VERBATIM NOTES OF THE TWENTY-EIGHTH 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 A.N.R. ROBINSON (EAST) MEETING ROOM, TOWER D, INTERNATIONAL WATERFRONT CENTRE, #1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, JANUARY 23, 2019 AT 10.25 A.M.

PRESENT

Dr. Varma Deyalsingh	Chairman
Ms. Ramona Ramdial	Vice-Chairman
Mrs. Jennifer Baptiste-Primus	Member
Mr. Nigel De Freitas	Member
Ms. Khadijah Ameen	Member
Mr. Esmond Forde	Member
Mr. Darryl Smith	Member
Mr. Julien Ogilvie	Secretary
Ms. Khisha Peterkin	Assistant Secretary
Ms. Terriann Baker	Graduate Research Assistant

ABSENT

Dr. Lovell Francis	Member

MINISTRY OF RURAL DEVELOPMENT AND LOCAL GOVERNMENT

Mrs. Jennifer Daniel	Permanent Secretary
Mr. Raymond Seepaul	Deputy Permanent Secretary
Mrs. Esther Pilgrim-Soanes	Director, Finance and Accounts

PORT OF SPAIN CITY CORPORATION

Mrs. Annette Stapleton-Seaforth	Chief Executive Officer

Mr. Jameel Ali	City Treasurer
Mr. Dexter Quan Soon	Auditor I (Ag.)

SAN FERNANDO CITY CORPORATION

Alderman Junia Regrello	His Worship the Mayor
Mr. Indarjit Singh	Chief Executive Officer
Mr. Harry Singh	Auditor I (Ag.)

ARIMA BOROUGH CORPORATION

Councillor Lisa Morris-Julian	Her Worship the Mayor
Mrs. Cheryl Sirju-Chong	Chief Executive Officer
Mr. Sean Lamotte	Financial Officer

CHAGUANAS BOROUGH CORPORATION

Mr. Jameel Chadee Ameeral	Chief Executive Officer
Mrs. Kathleen Appoo	Accountant II (Ag.)
Mr. Razeen Rahamut	Clerk II (Ag.) (Accounts Department)

POINT FORTIN BOROUGH CORPORATION

Councillor Abdon Mason	His Worship the Mayor
Mrs. Donnamay Taylor	Chief Executive Officer
Ms. Maria Smith	Financial Officer

Mr. Chairman: Good morning all. I am Dr. Varma Deyalsingh, the Chair of this Joint Select Committee on Local Authorities, Service Commissions and Statutory Authorities (including the THA). On behalf of myself and the Committee, I welcome you all here this morning. I would like members of the Ministry of Rural Development and Local Government, Port of Spain City Corporation, San Fernando City Corporation, the Arima Borough Corporation, Chaguanas Borough Corporation, Point Fortin Corporation—I would like each of you to introduce yourself in that order please, starting with Ministry of Rural Development and Local Government.

[*Introductions made*]

Mr. Chairman: Could we go with Port of Spain City Corporation now?

[*Introductions made*]

Mr. Chairman: Would San Fernando now introduce themselves please?

[*Introductions made*]

Mr. Chairman: Would Arima Borough Corporation introduce themselves please?

[*Introductions made*]

Mr. Chairman: Would Chaguanas Borough Corporation introduce themselves?

[*Introductions made*]

Mr. Chadee Ameeral: I just want to use this opportunity please to extend an apology for the absence of His Worship the Mayor of Chaguanas, Alderman Gopaul Boodhan, on the grounds that he is attending a court matter relative to the Corporation's operations.

Mr. Chairman: Would members of the Point Fortin Borough Corporation now introduce themselves?

[*Introductions made*]

Mr. Chairman: Thank you all for being in attendance this morning, and I would like my members of my Committee to introduce themselves starting with my Vice-Chair.

[*Introductions made*]

Mr. Chairman: I would like to remind all present that the objectives of this enquiry is to examine the role of the line Ministry and executive management of the municipal Corporations in promoting and facilitating accountability and transparency in the operation of the municipal Corporations, also to assess the internal control systems within the municipal Corporations and, thirdly, to examine the proposed local government reform initiatives associated with the management of finances with municipal Corporations. I would now like to invite the Permanent Secretary in the Ministry of Rural Development and Local Government if she so desires to give some opening statements.

Mrs. Daniel: Thank you, Chair. Esteemed members of the Committee and the viewing public, it is my pleasure to appear and participate before this Joint Select Committee. The Ministry of Rural Development and Local Government functions as the coordinating agency which guides municipal Corporations in assisting communities by pooling resources in targeted areas which include infrastructural development, disaster management, public health and sanitation. Through the municipal Corporations, we are privileged to have a more direct and constant connection to citizens than many other arms of central government. This makes the Ministry unique and critical to the democratic process and a major catalyst in the execution of any citizen-centred national initiative.

The role and responsibilities of the Ministry are mainly to convey central government policy perspectives, guidelines to municipal Corporations, monitor finances and expenditure of the Corporations through progress reports and reviews of budgets and expenditure as well as audits, and to carry out the supervision of the execution of municipal Corporations’ projects and programmes.

The Ministry coordinates the activities of the Corporations and works with the Corporations in order to ensure the efficient and effective delivery of services in an effort to facilitate balanced growth and development. The Ministry in its oversight responsibility is guided by existing public service legislation primarily

Exchequer and Audit Act, the Civil Service Act, Central Tenders Board Ordinance, et cetera, as well as circulars issued by the Chief Personnel Officer, the DPA (Director of Personnel Administration), Comptroller of Accounts and the Ministry of Finance.

Chair, Chief Executive Officers as Chief Administrative and Chief Accounting Officers of the Corporations are responsible for prudent management of their operations and for accounting for all revenue and expenditure of their Corporations. So we have a unique situation really of accounting officers reporting to accounting officers. As you are aware, local government reform is on the Ministry's agenda and the draft policy has been approved by Cabinet, had been approved since September 2016. The policy proposes greater autonomy for the Corporations who are to report in terms of their finances, that is, to the Ministry of Finance.

Additionally and very important, particularly in the context of the exercise that we are focused on today, audit departments will be established in all 14 Corporations. This will improve the internal controls and ensure compliance with all relevant financial laws and regulations and would be critical in detecting fraud or any financial improprieties in the existing system. Basically, I think I can end there, Chair, to say that we here and available to answer questions that would be posed.

Mr. Chairman: Thank you. And would His Worship, Alderman Junia Regrello, please give us some opening statements if you so desire?

Mr. Regrello: We are here this morning to work out some of the issues that are in this document. So I will say that presently we do not have problems per se as we met a system that seems to be working for us. We look forward to the reform that will really clear the way for us to move forward and give us the autonomy to have our problems sorted out. I understand right now we are more or less stymied by the bureaucracy that exists and the operation that we have with our line Ministry.

There are some challenges as it stems right now with where we do report with unspent balances and the role that the Ministry of Finance will now play as opposed to what existed before where the release of unspent balances would come from the Ministry of Rural Development and Local Government, and we are hearing now that we have to report or request the release from the Ministry of Finance. So we made some clarification that now determines that as an outcome.

Mr. Chairman: Thank you, Your Worship. May I get comments, also opening statements from Mrs. Annette Stapleton-Seaforth, Chief Executive Officer, Port of Spain City Corporation?

Mrs. Stapleton-Seaforth: Good morning, Chair. I manage a staff of 1,393 daily-rated workers at the Port of Spain Corporation, 413 monthly paid officers and about 10 contract officers. My council is comprised of 12 councillors and four aldermen. I am committed to working with both administration and council in the provision of the best services for the burgesses and stakeholders of the City of Port of Spain.

Mr. Chairman: Thank you. Just to remind, when you are finished speaking if you just deactivate the mikes. I would like to invite Mrs. Jennifer Daniel, Permanent Secretary. Sorry about that. I would like to invite His Worship, Councillor Lisa Morris-Julian—

Mrs. Baptiste-Primus: Her Worship.

Mr. Chairman:—Her Worship, Mayor of the Borough of Arima, Her Worship, to please give us some opening statements.

Mrs. Morris-Julian: Thank you, Chair. Good morning, Chairman and Committee once more. It is our pleasure to be here this morning. The council believes that truly effective local governments can only be achieved by accountability. As such, we welcome this opportunity. We see this as a way to move forward that we can strengthen both council and administration, and the council believes in working with administration to serve the needs of the Borough of Arima. Thank you.

Mr. Chairman: Thank you. Could I get some opening statements from His Worship, Councillor Abdon Mason, Mayor of the Borough of Point Fortin?

Mr. Mason: Good morning, Chair, the name is Abdon Mason, and I want to thank the Committee for giving us this opportunity to be part of this particular gathering this morning. We in the Point Fortin Borough Council, we are anxiously awaiting local government reform especially from a financial perspective. We believe good governance depends on prudent financial operations and we want to exemplify that in Point Fortin.

We have been working well with our administration to ensure that our financial responsibilities are met, but we understand that with improvements in the administrative development through the local government reform, we will be better prepared and better positioned to deliver more to the burgesses of Point Fortin. So in anticipation of that, we are preparing ourselves for local government reform especially from the financial perspective so as to improve our deliverability to our burgesses. Thank you so much.

Mr. Chairman: Thank you, and could I have opening statements from Mr. Jameel Chadee Ameeral, Chief Executive Office, Chaguanas Borough Corporation?

Mr. Chadee Ameeral: Pleasant morning again, Mr. Chairman, and good morning to your members of this Joint Select Committee of Parliament. Pleasant good morning, Trinidad and Tobago. The Chaguanas Borough Corporation, as a result of the local government elections held in November of 2016, would have had eight elected representatives sworn in and four selected members sworn in to form a council consisting of 12 members at the Chaguanas Borough Corporation. The Chaguanas Borough Corporation would have had a team of about probably 630 daily-rated employees and just over 60 monthly paid employees to carry out the functions and resolutions of the council in order to achieve its goals and objectives of providing good service to its burgesses.

At the Chaguanas Borough Corporation we do not have a Chief Financial Officer, but we have recently an acting person in the position of Accountant II in the name of Kathleen Appoo who is with us, and at Chaguanas Borough Corporation we have some youth in us in Mr. Razeen Rahamut who is in the Accounts Department and he has been there for almost nine years and I think he commands a sound understanding of the controls and systems in place to ensure accountability at the Chaguanas Borough Corporation. Thank you very much and we look forward to really providing you with the responses in order that this Committee meets its goal and objective. Thank you very much.

Mr. Chairman: Thank you for your opening statements and your comments. I am hoping this morning we could be very productive because the issue of the Corporations and the functioning of Corporation, good governance has been an issue that has plagued us for a long time. Since 1937, Attila the Hun had a calypso, "The Treasury Scandal", where he spoke about the inappropriate funds being spent in 1937. This was the colonial days. So since then we had instances where persons actually, you know, as the voice of the people, the calypsonian, their voice that we needed some change. We needed to look into that.

Going forward, even looking at the instruments that came into place, we have seen—looking at Trinidad in terms of the Corruption Index, you know, Barbados is much better than us and we have to see where we are falling short. We have to see what we are doing wrong and the cooperation between you and our Committee, hopefully we will get something that will give us something better to be proud as citizens of Trinidad and Tobago.

So the system we are hoping to put in place to try to address, even around 1960 I remember the late Dr. Eric Williams, the father of the nation, in his book *Inward Hunger*, he looked at the issue where powers were leaving the regional Corporations and going into the Central Tenders Board, and in that book he actually voiced some concerns that they had there. Throughout the history, when we had our oil boom, we noticed there were some problems, some concerns. The Central Tenders Board actually came in for some criticism, they were taking too long to do certain things even though they were the overseeing committee. So there were changes along the way at looking at things.

Then we saw the procurement legislation coming into being and I am happy to say that the procurement legislation, the Bill for that, has been passed and it is just awaiting for some proclamation. So we are reaching there eventually. With some of the legislation we have had the money laundering, so hopefully we will be able to get something in place that would give Trinidadians and Tobagonians a sense of, you know, something is being done in terms of any sort of corrupt practices that occur. And when I looked at the allegations made at the various Corporations—and even this morning, the Chaguanas representatives mentioned their Mayor is also caught up in a court matter concerning also allegations or corrupt practices, and we looked at—this is across the board. So across the board we have this. So we are hoping now we can get in more details. [*Crosstalk*]

Not any sort of corruption. Okay, because we are looking at issues that were raised. When I looked at allegations, we see Arima had their challenges, Chaguanas had some other challenges with inspectorate of land, Port of Spain Corporation had challenges which were voiced, and the Minister of Rural Development and Local Government is actively visiting these Corporations to see if he can plug any sort of problems there. So this morning I am hoping we can get some of the ideas what are the problems, how we could solve some of the problems, and how we can get something put forward. At this stage, I would like to start with some questioning and I would like to start with member Ameen who will—

Ms. Ameen: Thank you very much, Mr. Chairman. My first question goes to the Ministry of Rural Development and Local Government. This is an enquiry into the financial oversight and financial management at municipal Corporations; however, in your submissions the Committee noted that in the majority of cities, boroughs and regional Corporations, financial comptrollers are not present, and even when they are, they are appointed on a three-month or a short-term contract. This is a requirement of the establishment in each Corporation that a financial officer is recruited on contract to these Corporations. So my first question to you: What are the challenges in appointing these officers; what efforts is the Ministry making to fill these vacancies for financial comptroller or financial officer at the regional Corporations?

Mrs. Daniel: Thank you. Through you, Mr. Chair, thanks to the member for the way the question was phrased. The anticipation is that there are challenges and there are, so I appreciate your recognition. I would say that the major challenge happens to be that of salary, the level at which it is pitched. Where we have treasurers, they are public service positions and we do have treasurer positions at certain of the municipal Corporations. The salary is roughly $14,000 and the position of financial officer is pitched similar to that. The requirement is a full ACCA certification and experience, and the difficulty is that of attracting and retaining persons. So that, as recent as October or thereabouts, the Ministry would have interviewed persons for the position and we were not able to fill all of the positions. So that, the issue here is one of attracting and retaining. So we have gone back out.

The challenge we have is that being new to the Ministry, my position was that, let us then find someone who does not meet the full requirement. The challenge there, though, is that you would have to pitch lower and, more importantly it was brought to my attention that because there are positions of Accountant I and II within the Corporations, they would have the qualifications that the persons of lower pedigree would have. So that in such situations we depend on and rely on the work of the Accountants I and II to carry the brunt of the work of the financial administration.

Ms. Ameen: So at present, the Ministry of Rural Development and Local Government is open to hiring persons to fill these positions?

Mrs. Daniel: Yes.

Ms. Ameen: Has the position been advertised publicly?

Mrs. Daniel: It had been, and I am saying as recent as October, interviews were conducted, but we were still not able to fill all of the positions.

Ms. Ameen: Well, I hope that persons listening to this public hearing would become aware that there are vacancies available.

Mrs. Daniel: And they are advertised.

Ms. Ameen: And that leads me to your other systems to provide support. So, for example, Port of Spain, San Fernando, Point Fortin and Arima boroughs have internal audit units. The Chaguanas and the other regional Corporations—nine Corporations—do not. Does the internal audit unit of these municipal bodies report to the Ministry of Rural Development and Local Government's Internal Audit Unit?

Mrs. Daniel: The internal audit, where we do have internal audit units, no they do not. Their reporting line is to the CEO who is the accounting officer. So the internal audit unit would report to the CEO of those Corporations. So that the efforts of the Ministry, in terms of our internal audit unit, our efforts are focused on the Corporations where they do not have internal auditors.

Ms. Ramdial: Thank you, Chair. To Mrs. Daniel: Does local government reform legislation speak to some of these challenges and issues with respect to remuneration you have just highlighted? Does it speak to that? Are there going to be changes; and are you satisfied?

Mrs. Daniel: The legislation is currently being addressed with the hope that it will be tabled shortly. I cannot speak to specifics and details of the legislation. I know that at a point in time—because there would have been extensive consultation and there would be input provided by some of the persons here, our chairmen and mayors and other-interest persons. So that, I know that that is a weighty aspect and mention would have been made. I really cannot be more specific than that. I do not know in the end what would transpire. I really cannot speak to the specifics of your question.

Ms. Ameen: Chairman, through you to the Permanent Secretary. Given the alleged financial improprieties within some municipal Corporations, is the Ministry of Rural Development and Local Government of the view that an internal audit unit and a financial comptroller is required on the establishment of each Corporation?

Mrs. Daniel: Madam Chair, our response is a resounding yes. Sorry—Chair—and through you member, our response is a resounding yes. The need for this is consistent with our existing legislation and arrangements, and as I indicated in my introductory remarks it is something that I can speak to very strongly. I think it is one of the areas that there is no contention. It is clear, it is accepted that internal audit units are required in each Corporation. I will add that even now without that formal structure, the Ministry has been making efforts towards increasing the size of the auditing complement so that we can have dedicated persons. At least we can assign them from head office.

I will further add that very recently we have given our limited internal audit numbers at the Ministry. We have assigned two auditors to a single Corporation for one month. This is one of the Corporations without—it would be a roving thing, but we are hoping that it will throw up issues; it would also give the resident CEO an opportunity to point the efforts of audit towards areas of concern. So that is our attempt, given our limited resources to address some of the issues that we are also concerned about.

Ms. Ameen: But when you have reports of improprieties within these municipalities, how does the Ministry treat with those reports once they come to the Ministry's attention?

Mrs. Daniel: Mr. Chair, due process has to be observed, laws of natural justice, so we would first of all ask for a report from the relevant CEO. We would always go through the Chief Executive Officer of the relevant Corporation and we would either in conjunction with, or subsequently, assign or require a special audit to be conducted. So that would be where our internal audit on the basis of the allegations.

And may I add that even in instances, there have been instances where what may have come to our attention may have been informal, an unsigned letter, and while we have a policy that we do not respond formally, it would be remiss of us to ignore. So that in situations like that we would also treat with by doing our internal investigations, and the end result would be where other action has to be taken, it will be taken, whether it is disciplinary action, whether it is police action.

10.55 a.m.

Mr. Chairman: Do you have any instances where, you know, in certain Corporations even the actions of the CEO may be suspect and you may have to have something to oversee the actions of the CEO?

Mrs. Daniel: My answer to that question is I am not aware, Sir, of instances where but if we are speaking broadly that in the events that such, if there are instances where things have been brought to our attention again, it would require investigation and this is where it could potentially, I suppose, become a little awkward in that the Permanent Secretary, the CEO reports to the Permanent Secretary but the Permanent Secretary is an accounting officer. So it means that you have—our audit in that case would be almost like an external audit coming in so that there could be some awkwardness.

However, if I may go on to what is anticipated in the impending legislation, there is a requirement for an audit committee and along with that audit committee would come as well the leeway with the approval of the Minister of Finance, I think it is, for an external auditor to be appointed. So once council agrees, that can be done. So that I imagine that going forward that would address any such issues should they occur.

Ms. Ameen: Chairman, I just want to differ a little bit from the Permanent Secretary. I hear your explanation with regard to the existing procedures but I do not think that gives John Public the assurance that if there is an allegation of impropriety involving a CEO or where a CEO has knowledge or is part of the action that they are going to see justice, because himself effectively be appointed to investigate himself. So I want to urge, perhaps, the Ministry to look at mechanisms to treat with complaints that include the CEO of any municipal body.

Mr. Chairman: I would like to recognize Mr. Forde.

Mr. Forde: Morning, again. Madam PS, I have listened, I have heard you. A position as Financial Comptroller in an organization is very critical. Right. Firstly, in terms of the City Treasurer and the Financial Comptroller, what difference is there? You identified the City Treasurer and you identified the Financial Comptroller. Just give me a slight insight into the responsibilities, the roles.

Mrs. Stapleton-Seaforth: Through the Chair, when we researched what the Financial Comptroller position was, it was that the Financial Comptroller was responsible for the overall aspect of the finances and altering. So I would think that that person would have a general supervision of both departments.

Mr. Forde: So the other municipalities, can they also have a—or is it just a City Treasurer? The other two cities, can they enforce that position?

Mrs. Daniel: There is a position at the others with the exception of Chaguanas. There is a position on the establishment.

Mr. Forde: Okay. Roles, responsibilities. In the organization, in the particular municipality, all right, we heard that in Chaguanas, for example, we have a Clerk II Acting, carry out some of the responsibilities. Is it to say of the Financial Comptroller? What role does this gentleman play? Again, remember we have the CEO at the back representing the particular department. So in terms of from that aspect, one. And then secondly, in terms of reporting purposes, who signs off these documents? Because I would assume that the Financial Comptroller would have to sign off a particular financial document likewise the CEO who is then the up leadership would also have to sign off. How do we ratify and clarify those scenarios?

Mrs. Daniel: I will ask Mr. Ameeral to explain but the Clerk II who he referred to, there is oversight. There is an Accountant II I believe it is.

Mr. Chadee Ameeral: Mr. Chairman, just to expand a little bit on the question. The Clerk II that I referred to which I indicated as youth on our side basically performs his functions consistent with his duties appointed by the commission. Basically he will perform his duties of oversight. He is in the check staff department in the Accounts Department and he will perform his duties consistent with the responsibilities of that department. He would not be required and is not performing the duties of any senior officer in the Corporation and basically the Accountant II is here but the Accountant II only assumed duties at the Chaguanas Corporation on the 2nd of January this year. Our resident Accountant II would have retired at the end of December, hence I would have taken the opportunity to bring Mr. Rahamut, the Clerk II here, because he would command a sound understanding of the operations and could provide this Committee with responses relevant to the controls of the systems in the Accounts Department.

Mr. Forde: Checks and balances. I am hearing you, Mr. CEO. All right. So in terms of the responsibilities above this Clerk II, who handles those responsibilities with regard to your finances at the operation? And likewise all the other Corporations or the municipalities that are here who do not have a Financial Comptroller which I think is all, how do you all handle the responsibility? Because I am saying from sitting here, the PS said the financial aspect of each one of those organizations is priority. Not so? And again, how are we working on the checks and balances, the accountability? Who is signing off? Is it that the CEO is signing off both the financial aspect and the CEO responsibility? Cannot be, so I need some clarity, please.

Mr. Chadee Ameeral: In terms of reporting relationships at the Chaguanas Borough Corporation, the Clerk II, as a matter of fact, will report to the Accounting Assistant, the Accounting Assistant will report to the Accountant I, you have an Accountant II and the Accountant II reports to the Chief Executive Officer on financial matters. The Chief Executive Officer will sign off or will consider recommendations coming from the Accounting Department endorsed and certified by the Accounting Officer II who is going to be the Accountant II.

Of course, when we talk about projects and payments, workers, employees' pay and so on, that goes through a different system whereby there is a payroll section with clerks responsible for doing all the checks and that goes through two other checks which is going to be one at the level of check staff where Mr. Rahamut is responsible for making some of those checks and then another check is made at the level of the Accountant I before it reaches the Accountant II where payment is basically recommended and sent up to the Chief Executive Officer for certification or authorization for payment.

So the checks and balances, the system is there in terms of the controls but yes I would take the point that the Chief Financial Officer at the Corporation, if we should get one, will be responsible basically for the strategic leadership of the department whereas the Accountant II is going to be responsible for the day-to-day operations of the department and the strategic direction of the Accounts Department would be basically dealing with your financial statements, your asset management register and so on, doing your balance sheets and all these things, whereas the Accountant II will be more responsible for the day-to-day operations in terms of processing payments and doing your accounts, issuance of invoice orders and these matters at the level of the Corporation.

Mr. Forde: Mr. Chairman, it would be interesting to hear the views of the other— I do not know if we are going along those lines, if we could get the other views of the other Corporations as we have them here.

Mr. Chairman: Sure, as you are here, you can probably—

Ms. Ameen: Chairman, I just want to add to the question and if the others, when they respond, could include in their response. In the absence of a Financial Comptroller or a Chief Financial Officer, who advises your council? Who is in charge of the strategic financing? Because the response from Mr. Chadee Ameeral has to do with the day-to-day accounts more or less but your strategic financial planning and accounting and your advising of the council. So if the others could include in their response: Who treats with that in the absence of a Financial Comptroller or a Chief Financial Officer?

Mrs. Stapleton-Seaforth: So in the case of Port of Spain Corporation, the City

Treasurer is the head of the accounting unit and he advises the council through the CEO.

Mr. Chairman: Could San Fernando give their—

Mr. Singh: Yes, good morning, Chair and good morning, member. In response to the question, yes, San Fernando has a CTA, which is a City Treasurer Accountant. That person is directly responsible for the overall operations of the Accounts Department. The Accounts Department is divided into several sections and each section is manned by an Accountant I or an Accounting Assistant and so therefore, each department is responsible for separate activities. For example, we have payables, check staff, the cheque department schedules. So the accounting starts with the head of that department being an Accountant I or an Accounting Assistant. At San Fernando, we have two Accountant Is and we have five Accounting Assistants and all matters go to the CTA for verification and then to the CEO for final approval.

San Fernando is unique because, at present, although my CTA is proceeding on pre-retirement leave as we speak right now, she is the one or that position is the one who instructs and reports and advises council on all financial matters. So I would say as at today, we have a CTA but we rely on the Statutory Authorities Service Commission to fill those appointments. Presently in San Fernando, we have several vacancies in the sense of senior officers that are acting in the position right now because of the lack of providing the right person. To my left is my Auditor I who only recently assumed duties as Acting Auditor I. He was promoted as well in the system and that is one of our challenges in San Fernando. That the entire promotion is done based on seniority and we do lack, in most instances, the technical capabilities of the position to really provide the sound advice but we do rely on what we have and it works and in accordance with the Mayor's opening statement, what we have right now works.

Mr. Chairman: Could Arima give their opinion on the matter?

Mrs. Sirju-Chong: Through the Chair, member, we have a Financial Officer on short term. Although we have an established position of Treasurer through the Statutory Authorities Service Commission, the Commission has not been able to attract any competent person to fill that position and similar to what PS is saying, the qualifications are something which the Commission must look at because this person must be ACCA qualified. So we have a Financial Officer on short-term contract. Under that Financial Officer is the Accountant II, Accountant I and various other accounting staff. The Chief Executive Officer, the Accountant II and the Financial Officer will report to council on all the financial matters concerning the Arima Borough Corporation. Thank you.

Mr. Chairman: Could you elaborate on the salary of your officer, the Financial Officer?

Mrs. Sirju-Chong: We equate the Financial Officer similarly to the Ministry of Local Government level of the $14,000 per month.

Mr. Chairman: Yeah, we needed the opinion of Point Fortin. Could Point Fortin give us their take on it?

Mrs. Taylor: At the Point Fortin Corporation, our structure is similar to that of the Arima Corporation. However, we do have a Financial Officer on staff. Our Financial Officer, she came through the Ministry of Rural Development and Local Government. We also have on staff—we do not have a Treasurer and for the same reasons that the Permanent Secretary would have mentioned in terms of the ability to attract competent persons to the position but we also have an Accountant II, an

Accountant I, two check staff. So that in terms of Point Fortin, while the total staff is not enough based on the separation of functions, we do have on our establishment a Financial Officer, Accountant II, Accountant I and check staff accordingly.

Mr. Chairman: So could I get the opinion of Chaguanas Borough Corporation? You all shared it already right? Good. Okay, so I would like now for Mr. Nigel De Freitas to address you.

Mr. De Freitas: Thank you, Mr. Chair. So I have been listening for most of the morning in relation to the issues outlined by both the Ministry and the various Corporations so I am just trying to understand by way of checks and balances and ensuring that the financials are okay. So in the Ministry, you have a financial entity or unit for which there would be a Financial Officer and then in each Corporation, you would have Treasurers or a Financial Officer post which could be filled. So each Corporation will be able to assess their finances, do audited reports and have those audited reports sent to the particular Ministry, and that is the system that is set up to ensure there is no financial impropriety. And what I am hearing throughout this morning's discourse so far is that for some odd reason, these positions cannot be filled and I am finding difficulty in that because I am hearing that there is either a lack of qualification or the money is not enough. Is that what you are saying?

Mrs. Daniel: The match between the—yes, the money, requirements and the salary, yes.

Mr. De Freitas: So what is the average salary for someone with the qualifications that you are looking for who has the ACCA accreditation?

Mrs. Daniel: I cannot definitively answer the question but I know it is not

$14,000.

Mr. De Freitas: Ballpark it. Is it 24, 30, 40? Because then we will get an understanding of exactly what that gap is.

Mrs. Daniel: I would say 20. I mean, it would vary but—

Mr. De Freitas: Fourteen and 20, okay. So let me ask this. In terms of succession planning, is there no way that individuals, for example, the accountants could be trained or at this point in time at the Ministry's level or even the Corporations, an indication be given to them that listen, this position needs to be filled and therefore, people can be moved up into the post if they get the requisite training. You might find that individuals who are in the institution already and have been working for a number of years, if they get to the next level of qualification, be it the ACCA accreditation and they may very well remain in the post of Financial Officer. I thought that that was something that was done in the public service whereby you allow individuals to train themselves and while they are getting their accreditation, they could either start doing the duties and therefore when they get the full accreditation, they are assigned to the post. Why is that not happening?

Mrs. Daniel: Even in the wider public service, Mr. Chair, there would be procedures to follow in terms of employee development and unless it is a situation where a scholarship is provided and the person is locked in to where they are at because that may happen from time to time, you will not be able to retain the person unless the person is willing to be so retained. So that there are instances, I am sure, within the Corporations where persons may gain experience, gain qualifications and the challenge would be whether they would be willing to remain or whether they would choose to explore their options. And all I can say in conclusion is that the evidence that the Ministry has advertised the position, received applications from persons, gone through a process, it is there, it is there that we have done so and as I have indicated, as recent as October, the interviews were conducted.

Ms. Ameen: Chairman, coming out of that, if a person on the establishment is qualified for the position of Financial Officer, for example, and they wish to apply, this is a contract position, what is the procedure in terms of being given release from their service within the public service to be allowed time to serve in that contract with a guarantee to come back to their job? Can they take leave from their position on the establishment and then go and serve that as a contract period?

Mrs. Daniel: That would be possible. Of course, again, there is a procedure and there would be an application process. You would have to request permission for leave in the wider public service grounds of public policy. One of the challenges and if I am honest, I would indicate would be that there are incidents where persons may have been in the system for quite some time but they have not been appointed. So if you are in an acting position, you have no rights essentially in terms of exploring, exercising that option.

Mr. Chairman: Just one question. You know, Chaguanas Corporation had outsourced the preparations of its financial statements and I think Arima also. Could you tell us—[*Interruption*] Authority to do it, because we are trying to figure out if they could do that, how were they able to do that and the cost if that is a feasible option for the other Corporations?

Mrs. Baptiste-Primus: Permit me, Chairman, to clarify this lacuna that has just emerged. I think the question is whether or not the Corporations are authorized to contract out such services and if they are, whether or not authority was obtained, and if that is so, if that option is available, why the other Corporations have not considered such an option. But I think the primary question is whether or not an authorization must be obtained to go in such a direction to contract out in order to overcome the situation where so many vacancies in such critical positions, given my understanding, the Ministry is not responsible. It is the Statutory Authorities Service Commission whose responsibility it is to fill positions or the Public Service Commission's responsibility. But I am interested, like the rest of the Committee, in understanding whether or not Corporations and Boroughs are authorized to contract out those services and if they are, why such an approach has not been utilized by the others?

Mr. Seepaul: Thank you, Member. Mr Chair, the question that is asked has a bearing on what has already been said relevant to the ability of the Corporations being able to attract suitably qualified financial officers. I would understand, especially in the case of the Chaguanas Borough where over the past number of years would have sought the assistance of professionals to prepare their financial statements. This would have been done because of the absence of competent officers at that Corporation.

With respect to the authority, I just want to inform the Committee that before such an undertaking is done, the approval of the council is sought and is received before the firm is brought in to do what is required of them.

Ms. Ameen: Chairman, if I may, while I agree that council approval would be necessary for any engagement, any contractual engagement, the Exchequer and Audit Act indicates that where you have statutory bodies, which includes the Port of Spain and San Fernando Corporations, that in the exercise of the duties under the Auditor General, persons to carry out professional accounting services have to authorized to inspect, examine or audit the books and accounts of any statutory body. And this is in line with what member Baptiste-Primus is asking. Apart from council approval, approval from the Exchequer department has to be sought for the accounts of these statutory bodies to be examined by any outside entity. Maybe the Corporations might be in a better position to indicate, as the Minister asked, have the Corporations, mainly Arima and Point Fortin who indicated in their reports that they have contracted out the services—sorry, Chaguanas and Arima. Did they get authorization?

Mr. Seepaul: Before I refer this matter to the relevant CEOs at Chaguanas and Arima, I just want to bring clarity to the whole issue. This is about financial reporting and it does not include the auditing function. A financial report is a statutory requirement that Corporations must provide and that I indicated before if the Corporations do not have the competent and qualified staff to produce such documents, they are forced to look at alternatives and this is where an approach to the council is made for such an undertaking. So I will want to refer for further information to Mr. Chadee Ameeral.

Mr. Chairman: I would really like to get the opinion of either the CEO or the Mayor of the Arima Borough Corporation to give us an idea or the CEO.

Mrs. Sirju-Chong: Through the Chair, member, I have inherited this situation but I know the council did approve the authorized agency to prepare the final accounts. I am not sure whether any approvals were given through the Comptroller of Accounts or Auditor General on this person but it is similar to Chaguanas that we use the same agency and Auditor General has never complained on any of the financial statements prepared by the organization.

Mr. Chairman: Mrs. Baptiste-Primus.

Mrs. Baptiste-Primus: Chairman, permit me. We are searching here for answers. For example, in the Chaguanas Corporation, page 6, response, the second paragraph reads:

> The continued absence of institutional capacity to prepare financial statements continues. In the circumstances, the Chaguanas Borough Corporation outsourced the preparation of its financial statements for 2012 and 2013.

Preliminary reports revealed x, y and z. But of note here:

> The removal of staff that possess institutional knowledge, memory and records of this process to troubleshoot and make good this anomaly rendered the exercise unresolved.

And the Chaguanas Borough Corporation has stated quite clearly that they are not pleased that their financial statements for the years 2012 to 2018 remain outstanding and that they shall take steps to ensure that it is completed and the Chief Financial Officer and Financial Comptroller to take the direct responsibility to cause same to be prepared. The question arises and I think we need to clarify—this is a simple issue—whether or not a Corporation has the authority to contract out such services.

11.25 a.m.

I have listened to the Deputy Permanent Secretary, and I did not elicit that kind of helpful or useful information. If they are authorized, we move on, it is just a matter of understanding whether or not a Corporation has the authority to do such. I mean we all understand the difficulty, I do not want Corporations and the Ministry to feel that the Committee does not understand. We understand the challenges and constraints. But in order for us to assist, or identify ways to assist the Ministry and the Corporation we have understand. So is it that the Corporation has the authority to contract out those services, or not? If they did not have the authority, then immediate steps must be taken to regularize a situation. If they do have such an authority, why are the other corporations not following suit so that we can have a higher level of accountability?

Mr. Chairman: So, we may have to determine if there is the authority to do it, and if not—

Mrs. Daniel: What I would say, Mr. Chair is that the Exchequer and Audit Act as read by one of the Committee members speaks to, and how it has been interpreted, is that it speaks to what you are not allowed to do is to have auditing, which is why I referred to the audit committee and the introduction of an external audit as part of the reform. So the auditing, we are very clear, is not allowed.

The understanding thus far, and this is at head office as well as at the Corporations because head office is aware that Corporations have gone that way. It is not seen as being unlawful; in other words—the question being proposed in the way it has would force us I suppose to be very precise in the future. But, thus far, it is not something that is done under—it can be done, and it has been done and the Ministry has not frowned at it, nor has—as was shared, Auditor General who would have been aware from their work. So, in short it is something that could be done as far as we are aware at this point. We will do further research.

Ms. Ameen: So, Corporations are authorized to contract out the preparation of their statement, but not the auditing of those statements?

Mrs. Daniel: The understanding has definitely been that.

Mr. De Freitas: Can I just ask one question, just for clarification. When you say "contract out", are you talking about hiring a company to do the financial reports, or are you talking about hiring someone on contract?—which is different; it is someone inside the institution as opposed to a separate entity altogether.

Mrs. Daniel: My understanding is that both would have occurred.

Mr. De Freitas: One second. So both would have occurred? Which do you think is safer, contracting out the preparation of financial statements to a private entity for Corporations or hiring somebody on contract? Because, what I have heard all morning is that you cannot find individuals to take up the posts or that individuals are not forthcoming by way of the regular process to fill these posts.

I thought that understanding that the salary is not good enough that if there is an ability to contract out that either the council, if that is the procedure, can increase the salary to match what is in the private domain, to have an individual come in on the staff to be able to do these financial reports on time. I thought that that would have been a better arrangement until the statutory authority that is responsible for filling these posts can do so. As opposed to having a private entity do the financial reports.

Mrs. Daniel: To respond, Mr. Chair. The preference would always be for someone to be brought in on contract. The position of Financial Officer, where those positions are filled are all positions on contract. The salary for that position is what we have indicated is approximately not exceeding $14,000. Okay? And that is where the challenge lies. So, yes, that would be the ideal and that is what we do where we can.

I would want to add, where we have spoken to the vacant positions—it is not a majority and it is not that we are making excuses where we do not have positions filled. We have four such positions being vacant at this time, two from persons here and two other Corporations. But that is always the desirable and preferred approach. But for the difficulty in filling the positions.

Mr. De Freitas: So, just to increase the salary, so that you can attract individuals, you are saying that that is not possible, that the council cannot sit maybe and do that. So, who would be responsible for increasing that salary? CPO?

Mrs. Baptiste-Primus: CPO.

Mrs. Daniel: I am sure council members here would hasten to say they would love if they had that power, but it does not reside there. It is done through the office of the CPO, yes.

Mr. Chairman: I would recognize Mrs. Baptiste-Primus.

Mrs. Baptiste-Primus: Thank you kindly, Mr. Chair. Madam Permanent Secretary, did you all at the level of the Ministry, have you all made any approaches to the CPO placing the kind of compelling arguments that would support a request for the review of the remuneration package for the Financial Officer?

Listen, we all sit here, we know that no qualified person with ACCA is going to work for $14,000 a month. I mean, there is a dearth of these persons out there in the wider society. So that urgent steps should be taken to approach the CPO to review the package. Has that been done by the Ministry?

Mrs. Daniel: It has been done, Mr. Chair and through you, Member. And I can add that further efforts will be made given that certain persons in the Ministry have a relationship with the CPO. There will be further efforts made and what we have recognized is that apart from the—what has happened in the past would have been, we would have written and made arguments for and so on, that we table a meeting to again make the case for.

Ms. Ramdial: Through you, just to extend member Baptiste-Primus' question, does the local government reform legislation, which is about to be tabled, also speak to attractive remuneration packages for employees of the Corporations and the boroughs? And if not, over consultation, I am sure these things would have been discussed, if not I think it needs to be included—more attractive remuneration packages to fill these vacancies in local government reform legislation.

Mrs. Baptiste-Primus: No, you cannot put that in legislation.

Ms. Ramdial: No, not in detail, but to make a recommendation.

Mr. Chairman: But even in our report we may be able to make a recommendation via our report. This is the whole idea to try to get a discussion. But, I would like to find out from Chaguanas and Arima. Chaguanas first and then Arima, what is the cost of the outsourcing of these—and is it a company or a person? Yes, for public knowledge, Chaguanas, could you give us an idea of the cost, yes?

Mr. Chadee Ameeral: Yes, Mr. Chairman, in response to the question, the cost that was outsourced for 2012/2013 was $167,900 VAT inclusive.

Ms. Ramdial: Chair, through you. Can Arima give also the cost for outsourcing?

Mrs. Sirju-Chong: Through the Chair, Member. It cost us approximately $90,000 for one financial year.

Mr. Smith: Mr. Chair, through you. With the local government reform legislation coming up, I know we are looking at one position mainly with regard to the financial aspect, and nothing new is under the sun. And the reason for the local government reform, and I know, Mr. Forde, Member and Ms. Ameen were part of local government as myself for a period of time.

Part of local government reform is taking over the responsibility of central government to a large extent. So it is nothing new, we are talking about this one particular position, but the expansion of local government reform is going to have a number of other technical positions similar to what you are talking about, a number of them. And there are two sources before we table—because it has to be part of it. There is going to be a huge expansion of the staff of all your Corporations if you are going to be taking over the roles of a number of the central government agencies and Ministries. So, not just the audit and the financial positions and stuff. There are a number of other major technical positions, one of them which I am—and a number of MPs are concerned about—is the engineering aspect of it.

Local government is supposed to, if the reform is be read what it was tabled as, the manifesto of the People's National Movement, which is now legislation, not legislation but part of the policy in the future when the legislation is passed. It is a number of technical—it is the health centres, it is the schools, it is the sporting facilities. So central government had positions or persons doing these things. Not only that, we have modelled this whole reform to follow First World countries and a number of cities across North America and so on, which already has a model with regard to how they deal with these positions. And we can sit here for the next 20 days and there are so many grey areas. And that is the reason why we have pushed this reform to have black and white where we would not have grey areas. So this is a perfect opportunity for everybody involved to clear these situations up.

But, with regard to not just that position or the positions we are discussing, we should look a best practices worldwide, which was done when we were doing the policy. But, more importantly to lean on the various agencies and/or Ministries to see how they deal with this because it is identical. It is just that you all are going to be taking up the mantle with regard to this. I know a big major problem with the issue is funding. And, of course, with the legislation we will have an increase to take and it has to be a fair cut with regard to what local government, the municipalities are going to get to take over these roles and functions from the central government Ministries.

So, I am hoping that the Ministry will listen to the Corporations, the councillors, but also the administrative side of it. Because even that, there is always a grey area between those two, the operation with regard to the council and the roles of the staff. And I am hoping that finally with this reform that that would be cleared up. Because there will be a seamless, it has to be seamless, with the responsibility that is going to be laid on you all. It cannot be a shocker, because it is a lot. I mean, I just called three or four—schools, health centres, sporting facilities—but there are a number of other things, you all are going to be taking over. And if a small issue with regard to what we are talking about here, which has been part of local government for years, we really have to get this right moving forward.

So look at best practices for all of us involved with the legislation, but more importantly, central government, who has the responsibility now has to work with regard to not just the portfolio in terms of the HR, but the technical aspect. A number of projects are being done right now—what should have been happening is local government should have been part of those projects being community centres, schools, being built, sporting facilities being built. Local government should have had people—the Corporation should have had people working in these projects so that they would know what is going on, and I do not know if that partnership has been happening with regard to moving forward.

Mr. Chairman: Thank you, Mr. Smith. I just wanted two questions. The fact is we are coming into an idea that the staff is a problem; we need to have better remuneration. Arima, Chaguanas have contracted out, and I am still trying to figure—Arima and Chaguanas, is it a company or a person you have contracted out? Could Arima give me an idea?

Mrs. Sirju-Chong: Chair, it is a company.

Mr. Chairman: A company, and could you name the company, please?

Mrs. Sirju-Chong: Sinanan Dass & Associates.

Mr. Chairman: All right. And Chaguanas, could you elaborate also?

Mr. Chadee Ameeral: Mr. Chairman, it is the company, the same company, Sinanan Dass & Associates Chartered Accountants.

Mr. Chairman: All right. So, if I am guided, the Ministry has no objection to the hiring out of these practices and we will have to see if this is, you know—as member Smith stated, we need to get some sort of best practices to see who, you know, if you are going to have the other Corporations follow suit, what sort of practice they would adopt if it is a similar one.

Ms. Ameen: Chair, I want to move on to another area. From the reports of the Ministry and all the Corporations, it is established that there is no fraud policy or no fixed policy to deal with fraud. But you are governed by the existing laws. But there are no specific polices for regional Corporations. So, I just want to get from regional Corporations, over the last two years or so, has your council received any internal reports of fraudulent activities within your Corporation? And if so, how are those reports documented, how are they treated, and how do you respond to those allegations when they come?

Mrs. Stapleton-Seaforth: Through the Chair, Port of Spain Corporation has not received any allegations of fraud. But I spoke with my legal advisor and based on these questions here and she posed that we look into drafting a fraud policy.

Mr. Chairman: Could we go in the order after San Fernando, Arima, Point Fortin and Chaguanas? So, would San Fernando proceed, please?

Mr. Regrello: Chair, we do not have a matter—we do not have a system in place to deal with fraud, any fraud policy. However, recently we had a matter where fraudulent cheques existed and that has been reported to our police service and they are investigating it.

Mr. Chairman: Could you give me an idea of the value of the cheques?

Mr. Regrello: It is 16 cheques valued at small sums, 3,000-plus—small sums and most of them circulated in the Port of Spain area.

Mr. Chairman: Okay. Arima, also give us some comments.

Mrs. Sirju-Chong: Chair, we have had three incidents since my tenure at the Arima Borough Corporation. One was the fraudulent cheques, one was a situation with fraudulent food badges, and payroll, our payroll department. The payroll department was recent. We discovered immediately because we have upgraded our system. Our supplier, EZPay, they were called in immediately and they tracked everything. What happened, the bank returned one of the cheques, and the system, based on audit checks did not go through—they were retired people who were accidently placed back onto the payroll. So we captured that.

The fraudulent cheques, the Fraud Squad was immediately called in. The matter is now before the court the alleged perpetrators have been held. They went far and wide throughout Trinidad. With reference to the food badges, internal audit established a system now of checks and balances, similar to issuance of cheque books, so we, all senior officers at the Public Health Department are responsible for signing off on food badges and ensuring that the applicant is a legitimate person from Trinidad and Tobago, or if it is from a foreign country they must have a work permit.

Mr. Forde: Again, with regard—

Ms. Ameen: Point Fortin—

Mr. Forde: Okay, well probably after we have heard from Point Fortin, then I will probably come in.

Ms. Ameen: Point Fortin and Chaguanas.

Mr. Forde: Okay, I will come in after.

Ms. Taylor: At the Point Fortin Corporation, we have, had within the last two years, just one situation, and this is as it relates to some cement that went missing just about 32 bags or so; that would have occurred in 2017. What we would have done is, had the auditor come in and do an investigation. We would have put together a committee, a committee based upon persons who can add value to the investigation. An investigation was done, and the information would have been laid before the council and handed over to the municipal police so that they can take the next step in terms of treating with it. Outside of that, we do not have any other fraudulent situation that I can put forward.

Mr. Mason: Chair, if I am permitted to add. His Worship the Mayor of Point Fortin, while understanding the explanation of the CEO, as the political arm existing recognized over the years, while we do not have the situations as were alleged in Sangre Grande and other Corporations in Trinidad and Tobago, the Council is currently discussing moving a Motion to establish a fraud policy in Point Fortin, because we recognize that although we are not affected, we are not immune from being affected in the future. So, we would want to put those things on the record, because we have intentions of establishing a fraud policy in Point

Fortin.

Mr. Chairman: Well, I congratulate you and I hope the others would also implement such a move. Do you have a whistle-blower policy?

Members: Chaguanas.

Mr. Chairman: We will hear Chaguanas' comments first.

Mr. Chadee Ameeral: Mr. Chairman, in researching the records of the Corporation in preparation to appear before this Committee, I would have observed one officer of the Corporation being suspended based on a matter related to the issuance of job letters. Apart from that, I have seen nothing so far in the records of the Corporation to indicate that there are reports of fraud and matters referred to the Fraud Squad or any matter with respect to fraud. And again, there is no fraud policy based on my research of the records of the Corporation.

Ms. Ameen: Chairman, recently a couple months ago, it was in the newspaper where the Minister visited your Corporation at a statutory meeting and allegations of corruption or fraud within the building inspectors' department concerning approvals for buildings were brought forward and the Minister indicated that there will be an investigation. Is that not one of the things that your council might be involved with in terms of providing some sort of report or investigation towards the Ministry?

Mr. Chadee Ameeral: Mr. Chairman, I must say that there is an aura of suspicion with respect to wrongdoing at the Chaguanas Borough Corporation. Based on my tenure of office at the Corporation, I have seen no evidence. I have my eyes peeled and any incident or any matter that should be brought to my attention I assure this Committee that I will deal with it in accordance with the rule of law and procedure. In addition to that, the matter that the member raised specifically, that matter was forwarded to me. It would have gone from the member of council to the hon. Minister. The hon. Minister would have forwarded it to the Permanent Secretary. The Permanent Secretary would have forwarded it to the Chief Executive Officer and I would have replied to this document probably about a month and a half ago and I think I am still probably waiting or to see what will be the outcome. But basically it was a document that was submitted from attorneys on behalf of the member of council.

Mrs. Baptiste-Primus: To the CEO of Chaguanas Borough Corporation, on page 10 of your response, (iii), the status of the aforementioned as follows: Investigation on the open tray contracted services at the Chaguanas Borough Corporation, report received and is being considered by the Chaguanas Borough Corporation; (2) investigation in the in-house open tray system, report received and is being considered by the Chaguanas Borough Corporation. Wrecking services undertaken, report pending. So that, what is in the report here is not really in sync with the statement you have just made. Would you like to review that statement?

Mr. Chadee Ameeral: Mr. Chairman, with respect to (iii), the open tray services basically is an investigation relative into an audit done by the Ministry on the request of the Corporation. That audit basically identified some issues with respect to procedure, which steps have been taken to try and correct those with respect to the open tray services. With respect to the other investigation, open house, that report was submitted to the Corporation from the Auditor III. And with respect to the wrecking service we are still awaiting the report.

But the question that I specifically responded to was with respect to fraud. And to the best of my knowledge, none of these matters would have pointed in the direction of fraud. But it is being considered, the report is under review by the

Chief Executive Officer for onward transmission to the council, and this matter will be receiving the attention of the council at the next public health committee meeting as it relates to scavenging.

Mrs. Baptiste-Primus: One second, before you proceed. Mr. Chairman, I draw the attention of the CEO to the memo from the Auditor III, dated 17 September, 2018. Open tray system in house, the penultimate paragraph reads as follows:

> The discovery of such overwhelming inaccuracies and inconsistencies on the systems records as a clear indication that the in-house open tray system at Chaguanas Borough Corporation has been compromised for fraud and corruption.

Hence my question to you Mr. CEO, whether or not you would like to review the statements you made to the Committee, because you can.

Mr. Chadee Ameeral: Mr. Chairman, I take it that the response will have to be reviewed against the background of the report. But, basically the report is under review at this time for onward transmission to the council.

Mr. Forde: Mr. Chairman. Again, these documents we would have received, that we would have tried also to go through in the late time, and you know we are hearing differences now in what is being said.

Mrs. Baptiste-Primus: To what is being documented.

Mr. Forde: Versus what is being documented. Right, because, I was now trying to understand if it that we have to identify what is the meaning of "fraud". Right, as the case may be. It is clear. It is one of the questioning that I was heading to with regard to, you know, all the statements being made that no fraud taking place. But in terms of contracts and contractors and so on. Any aspect of those, I am not hearing anything.

I was a local government councillor for about five years and my colleague here was there for a period, I know, MP Smith, also. And, you know, I mean in the Corporation where we were not saying anything. But in terms of allegations at least. The garbage trucks, the sanitation trucks, the open tray trucks, little issues, contracts for road paving, whether we get 2 inches of paving, or 3 inches of paying or 4 inches. Whether it is a hot mix or cold mix. I have been able to, I am not an engineer, but I have been able to understand all of that for the five years I have been there. And we are saying that none of these five entities before us today, there are no issues along those lines? Tell me something about sanitation, tell me something about contracts, road paving, bridges, retaining walls. There must be something out there guys—

Ms. Ameen: And I want to add—

Mr. Forde:—I mean, do not let us try to go into it and ask you about certain allegations. You all should be able to tell us something. That is why we are here; we want ensure that we can do a report in order to avoid, minimize, eliminate scenarios in going forward, it is not only about the reform.

Mr. Chairman: I agree too.

Mr. Forde: You all are the persons that have to guide us in order to ensure that we put legislation and reports and procedures and policies in place. And I am saying that—no fraud, no impropriety, nothing of the sort?

I am waiting for Tunapuna/Piarco Regional Corporation to come before me.

Ms. Ameen: I just want to add to what my colleague is saying, that throughout all regional Corporations—but even the ones who are here—there are records, there are articles in the media of local government representatives complaining of collusion and fraud and misleading information coming out of the accounting system with regard to contractors. Scavenging is an area where you have a lot of concerns. Even road paving and the quality checking of the contract, the work being provided. When substandard work is done and officers in the regional Corporations put that it is satisfactory, and then council has to pay, based on that report from your technical officers. There must be some information, there must be some awareness by CEOs.

11.55 a.m.

It is very clear from the reports that came, that the officers, the administrative officers who prepared this report are aware that there are fraudulent activities within the regional Corporations, but if we are having this enquiry to get to the bottom of these issues, and all Corporations are saying, "No, we good; no, we good", then we are covering up the problem.

Mr. Chairman: I would like to recognize Mrs. Baptiste-Primus.

Mrs. Baptiste-Primus: Thank you kindly, Chairman. I just wanted to tie up one final loose end on the issue of the Chaguanas Borough Corporation. Mr. CEO, the Auditor III in his report—you have said quite clearly that there are no instances of fraudulent activities, and I did give you the opportunity to review the statement you made before this Committee, but you have exercised the option not to do so, so I will continue. The Auditor III recommended—the inconsistencies, any irregularities identified were so overwhelming, the Auditor III recommended a forensic audit, not a simple audit, but a forensic audit. So my question to you, Mr. CEO, since a forensic audit was recommended was any attempt made to have this done, and if so, what is the status of the audit?

Mr. Chadee Ameeral: Mr. Chairman, the response is, no, and, like I indicated, that the report is under review and appropriate action will be taken with respect to having the matter sent to the council for their information, and then a decision will be taken after the review of the report.

Mrs. Baptiste-Primus: You see, Mr. Chairman, the CEOs of Corporations, they carry grave responsibilities, grave responsibilities, and I am somewhat disappointed that CEOs are not seizing the opportunity to come to this enquiry, as they would say in legal jargon, with clean hands. If there are irregularities, issues of fraud, tell the Committee because the reports speak—

Mr. Forde: It says it.

Mrs. Baptiste-Primus:—the reports speak to fraudulent activities, and to come before this Committee and give expressions of statements that suggest that all is well and hunky-dory, really leads us to the point of expressing disappointment, disappointment that CEOs will not come and articulate what is true and what is stated in your reports. I will rest for now, Mr. Chairman.

Mr. Forde: Mr. Chairman—

Mr. De Freitas: Mr. Chair—just one second—could I just ask a question, how long has this report been under review?

Mr. Forde: Mr. Chairman, we could ask a next question by the time they get the answer or something?

Mr. Chairman: Sure.

Mr. Forde: By the time they get the answer, because I do not want to miss the answer that my colleague gave, but as they are taking a while is it possible that another question can be posed until they get an answer?

Mr. Chairman: Yeah, you can.

Mr. Forde: All right. The maximum dollar value for contracts, projects within the various municipalities before us, we know that you would have the CEO's portion—

Ms. Ameen: CEO's limit.

Mr. Forde:—limit, and then we would know we would have the tender committee limit, what is the limit? Is it varied among each individual there, because again, I can speak to probably Tunapuna/Piarco but with regard to the others? Could we just get a quick figure around the floor?

Mrs. Stapleton-Seaforth: For CEOs the maximum limit is $300,000.

Mr. Forde: Seeing that that is just one question, you can just include, quickly, a quick synopsis on how it is that you do the approval. Do you include your council or do you make the sole decision based on you and your county superintendent or engineer, or whoever you make the decision with—quick, succinct and to the point?

Mrs. Stapleton-Seaforth: When projects are identified, the projects are taken to the council for approval for the other—

Mr. Forde: You take it to your council?

Mrs. Stapleton-Seaforth: Yes.

Mr. Forde: All right.

Mr. Singh: Morning again, Sir. The CEO's limit is $300,000. Projects are approved by council and contractors are invited based on an established list. How the San Fernando City Corporation establishes the list, is that we have a system in place where we have a committee. A committee now, reviews applications that come into the San Fernando Corporation for proposed contractors willing to supply goods and services to the San Fernando—

Mr. Forde: Inclusive of the councillors?

Mr. Singh: Pardon?

Mr. Forde: Inclusive of the councillors?

Mr. Singh: Not this subcommittee, there is a second subcommittee.

Mr. Forde: But your councillor is aware of the whole decision?

Mr. Singh: Yes, because at two levels, at the approval level, and, secondly, at the evaluation level. At the evaluation level we have two members of council in that committee.

Mr. Chairman: Do you have a list of the contractors? And, also, is it online that people could look and see, these are the contractors, the naming of the directors who are contractors so it will have a clearer idea of transparency?

Mr. Singh: Yes, Chair, we have a list of contractors, but, however, it is not online. It is something that maybe we can look at, but there is an established list of contractors in the tenders department at the Corporation which can be viewed, but it is not online.

Mr. Forde: But it is advertised? The projects are advertised?

Mr. Singh: Yes, projects are advertised.

Mr. Forde: Right. Okay.

Mr. Chairman: Is the cost also—the projects, the costing is also advertised?

Mr. Singh: No, no, the process is that it is just the project, not the costing. The costing is based on an in-house estimate prepared by the engineer, approved by council, and all that is advertised is that the scope of the work—the extent of the work to be undertaken.

Mr. Forde: You could move on now, Chairman, to the next person.

Ms. Ameen: Arima.

Mr. Chairman: Arima, please.

Ms. Morris-Julian: Through you, Chairman, in Arima we recognize we had some issues with the Town Superintendent department and the Building Inspector's department, so what we decided to do was hire a Town Engineer, because we were not satisfied with the quality of projects that we saw in Arima. With the establishment of the Land and Building Committee we also have the ability to review, so if a burgess has a problem with regard to an issue with the Building Inspector or Town Superintendent, or anyone in the administration, they can come to us through the Land and Building Committee and state what is the issue and we usually work it out. The CEO's limit is $300,000, the Minister's limit is $500,000, and through CBTT we have $1 million.

Mr. Forde: With regard to the CEO's limit, is the council involved in any way?

Ms. Morris-Julian: Very much so. The CEO makes sure that we approve the limit, that we are happy with what we want. For example, we are doing a craft market in the Arima market that is much needed, within the CEO's limit.

Mr. Forde: And also, your list of contractors, to pre-qualify in that, you have a list?

Ms. Morris-Julian: We do not have pre-qualifications.

Mr. Forde: You are open?

Ms. Morris-Julian: It is open to anyone.

Mr. Forde: Okay. Next person, Mr. Chairman, Point.

Mrs. Taylor: Yes, Point Fortin. At the Point Fortin Corporation, like the others, the CEO's limit is $300,000. In terms of projects that are undertaken under the CEO's limit, these projects are usually put forward by the council. It is usually approved at the level of the council. In terms of tendering, we would normally do open tender, which is on the newspaper. We had a list at Point Fortin. What would have happened, in terms of moving forward, the list had to be approved by the Ministry of Finance in terms of contractors who want to do contract work within the district. Within the last couple of years we have been sending and we have not been getting approvals, so that in terms of contracts, it is usually open, and in terms of the payments, we would normally—the council would play a role in terms of monitoring a project. It is an unofficial role. Before we make payment we would have the engineer and the supervisor deal with a—they complete the contract completion form. That form would usually come to the CEO for final approval, but even before I do final approval, I would normally go out on site visits because I need to ensure that the quality of work that is given is what is required, and of course aligns with the scope. Even before we—when it is presented to the council, I would usually ask the members of council if they are satisfied as well, and it is only then payments are made.

Mr. Forde: Mr. Chairman, with—

Ms. Ameen: Chaguanas.

Mr. Forde: Chaguanas did not go yet? Right, sorry.

Mr. Chadee Ameeral: Mr. Chairman, the limit of authority for award of contracts for the CEO of the Corporation is $300,000. Council would approve the projects, similar to other Corporations. The projects will be sent to the Ministry of Rural Development and Local Government, the project unit would come and actually look at the projects itself, look at the estimates, and then recommendations will go to the Ministry of Finance for the release of funds. The tendering process is initiated at the level of the Chief Executive Officer. An advertisement is placed in the papers. We go by public tendering for most of these projects. Evaluation is done at the level of the CEO, and I will co-opt technical officers for the purpose of evaluation and making recommendations for award. Awards are made and a report goes to the council with respect to—a list goes to the council with respect to the awards that were made with respect to the sum and the contractors that were awarded the projects.

Mr. Forde: Mr. Chairman, in terms of equitable distribution among the councillors, PNM, UNC, COP, as the case may be, in terms of the amount, is it equitable in terms of the allocations for development programmes?

Mr. Chadee Ameeral: Mr. Chairman, having received our budgetary allocation for various PSIP projects, it goes to council to re-prioritize and they distribute it at Chaguanas. They make the distribution equally among all the members of council.

Mr. Forde: In terms of, let us say for instance, you have 100 roads to pave in your particular region, is there a limit that one particular contractor can obtain tenders and contracts for? Like, for instance, Esmond Forde Contractors applied for 15; I get 10, or I get all 15, is that possible among the Corporations?

Mr. Chadee Ameeral: It is possible with respect to when you are doing the evaluation. If undertaking the evaluation you see that a contractor might be getting two or three, because he might be the lowest or he might be the preferred contractor, then based on the documents submitted, if he has the capacity to do so, based on the recommendations of the evaluation team—

Mr. Forde: But, again, through you, Mr. Chair, we are talking about $300,000 projects, we are talking about one contractor, I think in terms of equity it should be able to go across the board, rather than one individual getting 15 contracts out of the allocation. I am not talking for Chaguanas only, I am talking about generally, among each one of the Corporations here, because again at TPRC, where I spent five years, you know what I mean, there were instances where contractors were receiving some quantum in terms of—you know, and when you look at it across the board, it is $300,000 we are talking about, those small contractors should be utilized. And, again, among the others, Mr. Chairman, it would be good to know, but I know in the interest of time I may not be able to, so if we could get it in writing, in the interest of time, you know, you may not be able to get it now. But, again, that is one of the allocations again, in going forward with the reform policy, this is one of the things, where contractors within your district and region should be utilized, as the case may be.

Ms. Ameen: Chairman, I also want to elicit, I was happy to hear the response from the Point Fortin Borough Corporation with regard to the role of the elected representatives in indicating satisfaction with the projects that they put forward. I am curious from the other Corporations whether the councillors, apart from the councillors as a body, whether the councillors play a role, do they have the opportunity to visit and say, I am satisfied, or my burgesses are satisfied, before that approval is given? Because in terms of the letter of the law there is no role for the specific councillor to visit the project, but the council has to approve the final payment based on the technical report. But we have seen occasions where the burgesses are not satisfied but the technical report says it is okay. What role do you allow your elected representatives to play in the approval and final approval?

Mr. Regrello: Chairman, may I respond here on behalf of the San Fernando City Corporation? We have a system in place where a recommendation comes from the council members. They make their submission. They also liaise with the contractor. They visit the projects. They have to sign off on the contract, bring it to council for final approval and for payment, and we continue with that system and it has been working for us. And I must say, our councillors are better than the engineers.

Mr. Smith: Mr. Chair, a couple of things that struck me when we asked the previous question—

Ms. Ameen: There are others.

Mr. Smith: He is not finished?

Ms. Ameen: I want the other Corporations to just quickly indicate.

Mr. Smith: All of them, okay.

Ms. Ameen: Yeah. Chaguanas and then Arima. Port of Spain.

Mrs. Stapleton-Seaforth: At the Port of Spain Corporation both the councillors and the work supervisors, engineers, they work hand in hand in conducting site visits. If the councillors have any concerns, the concerns are usually addressed by the engineering team.

Ms. Ameen: Arima.

Ms. Morris-Julian: We have a very active chairman of infrastructure who works alongside the Town Engineer and the councillors, and we do not sign off on any payment until the councillor, the burgesses are happy with the particular project.

Ms. Ameen: Chaguanas.

Mr. Chadee Ameeral: It is similar in Chaguanas, Mr. Chairman, when the list of vouchers is prepared and submitted to council, all members of council will make their contribution with respect to their satisfaction or dissatisfaction with the project, and, if necessary, the councillor will make the recommendation to do a site visit before they authorize or approve the payments for contracts.

Mr. Chairman: Looking at the question raised by Mr. Forde about the contractors, and probably the monopolizing of certain contractors, a suggestion might be to have your list of contractors, have your list of published or online, and the directors of their company so they would see there are no cross linkages that, you know, for transparency sake, there would not be any sort of level of corruption. And looking at the—

Mr. Forde: Mr. Chairman, no, is it not how you put it across there, you know, I am talking about Esmond Forde Contracting Company, one name, you know.

Mr. Chairman: Yeah.

Ms. Ameen: One contractor.

Mr. Forde: One name, not my name and your name, and my colleague's name.

Ms. Ameen: I think very often, Chairman, sometimes what happens is that based on the capacity of a contractor they may be able to bid low for several projects, and then you would see your list of contractors, and one particular contractor would have been awarded the majority, or a large number of contracts. But if you examine them on an individual basis for each contract, each job, they may have come out as the best bid, but when you look at equity across the board in terms of other contractors within the region, you do not see that distribution sometimes.

Mr. Chairman: So a procurement policy needs to be put in place whereby, even if another contractor sees that he is probably slighted, he may be able to verbalize. He may be able to put it where you have—[*Interruption*] So there is the procurement legislation that will come into play soon, what is your state of readiness in terms of that, for each Corporation? Port of Spain could start.

Mrs. Stapleton-Seaforth: We were made aware of the new procurement policy that will be taking place. The Corporation had several training concerning that new initiative. Up to Friday I spoke with the head of the procurement unit and he said that he will like to meet with the Ministry of Rural Development and Local Government, so I spoke with council and also the training officer at the Ministry of Rural Development and Local Government. She will convey the information to the PS, and at present our tender unit and members from the HR unit, and the Stores department are attending training at the Arthur Lok Jack Institute.

Mr. Chairman: San Fernando.

Mr. Singh: Yes, Chair, training was conducted in our Tenders Clerk department in terms of the new—the legislation, however, we had concerns in terms of the disposal aspect of the new legislation in the sense of—that the CEO basically has overall authority in the sense of advising on the recommendation submitted by the committee. For the disposal a committee would be set up in which they make recommendations to the CEO and the CEO would have the final say in terms of if the items are to be destroyed, if the items are for resale, and I think, in terms of as CEOs, I think we need a little more clearance on that to be guided in terms of how we proceed on that aspect of it. But in terms of procuring goods and services, I think we are ready in terms of we would have had the training available some years ago, we would have had that training.

Mrs. Sirju-Chong: Through the Chair, member, at Arima we practice CTB rules and regulations in the interim that the Act is being fully implemented. We have a good system in terms of separation of responsibility with the tenders, the engineers department and the financial aspect of it. In terms of procurement legislation, my understanding of it is that there will be a new structure; there will be a Chief Procurement Officer established and other personnel established for that department, and that is where we will have to initiate some sort of assistance in going to CPO or Public Management Consulting Division to get those positions created.

Mr. Chairman: Chaguanas.

Mr. Chadee Ameeral: Mr. Chairman, the procurement legislation is intended, I think, to repeal the Central Tenders Board legislation, which the Corporation, the Chaguanas Borough Corporation follows in terms of its procurement at his time. We will require some additional information in terms of the structure and how we are going to do it so that information could filter down to us from the—probably the Ministry of Rural Development and Local Government so that we could probably better prepare ourselves really to implement the provisions of the procurement legislation. But what I can say is that I know a training is to take place at the Public Service Academy with respect to procurement, really by the end of this month, for which we have nominated a representative from the Chaguanas Corporation who is in the tenders department and is expected to be there for a little while to attend that training, and that training will now probably evolve in terms of what is going to happen, how we move forward with respect to positioning the Corporation to ready itself for the proclamation of the legislation with respect to procurement.

Mr. Chairman: Point Fortin.

Mrs. Taylor: At the Point Fortin Corporation we do have a procurement unit, however, the challenge is that it is headed by a clerk. The legislation would speak to specialist persons as procurement officers. We also are sending employees on the training that is to come subsequently. But in terms of being prepared as it relates to the legislation, we are not at that place because it would require a number of resources to properly set up that unit.

Mr. Chairman: I would like the—

Ms. Ameen: Chairman, I would just want to give the opportunity to the Permanent Secretary to perhaps indicate if any—well, the same answer, any training, any initiative with regard to procurement legislation.

Mrs. Daniel: Training in this area has been ongoing, Mr. Chair. And as indicated by a number of the Corporations, training has been undertaken, persons have been identified. If I may clarify something that was shared by the last contributor, the legislation speaks not to a person, not to someone holding an office, but someone who will carry out the functions of, and that person has to be identified. So that it is not an automatic arrangement that a procurement officer per se, in terms of someone holding that office will be identified. So that, like with the Corporations, the Ministry as well, we would have identified the person because there would always be persons carrying out the function. Persons have been trained and we have been readying ourselves. One of the things that—actually, DPS Seepaul here, is primarily responsible—has been for that. While the legislation is yet to be fully proclaimed, we have been preparing ourselves by doing some of the first step things. Our next bit of activity involves discussions with the Procurement Regulator. Initially we had planned to include the Corporations at that meeting, but we have recognized that we need an initial meeting with the Procurement Regulator and we will then have a subsequent meeting with the Corporations. And the concern with the separation has to do, once again, with the uniqueness of an accounting officer reporting to an accounting officer. So we need to work out where would parameters lie, and so on.

Mr. Forde: So, Mr. Chairman, you realize we come right back around where we started, where we are coming to the end. But I just have one more question, Mr. Chairman, and this could be provided in writing. I would like the Committee to be provided by all the municipalities, the list of new contractors that were approved from 2015 to present, please. A list of all contractors, new contractors that would have been approved from 2015 to now, please provide it in writing to the—a list of all new contractors approved by council or by the CEO, whoever does the approvals, to be provided in writing to the Committee, please.

Mr. Smith: Mr. Chair, before you go on, because this is what I was going to ask—I do not know if it passed over you all when we asked a few questions ago, when we asked, I know it as the rule and regulation that you must have pre-qualified contractors, but a couple of the agencies said that they do it open, but I know it is the law, even at Ministries you must have pre-qualified contractors to apply—and some of them said that they do it open. But, more importantly, something that struck me, because I am sure, as Chairman and as a Member of Parliament—we would have a number of contractors who said they have been asking and for five/six years been applying and sending in and they have not gotten a response. And I heard one of the representatives spoke of the list being sent to the Ministry of Finance to be approved, and as long as two/three years you have been waiting for that approval, so I do not know if the bottleneck for that—because all Ministries are getting central government, they rehash that list and they send out, you see the ads in the newspapers for contractors with the various things every year or two. I do not know what is the actual policy for time frames for contractors to be able to apply to be a pre-qualified company or organization or contractor, but the fact that we are doing it where some are not and some are, clearly states that something is wrong. But I do not know if the bottleneck is at the Ministry, but we get calls all the time. Because one of the issues is, and you all spoke of it, about the councillor or the alderman, or whoever, signing off on contracts, a big issue that we are having is the subcontracts, and the sub-subcontracts where everybody is chipping away trying to make a profit, and that is what occurs with regard to the low quality of the final project. And if you are not having subcontractors or persons being given the opportunity to become contractors, and I am not telling a contractor how to do the job; they may have certain aspects of the job that they may need to subcontract, but what we are seeing is the whole job being subcontracted out and then being subcontracted out again, and everybody is chipping away so the quality is being diminished with regard to that. So I just wanted us to be clear how the law is with regard to the contractors, if they have to be pre-qualified or not, but I know it as being pre-qualified. And if there is a bottleneck, somebody has to either write to the Ministry of Finance or if the bottleneck is at your local government level—but we have to have those lists coming out a year or every two years to give the new contractors the opportunity.

12.25 p.m.

Mr. Chairman: The list has to be, as to say, transparent. Even recently I think it was the Commissioner of Police, Mr. Gary Griffith, mentioned, I think it was on January 2nd, that the major sources of income for gangs was actually state contracts. He actually said that he wants to stop this supply of funding going to those gangs. So this is something he had looked into. So even looking at the contractors we may have to look behind the scenes. Do they have a police record; do we assist the Police Commissioner in his venture to fight crime by looking into this? Even as far back as September 28, 2013, in an article by Gail Alexander, where there was a police post built, and Mr. Griffith then was the National Security Minister. And he said that certain individuals would be blacklisted, and he wants to plug any arteries where any sort of contract goes to gang members' hands.

So the list of contractors, I am suggesting, may have to come and be vetted by the Ministry eventually, to see the persons there. Do they have certificates of clearance from the Police Commissioner and also if there, the list of directors. So a suggestion.

Mr. De Freitas: Mr. Chair, just to tack back on the question that I had asked. In relation to the report that suggested the forensic audit, as put forward by Mrs. Baptiste-Primus, how long has the report been under review? Do you have the answer?

Mr. Chadee Ameeral: October last year.

Mr. De Freitas: October last year, 2018 yes.

Mr. Chairman: To Port of Spain I would like to ask: An internal audit investigation in 2017 revealed serious breakdowns in internal controls on the parts of check staff and payroll sections regarding surplus payments of overtime to supervisors of excavation projects. That was in a memoranda dated September 28, 2017. I ask: What actions were subsequently taken to hold responsible the officers who were in error?

Mrs. Stapleton-Seaforth: The entire process was reviewed and I have given the Treasurer directives to write to the relevant officers so that we can recover the overpayments.

Mr. Forde: What year that was, Mr. Chairman?

Mr. Chairman: It was 2017. What internal mechanism is currently used in the accounts section to scrutinize the accuracy of work by check staff and payroll staff?

Mrs. Stapleton-Seaforth: At present we have one Acting Auditor, an auditing assistant, two clerks. The Corporation retained the services of two retired officers who worked in the accounts department. They are now performing the duties of auditing assistants, and within the last six months we hired an additional two auditing assistants on contracts. So they are in the process of doing a thorough check of the accounts department to ensure that the proper controls and transparency and accountability is met in the Corporation.

Mr. Chairman: A question to all the Corporations. It appears that the Corporations' records are not digitalized. Has the Corporation sought to convert its files into digital format? I would like an answer from each of the Corporations. Has any resources been allocated in this fiscal year to commence the digitalization of Corporation records? I see this as a fact that if the list of contractors is there, if the list of costing, if the projects are there, it is out for the public's comments. I think this is a way that we could actually get somehow a greater transparency. So I would like probably the Port of Spain Corporation to answer that, then San Fernando, Arima, Point Fortin and Chaguanas.

Mrs. Stapleton-Seaforth: At present the Port of Spain Corporation does not have that process, but discussions were held with officials from the Ministry of Finance, and we will be taking that proposal to Council shortly.

Mr. Regrello: Chair, we have been advocating that for quite a while now as it will impact on our efficiency as we move forward with time and production. We do not have the funding for that, and I am hoping that with the reform we will be able to address that matter.

Mr. Chairman: Arima.

Mrs. Sirju-Chong: Chair, we are currently pursuing under our Development Programme computerization to have pieces of equipment purchased in order to start the digitization process, as well as purchase the software licence.

Mr. Chairman: Point Fortin.

Mrs. Taylor: At Point Fortin, we would have had discussions at the level of the Council and the administration in terms of digitizing the information, because we recognized the benefits, even in terms of controls and managing for instance accounting. We had in the past purchased copiers that could facilitate the process of digitizing, but somehow we had not commenced the actual exercise. We have not included in this year's estimates any item as it relates to digitizing, but definitely it is one of the things that we will include in the next estimate.

Mr. Chairman: Chaguanas.

Mr. Chadee Ameeral: Mr. Chairman, I have no doubt in my mind that digitizing records and micro chipping files in order to provide reports and be able to account and answer to the Corporation in a shorter and more specific way is absolutely necessary and the way to go. No provisions have been made in the Corporation's budgetary allocation to go in this direction. At this time the Corporation really does not have any of those records digitized, as a whole department or something like that. But due consideration will be given, and we will probably try and see if we can make some kind of inclusion in our draft estimates that is coming up by the end of March month this year to make provisions for digitizing of our records.

Mr. Forde: Again, Mr. Chairman, in the interest of time if the municipalities here can provide us in writing of any off-site allocations. I know it could be a confidential document. Like off-site storage of information, storage of documents and so on, if there are any off-site. Again, I see the PS is watching me. Is there a policy statement on that?

Mrs. Daniel: No, no.

Mr. Forde: Off-site locations, addresses and particulars, and how it is done and so on. That could be provided in writing.

Mrs. Baptiste-Primus: Thank you kindly, Chairman. I have one question to ask all of the Corporations. Are you all satisfied with the garbage collection services provided to the burgesses of your various—municipalities. Thank you member Ameen. Chairman, I would like each one of the Corporations, because I know why I am asking that question.

Mr. Forde: Chairman, you know it is difficult for that question to come at this time, from experience in terms of the time. We could be here—

Mrs. Baptiste-Primus: I am asking if they are satisfied, yes or no.

Mr. Forde: Yes or no; no grey answers.

Mrs. Baptiste-Primus: I did not ask for a thesis.

Mrs. Taylor: I have not received any complaints from my Transport Foreman II, so we are satisfied with our service so far.

Mr. Chairman: San Fernando.

Mr. Regrello: San Fernando is satisfied.

Mr. Chairman: Arima.

Ms. Morris-Julian: Yes, in house, no, outsourcing.

Mr. Chairman: Point Fortin.

Mr. Mason: Very satisfied. We are the cleanest borough, municipality.

Mr. Chairman: Chaguanas.

Mr. Chadee Ameeral: Not satisfied.

Ms. Ameen: So I want to ask further, Mr. Chairman. So Arima indicated that you are satisfied in house, but you are not satisfied with those you contract out, and Chaguanas you also indicated that you are not satisfied. I want to ask: What system do you have in place with regard to payment when you are not satisfied?

Mrs. Sirju-Chong: Through the Chair, member. We have a system where we deduct from the contractors any money that is deemed for us to have go out and pick up the garbage, which means paying drivers and the attendants to work on the garbage truck. So we have that system in the borough of Arima.

Ms. Ameen: If you are not satisfied with the service of the contractor, in terms of the payment for that contractor?

Mrs. Sirju-Chong: Through the Chair, member, that is what we do. We deduct. It would not be a regular occurrence. They may not be able to pick up one day because of breakdowns. Some of their fleet is very old, so they may not be able to pick up on one day, or they may pick up later on during the day. We would always communicate with the contractor before we go out to pick up.

Ms. Ameen: All right, I get that. I wanted to know if you have a set system, so that, for instance, where you are supposed to report with two loaders and you come with one, a specific amount is deducted or a certain percentage. Do you have a recorded system for your checkers to follow to recommend deductions?

Mrs. Sirju-Chong: Through the Chair, member yes, we have our sanitation foremen on the field monitoring the garbage collection, especially for the contractors.

Ms. Ameen: Chaguanas.

Mr. Chairman: May I suggest that some groups set up with your department, like some communities, a better way that they could complain, via WhatsApp or some sort of information, where right away you get a response, "Look the trucks did not pass today or tomorrow", so you can actually act on that and not depend on your checker so much. You may have to implement something.

Ms. Morris-Julian: Chairman, in the Arima Borough Council we have a Facebook group with over 7,000 members, so we instantly get the slightest complaint. I will just like to add what the CEO did not say. We moved from seven days a week in Arima to Mondays, Wednesdays and Fridays. So that is the source of the contention with the contractors. Whereas they were making a certain sum, they are no longer making that particular sum. But we are lucky in Arima that we have an in-house team who would always go out and collect the sanitation issues.

Ms. Ameen: Chaguanas.

Mr. Chadee Ameeral: Mr. Chairman, my response with respect to not satisfied was against the background that the services were reduced from three days per week for the open tray services to just one day per week, and as a result of that then you would have almost 66 per cent of your bulky waste on the outside. So the response was not against the background with respect to dissatisfaction of the contractor's performance, but basically dissatisfaction of the general service of scavenging within the municipality of Chaguanas.

But to answer the follow-up, the supplemental question, basically the contract calls for the issuance of a rectification notice if it is reported by the supervisors and the checkers that the service was not provided, based on their inspection. That rectification notice would be issued promptly to the contractor, and either he makes the anomaly correct or basically if he does not do that then the payment would be deducted.

Ms. Ameen: So let me see if I get this clear, Mr. Chairman. In the borough of Chaguanas scavenging takes place one day per week now?

Mr. Chadee Ameeral: Open tray services, which is bulky waste basically.

Ms. Ameen: And you are saying that neither the administration nor the Council is satisfied with this? On what basis was that reduction made? Is it based on availability of finance or is it based on an assessment as to the need for the service?

Mr. Chadee Ameeral: That decision was taken, to the best of my knowledge, based on the availability of funding at the time.

Ms. Ameen: Well that is an unsatisfactory situation.

Mr. Forde: Actually it was the same question. But one day a week? I am trying to understand that, because in my area, within Tunapuna/Piarco region, because I can speak for Tunapuna/Piarco in terms of being a resident there and so on, one day a week the open tray truck does not pass, we have an issue. What is happening with the others? What are you all doing about it in terms of—is this an aspect where funds can be vired? This particular aspect for sanitation, can you vire to transfer, because again we could end up with an epidemic on our hands with regard to this, Ms. CEO for Chaguanas. Shed some light please.

Mr. Chairman: Yes. Definitely it could be a health risk.

Mr. Forde: Yes, shed some light.

Mr. Chadee Ameeral: Mr. Chairman, the service is supplemented by the Corporation resources in terms of our own backhoe and truck to move into to the various areas, and assist with respect to the bulky waste. This has been a challenge for the Corporation because our resources itself is used elsewhere in terms of the construction gangs, the roads department and so on. So this really is a challenge.

Yes, funds can be vired, but to vire funds you have to identify funds, and if you have your allocation then you cannot vire funds in excess of your allocation unless you seek the increase in your allocation before you could actually vire funds into the vote. So it is a challenge. I have indicated that I am dissatisfied.

At the last Public Health Committee meeting of Council they did ask that the administration look at probably increasing it to two days based on the funds that are available to the Corporation. So we are probably looking at it now to see if we could increase it from one day to two.

Mr. Chairman: Okay, thank you. I guess in essence we are running out of time now. I know we are not providing any lunch for you guys, so let us see if we can get this wrapped up now.

Ms. Ameen: Chairman, just before you close. I have to say for the record that I am a bit disappointed that the Regional Corporations, perhaps you thought that indicating where you are not satisfied with your finances, with your accounting, with instance of fraud within your Corporations, might be an indictment on you. The purpose of this enquiry is to identify these things. This is an opportunity for you to shine the light on some of those issues.

The general public is aware of instances of poor contractor services and contractors being paid, poor garbage collection, particularly where building inspections and all those types of approvals are concerned, irregularities in hiring practices. The general public is aware of irregularities in those areas, and it would help if you indicate that you are aware too.

So when Corporations indicate that they are satisfied or that they are not aware of instances like these, instances of fraud or irregularities, you tell the public that you are either not aware or not concerned about the issues that face them. So I just want to say that for the record, and perhaps Chairman we could leave the window open for Corporations who came before us this morning, to review their position and make submissions in writing, so that the issues you identify can be incorporated in our recommendations, and then perhaps go to improving the legislation or the regulations that govern you.

Mr. Chairman: I would also like to support that suggestion, because I too am disappointed that we had that opportunity here, and it was not really voiced, all the negative feedbacks we have been getting from the press, negative feedbacks people are saying out there, things are happening in the Corporation, levels of fraud, and even the accountability of even looking at the contractors. So all of these things. We welcome you to give us some feedback on these issues, because it is out there. You can just go online and you would see complaints, you would be hearing from persons. I will be happy if you have anything that comes up to mind, things that you probably missed to tell us, if you could send it in writing to the Committee.

In closing I would like to invite the following persons to make closing remarks, starting with the Permanent Secretary, Mrs. Jennifer Daniel.

Mrs. Daniel: Mr. Chair, let me again say it was a pleasure to be here. A pleasure from the point of view of some of the information that has been articulated here, and some of the things that at the level of the Ministry we have to follow up on and to pursue further. I can assure you that we will do so to the extent that we need to.

Mr. Chairman: Councillor Lisa Morris-Julian, Her Worship the Mayor.

Ms. Morris-Julian: Mr. Chairman, thank you for the opportunity. It was definitely a learning experience for me. We look forward to what will come out from this Committee. Thank you.

Mr. Chairman: Mr. Jameel Chadee Ameeral, Chief Executive Officer of the Chaguanas Borough Corporation.

Mr. Chadee Ameeral: Thank you, Mr. Chairman. I would just want to close by indicating that the member of the Committee with respect to Ms. Jennifer Baptiste—[*Interruption*]

Mrs. Baptiste-Primus: Primus.

Mr. Chadee Ameeral: Primus. Thanks for the correction—indicating that I did not withdraw a comment with respect to, I believe, it was fraud earlier on, but in my response I did indicate that the whole issue would be reviewed and we will probably make further submissions to the Committee with respect to this matter.

I just want to say it was really a pleasure and opportunity to be before this Committee. I would hope that the information disseminated and the report submitted will really assist the Committee in achieving its goals and objectives, and I look forward to local government reform to work in an environment that is more service delivery and where there is much more accountability with respect to the management and the oversight of Corporations. Thank you very much.

Mr. Chairman: Councillor Abdon Mason, His Worship the Mayor.

Mr. Mason: Chairman, let me indicate that I would want to take the opportunity to make some submissions after this meeting, because we missed the opportunity to respond to the whistle-blower policy. What we would find happening, while a number of persons would want to say that there is the absence of fraud in their municipalities, it is because in the absence of a policy, married by a whistle-blower policy, what you will get is that some persons are afraid to indicate where they have realized situations of fraud and will lead to either what is being said by those who say it, being said in the wrong places and at the wrong time. It becomes rumour. There are opportunities for cover-up, so it is never really investigated in the right way.

So I would want to thank the Committee for the opportunity to be here. It was a learning experience, but I would want to make some submissions after the meeting, and we in Point Fortin want to employ best practices, so we will look to a fraud policy and we will look to a whistle-blower policy. Thank you so much.

Mr. Chairman: Thank you. Actually there is a whistle-blower legislation before the Parliament presently, so your suggestions also might be able to help us along those lines. The Chief Executive Officer of the Port of Spain Corporation, Mrs.

Annette Stapleton-Seaforth.

Mrs. Stapleton-Seaforth: I thank the Chairman and members for the opportunity to allow me to be here. This was a very important session, and the Corporation will follow up on the additional questions requested. Thank you.

Mr. Chairman: Alderman Junia Regrello, His Worship the Mayor of San Fernando.

Mr. Regrello: Chair, this forum may have come too little too late, because we are preparing for another strategy which is as we approach local government reform, and most of the issues that we discuss here this morning will be addressed, because it gives the Council and the Corporation the autonomy to make decisions and advocate their programme as they go forward. However, having been in this system since 2003, I was able to get an appreciation and understanding of what we are supposed to do. We in the San Fernando City Corporation have been very fortunate to have very competent persons on either side, referring to the administration and the Council level, which allowed us to be very successful over the years, and we have maintained that position.

I would also like to think that where we have had improvement in recent times is because we have a Local Government Minister who also has a background in local government and worked with us and came through the system. He was able to implement policies and advocate policies that allow us to be more efficient. At the same time I want to welcome this exercise that it would help other municipalities as they address their problems. But I could tell you, San Fernando City Corporation is very well on its way and very much well organized I must say.

Mr. Chairman: Thank you. On behalf of my Committee and myself, I would like to thank you for coming here. It is a very important role you play, and together I am hoping we can get something to improve the situation. I would like to thank the officials and the media for their attendance and participation. I thank the viewing and listening audience for their interest in the Committee's work, and at this stage I will like to adjourn.

12.49 p.m.: *Meeting adjourned.*