

Public Hearing Summary – Fourteenth Meeting

Wednesday June 14, 2023

Inquiry Subject:

Examination of the Reports of the Auditor General of the Republic of Trinidad and Tobago on the Financial Statements of the Public Transport Service Corporation (PTSC) for the Financial Years 2014 to 2018.

Committee Members:

The following Committee Members were present for the meeting:

- Mr. Davendranath Tancoo, MP - Chairman
- Ms. Jearlean John - Vice-Chairman
- Ms. Charisse Seepersad - Member
- Dr. Amery Browne - Member
- Mr. Roger Monroe, MP - Member
- Mrs. Paula Gopee-Scoon - Member

Witnesses who appeared:

Auditor General's Department (AGD)

- Mr. Gary Peters - Assistant Auditor General
- Mr. Desmond Noel - Audit Director
- Ms. Rookmin Ramnarine - Assistant Audit Director (Ag.)

Public Transport Service Corporation (PTSC)

- Mr. Robin Rampersad - Vice Chairman
- Dr. Bhushan Singh - Director
- Mr. Patrick Gomez - General Manager
- Ms. Veneisa Bynoe - Corporate Secretary
- Ms. Gloria Corneal-Boyce - Deputy General Manager – Finance
- Mr. David Mangal - Deputy General Manager – Engineering
- Ms. Lalitha Bala Cetty - Deputy General Manager – Corporate Planning and Strategic Performance Monitoring

The Public Transport Service Corporation**Ministry of Works and Transport (MOWT)**

- Mrs. Sonia Francis-Yearwood - Permanent Secretary
- Mr. Wayne Koylass - Chief Planning Officer (Ag.)

Key Topics Discussed:

1. The reasons for and significance of the Auditor General's adverse opinion on the financial statements of the PTSC for FY 2014 to 2018, in line with International Standard on Auditing 705 – *Modifications to the Opinion in the Independent Auditor's Report*;
2. The PTSC's ongoing efforts, notably in collaboration with the Valuation Division of the Ministry of Finance (MOF), to address the longstanding issues leading to the Auditor General's adverse opinions on its financial statements;
3. The status and timeline of the AGD's audit of the PTSC's financial statements for FY 2019, 2020, 2021 and 2022;
4. The staffing challenges experienced by the AGD and the effect of those challenges on the volume of audits the Department is able to conduct annually;
5. The improvements noted by the AGD since FY 2018 in the PTSC's provision of information necessary for the audit of its financial statements;
6. The major challenges, including fleet maintenance and staff efficiency, affecting the PTSC's overall efficiency and effectiveness from FY 2014 to FY 2018, and the strategies adopted to address those issues;
7. The status of the implementation of the PTSC's Strategic Plan 2021-2023 and the percentage of the plan that has been executed as at June 2023;
8. The international standards applied by the PTSC to develop performance indicators for the implementation of its Strategic Plan;
9. The customer satisfaction targets established in the PTSC's Strategic Plan, and the improvements independently measured in this regard through surveys conducted by professional services provider PwC;
10. The PTSC's commuter surveys, customer complaint system and customer hotline;
11. The size and average age of the PTSC's bus fleet as at June 2023, and the Corporation's planned acquisitions of three hundred (300) new buses;
12. The PTSC's bus fleet maintenance and refurbishment processes;
13. The supply chain challenges experienced in sourcing replacement parts for the repair of PTSC buses;
14. The use of external contractors to conduct some of the repair works required to PTSC buses;
15. The training programmes being developed for the maintenance of electric buses, which the Corporation plans to procure;
16. The process whereby the PTSC established and reviewed its routes throughout Trinidad and Tobago;

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17. The ongoing procurement process for the acquisition of the requisite technology for the implementation of the Corporation's Route Evaluation Policy;
18. The PTSC's capacity to service only seventy-nine (79) of its one hundred and sixty-three (163) established routes, given its available fleet;
19. The recent addition of five (5) newly procured buses to service routes in rural areas;
20. The PTSC's routes providing access to the country's two (2) international airports and to the Inter-Island Ferry Terminal;
21. The status of the PTSC's route servicing specifically in Tobago;
22. The Corporation's compliance status with respect to the Public Procurement and Disposal of Public Property Act 2015 and its related regulations;
23. The Corporation's ongoing initiatives for the disposal of thirty-one (31) decommissioned buses;
24. The systems in place to ensure continuity of service in case of mechanical difficulties encountered by buses while servicing their respective routes;
25. The trends noted in the PTSC's ridership numbers since 2010;
26. The number of transit malls owned by the PTSC and the difference between transit malls and depots;
27. The target of thirty percent (30%) internally generated revenue established in the PTSC's Strategic Plan;
28. The revenue generated from transit mall rents and the status of the Corporation's ongoing initiatives to collect outstanding sums owed by mall tenants;
29. The PTSC's litigation risk and the major issues which have been the subject of litigation against the Corporation since FY 2014;
30. The alternative streams of revenue developed by the PTSC, including *Know Your Country* tours and transport to beaches using specially equipped buses;
31. Trends in revenue gained from rental of advertising spaces including at City Gate and the various transit malls;
32. The downward trend in the PTSC's annual spending on overtime since FY 2018, due in part to the slowdown of activity caused by the COVID-19 pandemic in FY 2020 and 2021;
33. The cost of the PTSC's engagement of an organisational transformation consultant and the status of the MOWT's review of the consultant's report;
34. The respective oversight roles of the MOWT and of the Investments Division of the MOF with respect to the PTSC;
35. The key national indicators for bus transport established as part of the National Performance Framework 2017-2020 under *Theme III: Improving Productivity through Quality Infrastructure and Transport*;
36. The status of the PTSC's progress to date towards becoming a more customer-centric organisation;

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37. The ongoing digitalisation of the PTSC's customer interactions and the feasibility of developing a PTSC mobile app;
38. The trends in the Corporation's Accounts Receivable since FY 2014 and the successful collection drive carried out to reduce receivables;
39. The measures implemented since FY 2018 to strengthen the Corporation's internal controls to combat fraud, as recommended by the Internal Auditor, and the potential for implementing a Fraud Policy;
40. The Corporation's ongoing collection of monies owed by the Ministry of Education for the provision of transportation to school children in uniform, who are considered 'non-fare passengers';
41. The standard operating procedures in place to ensure security on board PTSC buses while carrying passengers; and
42. The existing CCTV coverage at the Corporation's premises nationwide and the need to strengthen these systems at the transit malls.

View the Hearing:

The hearing can be viewed on our YouTube page via the following link:

<https://www.youtube.com/watch?v=3ZPHNRZWrg8>

**PAC Secretariat
June 14, 2023**