



MINISTRY OF WORKS AND TRANSPORT

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September 22, 2017

Ms. Jacqui Sampson-Meiguel
Clerk of the House
Parliament, Republic of Trinidad and Tobago
Level G-8 Tower D
The Port-of-Spain International Waterfront Centre
1A Wrightson Road
Port of Spain

Dear Ms. Sampson-Meiguel,

Eighth Report of the Public Accounts Committee on the Examination of the Report of Auditor General of the Republic of Trinidad and Tobago on a Special Audit of the Public Transport Service Corporation

Your correspondence (Ref: Parl.5/1/3) dated July 3, 2017 which was addressed to the Permanent Secretary, Ministry of Works and Transport (MOWT) on the above subject matter refers.

Given the recommendations/comments contained within the Eighth Report of the Public Accounts Committee on the Inquiry on the Examination of the Report of the Auditor General of the Republic of Trinidad and Tobago on a Special Audit of the Public Transport Service Corporation (PTSC), this request was submitted to the PTSC to provide the necessary input into the areas identified.

At this time, the MOWT is awaiting the submission of the input from the PTSC in order to provide a comprehensive response to the Public Accounts Committee. Concurrent to this, the MOWT has identified areas specific to the Ministry and has provided a response as attached.

Eighth Report of the Public Accounts Committee on the
Examination of the Report of Auditor General of the Republic
of Trinidad and Tobago on a Special Audit of the Public
Transport Service Corporation

Response of the Ministry of Works and Transport



MINISTRY OF WORKS AND TRANSPORT

September 22, 2017

Eighth Report of the Public Accounts Committee on the Examination of the Report of Auditor General of the Republic of Trinidad and Tobago on a Special Audit of the Public Transport Service Corporation

Response of the Ministry of Works and Transport

I. The lack of monitoring and evaluation of PTSC's performance by the Line Ministry

1.1 The Ministry should immediately identify Key Performance Indicators to gauge PTSC's performances

1.1 Response

The Ministry of Works and Transport collaborates closely with the PTSC in order to monitor the Authority's performance in accordance with all existing requirements.

Further to this, the Ministry was a key stakeholder in the National Performance Framework consultations spearheaded by the National Transformation Unit of the Ministry of Planning and Development. During this exercise, key indicators were proposed for the bus transport sector under the area "Theme III: Improving Productivity through Quality Infrastructure and Transport" (**Appendix I** refers). The key indicators relevant to the bus transit sector are presented in Table 1 below.

Table 1 – National Performance Framework – Key Indicators for the Bus Transit Sector

Result	Indicator
Outcome 1: A Modernised Transport Infrastructure	• Transport infrastructure user Satisfaction Rate • % population satisfied with transport infrastructure
1.2 Improved Land Transport Facilities	• Number of users of public transport facilities • Number of Bus Terminals • Number of transport hubs • Public Transport Accessibility Index (the inverse of the average distance (in km) to the nearest bus

Result	Indicator
	stop/railway station (suburban/metro) Number of public transport facilities that are accessible to the disabled
Outcome 2: Improved Management of National Public Transportation System	- Transport system user satisfaction % coordination among transportation authorities, agencies and departments - Corruption perception index (as it relates to the transport sector)
Outcome 3: Improved Access to a Quality Mass Transit System	% persons using transit system - Quality of transport facilities for disadvantaged persons (disabled, low incomes, children, etc.) - Quality of transport services for disadvantaged persons (disabled, low incomes, children, etc.) - Transport system user satisfaction - Number of persons with disabilities using public transport
3.2 Improved Bus Transit System	- No. of bus tickets sold % of area covered by buses (Bus service area coverage) - Bus ridership rates - Number of buses equipped with Automated Vehicle Location/GPS technology - Number of public transport stops with dynamic traveller information available to the public - Age and composition of Bus fleet - Number of buses in operation - Cost of public bus transport by route

Result	Indicator
	• Proportion of destinations accessible by persons with disabilities • Cost per passenger km

In light of the aforementioned, the Ministry is liaising with the PTSC to:

- Agree on the proposed indicators;
- Ensure that the necessary arrangements are implemented in order to collect the necessary data to support the indicators;
- Establish performance baselines; and
- Identify achievable targets based on the indicators.

1.2 The Ministry should immediately set clear indicators and steps for monitoring and evaluating the performance of PTSC

1.2 Response

The Ministry continues to monitor PTSC's performance in accordance with existing legislative and policy requirements namely:

- The Exchequer And Audit Act, Chapter 69:01 and accompanying Financial Regulations
- The Central Tenders Board Act, Chapter 71:91

Further to this, the Ministry of Finance's State Enterprise Performance Monitoring Manual (SEPMM) of July 2011 facilitates Government's thrust to enhance efficiency and effectiveness in the State Enterprise sector. Whilst Statutory Bodies are not mentioned, the MOWT utilizes this Manual as a guide to ensure that the principles of transparency, accountability and good governance are being practiced by PTSC.

As such, in keeping with Section 3 of Ministry of Finance's State Enterprise Performance Monitoring Manual (SEPMM) of July 2011, the MOWT is currently in the process of identifying key performance indicators for the development of an effective monitoring system relevant to PTSC.

II. Lack of Strategic Plan

2.2 The Ministry of Works and Transport (MOWT) should develop clearly defined objectives and key performance indicators to monitor PTSC's operational achievements

2.2 Response

See response 1.2 above.

2.3 The Ministry of Works and Transport should approve PTSC's 2017 – 2019 Strategic Plan by August 2017

2.3 Response

At this time, the MOWT is awaiting the submission of PTSC's Strategic Plan for the period 2017 – 2021. Upon submission of the same, the Ministry will undertake the necessary steps to review and approve said plan in accordance with the guidelines set in the State Enterprise Performance Monitoring Manual. In accordance with Section 3.2 "Performance Monitoring" of the Ministry of Finance's State Enterprise Performance Monitoring Manual (**Appendix II** refers):

"Companies are required to submit their Strategic Plans to both the Investments Division and the respective Line Ministry at least six (6) months prior to the start of the implementation period of the plan, for those receiving subventions to allow for National Budgetary Preparation activities and one (1) month for others."

The Manual goes on to specify the following: "The Investments Division and Line Ministry will assess plans and where necessary, hold discussions with the Enterprise to ensure that plans are specific, measurable, feasible, realistic and conform to the policy established for the Company. Upon approval of the Minister of Finance (Corporation Sole) and the respective Line Minister, the Investments Division and Line Ministry will respond to Enterprises within six (6) weeks of submission.

III. Management of Income and Expenditure

3.3 The MOWT should conduct monthly checks to monitor the operations of the PTSC especially in light of its current situation of not generating sufficient revenue to cover its expenditure

3.3 Response

The MOWT currently monitors the operations of the PTSC through the submission of the following reports:

- Monthly Public Sector Investment Programme (PSIP) Project Status Reports
- Monthly Statements of Expenditure
- Quarterly Financial Statements
- Annual Administrative Reports
- Annual Achievement Reports
- Annual Audited Financial Statements

With the implementation of the National Performance Framework and the collection of key performance data, it is anticipated that the Government/ Ministry of Works and Transport will be better positioned to monitor and evaluate PTSC to ensure the sustainability of bus transport operations.

3.4 The MOWT should also be able to work closely with the PTSC to assist them with increasing revenue and proper management of its finances

3.4 Response

The MOWT works closely with PTSC to: develop and obtain all the necessary approvals for the implementation of Authority's annual work programmes under the Public Sector Investment Programme (PSIP), identify and request transfers of funding to facilitate project execution and reporting to Cabinet, Parliament and other relevant authorities on the performance of the Authority and the progress of its development projects.

With respect to the fares and other charges levied by the PTSC, Section 27 (1) of the Public Transport Service, Chapter 48:02 states:

"27(1) The fares and other charges to be charged by the Corporation for the carriage of passengers and goods and other services shall be in accordance with such fares and charges as may, from time to time, be fixed by or under this Act or any other enactment."

Any change to the fares charges by the PTSC will require legislative amendments for which the Ministry also plays a critical role.

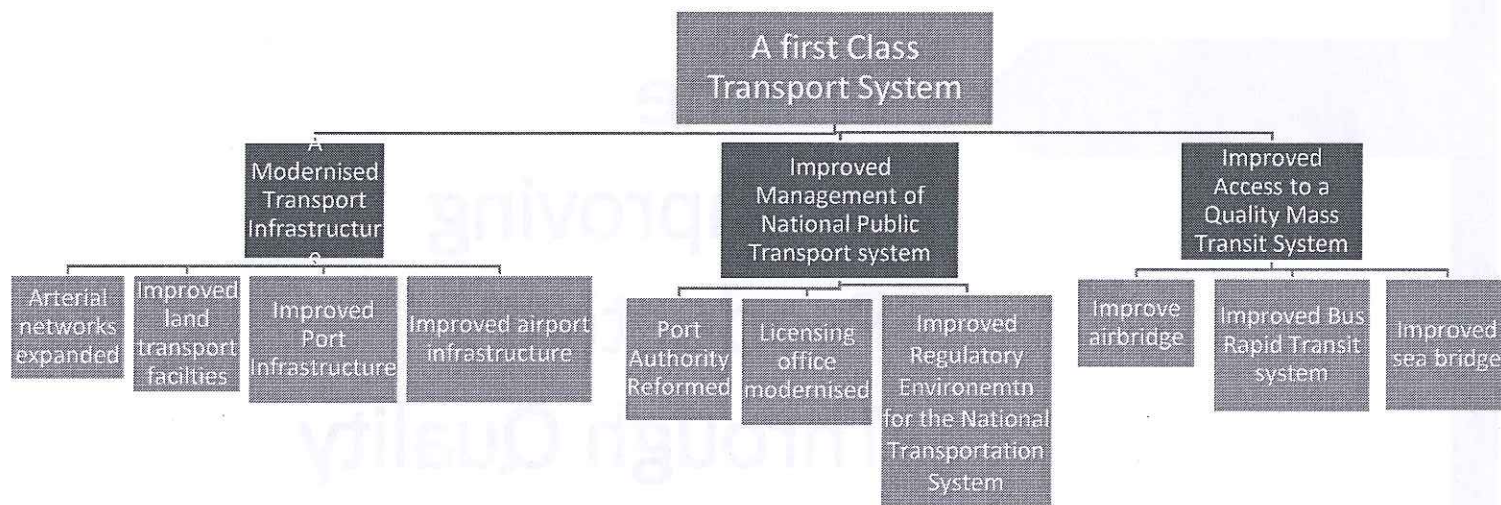
DAY 2

Theme III: Improving Productivity Through Quality Infrastructure and Transport

National Performance Framework
(2017-2020) Consultations

National Transformation Unit
MINISTRY OF PLANNING AND DEVELOPMENT

A. QUALITY INFRASTRUCTURE AND PUBLIC UTILITIES: TRANSPORT



KEY RESULT AREA: A FIRST CLASS TRANSPORT SYSTEM

For national development, an efficient national public transportation system is essential to improving economic efficiency, increasing productivity and improving the lives of citizens. As such, it is imperative that an efficient, resilient and high quality transport system is developed which will enable all users (including children, the elderly and persons with disabilities) to have easy access to reliable and safe transport services whether by air, land or sea. In this regard, through the use of Information and Communication Technologies (ICT) and advanced innovative services, a modernised transportation system will be developed to minimise constraints to the mobility of passengers and goods, and maximise efficiency and service, while allowing users their choice of economically and financially viable transportation modes.

Outcome 1: A Modernised Transportation Infrastructure

Essential to building an efficient transportation system is having modernised infrastructure that provides high-quality services to its users. Therefore, having a modernised transportation infrastructure requires continuous assessment, expansion, upgrading and maintenance of existing and planned infrastructure. As such, strategic focus will be placed on expanding transport networks; and improving land, sea and air transportation infrastructure, which would contribute to a safe, reliable, well maintained national transport system in keeping with international benchmarks.

Output 1.1: Arterial Networks Expanded

An improved transport network is one that encompasses roads, bridges and non-motorized paths that are safe, well maintained and expanded to provide access to all communities within Trinidad and Tobago. Improvements to the transport network will entail the upgrade of the existing networks, as well as, the expansion of the networks into new areas to accommodate the movement of people and goods into these areas.

Output 1.2: Improved Land Transport Facilities

To ensure clean, modern, accommodating, convenient and comfortable facilities for public use, land transport facilities throughout Trinidad and Tobago will be improved. Improvements will be made towards ensuring that bus and paratransit terminals, and hubs are clean, well maintained and upgraded, including upgrades to the transportation information system for all user groups so that they are comfortable for public use. In addition, various initiatives will be introduced to maximise the use of technology and other innovative systems in upgraded or newly constructed licensing offices, and also within the newly established Motor Vehicle Authority to deliver effective services to customers.

Output 1.3: Improved Port and Infrastructure

Improved Port Infrastructure results in a port that is secure, modern and efficient, and has an increased capacity to handle cargo. Improving the port infrastructure will entail upgrading and expanding the physical facilities at current ports, and also constructing new port facilities at other parts in Trinidad and Tobago. Additionally, emphasis will be placed on improving and modernising the equipment used at the port to improve the speed of its operations and increase its efficiency.

Output 1.4: Improved Airport Infrastructure

In order to provide effective and sufficient services to meet the needs of domestic, regional and international users, the infrastructure at both international airports in Trinidad and Tobago will be improved.

Outcome 1: A Modernised Transport Infrastructure	
Output	Projects/Programmes
Output 1.1: Arterial Networks Expanded	• Improvement to Maraval Access (Saddle Road from Rapsey to Valleton Avenue) • Redefinition of Highway Reserves • Development of Highways Information System • Bridges Reconstruction Programme • Construction of San Fernando to Princes Town Highway • Port of Spain East-West Corridor Transportation Project • Construction of a Vehicular and Pedestrian Bridge- Diego Martin Road • Dualling of Diego Martin Highway from Victoria Gardens to Acton Court • Churchill Roosevelt Highway Extension to Manzanilla • Expansion of the Chaguaramas Road Infrastructure • Construction of the Moruga Highway • Construction of the Valencia to Toco Highway • San Fernando Terminal Extended Car Park- PTSC Land Design and Construction • Supply and Installation of New Jersey Type Barriers on Highway Medians • Provision of Backup Supply for Signalized Intersections • Installation of Zebra Crossing Street Furniture • Provision to Upgrade Obsolete Traffic Signal Control Equipment • Provision of Accessible Pedestrian Signal (APS) Devices • Pedestrian Channelling in Urban Areas (New) • Provision of Overhead and Cantilevered Gantry Signs • Provision for Data Collection (New) • Provision of Road Studs on Highways and Main Roads

	• Construction of Solomon Hochoy Highway Extension to Point Fortin (SSHEPF) • Roads and Bridges Rehabilitation Programme • Diego Martin Highway- Wendy Fitzwilliam Blvd. to Diego Martin Main Road
Output 1.2: Improved Land Transport Facilities	• Port of Spain East-West Corridor Transportation Project Construction of a Vehicular and Pedestrian Bridge- Diego Martin Road • San Fernando Terminal Extended Car Park- PTSC Land Design and Construction • Construction of New Passenger Terminal Depot (Sangsters Hill, Tobago) • Development of Passenger Facility at Rio Claro • Retooling of Mechanical Engineering Garages (Equipment Modernization and Outfitting of all PTSC Engineering Garages) (New) • Design and Construction of First Line Mechanical Repair Facility at PTSC Depot (Arima) • Procurement and Installation of an Electronic camera Surveillance System at the Port of Spain and San Fernando Depots of the PTSC (New) • Pre-Feasibility Study for Continuation of Maraval Parkway and Interchange • Purchase of 100 Compressed Natural Gas (CNG) Buses for PTSC
Output 1.3: Improved Port Infrastructure	• Port Rationalization Study • Empty Container Yard Paving/Repair to Container Terminal • Removal and Disposal of Wrecks and Derelict Vessels • Reconstruction of Barrel Shop • Dredging of Government Shipping Service Basin to accommodate Superfast Galicia

	• Upgrading and Modernization of Navigational Aids • Reconstruction of Berths at CARICOM Wharves • Replacement of Cone Fenders at the Port of Port of Spain • Replacement of Pneumatic Form Fenders at the Port of Port of Spain (New) • Repaving of Storage Yard at the Scarborough Terminal (New) • San Fernando Terminal Pontoon Anchoring System Upgrade- Construction Services (Water Taxi) (New) • San Fernando Terminal Building Upgrade- Construction Services (water Taxi) (New) • San Fernando Terminal Maintenance Storage Facilities Construction Services (Water Taxi) (New) • Terminal Facilities Security Systems Upgrade (New) • Extension of Existing Berthing Facility of Port of Spain Terminal (Water Taxi) (New)
Output 1.4: Improved Airport Infrastructure	• Programme of Safety and Security

Outcome 2: Improved Management of National Transportation System

The effectiveness of the operations of the national public transportation system is significantly dependent on how well the transportation system is managed. As such, to ensure the efficiency and effectiveness of the national transportation system the required regulatory and institutional frameworks must be developed and implemented to ably manage the system to derive the desired results to users and key stakeholders.

Output 2.1: Port Authority Reformed

To improve the quality of port services provided, the Port Authority of Trinidad and Tobago will be reformed with the creation a new or amendments to existing regulatory frameworks; initiatives will be undertaken to increase private investment into the maritime sector; and strategic focus will be placed on integrating port operations to ensure that they continually operate at optimal levels.

Output 2.2: Licensing Office Modernised

To deliver customer focused, more flexible and innovation on demand-transportation services to customers, the management of the Licensing Office and its services will be improved through the upgrading of existing processes and systems in keeping within international benchmarks.

Output 2.3: Improved Regulatory Environment for the National Transportation System

To provide an efficient national public transport service to users, there will be an improved regulatory environment through the development and implementation of the relevant institutional and regulatory frameworks to manage and standardize the national transportation system. In addition, a Regulatory Body will be established to manage all forms of public transportation (land, sea and air), including the private sector, and the para-transit system for the travelling public.

Outcome 2: Improved Management of National Transportation System	
Output	Projects/Programmes
Output 2.1: Port Authority Reformed	• Accessibility to Real time information (IFMIS)- Ministry of Finance • Port Rationalization Study
Output 2.2: Licensing Office Modernised	• Public Financial Management Reform (IFMIS)- Ministry of Finance • E-Payment- Ministry of Finance • Single Electronic Window (SEW)- Ministry of Trade and Industry
Output 2.3: Improved Regulatory Environment for the National Transportation System	• E-Payment- Ministry of Finance • Revision of Development Guidelines for Developers- Ministry of Works and Transport • Maritime Economic Study • National Transportation Policy • Development of a National Transportation Plan (PTSC) • Establishment of a Transit Authority (Ministry of Works and Transport)

Outcome 3: Improved Access to a Quality Transit System

A quality mass transit system is one that all users are able to rely on. It is one that is accessible 24 hours a day, comfortable, affordable, safe, efficient and timely. Therefore, emphasis will be placed on expanding the mass

transit system, including a wider range of services at prices that are affordable, and is easily accessible to all users in all areas of the country.

Output 3.1: Improved Air Bridge

Transportation between the islands of Trinidad and Tobago is an essential service and is critical to travel for the public, and the provision of good and services for consumers and suppliers. Therefore, it is imperative that transport services on the air bridge between the islands are available, reliable, and accessible. Emphasis will be placed on improving the air bridge. Services will also be expanded and provided at a cost effective price; with the fleet of air carriers that service both islands being upgraded and expanded to meet the growing travel demands.

Output 3.2: Improved Bus Transit System

To improve the mobility of persons, improve productivity and enhance the lives of citizens, the Bus Rapid Transit System will be improved. These improvements will ensure that the Bus system is reliable and well maintained through the restructuring of the Public Transport Service Corporation (PTSC); improving the management of the PTSC; expanding services to areas not currently reached; ensuring proper maintenance of buses; improving the scheduling of buses; providing buses to cater to the needs of special user groups (e.g. persons with disabilities, wheelchairs etc.); and the introduction of intelligent, innovative, integrated National Transit System.

Output 3.3: Improved Sea Bridge

Essential to the business sector and the travelling public is an efficient sea bridge that provides a high-quality service for the movement of people and goods between the islands. To facilitate efficient travel, the sea bridge will be improved and be treated as an essential service for the traveling public and the business sector. Services will also be expanded; sea transport infrastructure developed; and a reliable, suitable and cost effective system will be put in place to provide a much needed service to all users of the sea bridge.

Outcome 3: Improved Access to a Quality Transit System	
Output	Projects/Programmes
Output 3.1: Improved Air Bridge	Inter-island Transport System Project/Policy
Output 3.2: Improved Bus Transit	Procurement and Installation (Phase II) of Global Positioning System on

System	PTSC Bus Fleet • Development of Information Technology Platform • Provision for Data Collection • Purchase of Engineering Fleet Maintenance System (PTSC) • Design and Construction of First Line Mechanical Repair Facility at PTSC Depot (Arima)
Output 3.3: Improved Sea Bridge	• Inter-island Transport System Project/Policy • Port Rationalization Study • Feasibility Study for Fast Ferry Port in Toco • New Terminal Facilities at Point Fortin and Chaguaramas • Walkway and Drainage Improvement Works- San Fernando Terminal • Establishment of a Vessel Traffic Management System • Feasibility Study for Fast Ferry to Toco • Major Asset Renewal of the Water Taxi and Fleet of Vessels (NIDCO) (New) • Acquisition of two (2) Multi-purpose Vessels • Acquisition of One (1) roll On/Roll Off Cargo Vessel (New)

INDICATORS

Result	Indicator
Outcome 1: A Modernised Transport Infrastructure	• Transport infrastructure user Satisfaction Rate • % population satisfied with transport infrastructure
1.1 Arterial Networks Expanded	• Km of roads constructed • Km of road upgraded • Quality of road • Rate at which roads need to be repaired • No. of new network roads • Number of new pedestrian crossings • Number of pedestrian crossings upgraded • Average travel speed by Highways
1.2 Improved Land Transport Facilities	• No of users of public transport facilities. • Number of Bus Terminals • Number of transport hubs • Kilometre of pedestrian infrastructure constructed • Public Transport Accessibility Index (the inverse of the average distance (in km) to the nearest bus stop/railway station (suburban/metro). • Number of public transport facilities that are accessible to the disabled
1.3 Improved Port Infrastructure	• % completion of buildings • Quality of Port Infrastructure (global competitiveness report)
1.4 Improved Airport Infrastructure	• % completion of buildings • Quality of Airport Infrastructure (GCR)

Outcome 2: Improved Management of National Public Transportation System	• Average congestion delay • Average Commute time by route • Transport system user satisfaction • % coordination among transportation authorities, agencies and departments • Corruption perception index (as it relates to the transport sector)
2.1 Port Authority Reformed	
2.2 Licensing Office Modernised	
2.3 Improved Regulatory Environment for the National Transportation System	• No of transport related legislation proclaimed • No. of registered taxi by route • Number of transport related policies
Outcome 3: Improved Access to a Quality Mass Transit System	• % persons using transit system • Quality of transport facilities for disadvantaged persons (disabled, low incomes, children, etc.) • Quality of transport services for disadvantaged persons (disabled, low incomes, children, etc.) • Transport system user satisfaction • Number of persons with disabilities using public transport
3.1 Improved Air Bridge	• No. of inter-island flight tickets sold • Cost of public air transport between Trinidad and Tobago • Number of cancelled flights • Number of flights(either daily, monthly or annually) • Number of passengers (daily, monthly or annually)
3.2 Improved Bus Transit System	• No. of bus tickets sold • % of area covered by buses (Bus service area coverage) • Bus ridership rates • Number of buses equipped with Automated Vehicle Location/GPS technology

	• Number of public transport stops with dynamic traveller information available to the public • Age and composition of Bus fleet • Number of buses in operation • Cost of public bus transport by route • Proportion of destinations accessible by persons with disabilities • Cost per passenger km
3.3 Improved Sea Bridge	• Cost of public sea transport between Trinidad and Tobago • No. of departure cancellations • Number of sailings (either daily, monthly or annually) • Average trip duration

3.2 PERFORMANCE MONITORING

3.2.1 STRATEGIC PLANS

Strategic Planning is the process of developing organisation wide statements of policy, strategies and goals so communicated as to ensure participation by the entire organisation. It involves the establishment by the Company of objectives, guiding policies and strategies for reaching the goals, which are to be in alignment with the Strategic Plan of the respective Line Ministry. Changes in long range Strategic Plans alter the character and direction of an organisation.

The planning process is designed to produce guidelines for action. It defines what the Company should be doing in order to reach its targeted position in the medium to long term. Strategic Planning encompasses plans for acquisition and disposition of major facilities, divisions or subsidiaries, the market to be served and distribution channels for serving them, the organisation structure, research and development activities, sources of long term capital and the dividend policy.

In addressing the issue of performance monitoring the fundamental reference is the Strategic Plan. It must provide an indication of programmes and targets in critical areas of enterprise performance. It is against these targets that subsequent monitoring will assess their performance. Enterprise specific monitoring indicators and targets will be determined on the basis of the plans submitted.

Assessment Procedure

Companies are required to submit their Strategic Plans to both the Investments Division and the respective Line Ministry at least six (6) months prior to the start of the implementation period of the plan, for those receiving subventions to allow for National Budgetary Preparation activities and one (1) month for others.

The Investments Division and Line Ministry will assess plans and where necessary, hold discussions with the Enterprise to ensure that plans are specific, measurable, feasible, realistic and conform to the policy established for the Company. Upon approval of the Minister of Finance (Corporation Sole) and the respective Line Minister, the Investments Division and Line Ministry will respond to Enterprises within six (6) weeks of submission. The Company's Board and Management will be invited to make a presentation of the Plan. After review, a Business or Operational Plan should be submitted to both the Investments Division and the respective Line Ministry. **Appendix E** provides details on Outcome Focused Strategic Planning.

