

**VERBATIM NOTES OF THE THIRTY-SECOND MEETING OF THE
JOINT SELECT COMMITTEE APPOINTED TO ENQUIRE INTO AND
REPORT ON LOCAL AUTHORITIES, SERVICE COMMISSIONS AND
STATUTORY AUTHORITIES (INCLUDING THE THA) HELD IN THE J.
HAMILTON MAURICE MEETING ROOM, MEZZANINE FLOOR,
TOWER D, INTERNATIONAL WATERFRONT CENTRE, #1A
WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, APRIL 24,
2019 AT 10.42 A.M.**

PRESENT

Dr. Varma Deyalsingh	Chairman
Ms. Ramona Ramdial	Vice-Chairman
Mr. Nigel De Freitas	Member
Ms. Khadijah Ameen	Member
Mr. Julien Ogilvie	Secretary
Ms. Khisha Peterkin	Assistant Secretary
Ms. Terriann Baker	Graduate Research Assistant
Ms. Janelle Mills	Parliamentary Intern

ABSENT

Mrs. Jennifer Baptiste-Primus	Member
Mr. Esmond Forde	Member
Dr. Lovell Francis	Member
Mr. Darryl Smith	Member

MINISTRY OF RURAL DEVELOPMENT AND LOCAL GOVERNMENT

Mrs. Jennifer Daniel	Permanent Secretary
Mr. Raymond Seepaul	Deputy Permanent Secretary

UNREVISED

Ms. Esther Pilgrim-Soanes

Director of Finance and Accounts

MAYARO/RIO CLARO REGIONAL CORPORATION

Mr. Glen Ram

Chairman

Mr. Ashmead Mohammed

Chief Executive Officer

Mrs. Rajendra Sawh

Financial Officer

PRINCES TOWN REGIONAL CORPORATION

Mr. Gowrie Roopnarine

Chairman

Ms. Sheriffa Heru

Chief Executive Officer (Ag.)

Mr. Mahabir Gheesan

Financial Officer

Mr. Chairman: Good morning, ladies and gentlemen. I would like to welcome you to the Thirty-Second meeting of the Joint Select Committee on Local Authorities, Service Commissions and Statutory Authorities (including the THA). This is our Committee's fourth public hearing pursuant to its enquiry into the financial oversight and financial management within municipal corporations. Members of the listening and viewing audience are invited to post or send their comments via Parliament's various social media platforms: Facebook, YouTube and Twitter.

I would like to invite members from the Ministry of Rural Development and Local Government, to please introduce themselves.

[Introductions made]

Mr. Chairman: At this stage I would like officials of the Mayaro/Rio Claro Regional Corporation to please introduce themselves.

[Introductions made]

Mr. Chairman: Welcome. Would members of the Princes Town Regional Corporation now introduce themselves?

[Introductions made]

Mr. Chairman: A warm welcome to you all. I am Dr. Varma Deyalsingh. I am the Chairman of this, you know, Local Authorities, Service Commissions and Statutory Authorities (including the THA), this Joint Select Committee. And now I would like my Vice-Chairman to introduce herself and our other members.

[Introductions made]

Mr. Chairman: I would like to remind the members of the public that the objectives of this enquiry is to do three things basically:

1. To examine the role of the line Ministry and the executive management of the municipal corporations in promoting and facilitating accountability, transparency in the operations of the municipal corporations.
2. To assist the internal control systems within the municipal corporations; and
3. To examine the proposed local government reform initiatives associated with the management of finances with the municipal corporations.

At this stage, I would like the Permanent Secretary in the Ministry of Rural Development and Local Government to please give us some opening statements which should not exceed two minutes.

Ms. Daniel: Thank you, Chair. It is my pleasure and the pleasure of the representatives of the Ministry to be here once again to meet with this Committee as we conclude the deliberations with the final corporations. We again make ourselves available to respond to any issues that would be raised. And just to add that we have benefited tremendously from the point of view that there have been issues that have been raised at these hearings that have been informative and that we have had to pursue and to ensure that we put systems in place to treat with. So

we have benefited and we are appreciative of the process, thank you.

Mr. Chairman: Ms. Daniel, I appreciate your effort every time we have this meeting and your interaction with us, and you have seen we have a lot of issues that have come to the forefront of certain misgivings that occur in the corporations that I think we hopefully would be able to address in the future, some of them very alarming.

At this stage, I would like Mr. Gowrie Roopnarine, the Chairman of Princes Town Regional Corporation to please give opening remarks.

Mr. Roopnarine: It is my first time here and I am pleased to be here. I am looking forward that this interview could help the corporation with whatsoever. We are willing to answer the questions—the questions that we are willing to answer, but we are hoping as well it will assist the corporation after we leave here and go back to our corporation.

Mr. Chairman: Thank you, Mr. Gowrie Roopnarine. But again it will help the country on a whole because as we have seen, we have looked at various corporations and there are a lot of misgivings. We have seen from files, you know, being waterlogged; we have seen accountants, you know, the actual accounting mechanism lacking; we have seen fraudulent cheques; we have seen CEOs come under scrutiny where they are actually involved, the CEOs who should be looking at the running are also involved. And I think the Ministry now would have the challenge, how could we monitor the CEOs?

And a wide spectrum, we have seen different corporations falling into different areas, falling into different, as we would say, different party areas, because we have different corporations falling, and then, the common thread we see is that corruption occurs in all corporations. So it is something probably a common denominator in probably our national way of thinking that you have, you

know, right through. What probably connects us as a people is corruption throughout the corporations, and again we are looking at ways we could somehow tie this in. There are procedures in place, but obviously it is failing, and it is failing as we know.

So at this stage, I thank you for your presence here and I hope you can give us some information, we can give you as a learning body we can come out with something better.

At this stage, I would like to ask Mr. Glen Ram, the Chairman of Mayaro/Rio Claro Regional Corporation to give us some brief opening remarks.

Mr. Ram: Good morning, Mr. Chairman and members of the Committee. On behalf of the team here from the Mayaro/Rio Claro Regional Corporation, we are happy to be here this morning. As you said, this morning it will be an interactive session. I know we are well prepared at Mayaro/Rio Claro this morning to answer any questions that may be forthcoming to us and we look forward to fruitful discussions as we move forward in terms of any discussion that we may have. Thank you.

Mr. Chairman: Thank you, Mr. Ram. At this stage, we would like to open the floor for questions by members and please be reminded that your questions should be directed through the Chair. And persons are reminded that they need to activate their microphone when speaking and deactivate it. And as part of a little house committee procedure, please turn off you cell phones or put it on vibrate while the Committee hearing is being established.

So, Mr. Ram, I know you have a problem with your seaweed in Mayaro/Rio Claro Regional Corporation and I realize that it was a challenging issue for members of the public attending Mayaro and these Easter events. So it is challenging and I am glad you are here because I see you had a busy time this

weekend.

I would like to start the ball rolling by asking some questions, specifically with reference to the infrastructural projects being undertaken by the corporation. Have there been any instances over the past five years in which contractors have been paid in advance for work which was not completed? And if yes, explain how the matters were resolved or addressed.

Mr. Mohammed: Mr. Chairman, Mayaro/Rio Claro Regional Corporation—I have been there only two years, so I can categorically say in the last two years no advance payment has been afforded to contractors. All the payments for contractors in the last two years have been work at the completion of the projects. In our submissions we did articulate a process of how we go about undertaking payment to contractors. I could furnish the Committee with any data on the previous three years, which would be, let us say '14 to '17, I would not say categorically no for those periods, but for the period 2017 to present, categorically no.

Ms. Ameen: Chair, through you. With regard to this matter though, there was an occasion previously where another regional corporation got into some hot waters because they were trying to secure the funding before the end the financial year. And I am asking you, I know that in the last financial year there were some late releases to regional corporations where development programming funding is concerned. What are your challenges or the regional corporation's challenges with completing development projects when you have late releases? And specifically for the ending of the last financial year how have you been able to deal with it? Have you been able to utilize all of funding?

Mr. Mohammed: On behalf of Mayaro again. In the last financial year ending September 30, 2018, the Mayaro/Rio Claro Regional Corporation ran over about

three projects, and when I say ran over, it moved from—the close of that fiscal year to the present fiscal year. A couple of such jobs were projects that were awarded under the Special Ministerial Tenders Committee Award. Now, when you have an award under the Special Ministerial Tenders Committee Award what you normally have is a confirmation of funds. So the project is awarded based on your confirmation of funds.

At the completion of the project, again you would then effect payment. You would notice again in our submissions we have two or three such projects. Currently those projects, and we did even indicate how we view a project. We view a project completion in Mayaro/Rio Claro, we view it—it is ended when we effect the payment. So that there are a couple of projects that we are saying right now in Mayaro are incomplete, not in terms of the actual work, but in terms of the effecting of the payment. Those SMTC awards we have applied to the Ministry of Finance for such payments to pay the contractors because the works have been completed. All right, that is about the major challenge we have in terms of last year's PSIP projects and completion.

Mr. Chairman: So your challenge really is the delay from the Ministry then, the line Ministry in securing payments?

Mr. Mohammed: Well it is not the line Ministry, i.e., the Ministry of Rural Development and Local Government. It is from the Ministry of Finance. The documentation, the paper work, everything has been there for quite a while and we are just awaiting the release of the cheque and the creation of the cheque in order to effect the payment to the contractor, but the work has been completed.

Ms. Ameen: So you still have payments outstanding from last financial year for works completed because it has not been released from the Ministry of Finance?

Mr. Mohammed: Yes.

Mr. Chairman: Could Princes Town Regional Corporation come into this whole scenario now and explain? Do you have a similar problem occurring in Princes Town?

Ms. Heru: Mr. Chairman, the Princes Town Regional Corporation does not have a similar problem. What would have happened as it pertains to the first question that would have been raised, we—the Princes Town Regional Corporation has not in fact paid—made any advance payment prior to the completion of any works, first to begin with. As it pertains to the releases and the development projects, we have been able to complete our projects based on the releases that would have been submitted to the corporation.

Mr. Chairman: So is it that Rio Claro has certain projects that are exceeding the limits that you are getting?

Mr. Mohammed: Mr. Chairman. In the last financial year the Mayaro/Rio Claro Regional Corporation undertook projects that fell under two categories, i.e., the CEO's award which are projects under \$300,000 and the Special Ministerial Tenders Committee awards, that is, projects above \$300,000. So, for example, one of the projects we have outstanding for payment is the Mayaro market. That was in the vicinity of \$490,000 for complete refurbishment, just listed in our document as one of the projects. We have not had that money—as I said the project was awarded based on confirmation of funds, that is, the Ministry of Finance would give you a document indicating that you have a confirmation which is equivalent to an assurance of funding, saying go ahead and do the project. You will receive the moneys, right.

The project has been completed. We have done the application. It has gone through our line Ministry and it has gone to the Ministry of Finance and we are awaiting the Ministry of Finance releasing the funds in order that the Ministry can

now approach Comptroller of Accounts in the preparation of a cheque to the corporation.

Mr. Chairman: So has anything been started in the market? Or work has been done already, you are just waiting for completion?

Mr. Mohammed: Yes, the work has been completed.

Mr. Chairman: Completed. Okay.

Mr. Mohammed: That will be a project—as I said, that is a project that was undertaken under fiscal year 2017/2018.

Mr. Chairman: Okay. You are just waiting that payment.

Ms. Ameen: Chairman. My concern, and maybe the Ministry would help answer, would this corporation or corporations who experience this issue run into legal issues with contractors who after sometime may decide to sue the corporation, for instance, or take some type of legal action for delayed payment if so much times passes?

Mr. Chairman: And probably the PS would come into this line of question.

Ms. Daniel: I imagine that is always possible. I would want to give some perspective and that is—now I do not know the facts of the particular projects, and the facts of the matter. But it is very interesting because I think Princes Town Regional Corporation has been standing out over the years, certainly last fiscal and even now. Correct Ms. Soanes?

Ms. Pilgrim-Soanes: Yes.

Ms. Daniel: In terms of their projects, in terms of the timeliness of the commencement of their projects and their ability to execute and complete for the fiscal. But in terms of the question asked by the member, Chair, it is always a possibility that a contractor, I cannot speak to that, it is a possibility.

Mr. Chairman: Looking at the allocation of funds, I realize in the Rio Claro

Corporation there were some problems in getting funds for water supply and cesspit cleaning. Again, it seems that you may be starved for funds to provide essential services. There was a newspaper report, I think Mr. Ram had indicated that, I think it went from \$1 million to, I think it was, \$400,000 to provide the same service. And could you give us an idea, I mean is this a pattern that has happened? Is it a similar thing also? So you will answer that and I am hoping Princes Town Regional Corporation will also come into play. Do you have a problem again with the water supply?

And Ms. Ramdial will ask a question after.

Mr. Ram: In terms of the issue of the truck borne water supply that we would normally receive moneys for under recurrent services, we have not received any funding for this present fiscal year. Yes we have gone through the process and we have applied for funding, but we have not received any funding. Prior to that our funding was approximately \$1 million for truck borne for 13 areas. This year we have the same amount of areas and our allocation is only \$400,000. So we are in a predicament at this time because we have not received any funding, and we cannot provide the services to the residents of the region. So we are in a problem at this time.

Mr. Chairman: I feel the pains of your burgesses because water is an essential—very essential supply at this stage.

Ms. Ameen: Chairman. In the Mayaro region there are a number of beach facilities, especially over the last Easter period you had a lot of activity on the coast. Can I ask the Chairman then, how have you been able to deal with supply of water or water trucking supply in the region in the absence of release of funds from the Ministry?

Mr. Ram: Well as I said, we have 13 areas that are devoid of pipe borne water.

So persons depend on the Mayaro/Rio Claro Regional Corporation to supply water to these areas. At the present time we have one water tender that is operating at the Regional Corporation. During that whole Easter weekend we had to prioritize, we had to put systems in place to try to provide water. We had some discussions with WASA in terms of them trying to assist in those areas. But as I said, the corporation was only able to do so much with one truck. It was a problem in the area because, I mean, the Easter weekend you have an influx of persons coming into Mayaro, and we had a lot of calls coming into the office asking, persons seeking water but there was only so much that we could have done with one truck, one water tender that we have at this time at the corporation.

Ms. Ramdial: Thank you, Chair. To the Mayaro/Rio Claro Regional Corporation, in your submission you noted that the council intends to acquire a device to detect counterfeit money to prevent the reoccurrence of counterfeit cash received by the corporation. Now for me this is a unique situation. Is it that you have a prevalence of counterfeit cash circulating in Mayaro/Rio Claro? And I understand that you intend on purchasing this device. So what is the estimated cost for this device?

Mr. Mohammed: Mr. Chairman and to the member. This really was a one-off scenario, in which in our submission, we indicated that on the deposit to the bank, the bank recognized that one of the \$100 bills deposited by the Mayaro/Rio Claro Regional Corporation was indeed a counterfeit bill, the number, I think it is registered in the submission.

Coming out from that obviously the deposit was adjusted downward. We have done what we can do in terms of internal training. I mean, most of us know we look for certain watermarks and what have you. We have done some little research with the nearby supermarket cashiers who seem to be on top of their

game. We have done that. But we were also told that it is a very simplistic machine, something with light, it is very cheap, I do not think it is something more than—[*Interruption*—yes, very costly, something probably about \$1,000. , I can hazard a guess, I do not know exactly the price. But we are looking to acquire that in order to lend support for it to not have a reoccurrence of such a matter. It is really only a one-off scenario at this stage where we have to date, we have only had that instance one time which is one \$100 bill.

Ms. Ramdial: All right. To the Princes Town Regional Corporation, have you had similar experiences with counterfeit cash circulating?

Mr. Gheesan: Through the Chairman to the member. We have no such instance, thanks.

Mr. Chairman: I would like the Princes Town Regional Corporation to give me some feedback on the truck borne water supply. Because we are now looking at the truck borne water supply of the Mayaro/Rio Claro Regional Corporation. Do you have a similar problem in providing truck borne water?

Mr. Roopnarine: Yes, Mr. Chairman. We have the same problem in the Princes Town Regional Corporation and also in terms of releases for water trucking, in our last financial year our allocation was \$400,000 and at the end of the financial year we got no releases, we awarded the contracts and we had to pay for that in this financial year. And in the dry season that we are in now, the situation after we had paid we were just over \$100,000. So we were only able to award contracts for water trucking just for two weeks or so.

We are fortunate that we have three water tenders in the corporation that we could assist. But at this time it is a crisis within the Princes Town Regional Corporation because not only in the areas where we are responsible for assisting for water, even in the areas that WASA is responsible for, now the electorate is

now coming to us because not even WASA is supplying water. For instance at this time I can tell you in the Tableland area they have not had water for over a month and the people have been begging the corporation to assist for water. So it is a crisis within the Princes Town Regional Corporation at this time.

Mr. Chairman: I am sorry it is a basic. The supply of water is a basic need and it is a pity. I apologize for that. I am hoping we can get something to come about, you know, with this Committee that could make some recommendation because it is a basic need that has been denied.

Ms. Ameen: Chairman, the Princes Town Regional Corporation in your submission, I observed that you have submitted a table that indicates that it costs approximately \$181,000 for a two-week period to do water trucking in six areas which you listed. And you indicated this is the only two weeks that you have been able to go out. In terms of requesting additional funding, has any action been taken in that direction?

Mr. Gheesan: Through the Chairman, member. As the financial officer, I brought a programme, a supplementary allocation to the council in January of this year and the council approved that. And I have made a submission through the Ministry to the Budget Division for supplementary allocation. Since then we have had no additional funding on water.

Ms. Ameen: All right. Now, while we lament the lack of releases from the Ministry, I also want to look at the breakdown in your costs and the value for money in terms of the supply for each household. Do you have a rate to determine how much you pay contractors, because from the costs supplied it is clear that, you know, there is a big difference in terms of per household. So one contractor would have been paid approximately \$310 per household for the two-week period. Another one was paid about \$675 per household for the same two-week period. I

am sure you have ways to determine the cost based on the area to be supplied and so on. Can you give the Committee an idea of how you determine what is fair, what is value for water trucking contractors?

Ms. Heru: Mr. Chairman, the corporation seeks permission to provide this information in written submission, please. I am unable to provide that information, presently.

Ms. Ameen: All right. And may I ask you then when your service is ongoing, what system do you have to monitor, to ensure that the water is in fact delivered to whom it is supposed to be delivered and that the volume is what you contracted the contractor to do?

11.10 a.m.

Ms. Heru: Through the Chair, I want to indicate that the corporation has the necessary supervisors in place to ensure that the water that is distributed, is distributed to the persons who it is supposed to go to. Right? There are checks and balances. The Public Health Officers who are directly responsible for the exercise, they have the relevant checkers and all the necessary systems in place to ensure the checks and balances, and a report at the end of the fortnight is provided to the council for their information and verification.

Mr. Chairman: How do you choose these contractors? What process do you use to, you know—is it a transparent process to look at one contractor from another contractor? Can you give us an idea of your process?

Ms. Heru: Okay. Through the Chair, the information, we would invite tenders. First of all, advertisements are placed in the newspapers, tenders are invited. We would have an opening, a public opening. Once there is a public opening, the contractors are invited to present their trucks to be used for inspection. The Public Health Officers conduct thorough investigations on the trucks and the tanks that

would be holding the water. The relevant checks are carried out. Based on the report that is submitted, this plays a critical part in the award, the actual award of the contract because, quite recently, we would have had reports coming in—after we would have done the award—and based on the inspection that would have been carried out, we would have recognized that a lot of the vehicles to be used were not suitable.

In light of that, it would have narrowed down to about four or five contractors as the case may be. Due to the fact that we would have had about six areas—if I remember correctly—we would have tried as much as possible, based on the contractor's ability—on his availability of the trucks per se—to award the contracts. So it was done in a very transparent manner.

Mr. Chairman: You have the process to look at it to see if it is working.

Ms. Heru: Definitely.

Mr. Chairman: Well, thank you.

Ms. Ameen: I see in your report that you indicated water will only be distributed to persons having barrels and tanks provided that they are fitted with proper covers. You also have a limit in terms of 1,515 litres of water will be given per household on an approximate five working-day cycle. Seeing that you advised residents to have proper fitted covers, is the quality of water provided, is it drinking quality water?

Ms. Heru: Through the Chair, yes, the water is potable water.

Ms. Ramdial: Again, to the Mayaro/Rio Claro Regional Corporation, I see you indicated in your submissions that you have a donation register. Can you tell me the reason for this please?

Mr. Mohammed: Mr. Chairman, to the member, before I answer the question, I just want to alert the Committee that our submissions on page 15 of our Objective

2, item one, I will have to think it is a typographical error. I discovered it only on my way up this morning. It says the accounts of the corporation up until fiscal year ending September 30, 2009, have been audited by the Auditor General's Department. I wish to make the correction and indicate this is really 2008, up to 2008. So 2009 is at the Auditor General awaiting audit verification. So I just want to—I do apologize on behalf of the corporation for the error.

Mr. Chairman: So the oversight of any sort of financial impropriety really depends on your internal audited system, also the fact that the Auditor General would come in and check, but you are saying that the Auditor General has not made any sort of thing.

Mr. Mohammed: Mr. Chairman, these are our final—this is our financial statements at the end of the financial year. We have submitted all to the Auditor General, save and except the last financial year which is ongoing at this stage, but the audit process, the final auditing process by the Auditor General, they have only completed up to 2008. In our submission, we indicated 2008. That is the correction I am alerting you to now.

Mr. Chairman: So, I am hearing this morning that factors outside the corporation may be responsible for some of the failures or misgivings of the corporation—financial oversight from the Auditor General, probably finances not coming in to service the corporation in vital instances. I think Ms. Ramdial has a question.

Ms. Ramdial: Yes, going back to my question please. I understand you have a donations register.

Mr. Mohammed: Yeah. This was started primarily out of the huge flood in the last couple of months, and we got from some foreign persons, the donation of a dinghy, and when we looked at it, we recognized a lot of donations sometimes come to the corporation, but it was heightened during that period, and we

recognized that we needed to have some documentation and some paper trail to indicate what company X sent, what company Y sent, so we started a donation register. So it is imperative that everything that comes into the corporation is recorded into that donation register. It is kept at the Secretariat Department, the Corporate Secretary's office so that everything that comes into the corporation via donations is entered there and documented.

Ms. Ramdial: I also see in your submission that you had some misappropriation of some toilet paper. What actions have been taken to rectify further misappropriations—and by a driver from the corporation? What sort of disciplinary action has been taken against that driver?

Mr. Mohammed: Well, Mr. Chairman, you would see that the police—and I would have to say with a change of the police head—we were able to get a report, a closure, and you would see in the report in our submission, they have indicated that the statutory period for laying any criminal charges against the person has expired.

A fundamental tenet of disciplinary action also is that when you are undertaking discipline, it is supposed to be with a level of immediacy. I mean, this incident has happened close to almost a year and a half, a year minimum. There was no action taken. Well, when I say there was no action taken, you are anticipating that coming out of the glaring evidence that seems to have been available is that the matter would have been dealt with via the municipal police, and we only got closure to that the week before our submission here when we had on board a new officer who we indicated completed the investigation and indicated that no further action can be taken, because the statutory period has lapsed. I do not know if it is fate, but the very driver involved is right now the subject of another disciplinary action. So, in one instance he is—

Ms. Ramdial: Is he still employed at the corporation?

Mr. Mohammed: Yes.

Ms. Ramdial: During an ongoing investigation?

Mr. Mohammed: Well, there is a current investigation in terms of the use of a truck—not necessarily the use of the truck, let me just clarify—whilst driving the truck and his behaviour towards members of the public. And there was also some reckless driving and what have you. The tribunal that was set up for that has been completed. The chairman of that disciplinary tribunal is due to pronounce I think, in a further week or so and complete their written determination, and reconvene the tribunal to issue the decision. If I say what is the decision then I am usurping the function of the tribunal.

Ms. Ramdial: Yeah. Of course.

Mr. Chairman: We would not want to go there. But I would like to say, but what caused the delay in the initial charge that came about? What caused that delay and how could you prevent that from happening?

Mr. Mohammed: The matter was remitted to the municipal police, as you will see in my submission. You have to be very weary of sometimes trying to get involved in the police matters because it is a kind of grey domain about the operations of civilians and police.

Mr. Chairman: The plice, the municipal police fall under your direction also. So in terms of an investigation in speeding it up, would that not fall under your purview? It is just a clarification we will need, because if it happens again we will want to know what is in place for speeding up the process.

Mr. Mohammed: Mr. Chairman, there have been over some time, and I will use the two examples. Another previous Municipal Inspector who felt that the CEO was not his immediate supervisor. I have had over the last month an officer, a

Municipal Inspector coming on board who has recognized that the CEO is his boss. So what I have been able to achieve via the municipal police in the last month is in stark contrast to what I achieved with the municipal police prior.

Mr. Chairman: So there is a whole line of an organizational structure within your corporation?

Mr. Mohammed: Mr. Chairman—

Mr. Chairman: Are you putting one in place then?

Mr. Mohammed: Mr. Chairman, there has always been one. There has always been a clear demarcation that the municipal police fall under the ambit of the corporation and by extension the CEO is the administrative head. But, again, it is subject to interpretation by the individual. That was the problem.

Ms. Ramdial: Just a further question to the Permanent Secretary, in light of what the CEO from the Mayaro/Rio Claro Regional Corporation has just said, is there an overarching policy handed down by the Ministry with respect to workers under police investigations? Is there a policy? Are there any sort of guidelines or rules or any conventions that can be followed with respect to existing workers under police investigation?

Mrs. Durham-Kissoon: With respect to the public service public officers, it is very clear. Where you are the subject of an investigation there are procedures. It is not as clear with respect to daily-paid officers and I do not know the specifics of the situation and I am guessing that the person is a daily-paid officer. So that for public officers, yes they would be—it becomes a disciplinary matter for the public service person.

In terms of the first part of your question, I think the CEO has made it very clear in his response that he is fully cognizant of the fact that as CEO, he is the person who is responsible. That was very clearly conveyed by him. So it is the

CEO, and I imagine where there are challenges with someone who is under your authority, then it is up to you to treat with the matter so that there is no doubt.

Ms. Ameen: I just wanted to get from the corporations a practical view, because when you have daily-rated workers who fall under a union, any form of discipline, the union often intervenes, and I know that there have been expressions of frustration in terms of the position the union would take. How has your approach to discipline with these types of workers or workers involved under investigation, how has your process for disciplining workers been treated?

Mr. Mohammed: The Mayaro/Rio Claro Regional Corporation, you can safely say it seems that we do have quite a number of disciplinary actions that are undertaken. When we undertake a disciplinary action, we have, obviously, the necessary reports from the supervisors. We also ask the workers to present their own reports and due process is followed. When we convene a disciplinary hearing—okay. There is a recommendation that would come out of the Industrial Relations Department, whether disciplinary action should be pursued. If that recommendation comes from the Industrial Relations Department, a note is written to the CEO and I would determine a chairperson. Sometimes you look at what are the potential ramifications, you will then determine there are some actions in the collective agreement that require a category of officer undertaking the chairmanship of the tribunal. So as the CEO, and after some experience, you will gather where one would lead. So you will know what level of officer you will put to chair some offences.

Once you appoint the chairman, the union is duly informed when the hearing is to be convened and, as usual, the processes are followed. Witnesses can be called on behalf of the aggrieved worker. The hearing goes on. The Chairman would normally make their decision and get back to the committee on whatever

measures or disciplinary measures are recommended will be undertaken—if it is suspension—it there is no clear evidence, the worker is exonerated, whatever is the determination that takes place.

Mr. Chairman: So you are tied down by, again, probably the unions also coming into play, then sometimes workers who may not be following the chain of authority, it is like the tail wagging the dog. So you have that instance where you may not be able to actually enforce or ensure that your workers follow your directive. So, you have been putting things in place for that.

Mr. Mohammed: I, personally, at Mayaro/Rio Claro Regional Corporation have not found the union to be difficult in terms of—obviously the union makes representation. That is part of their function, to make representation, but I have not found it to be a challenge. Right? I think clearly our mode of undertaking action has stood up over time.

Mr. Chairman: Member De Freitas has a question.

Mr. De Freitas: Thank you, Mr. Chairman. Good morning, again. So we have interviewed quite a number of corporations thus far, and there has been a common thread through the majority of them in relation to the presence of a financial officer at the corporation. Now, I noticed that both the Princes Town Regional Corporation as well as the Mayaro/Rio Claro Regional Corporation both have a financial officer. One of the issues that the other corporations outlined was the ability to hire and retain a financial officer and there was a requirement to have certain criteria for that post, that is, the ACCA certification, chartered accountants and what not. What have both the Princes Town and the Mayaro/Rio Claro Regional Corporations done differently that you have been able to hire and retain a financial officer where other corporations have failed?

Ms. Heru: Through the Chair, I would want to say at the Princes Town Regional

Corporation, the financial officer, the position of the financial officer, that position has constantly been filled. On completion of the officer's contract, we have been fortunate—well, considering the recruitment process after the interviews and what have you—to get a financial officer in place. In the absence, it may be a month or two. A note is taken to the council seeking approval to retain the financial officer on a month-to-month contract until the position is filled at the Ministry's level.

Mr. De Freitas: So I am going to assume that the person who has been in that post has not been the same person, let us say, over the last 10 years. It has been different people?

Ms. Heru: Through the Chair, we are fortunate again. It would have been the same person, Mr. Mahabir Gheesan.

Mr. De Freitas: Okay. So you have one person that is renewing the contract and staying in the post. So, again, because you are right, at Princes Town, I am seeing the person has 23 years' experience and I am just trying to find out why there is success in two corporations and it is so hard in the others, and I am just trying to find out if you all are doing something different or if it is just pure luck.

Mr. Mohammed: Mr. Chairman, Princes Town might be fortunate. Again, I said, I assumed in Mayaro approximately two years ago. We did not have a financial officer for a period from 2017 for about six months—an interregnum of about six months, prior to Mr. Sawh coming on board in May of 2018. We have not been that fortunate but, however, the position of financial officer is one that is provided to the municipal corporation for Mayaro especially through the Ministry. So they undertake the recruitment and selection process and on determination they allocate an officer to the various corporations and, in our case, Mr. Sawh went through that process and was allocated to the Mayaro/Rio Claro Regional Corporation in about May 2018.

Mr. De Freitas: So that it begs the question to the Ministry, maybe the Ministry is best suited to answer that question: Can you indicate what would cause the success in these two corporations but the other corporations have difficulty?

Mrs. Durham-Kissoon: Through you, Chair, as explained by Mr. Mohammed, it is not a matter of luck so much. Given his own experience at that corporation, it has to do with the point in time. So, right now, both corporations have the positions filled. At this point in time, all but one corporation—because we did share with you previously that we went through the recruitment process and we were able to bring persons on—the last position to be filled, the person is currently out of the country but on her return, she is supposed to assume within a month.

Although just to share with you, just to be frank, the person had a preference in terms of the district that they would have preferred, the corporation they would have preferred to serve at. So we are hoping that given that she was not placed where she preferred to be, closer to home basically, that she will assume and that is our reality. For some persons, it has to do with a job being in a location that you are comfortable with and so on.

I would add that we had shared previously that the remuneration is an issue. We did make a representation to the CPO and I imagine, I should say, that we were successful. However, we were not really as successful as we had hoped. We got an increase and I do not want to breed discontentment with the financial officers we have here, so I probably should not continue on this note.

Mr. Chairman: But could you mention how much you got the increase by?
[*Laughter*] But you would not want to say that.

Mrs. Durham-Kissoon: What would I say, what would favour the persons here is that we will continue to make representations. We are not satisfied but it is an increase, so—and we are heading in the right direction in that we have been able to

fill positions that had previously not been filled.

Mr. De Freitas: So you were saying, just to move along that line because it is not very often that we are doing enquiries and before the full enquiry is done that we are getting feedback on interviews that would have gone prior. So it is very good news to hear that these positions are being filled because what we did realize in the other interviews that have gone, was that these financial reports were outstanding for quite a number of years in some of the corporations, and that is why it stood out to me that the mere fact that Princes Town and Mayaro/Rio Claro Regional Corporations had financial officers and have had this position filled for quite a bit of time, that when you look at the financial reports, they are up-to-date and it is just at the level of the Auditor General that you are seeing where there is a little backlog there, which is completely out of the corporation's control. So it is very good to hear that these positions in the other corporations are being filled. So can we have some assurance that these other corporations will now move with some level of speed to have their financial reports brought up-to-date given that these position are filled? You said it was all or just one that is outstanding right now, but soon to be taken up, yes?

Mrs. Durham-Kissoon: Yes.

Mr. De Freitas: That is very good news. Mr. Chairman?

Ms. Ameen: Chairman, before we move away from that topic, I just want to ask, in terms of the appraisal for the officers, the appraisals are done close to the expiration of their contract and sent to the Ministry. So is it that the corporations have the opportunity to say how the performance of their financial comptroller is, and does it influence them being given another contract period?

Mrs. Durham-Kissoon: Yes. Chair, through you, yes it definitely does play a part and, honestly, again, because of the issues that have been raised in this forum,

it has become even a measure of assessing and, certainly, of expectations for deliverables on the part of the financial officers. That has been even more emphasized.

Ms. Ameen: And I also want to ask, I want to remind this Committee and the members of the public that the appointment of financial officers is an interim measure put in place because the Act 21 of 1990 provides for Chief Officers including Chief Financial Officers and the Chief Officers have not yet been—for some reason, there has not been an application of that part of the Act. Can we have—because this will be our final hearing with these regional corporations on this matter—an update from the Ministry as to if efforts are being made to have Chief Officers, including Chief Financial Officers placed at the regional corporations and what are the challenges?

Mrs. Durham-Kissoon: Chair, through you, the Ministry would have shared on a previous occasion that while the Act speaks to Chief Officers and the positions are permanent pensionable positions, the use of positions on contract, I do not know that it is seen as interim from the point of view that there is a legal notice that confers all of the powers of Chief Officers to these designated persons. I have the Legal Notice in front of me so that the Corporation Secretary, the Corporate Secretary on contract, Treasurer, Financial Officer and so on—so that there is no failure in terms of the powers of the persons in those offices.

Ms. Ameen: The question was with regard to if it is going to be implemented and what are the challenges? What we missed with contract officers is continuity in cases where people do not stay for longer than a one-year contract period, but if you could update us as to what the challenges are with filling the Chief Officers positions? If you not do not have the answer now and you want to send it—

Mrs. Durham-Kissoon: The positions are not actually vacant. They were never

created in a permanent capacity. So it is not a situation where the positions are not filled. Well, except, I think, for a Treasurer position at one of the corporations. But for the rest, the positions have never been created in a permanent way. In terms of the future, I cannot speak to that. If it is seen as something that is immediate and that has to be attended to, I think the Ministry is satisfied with the arrangement that exists currently and you know, even in the case of Princes Town we see that there has been continuity. The person has served, has served well and the person has been contracted over a period, over and over again.

I suppose one can argue that where the performance has not been as stellar possibly as the financial officer at Princes Town, the opportunity would then be—the possibility is that the person will not be continued and I suppose therein lies what some would say as an advantage in the other arrangements. I think there is a give and take for both.

Mr. Chairman: Well, Permanent Secretary, I looked at an article on the 3rd of August, 2017 in the *Guardian* newspaper, “‘Bobol’ probe underway at Princes Town Regional Corporation” where the Local Government Minister, Kazim Hosein, said he is going adopt a zero tolerance stance against allegations of corruption and corrupt behaviour. And, in his release, he stated that he would have a corporation audit be undertaken. Also, a recommendation he made was, you know, in terms of persons having to report levels of corruption, there should be a way of having a phone-in—somebody can phone, use a line to your Ministry to get that level of corruption. So two things I want to ask: Has that probe audit been undertaken and has it been completed? And, two, has the hotline that the Minister suggested should have been implemented since 2017, been established?

11.40 a.m.

Mrs. Daniel: Chair, I cannot speak, at this point, to the Princes Town audit. I can

say that there are and have been a number of audits, and when I speak to audits now at the level of the Auditor General's Department, a number of audits have occurred at various corporations. So audits have occurred. I cannot speak to the Princes Town matter arising in 2017, specifically, but I am saying that audits from time to time have occurred at the level of the Auditor General's Department. In addition, internal audits are conducted from time to time, specific audit enquiries, investigations as matters are brought to the attention of head office, and that practice continues.

Mr. Chairman: You are speaking about internal audits within each corporation?

Mrs. Daniel: Chair, I think, again, at the very start we had indicated that a number of corporations, these two present with us today being two of those, do not have a dedicated internal audit section. The head office internal audit would be responsible for doing auditing work and that would include audit enquiries or specific investigations from time to time. And I think we had also indicated that in the past few months what we had introduced was a system of rotating the auditors to different corporations to do intense work for a period of one month under the guidance of the CEO.

Mr. Chairman: Well, I am pleased that has been implemented, but I am looking at if the Minister had given an undertaking that that would have occurred since 2017. I was hoping by now we would have had some sort of answers. So has Ms. Esther Pilgrim been able to give us some sort of feedback of any audit that has occurred in the corporations, especially Princes Town since that was highlighted by the esteemed Minister?

Ms. Pilgrim-Soanes: Chair, I am unable to provide such information at this time.

Mr. Chairman: Could we get it in writing, please?

Ms. Pilgrim-Soanes: The last audit we have from the Auditor General with

respect to Princes Town is 2016. The 2017 financial statement was submitted and the Auditor General is yet to report on that statement. As just said by the Permanent Secretary, the internal audit department, they are responsible for providing the service to the corporations that do not have an internal audit department.

Mr. Chairman: Well, I guess the directive that the Minister gave, I think, should be forthcoming soon in terms of not just providing the internal audit but of actually ensuring that his request be made.

Ms. Ameen: Just now, Mr. Chairman. For the purpose of public information, can you just share, when you have audits from the Auditor General and you have delays for, in some periods 10 years, in some cases, how does that interfere with the operation of the regional corporation as opposed to the audit by the regional corporation themselves, the internal audit?

Ms. Pilgrim-Soanes: Chair, member, with respect to the two corporations that are here, they are basically up to date because they have submitted—both corporations have submitted financial statements for 2017. So it is only the 2018 statements that are outstanding. With respect to Mayaro/Rio Claro, as the CEO said previously, the 2008 was audited. So that problem is not the problem of the corporation but at the Auditor General's side. With respect to Princes Town, the Auditor General has audited 2016 so they are basically up to date with the audit. In the meantime the internal audit department responsible for the ongoing oversight of what goes on in the corporation, because the internal audit department is supposed to be a tool of the management.

Mr. De Freitas: Mr. Chair, just going a little further in relation to statements just made, so you are saying—it is Princes Town or is it Mayaro where the Auditor General is up to date in terms of assessing its report?

Ms. Pilgrim-Soanes: Princes Town.

Mr. De Freitas: Princes Town.

Ms. Pilgrim-Soanes: Princes Town, 2016, completed 2016—

Mr. De Freitas: Right. That is the Auditor General, yes?

Ms. Pilgrim-Soanes: Auditor General, 2016.

Mr. De Freitas: Has the Auditor General given any feedback as to why it is taking so long for Mayaro/Rio Claro?

Ms. Pilgrim-Soanes: Chair, member, I have no information. I cannot pronounce on that.

Mr. Chairman: I would like to just establish the fact, Mr. Ram, I think, mentioned the fact that there was private funds coming in through their donations—

Ms. Ameen: Items.

Mr. Chairman:—items, items coming in, items, is this a practice in all corporations that exist? Does Princes Town also have that donation policy that corporate citizens may be able to donate certain things? And I am seeing Rio Claro's attempt to put some level of accountability into what they get and where it is disbursed. Does the Princes Town Regional Corporation have a similar policy? So I am directing that question to you. And then, in terms of Ministry, is that a standard policy where these outside corporations can get funding? Is there something in place to prevent some sort of, you know, corrupt practices that we have given? So, one question directed to Princes Town, do you have a policy like that, and number two to the Permanent Secretary.

Mr. Roopnarine: Mr. Chairman, at the Princes Town Regional Corporation what we have is an established Chairman's Fund, however, we never collected any donation from any private citizens. We have never done that before.

Mr. Chairman: So in this fund—how do you get allocations from this, via the Ministry of Finance?

Mr. Roopnarine: No. The Princes Town Promenade that was developed, not really with allocation from the corporation, and that is what we put into the Chairman's Fund. However, at this time not even that is used by the corporation.

Ms. Pilgrim-Soanes: Chair—

Mr. Gheesan: Mr. Chair—

Mr. Mohammed: Mr. Chairman—

Mr. Chairman: Let us go with—who wants to go first?

Mr. Gheesan: Chair, let me clarify. In 2016 we had established the Chairman's Fund account which is separate from the Consolidated Fund, and it was also established in the resolution of council that the funding from the Princes Town Promenade will be directed towards the Chairman's Fund account, and that went into the Chairman's Fund since then. And until the new piece of legislation came recently and that was stopped when the Minister of Finance made that part of the statement. Since then we have stopped placing any funding from the Promenade into the Chairman's Fund account and it is now directed into the Consolidated Fund. Apart from that the council had also made a resolution to have the same funding, 100 per cent of that goes into the Chairman's Fund account, and we have made an application through the Ministry to the Minister for approval, and that is where we stand at the moment.

Mr. Chairman: Do you mind clarifying the statement about the Minister's statement in terms of the fund?

Mr. Gheesan: The Act had stated that the Chairman's Fund, the corporation can establish the Chairman's Fund, which, you know, we can have donations and as such come into the fund, into the Chairman's Fund account, and the chairman can

use these funding to help alleviate some issues in the region, like donation to clubs and charitable institutions. That was established in 2016 for the purpose, and the funding, as I said in the beginning, went from the promenade into the account until January of this financial year. And it has stopped since the Minister of Finance had made the—and when all corporations were supposed to stop the funding going to the Chairman's Fund, and this is where we are at this point time. And due to that we have, as I said before, the council had passed a resolution to have the funding, 100 per cent of that funding goes to the Chairman's Fund again, and we had written through the Ministry to the Minister of Finance for the approval, which we are awaiting now.

Mr. Chairman: Approval to put it in the Consolidated Fund?

Mr. Gheesan: No, to place the funding from the promenade to put into the Chairman's Fund account.

Mr. Chairman: So therefore the Chairman's Fund, you are basically not—

Mr. Gheesan: Yes, it is separate.

Mr. Chairman: Is it still active?

Mr. Gheesan: Yeah, it is still active, and until we get that approval from the Minister of Finance to continue the—

Mr. Chairman: And does Rio Claro have that Chairman's Fund still existing?

Mr. Mohammed: Mr. Chairman, the Rio Claro Regional Corporation, we have our two established funds, which is for the Consolidated Fund and the Chairman's Fund. However, in this scenario it started this discussion where we said in the Mayaro/Rio Claro Regional Corporation we established a donation register. And I want to read specifically from page 12 of my submission.

Mr. Chairman: Sure.

Mr. Mohammed: It says:

A donation register was established to keep track of donated items. Senior officers of the corporation were advised to have all instructions relative to any item donated to the corporation recorded in the register and approved by the CEO.

There is absolutely no funds that go into this register. We do not accept cash. When we talk about donations, and I said the genesis of this was in the big flood where people were donating food stuff, toilet paper—if we come up again, dish washing—no, not dish washing—cleaning liquids; the whole gamut of—

Ms. Ramdial: Flood relief.

Mr. Mohammed:—flood relief items. And I guess it was—the standard one we had in Mayaro was from two foreign persons in Britain, the dinghy. So when we thought that coming, we recognized that we had to have some accountability and some measure of accounting for what was donated. So as it came into the corporation—and hence the reason I said all these things—people were just receiving things. It was a bit of a frenzy that occurred during the flood, “eh”. So what we tried at best, and we may have missed things, is that when items came in we entered it into the register so at least from—bearing in mind it was from the public, we viewed it as having some measure to account for what the public donated. So we could have said 100 pounds of flour was donated by Mr. X, was distributed in Mafeking in case the person wanted any feedback on their donation.

Mr. Chairman: Well, I applaud your levels of trying to seek accountability, but remember gift-giving is something that we have to be very suspicious of, especially what we have been seeing across certain corporations. And I am clearing something, so you do not have in Princes Town, a donation registry, but you have a Chairman’s Fund still existing but in abeyance right now? So do you receive funding from any sort of private enterprise? Let us say some private

enterprise wanted to donate some money, do you have any sort of donations coming in terms of funds, in cash to the Chairman's Fund, or any sort of funds you have set up?

Mr. Gheesan: Chairman, at this point in time, no.

Mr. Chairman: And does Rio Claro, do you have any sort of funds available where corporate citizens could put moneys into your—

Mr. Mohammed: No.

Mr. Chairman: And to the Permanent Secretary, is this an acceptable practice to get funds? Is there a level of accountability? Should something be put in place?—because I am understanding the Minister of Finance had some reservations about the fund before. But has any checks and balances been put in place where if you are getting funds how you would, you know, look at the fund, disburse it, account for it to make sure that, you know, that level of gift-giving is not there to get favours done?

Mrs. Daniel: I will ask the DFA to elaborate on this issue, but I think, generally, it is not an issue of persons receiving funding in that way, but in her explanation it will be clear as to how funds, the moneys that make up the Chairman's Fund, how it is derived.

Ms. Pilgrim-Soanes: Chair, member, the Act provides, section 110 of the Act provides for a Mayor's Fund for the purpose specified in the resolution. So, the corporation, the councils would have their resolution and they will apply to—they will submit it to the Minister of Rural Development and Local Government for approval. Section 2 says:

The revenue of the Mayor's Fund shall be derived from such donations and other contributions as may from time to time be received for the Mayor's Fund, and the Mayor's Fund is audited by the Auditor General separate from

the Consolidated Fund.

So it is separate. The Finance Act No. 19 of 2018, which was assented to on the 31 December, 2018, there was an amendment to the Municipal Corporation Act that says:

“A council may deposit into and withdraw from the Mayor’s Fund such moneys, fees and charges collected by the corporation as the Minister with responsibility for finance may authorise.”

The Ministry has written to the Ministry of Finance requesting guidelines how to effect the amendment. We are still waiting on the response from the Ministry of Finance.

Mr. Chairman: And how long have you been awaiting this? Could you elaborate?

Ms. Pilgrim-Soanes: Pardon, Sir?

Mr. Chairman: How long have you been waiting for the Ministry’s response?

Ms. Pilgrim-Soanes: The first request was made on the 24th of January. We sent one on the 7th of February, the 26th of February, and we had followed that up with a meeting on the 9th of this month, which was convened by the Comptroller of Accounts.

Ms. Ameen: Chairman, the amendment allows each corporation to get approval from the Ministry to move funds from the Consolidated Fund, to use fees, and so on, and put it towards the Chairman’s Fund. This did come to Parliament and there was a debate on it. My concern is in terms of the use of these funds. Apart from auditing, do you have or do you intend to provide a policy, a guideline in terms of what the funds could be used for?—because my concern is that the fees generated from the market should generally be used towards the improvement of the market. The fees generated from the use of the cremation site should help improve the

cremation site.

However, very often the Chairman's Fund and the Mayor's Fund could be used to make contributions towards charitable events, to host cultural programmes, to have social events, and so on, and the concern is that the fees from the market and the cremation site, and other revenue derived from the services of the corporation could now be going towards feteing, and in an extreme case, but certainly it would not be going towards what the intention should be. My concern is, now with this new requirement or new allowance to allow the revenue to go towards the Chairman's and Mayor's Fund, if you would have new guidelines for the use of these funds.

Ms. Pilgrim-Soanes: Chair, member, that is what we await from the Ministry of Finance. We asked for the guidelines and the procedures to effect the amendment and we did put forward some controls that could be considered.

Ms. Ameen: So you have, okay.

Ms. Pilgrim-Soanes: And if I may say so, member, what you have just mentioned was one of the controls that we put forward.

Ms. Ameen: Okay. I have one more question, Chairman. The Princes Town Regional Corporation, it was stated that there were two cases of fraudulent incidents perpetrated against the corporation by an external company. I want to ask what modifications has the corporation made in its internal controls in an effort to deter or hinder future attempts at fraud?

Mr. Gheesan: Through the Chair, member, at this moment, after the incident, we have introduced—any company or person making any payments to the corporation, to do it in cash or in certified cheques. And in our corporation we indicate that by a written—on our notice board, that any payments to the corporation would be by certified cheque or cash only.

Mr. Chairman: But during the tenure of the current council, have there been any instances of missing financial documents and/or arms and ammunition?—because in your submission you described the current security arrangements in place, you know, for the safety and storage rooms. So have there been any instances of missing arms, ammunition or financial documents?

Mr. Gheesan: Chairman, at this point in time, no.

Ms. Ameen: Chairman, I just want to follow up on the question that I asked earlier with regard to the attempts to defraud the corporation. The corporation, the contractor involved, is this contractor still being allowed to tender for projects even though he produced a bounced cheque or is there a hold on that person offering their—

Ms. Heru: Through the Chair, the contractor is not allowed. He has not been allowed to.

Mr. Chairman: I think we had elaborated to the Ministry, via the PS, that the systems of looking at the contractors, red-flagging certain contractors who may not have been giving work, you know, that it is worth—satisfactory work, that since the purview is under the Ministry, your Ministry, at least you have that red flag of the contractors to know when you are hiring them at further instances. I think you said that would be undertaken sometime in the future.

Mrs. Daniel: Chair, strictly speaking, it is not under the purview of the Ministry. What has been made clear from the start is that the CEOs are accounting officers and they have to ensure that systems are in place in their house. What I can say is that recently we convened—there was a meeting with the Procurement Regulator—very helpful meeting—with the Ministry, the CEOs, and the chairmen of councils actually, to provide information in terms of what the practice should be going forward. I think the regulator committed to even meeting with members of

each council individually, to provide guidance for what is to come. So that I do not want to take away from the fact that, yes, there are things that the Ministry will do, but it is up to the corporations at the level of the CEO to put systems in place.

Mr. Chairman: And I drew in a previous meeting we had that even the CEO needs to be monitored, because there are instances where the CEO was allegedly involved in certain corrupt practices. So who would guard the guards, eh? So, I am pleased that the Public Procurement and Disposal of Public Property Act will be coming soon. And I would like to ask the members of the corporation, did you set up an office already in preparation of this public procurement, you know, because it is coming soon and you are mandated by law to set these bodies up in your own internal auditing departments? Could you give me some idea, first Princes Town and then Rio Claro?

Ms. Heru: Through the Chair, based on discussions being held with the Ministry and guidance being given to the corporations. We are in the process of putting the necessary things in place to deal with all that is required based on the legislation going forward.

Mr. Chairman: So who are the members of the committee, because I think you are mandated to set up a committee? Who are the members of this committee? And have you sought procurement training for staff responsible for executing the functions?

Ms. Heru: Through the Chair, the committee consists of the CEO, the financial officer, the chief technical officer who is the engineer, and the county superintendent. Presently, that is what our committee comprises of, and based on the other resources as it pertains to training, we are in discussion with the Ministry as to have the necessary training provided to the officers.

Mr. Chairman: Would Mayaro/Rio Claro, you know, seek to elaborate on their

perspective on the procurement committee that it is due to be established or should have been established, or in the process of being established?

Mr. Mohammed: Mr. Chairman, at Mayaro/Rio Claro, it is in our submission on page 20. Arising from that meeting that the PS spoke about, I think the PS may have specifically answered my question, and she said, “Mr. Mohammed, you would have to—whatever staff you have right now, that is going to be the staff until the specialists are provided, I will have to work the system”. Notwithstanding that, the existing staff who was referred to as the tender’s clerk in the corporation, were sent on training. The training was articulated. The financial, it takes in procurement on the 11th and 12th March, and was also sent on the financial approach to procurement on the 6th to the 8th of February, 2019, which is quite recent.

In addition to that, the Corporate Secretary at the Mayaro Regional Corporation—well, she is on vacation also at this time—we have been going through aspects of the Act which was really, if you want to call it—the basic aspects of the Act that we can deal with and we have been working on that. We have also further developed the annual procurement listing for all departments. You would see we also indicated it is required by the Public Procurement and Disposal of Public Property Act; has been completed. That is what we are doing in terms of preparation for the expected new procurement legislation. I saw Princes Town articulated a position where they were highlighting what they currently undertake. We have something similar in which all tender evaluation is evaluated by a line officer. In other words, if it is a procurement issue that comes out of the Public Health Department, the head of the Public Health Department, that would be the doctor, along with a team who would sit down and do the evaluation.

If it is a tender that is coming out of the engineering department, the

engineer would sit with that, and, as we say, basically, whatever is the item to be procured, the committee would be determined by where that item falls. So it is basically that and the Committee makes a recommendation once it is keeping like with issues of NIS, VAT, PAYE. In terms of infrastructural projects, what is something that has come on board is the fact that we have to be OSH compliant, so that is now a factor that we have to take in when we are building estimates and undertaking work, especially if you are in the Mayaro/Rio Claro region. It is also the region that houses a lot of the offshore platforms and contractors who are guided by very stringent and strict OSH requirements. So, we have had a lot of it from the OSH board who expect us to be performing at that level, and we really have some challenges in meeting the standards required in terms of our funding and having our workers and our systems in place for that. But that is where we are in terms of public procurement, Mr. Chairman.

Mr. Chairman: Ms. Ameen.

Ms. Ameen: Chairman, there have been concerns from other regional corporations that even though the regional corporations have interviewed and have sent to the Ministry a recommended list of contractors, that you have not had approvals for contractors since 2015. Is this the case in Princes Town and Mayaro Regional Corporations and how is this affecting your ability to carry out your functions?

Ms. Heru: Through the Chair, the Princes Town Regional Corporation faces a similar situation as the other corporations as it pertains to the list of contractors that would have been submitted since 2015. Those contractors, we have not had approvals, however, the list of existing approved contractors at the corporation are what are being utilized, and it is quite a lengthy list. So it is not really affecting what works have to be conducted at the corporation.

12.10 p.m.

Mr. Mohammed: In page 32 of our submission we indicated clearly, the corporation does not approve any contractors—the corporation has no approved contractors for fiscal year 2015 to 2019. The authority to do so rests with the Minister of Finance. However, the 99 contractors who have been prequalified by the corporation was submitted to the Ministry of Rural Development and Local Government for onward transmission to the Minister of Finance for his approval of the contractors.

We have also for ease of reference attached a list indicating the 99 that were prequalified by the corporation for the years 2015 to present. We also indicated to you a list of those contractors who have been approved prior to 2015. Sad to say that we have to follow the dictates of having only those that have been registered and approved so that we only go with contractors on our listing approved until 2015. That listing is appended for ease of reference as well.

Ms. Ameen: Chairman, 2015 is four years ago. Because regional corporations provide employment for people within the region, many even smaller contractors or who have labourers working with the region that you represent, and your burgesses would be affected directly as well, I am sure that this must be a concern. For the elected representatives certainly, that their burgesses would have been denied the opportunity to do work for the corporation.

In previous hearings there were corporations who indicated that from time to time they use an open tender policy to allow persons who may not have been registered from 2015, but who meet other requirements, other financial requirements, an opportunity to share in the pie, so to say. Is this a consideration that either corporation has given to open it up, as they say, rather than stick to the approved contractors that you have had no addition to since 2015?

Ms. Heru: Through the Chair, the Princes Town Regional Corporation we have only applied this to the registered approved contractors. We have not gone the way as indicated by the member.

Mr. Mohammed: To stay within the parameters of the regulatory framework, I am only empowered to undertake the contractors registered up until 2015.

Ms. Ameen: I do not know if the Permanent Secretary or anyone from the Ministry could provide some information, so that other corporations would not be running afoul of the regulations, but at the same time would not be doing a disservice to the small contractors in particular within the region.

Mrs. Daniel: Chair, this issue, the process is that the corporation would write to the Ministry and the Ministry would in turn write to the Ministry of Finance. That has been done over time and, in fact, coincidentally the Ministry by memos dated March 15, the Central Tenders Board responded to the numerous requests over the years for additional contractors to be included, and I, if I may, I will read what was conveyed to us. They referred to our applications requesting approval for the registration of contractors for “X” district, “X” corporation:

Please be advised that the applications were submitted to the Minister of Finance for approval. No approval was granted. In the circumstances the undermentioned applications are returned.

We have followed up with the Central Tenders Board, and we need to be mindful of what is happening. There is the Procurement Regulator to come on the scene, and what we have been told informally is that in a way these things were held in abeyance because of the expectation. We have spoken to the CTB quite recently on the matter as to whether in that kind of scenario, the corporation should go out to open tendering, and they did indicate that that would be acceptable. So the Ministry will advise.

Now some of corporations, as shared with us here, have been doing that. I think even Princes Town when you shared earlier on about your water trucking contract you mentioned that you use the open tender system. So that it is used, and we are now saying that we have been advised that that is an acceptable way to go about your business until the new procedure comes into place.

Mr. Chairman: Well we could probably share that information to the rest of the corporations, because some have things that are working in some aspects, and other aspects are deficient. So probably the Ministry may take that line of action.

Ms. Ramdial: Thank you, Chair. My last question to both regional corporations: How do you currently maintain your financial records, is it purely manual or do you have part digital, part manual, or are you on the road to fully digitizing in terms of maintaining financial records? We will start with the Princes Town Corporation first.

Ms. Heru: Chair, our system is a manual system that is utilized at the corporation.

Ms. Ramdial: Any plans to digitize?

Ms. Heru: Not in the near future, given the limited resources, allocations and all of that. That has not been considered.

Ms. Ramdial: Mayaro/Rio Claro.

Mr. Mohammed: Chair, through you to the member: The Mayaro Corporation, we have a dual system where we have the manual documents. We were able to afford the scan system through the period 2012 to 2018 as a part of the accounting software where only goods and services, payment vouchers, would have been scanned at the process in time.

We do have to extend the system towards other documents. So right now we are in the process of looking at that with head office IT, as well as our IT unit to see what feasible system we could have done, to continue with that system for

all the documents both legal and financial in the corporation.

Ms. Ramdial: Just one more question. Where do you store your records at this time, financial records that is, Princes Town Corporation?

Ms. Heru: We have a heavy vault that is properly secured.

Ms. Ramdial: Fireproof?

Ms. Heru: Fireproof.

Ms. Ramdial: At the corporation?

Ms. Heru: At the corporation.

Ms. Ramdial: And Mayaro/Rio Claro?

Mr. Ram: At our administrative building we do have a concrete walled steel door vault. We have a vault keeper as well and that is where all our financial documents are stored.

Ms. Ramdial: Thank you.

Mr. De Freitas: Mr. Chair, thank you. This is to Princes Town. Based on the internal audit check conducted by the Ministry it was revealed that all documents requested by the internal auditors were furnished, with the exception of a void cheques file. To date has the corporation furnished the Ministry with that void cheques file?

Mr. Gheesan: Through the Chair, member. The staff at the corporation had—well we had responded to the Ministry and we have our document, and those minor errors corrected, and the file has been prepared. So it is still our position in the regional corporation.

Mr. De Freitas: So you still have the void cheques file? You have not sent it to the Ministry yet?

Mr. Gheesan: Not yet. It is a big document, and as a matter of fact we are trying to get the council to make approvals so that we can advertise those cheques, which

we are going to do in the next week.

Mr. Chairman: To Mayaro/Rio Claro Regional Corporation: It was noted that an estimated amount of \$95,000 was spent on legal services for three High Court matters. Please indicate in general terms what these court matters are concerned with and how long have these matters been with the courts?

Mr. Mohammed: Chairman, I did not hear the second part of the question, sorry.

Mr. Chairman: How long have these matters been before the court?

Mr. Mohammed: The specifics, Mr. Chairman, I will submit that in writing, but I can give you, just off the top of my head, two of these matters are related to scavenging contractors who, over a period of time, as far as we are concerned in Mayaro, did not honour the terms of their contractual obligations. And bearing in mind it was the markets involved, the corporation had to send in internal staff to have it at some sanitized or hygienic level, if you want to call it that, over time.

One of the actions we filed, we got a court award of, I cannot remember the figure, around \$1 million, either up or down of \$1 million. However, the decision has been challenged on one matter. Those were two matters. And the third one involves a woman who, again, alleges that she was injured, for quite a substantial sum, by falling into an open manhole. So basically those are the three matters, just basically I can give some cursory information. If the Committee so requires I can do detailed submissions.

Mr. Chairman: We will appreciate those details in writing. So in closing I want to ask, does any member have any—?

Mr. De Freitas: In relation to the void cheques, I have another question. Has the corporation completed the list of unrepresented cheques for September 2018?

Mr. Gheesan: Yes.

Mr. Chairman: I must say, in terms of manholes, is there a problem in your

corporation with that, in Rio Claro, a lot? Because in certain other corporations there are a lot of complaints from members of the public

Mr. Mohammed: Mr. Chairman, the price of steel by the scrap market, and using by the scrap iron dealers, seems to be lucrative, so you have a lot of that. What we have done because of funding issues we have now gone from steel in certain instances to using lumber. It is really just literally plugging the hole. That has not been removed in most instances, but we have had a number of instances when the manholes are made out of iron, metal manhole covers, they are removed.

Ms. Ameen: Chairman, I just want to say for the record that there have been manhole covers made out of solid vinyl, a plastic type material that lasts longer. It is more expensive but it lasts longer than the wood. It is an option for you.

Chairman, before we close though, at present on the entire east coast there is the whole challenge of the Sargassum seaweed. Well I think, Mayaro Regional Corporation, you have a substantial portion of the coast. What role is the corporation playing in attempting to clear up the beaches, and what challenges have you had?

Mr. Chairman: Does the Ministry of Tourism also play a part in that?

Mr. Mohammed: Mr. Chairman, the beach first and by extension the shoreline and the coastline, the beach front is the remit of the Ministry of tourism. However, the Mayaro/Rio Claro Corporation we have this Sargassum seaweed problem for a number of years. We have tried as best in house over what we call the peak period, which is where we have a high local—whether it is local or foreign tourists, people flocking to the beaches of Mayaro, it is for the Carnival period, the Easter period and parts of what we call in Trinidad the “summer vacation”.

Over this Easter weekend we paid our workers some overtime. They would go and do in what we call the high traffic areas, where large amounts of people

flock to that beach front, and we have done some clearing. But the problem with the seaweed is if you clear it 10 o'clock in the morning, by two o'clock in the afternoon it is back there. The volume that is out in the waters itself it comes in. So no matter what you do, it repeats itself very quickly in a couple of hours. So all we do is what we have to say is cosmetic.

Mr. Chairman: So does the Ministry of Tourism support you in that venture? Because I am hearing this morning that you may not have been getting the adequate support from various Ministries. Does the Ministry of Tourism, whose duty this falls under, come up to mark to support this venture?

Mr. Mohammed: Mr. Chairman, support? I am gathering what you mean by support is three-pronged, right? Whether you are lending some machinery, we do not get any from the Ministry of Tourism. Whether you are lending personnel, we do not get any from the Ministry of Tourism. Whether it is for funding, we do not get any from the Ministry of Tourism. However, with everybody, the social media and the public outcry is directed toward the Municipal Corporation, the Mayaro Corporation in this instance. So we as best as possible try to do, as I said, some cosmetic works to make it usable.

Ms. Ameen: Chairman, through you, is this an area that you see as a special need in your corporation for funding or to provide support?

Mr. Mohammed: I know in our estimates for the last couple of years and inclusive this year, recurrent estimates, we have been asking for funding to deal with it. With the constrained economic circumstances, we have not been successful.

Mr. De Freitas: Is the corporation aware that that this particular problem has been utilized to a sort of an advantage in other countries, where they take the seaweed and they dry it and do some processing of it, and then create a product out of it?

Have the corporations ever looked into that as a way of treating with the issue?

Mr. Mohammed: If I can term it at this stage, “expressions of interest”. We have had a lot of persons asking and enquiring. When we remove the seaweed we place it at a site in Mafeking, for people who know the region, where we have our cremation facility. It is there, and we allow it to be used for public consumption. Anybody who wants, they can come and take, whatever. These persons who—and I am just using this term loosely—these expressions of interest we have articulated that to them, but there has really nothing been forthcoming.

Mr. Chairman: Well, I think probably small business enterprises should, you know somebody could explore that because it is a business opportunity. So thank you for that suggestion, Mr. De Freitas. I hope someone could now take that up and use that opportunity.

So in closing, since there are no other questions I presume, I would like to invite the chief officials to make brief closing remarks, starting with the Permanent Secretary, Mrs. Jennifer Daniel.

Mrs. Daniel: Chair, I would start by providing a commitment or an explanation that we are aware of funding challenges, and we have compiled a list of critical areas. I am sure to all corporations all of the areas are critical, but we have worked out a list of critical areas to make approaches to the Ministry of Finance for funding. In fact, the request for that came from that source. So that information, if it has not been provided as of yesterday it will be provided, and we are hopeful that we will receive the funding in critical areas.

Thank you again for the opportunity to be here and to pursue matters. I will confess that because we have been coming back and coming back, it has probably forced us to be on our toes and ensure that we follow through on certain commitments. So rest assured that we will continue, even though we do not have to

come back, with our efforts to put things in place to ensure that there is continued and improved financial oversight of the corporations. Thank you.

Mr. Chairman: Well, I also enjoyed your presence here in the past few meetings, and I think we may decide to have another meeting, who knows, as a follow-up. So thank you, and I noted you have noticed the challenge that we face and I am hoping you can work towards that.

Would the official of the Princes Town Regional Corporation, the Chairman, Mr. Gowrie Roopnarine, give some closing remarks?

Mr. Roopnarine: Thank you, Mr. Chairman. It was a pleasure, it was a learning experience here this morning into this afternoon for me. But I am sure, Mr. Chairman, you also would have realized some of the challenges we are having in the corporation. And I am really hoping that one of the persons who was listening today is the Minister of Finance, because at the Princes Town Regional Corporation some of the tenants, where our councillor's office is, are now sending letters to me that they will be evicted by the end of this month, because for this year we have not received any funding to pay these landowners, even the councillors, even the stipend to run their own offices, no funding.

Mr. Chairman, I am sure you heard when the representative from the Ministry mentioned that since January a correspondent going to the Ministry of Finance just to sort out something for the Chairman's fund. At the Princes Town Regional Corporation we do not use the Chairman's fund to fete or to "lime", but we use it to uplift the youths and the needy in the region. For the Easter gone we could not even use that opportunity to give a group that would try to better the lives within the region as much as a \$500 to help. So I do hope that the Minister of Finance really listened, and something positive happens out of this. I thank you very much.

Mr. Chairman: I appreciate your presence here. As you say, it is a learning experience for you, and I am sorry to keep you in the afternoon as you mentioned, but we are about to close.

At this stage I would like the Chairman of the Mayaro/Rio Claro Regional Corporation to give some closing remarks. I must say that the last Chairman I knew there was the late Hansraj Sumairsingh, and I realize sometimes a chairmanship job may be a dangerous job. I thank you for your presence and I would like you to give some closing remarks, please.

Mr. Ram: Thank you very much, Mr. Chair, members of the Committee. I really want to thank you all for having us here this morning into this afternoon. You know, a lot was said, a lot of questions were asked, and I think in terms of the Mayaro/Rio Claro Regional Corporation we were able to answer as best as possible the questions asked. We just look forward to in terms of the issues that were raised here, that it could be a bit beneficial to the corporation. I do not want to reiterate some of the issues that were raised, but I just want to point out that the issue of funding is a major concern, and in order to do our jobs the way we are supposed to, we need to receive this funding to deliver to the burgesses of the region. So I am hoping that whoever the powers may be, that we receive the funding to actually deliver to the people of the region of Mayaro/Rio Claro. Again, I say thank you to you and your members for having us from the Mayaro/Rio Claro Regional Corporation.

Mr. Chairman: Thank you to you and the officials. I want to thank all the other officials for their attendance and their participation. I want to thank the members of the media for their attendance, and to thank the Committee members and staff for their participation and support. This is the Fourth Meeting we had in this regard, and I am saying that the report will be forthcoming hopefully shortly, and

then we may hopefully get some sort of relief to the members of your committee and your burgesses. And at this point, if there is no further business for consideration, I would say that I would like to declare this meeting adjourned, and thank you again for coming. Please reach safe back to your places of work.

12.32 p.m.: *Meeting adjourned.*