNMENT OF MONTSERRAT PUBLIC SERVICE REFORM PROGRAMME PHASE 2

TERMS OF REFERENCE

Public Financial Advisor to Ministry of Finance, Montserrat to Support Public Financial and Economic Management Reform Programme

Background

1. Montserrat lies in the Leeward Islands of the Eastern Caribbean, some 27 miles southwest of Antigua. It has been affected seriously by volcanic activity since 1995 resulting in heavy dependence on external assistance in the form of budget support, technical assistance and project funding primarily from DFID and the EC.

2. The Public Service Reform Programme on Montserrat started in 2006 and has delivered a number of changes in the operations of Government. A second phase of modernisation (PSR 2) was approved in November 2010. The PSR 2 programme supports the Government of Montserrat (GoM) in the achievement of one of the four long term Strategic Goals in the Sustainable Development Plan, “An efficient, responsive and accountable system of governance and public service”. The core theme is to support the implementation of an ambitious and comprehensive set of proposals to strengthen the Public Service Management System (PSMS), which will cover all aspects of public service management in Montserrat from the roles and rules, right through to the structures, systems and processes, and covering all functional areas.

3. The PSR 2 project has four main components, and this role will support the Public Finance and Economic Management (PFEM) component which aims to support the objective of; “Improved PFEM policies, systems, capacity and outcomes to support economic and social development”. The supporting objectives include:

   • Strengthened institutional arrangements and capacity to carry out PFEM functions
   • Modernised policies, systems and process ensure all resources (capital and recurrent, domestic and international) are allocated on a transparent and rational basis in accordance with agreed priorities, and are effectively managed
   • Accurate financial forecasting and strengthened economic management
   • Improved and timely management information and reporting facilitates improved decision making, financial accountability and transparency
   • Revenues and foreign inward investment are maximized
   • Effective regulation of the financial and economic sectors and compliance with international and regional financial and economic agreements and requirements

4. The Montserrat Public Finance Management and Accountability Act places new responsibilities on public officials and a need for significant changes to current public financial management systems. GoM has also committed to make significant improvements to PFEM outcomes through the introduction of a Medium Term Expenditure Framework (MTEF) approach starting in the financial year 2011/12. The need for further changes has been informed by the findings and recommendations of both the 2009 PEFA and 2010 Fiduciary Risk Assessment report. A PFEM Action Plan to document and coordinate all of the necessary changes was produced in mid 2010.

5. Some of the most significant changes over the next 18 months will include:

   • Continued implementation of the MTEF approach to public expenditure planning and management. This will have a significant impact on the structure of the GoM budget and accounts and on the entire budget process and timetable.
   • Changes to the structure of public finance and economic management functions including the merger of the revenue and customs functions. .
- Establishment of a new internal audit function and, which will require support for the design and management of the internal audit function.
- Implementation of the PFEM reforms by other Departments affected, including the external audit function.

Objective

6. The Government of Montserrat requires a qualified and experienced professional, who has detailed knowledge of current developments, methodologies and systems of public sector financial management, including MTEF and programme based budget approaches.

7. The adviser will contribute to the GoM Ministry of Finance (MoF) programme to strengthen Montserrat public financial and economic management and provide technical support to the Ministry of Finance in implementing the PFEM Action Plan. The adviser will work closely with the Budget section in the MoF and the Treasury and support relevant departments in the Ministry of Finance and other statutory organizations under the Ministry's command.

Recipient of Services

8. The recipient of the services will be the Government of Montserrat. The adviser will provide the services to the GoM Ministry of Finance and will report to the Financial Secretary.

Scope

9. The scope of work will include but not be limited to the following:

- Coordinate all aspects of economic and financial forecasting and recommend short term specialist inputs where necessary;

- Ensure that financial management reform activities are appropriately sequenced, monitored and reporting on progress and advising the Financial Secretary of potential problems and delays;

- Assist in the development and implementation of a detailed capacity building and development plan identifying a structured set of developmental activities for MoFEM staff, in line with the agreed PFEM capacity development plan. The Advisor will be responsible for the capacity development to help institutionalize the MTEF and MTFF.

- Review the operations of all statutory and public corporations and recommend changes to the GoM where necessary to ensure greater efficiencies, transparency and accountability.

- Review and assist the Treasury Department and the Budget Section in the Ministry of Finance in preparing regulation on medium-term budget, following the Public Finance Act (Regulations) 2008 and preparing relevant regulations and manuals and other guidance note for the implementation of an appropriate forecasting model where necessary.

10. Specific responsibilities for supporting the MoF and Treasury in implementing the PFEM Action Plan are summarized below with the relevant Action Plan reference.

- Ensure that PFM legislation and regulations are consistent with the new Constitution Order (1.1)
• Provide technical support in the implementation of a simple programme based budget approach, budget formats, Budget Preparation Manual and training materials (2.1)
• Provide training and follow up support for the implementation of the new budget approach
• Ensure GoM budget is comprehensive, in particular by assisting in the process of including Statutory Bodies in the Public Accounts (2.2)
• Improve transparency and budget presentation through the development of programme based budget presentation formats and public information (2.6)
• Mentoring and technical support to the MTFF team to ensure accurate economic and financial forecasting (3.1)
• Reviewing the Financial accounting and reporting systems of Montserrat Statutory Bodies and advising the MoF on actions needed to manage associated fiscal risks to Government of Montserrat (4.2)
• Develop processes and systems to improve access to financial reports for service delivery agencies, budget holders and the public (4.4,4.5)
• Perform any other task required in support of the PFEM reforms.

Outputs

11. Outputs will include:

• Quarterly work programmes to be agreed with the Financial Secretary;
• Quarterly reports of progress against the PFEM Action Plan with proposals for addressing any problem areas or delays;
• Verbal and written advice and guidance to GoM on strengthening public financial management systems;
• Proposals for a programme based budget structure and revised Chart of Accounts based on GFS 2001 (in collaboration with MoF Adviser and CARTAC);
• Proposals for programme based budget approach and budget formats;
• GoM Budget Preparation Manual and training materials;
• Capacity Building and Development Plan for MoF staff;
• Proposals for programme based budget presentation formats and public information;
• Implementation strategy, including projected cost of implementing the MTEF (software, hardware, capacity enhancement, cost of workshops and printing of manuals);
• Workshops and discussions with stakeholders on MTEF and MTFF and related budget frameworks;
• Report on recommendations on financial and reporting systems of Montserrat Statutory Bodies.
• Proposals for processes and systems for improving access to financial reports

Timeframe

12. The adviser is required to commence work in mid 2011. The appointment will be for a period of 12 months in the first instance with a possible 6 month extension based on PFEM reform implementation achievements.

Terms and conditions of service

13. The terms and conditions applicable for this appointment include:

An attractive package which will include a housing allowance, transport allowance and return air fare. Salary is negotiable subject to skills, knowledge and experience.
Key skills, knowledge and experience

14. The person appointed to this role must be able to demonstrate the skills, knowledge and experience summarised below.

Mandatory

- At least 10 years professional experience in a related public finance role
- Professional accountancy qualification
- Expert knowledge of current public finance techniques and approaches
- Experience in implementing MTEF/ results based budget approaches
- Experience in capacity building and mentoring public finance teams
- Demonstrated project management capabilities
- Demonstrated experience in change management in developing countries
- Excellent interpersonal skills

Further information

15. To obtain further details, including background to Government of Montserrat and its public service reform programme, please visit the Government of Montserrat Website at www.psru.gov.ms.

Application process

18. To apply send your completed application form or a curriculum vitae with a covering letter and the names of at least two referees to the Human Resource Management Unit at jobs@gov.ms by April 29, 2012.