

# TENTH

REPORT  
FROM

THE PUBLIC ACCOUNTS  
COMMITTEE

EXAMINATION  
OF

The concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021 with specific reference to the administering of government grants.

## Public Accounts Committee

The Public Accounts Committee (PAC) established by the Constitution of the Republic of Trinidad and Tobago in accordance with Section 119(4) is mandated to consider and report to the House of Representatives on:

- (a) appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago;*
- (b) such other accounts as may be referred to the Committee by the House of Representatives or as are authorized or required to be considered by the committee under any other enactment; and*
- (c) the report of the Auditor General on any such accounts.’*

### Current membership

Mr. Davendranath Tancoo	Chairman
Ms. Jearlean John	Vice- Chairman
Mrs. Ayanna Webster-Roy	Member
Mr. Adrian Leonce	Member
Mrs. Paula Gopee-Scoon	Member
Mr. Roger Monroe	Member
Dr. Amery Browne <sup>1</sup>	Member
Mrs. Hazel Thompson-Ahye <sup>2</sup>	Member

### Committee Staff

The current staff members serving the Committee are:

Ms. Keiba Jacob	Secretary to the Committee
Ms. Hema Bhagaloo	Assistant Secretary to the Committee
Ms. Khisha Peterkin	Assistant Secretary to the Committee
Mr. Justin Jarrette	Senior Research Specialist
Ms. Celeste Reece	Procedural Officer Intern
Ms. Teneka Carrington	Parliamentary Researcher Intern
Ms. Natoya O’Neil	Administrative Assistant
Ms. Anesha James	Administrative Assistant

### Publication

An electronic copy of this report can be found on the Parliament website:

<https://www.ttparliament.org/committees/show/public-accounts-committee-4/reports/>

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<sup>1</sup> Dr. Amery Browne was appointed in lieu of Mr. Randall Mitchell with effect from January 12, 2021.

<sup>2</sup> Mrs. Hazel Thompson-Ahye was appointed in lieu of Ms. Charrise Seepersad with effect from October 24, 2023.

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## Members of the Public Accounts Committee

TWELFTH PARLIAMENT, REPUBLIC OF TRINIDAD AND TOBAGO



Mr. Davendranath Tancoo  
**Chairman**



Ms. Jearlean John  
**Vice- Chairman**



Mrs. Ayanna Webster-Roy  
**Member**



Mrs. Paula Gopee-Scoon  
**Member**



Mr. Adrian Leonce  
**Member**



Mr. Roger Monroe  
**Member**



Dr. Amery Browne  
**Member**



Mrs. Hazel Thompson-Ahye  
**Member**

## Executive Summary

The Public Accounts Committee (PAC) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the Report of the Auditor General and Audited Accounts of Statutory Authorities and Bodies. The Committee presents its Seventh Report of the Twelfth Parliament which details its *examination of the concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021 with specific reference to the administering of government grants*, highlighting its findings.

This report sets out the issues raised, as well as the observations, and recommendations made by the Committee to improve the administration of the government grants by the relevant divisions of the Ministry of Finance (MOF), the Ministry of Social Development and Family Services (MSDFS) and the Ministry of Tourism, Culture and the Arts (MTCA).

During this inquiry, the following issues arose:

### Pervasive Issues:

- Fraud and Other Irregularities
- Recovery of Overpaid Sums
- Data Management
- Human Error

### Individual Areas of Concern:

- Ministry of Social Development and Family Services
  - Human Resource and Institutional Strengthening
  - Development of Caseload Model

Based on the Committee's examination, the following observations were made:

- i. Policy experts have long identified 'agreement on objectives' as a key factor in the success or failure of policy implementation<sup>3</sup>. To ensure consistency, all entities involved in implementation need to have the same understanding of the objectives of the policy that they jointly implement. The importance of this requirement corresponds to the MOF's recognition that greater clarity was needed about the parameters of grant eligibility across the various implementing agencies;*
- ii. The Committee notes the updating of the MOF's Master Lists of Qualified and Paid Applicants regarding the SRG and hopes that this will preclude similar problems from reoccurring;*

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<sup>3</sup> Hogwood, B. & Gunn, L.A. 1984. *Policy analysis for the real world*. Oxford: Oxford University Press.

- iii. *Further to the point raised by the MSDFS that “full interoperability cannot be achieved with disparate databases”, the Committee recalls its Thirty-Third (33<sup>rd</sup>) Report<sup>4</sup>, Eleventh Parliament. The subject of this Report was the status of the implementation of the recommendations on Information and Communication Technology (ICT) governance and general controls as stated in the Reports of the Auditor General on the 2017, 2018 and 2019 Public Accounts. In this Report, the development of the Interoperability Framework was noted as an ongoing matter as at September 2019. There appears, therefore, to have been only modest progress in this regard over the past four (4) years; and*
- iv. *While it is clear the vigilance is needed to reduce the prevalence of human error in the verification and processing of grant applications, the Committee remains acutely aware that the volume of work assigned to officers found to have committed some of these errors is the more fundamental issue. The latter issue is addressed further at Issue 6 of this Report.*

Based on the Committee’s examination the following recommendations were proposed:

- i. *The MOF should submit to Parliament a status update on TTPS investigations of suspected grant-related fraud by January 29, 2024; and*
- ii. *The MSDFS should submit to Parliament an update on matters related to grant fraud, including the following by January 29, 2024:*
  - a. *An indication of whether relevant internal investigations have been completed or remain ongoing;*
  - b. *The action taken based on completed investigations; and*
  - c. *An estimate for the sums lost due to grant-related fraud in FY 2021 and FY 2022.*
- iii. *The MOF should submit an update to Parliament on the completion of its work with the NIBTT to detect and remedy discrepancies in SRG payments, specifying the following, by January 29, 2024:*
  - a. *The total sum to be recovered;*
  - b. *Whether the entire sum has been collected;*
  - c. *The sums that remain outstanding, if any; and*
  - d. *The challenges due to which sums remain outstanding.*
- iv. *The MSDFS should report to Parliament on the following by January 29, 2024:*
  - a. *The completion and results of the clean-up exercise with respect to national ID numbers; and*
  - b. *The status of the recovery of overpaid sums from persons having erroneously received the COVID-19 ISG despite their ineligibility for the ISG as they were registered under the NI system.*

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<sup>4</sup> Parliament of the Republic of Trinidad and Tobago, Thirty-Third Report of the PAC. Accessed June 30, 2023. Available: <https://www.ttparliament.org/wp-content/uploads/2021/11/p11-s5-J-20200701-PAC-R33.pdf>

- v. *The MSDFS should submit a status report to Parliament on the development of MOUs with key stakeholders, including the following by January 29, 2024:*
  - a. *The names of the key stakeholders;*
  - b. *The purpose of the respective MOUs;*
  - c. *The expected timeline for the finalisation of the MOUs.*
- vi. *The MSDFS should report to Parliament on the status of the full implementation of the ISEMS, which was estimated to be achieved by the third quarter of FY 2023, by January 29, 2024;*
- vii. *The Ministry of Digital Transformation should report to Parliament on the status of the development of the Interoperability Framework by January 29, 2024;*
- viii. *The MSDFS should report to Parliament on the specific measures introduced to ensure accuracy of its data entry and record keeping by January 29, 2024;*
- ix. *The MTCA should report to Parliament by January 29, 2024 on the recovery of the sum of \$5,000.00 in respect of the acknowledged duplicate payment made to one (1) ERG applicant in FY 2021;*
- x. *The MSDFS should submit a status update to Parliament by January 29, 2024 including the following:*
  - a. *A brief summary of the work conducted by the Investigation and Compliance Unit since the Committee's public hearing in November 2022;*
  - b. *The number of vacancies for investigators, compliance officers, audit officers, forensic accountants and cybercrime analysts filled during FY 2023; and*
  - c. *A summary of the records and database management-related training initiatives carried out during FY 2023 and the number of staff who benefitted from the training.*
- xi. *The MSDFS should submit a status update to Parliament by January 29, 2024 including the following:*
  - a. *The date of implementation of the caseload model;*
  - b. *The number of cases assigned per officer at each service centre where the caseload model has been implemented as well as the number of cases per officer prior to the implementation of the caseload model; and*
  - c. *Qualitative data reflecting the perspective of service centre staff on their experience since the implementation of the caseload model compared to their experience prior to the implementation of the model.*



## **Introduction**

The PAC of the Twelfth Republican Parliament was established by resolutions of the House of Representatives and the Senate at the sittings held on Monday November 9, 2020 and Tuesday November 17, 2020 respectively.

The Constitution of the Republic of Trinidad and Tobago mandates that the Committee shall consider and report to the House on appropriation accounts of monies expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago and the report of the Auditor General on any such accounts.

In addition to the Committee's powers entrenched in the Constitution, Standing Orders 111 of the House of Representatives and 101 of the Senate also empower the Committee, inter alia, to:

1. Send for persons, papers and records;
2. Have meetings whether or not the House is sitting;
3. Meet in various locations;
4. Report from time to time; and
5. Communicate with any other Committee on matters of common interest.

### **Election of the Chairman and Vice-Chairman**

In accordance with section 119(2) of the Constitution, the Chairman must be a member of the Opposition in the House. At the first meeting held on Wednesday November 18, 2020 Mr. Davendranath Tancoo was elected Chairman of the Committee and Ms. Jearlean John was elected Vice-Chairman of the Committee.

### **Establishment of Quorum**

The Committee is required by the Standing Orders to have a quorum so that any decisions made by the Members during the meetings can be considered valid. A quorum of three (3) Members, inclusive of the Chair or Vice-Chairman, with representatives from each House was agreed to by the Committee at its First Meeting.

### **Determination of the Committee's Work Programme**

The Committee agreed to a work programme for the Third Session of the Twelfth Parliament as follows:

1. Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2022
2. An examination of the concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for FY 2021 with specific reference to the administering of government grants

3. The Children's Authority of Trinidad and Tobago (CATT)
4. The Ministry of Energy and Energy Industries (Issues raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago) [Follow-Up]
5. The Public Transport Service Commission (PTSC)
6. The Agricultural Development Bank of Trinidad and Tobago (ADB)
7. The Police Complaints Authority (PAC)
8. The Regulated Industries Commission (RIC)
9. The Caribbean Industrial Research Institute (CARIRI)
10. The Water and Sewage Authority of Trinidad and Tobago (WASA)
11. The Trinidad and Tobago Electricity Commission (TTEC)

## The Inquiry Process

The Inquiry Process outlines steps taken by the PAC in developing the findings and recommendations of its examination of the concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021 with specific reference to the administering of government grants.

The Inquiry Process included the following steps:

1. Conducted an examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021, for which a public hearing was held on June 8, 2022;
2. Noted the specific issues with respect to the administering of government grants in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2021;
3. Presented the Eighth (8<sup>th</sup>) Report of the PAC an examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021 in the House of Representatives and the Senate on November 25 and November 29, 2022 respectively<sup>5</sup>.

The 8<sup>th</sup> PAC Report included the following observation:

*“In 2021, in its previously mentioned 2<sup>nd</sup> Report on an examination of the Report of the Auditor General for FY 2020, the Committee expressed the view that, with respect to the administering of pandemic relief grants, ‘the discrepancies noted in recordkeeping and the apparent internal audit and monitoring shortcomings could have created conditions for irregular practices to develop and flourish’. In the Third (3<sup>rd</sup>) Session, Twelfth (12<sup>th</sup>) Parliament, the Committee will therefore conduct an examination of the concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2021 with specific reference to the administering of government grants.”*

4. Compared the issues noted in the 2021 Auditor General’s Report to those raised in previous Auditor General’s Reports and Committee Reports in order to observe possible trends including pervasive issues, improvements, deteriorations or recurring issues.

This led to the identification of the following Ministries as stakeholders for the inquiry:

- Ministry of Finance (MOF);
- Ministry of Social Development and Family Services (MSDFS); and
- Ministry of Tourism, Culture and the Arts (MTCA).

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<sup>5</sup> Parliament website, 8<sup>th</sup> Report of the PAC. Accessed June 27, 2022. Available: <https://www.ttparliament.org/wp-content/uploads/2022/01/p12-s3-j-20221125-PAC-R8.pdf>

5. Based on the issues identified, the Committee agreed to have a public hearing;
6. Prepared an Issues Paper which identified and summarised matters of concern in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2021, with respect to the administering of government grants;
7. The public hearing was held on November 9, 2022. The Auditor General as well as representatives of the MOF, the MSDFS and the MTCA attended the hearing to discuss the issues of concern (see Appendix I – Witnesses);
8. Questions for additional information based on the issues discussed at the public hearing were sent to the MOF, the MSDFS and the MTCA on November 16, 2022 (see Appendix II – Minutes). All responses to these questions were received by January 17, 2023;
9. Reported the Committee’s findings and recommendations to Parliament upon conclusion of the inquiry;
10. The Report will be transmitted to the MOF, the MSDFS and the MTCA for written response within sixty (60) days in accordance with Standing Orders 110(6) of the House of Representatives and 100(6) of the Senate; and
11. Subsequent periodic follow-up will be carried out to monitor progress in the implementation of the Committee’s recommendations.

## **Background – Government Grants Administered in Financial Year 2021**

Report of the Auditor General FY 2021: pages 84-92<sup>6</sup>

### **Ministry of Finance**

#### **Salary Relief Grant**

3.88 On September 30, 2021, Cabinet agreed to approve the provision of the Salary Relief Grant (SRG) 2021 for the two-month period, May and June, 2021, to citizens or permanent residents within the National Insurance System (NIS), who were terminated, suspended without pay or who have suffered a loss of income as a result of the COVID-19 pandemic and the ensuing public health restrictions implemented in May and June, 2021.

3.89 The persons eligible to apply must have been employed in the following business sectors: - amusement parks, bars, casinos / members clubs, cinemas / entertainment, construction, food/restaurant services, gaming house/betting house, hairdressers / barbers / aestheticians / spa operators, night clubs, pre-school / day-care, retail outlets and sporting facilities.

3.90 The criteria for receipt of the SRG included:

- Persons whose employment was terminated from April 30, 2021 will receive \$1,500.00 for the months of May and June 2021;
- Persons whose income was suspended/terminated from May 8, 2021 will receive \$1,000.00 for the month of May and \$1,500.00 for the month of June;
- The construction sector would receive payment for the month of June 2021 (\$1,500.00 if employment termination was with effect May 8, 2021 and \$1,000.00 if employment termination was effective June 8, 2021);
- The applicant must be registered in NI System and have a valid NI number;
- Persons must be a national or permanent resident of Trinidad and Tobago;
- Persons should be between the ages 18 - 65 years;
- Persons must have been employed in one of the sectors listed above; and
- Persons must have no other source of income.

### **Ministry of Social Development & Family Services**

#### **Food Support Programme**

3.51 The Food Support Programme (FSP) is a short-term food assistance and development programme that targets vulnerable persons and families. Recipients can purchase basic food items

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<sup>6</sup> Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2021. Accessed June 27, 2023. Available:

[https://auditorgeneral.gov.tt/sites/default/files/Auditor\\_Generals\\_Report\\_2021.pdf](https://auditorgeneral.gov.tt/sites/default/files/Auditor_Generals_Report_2021.pdf)

necessary to meet their daily nutritional requirements. The programme is implemented through a debit card which is an electronic cash transfer facility (the food support card).

3.52 A Means Test is administered by the Ministry to determine eligibility for the Food Support programme. The Food Support Card is available based on the size of the family unit:

- 1-3 persons – \$510.00
- 4-5 persons – \$650.00
- 6 + persons – \$800.00

### **Public Assistance Grant**

3.59 The Public Assistance Grant is a monthly grant that provides financial aid to meet the needs of persons where the household income is deemed inadequate. Such a person may include:

- An individual 18 years and over, who is certified by a government Medical Officer as unable to earn a living due to physical or mental disability;
- A person receiving Senior Citizens' Pension, whose spouse is 55 years and over and unemployed, or, whose spouse is under 55 years but unable to work due to physical or mental disability;
- An individual whose deceased spouse received Senior Citizens' Pension and Public Assistance;
- A single parent who is unable to earn a living due to caring for a child with a physical or mental disability;
- A parent, guardian or custodian on behalf of a child with a physical or mental disability;
- A child whose parent is hospitalised; deceased; imprisoned; or has abandoned the family and does not provide support despite there being an application/order for maintenance
- The spouse of a person serving a term of imprisonment;
- A person cohabitating with a person of the opposite sex for a period of at least three (3) years before the latter began serving a term of imprisonment;
- A child who may deem necessitous in accordance with guidelines issued at the board.

3.60 Monthly Public Assistance Grants are provided where the household income is deemed inadequate. The range of grants are as follows:

- \$1,300.00 for one (1) person
- \$1,550.00 for two (2) persons
- \$1,750.00 for three (3) persons
- \$1,900.00 for four (4) or more persons

### **Disability Assistance Grant**

3.68 The Disability Grant provides financial assistance to citizens and legal residents of Trinidad and Tobago who are medically certified as being permanently disabled from earning and cannot be employed. Persons who are qualified for the grant should meet the criteria below:

- Residence – Applicants must be a resident of Trinidad and Tobago for three (3) years preceding the date of application. Periods of absence from the country must not total more than six (6) months during those three (3) years.
- Income – Applicants’ annual income must not exceed TTD\$12,000.00 per annum.
- Disability – Applicants must be, in the opinion of the Local Board, unable to earn their livelihood as a result of their disability.

The grant is a monthly payment of \$2,000.00.

### **Senior Citizens’ Pension**

3.77 The Ministry of Social Development and Family Services through its Social Welfare Division is responsible for the management of the Senior Citizens’ Pension.

“The condition for the receipt of a pension by any person are - the person must have attained the age of sixty-five years and who must have been ordinarily resident in Trinidad and Tobago for a period of twenty years immediately preceding the claim for a pension; or for a period of fifty years in the aggregate” - Senior Citizens’ Pension Act section 4 (1), refers.

3.78 Data was requested for the period October 1, 2020 to September 30, 2021. However, the MSDFS provided data from October 1, 2020 to July 31, 2021. The findings only relate to a ten-month period and not the financial period under review.

### **COVID-19 - Income Support Grant**

3.104 The Income Support Grant (ISG) was reinstated with effect from May 2021 to assist persons whose employment or income was suspended/terminated on or before May 1, 2021. This applied to persons working in bars, restaurants, street vendors who sell food, entertainment industry, tourism industry, casinos and gaming houses, hairdressers/barbers/spas, night clubs, gyms and retail. 3.105 The Ministry of Social Development and Family Service (MSDFS) COVID-19 Income Support Grant Project Phase II – Project Completion Report highlighted the following criteria for the ISG:

- Persons whose income was suspended/terminated with effect from May 1st 2021, will receive \$1,500.00 for the month of May and \$1,500.00 for the month of June;
- Persons who lost their income with effect from May 8, 2021 will receive \$1,000.00 for May and \$1,500.00 for June,
- Workers in the construction sector were entitled to the ISG for the month of June 2021 in the amount of \$1,500.00.

## Ministry of Tourism, Culture & the Arts

### **Emergency Relief Grant**

3.101 Cabinet by Minute No. 1133 of July 2, 2020 agreed to “to the provision of a one-off Emergency Relief Grant in the sum of \$5,000.00 to artistes and creatives, who have lost income due to cancelled exhibitions, classes, conferences, workshops and other cultural related events, as a result of the measures undertaken by the Government of the Republic of Trinidad and Tobago to mitigate the spread of the 2019 Novel Coronavirus (COVID-19)”. The Grant was launched on Friday, July 10, 2020.



## Background – Auditor General’s Department<sup>7</sup>

### Establishment of the Office of the Auditor General

The Constitution of the Republic of Trinidad and Tobago (Act 4 of 1976) Chapter 8– Section 116 states that:

- 1) There shall be an Auditor General for Trinidad and Tobago, whose office shall be a public office.
- 2) The public accounts of Trinidad and Tobago and of all officers, courts and authorities of Trinidad and Tobago shall be audited and reported on annually by the Auditor General, and for that purpose the Auditor General or any person authorized by him in that behalf shall have access to all books, records, returns and other documents relating to those accounts.
- 3) The Auditor General is hereby empowered to carry out audits of the accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by or on behalf of the State.
- 4) The Auditor General shall submit his reports annually to the Speaker, the President of the Senate and the Minister of Finance.
- 5) The President of the Senate and the Speaker shall cause the report to be laid before the Senate and the House of Representatives, respectively, at the next sitting of the Senate and the House of Representatives after the receipt thereof, respectively.
- 6) In the exercise of his functions under this Constitution the Auditor General shall not be subject to the direction or control of any other person or authority.

### Mission

To independently audit and report on the use of public resources for the benefit of the country and its people, and to lead by example.

### Core Values

Values are the principles that represent the key ideas and ideals through which the Auditor General’s Department is governed. They are the fundamental thoughts that shape behaviour and operations. In this context and based on its Beliefs and Philosophy the Department’s core values include:

1. Integrity: The Auditor General’s Department has built its image on this platform. All staff will contribute to the furtherance of this value.
2. Accountability and Transparency: These values will be foremost in the operations of the Auditor General’s Department on a daily basis.

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<sup>7</sup> Auditor General’s Department website, *About Us*. Accessed June 27, 2023. Available: <https://www.auditorgeneral.gov.tt/content/overview>

3. Endorsement of open communication: Employee participation and involvement in the business of the Auditor General's Department is a basic principle of its operations.
4. Confidentiality: This is in force at all times.
5. Professionalism: All staff would operate with professionalism at all times.
6. Participatory Leadership: Leadership in the Auditor General's Department goes beyond the 'open door policy.' Key staff are empowered to make decisions.
7. Service Orientation: Superior service to the Government and people of Trinidad and Tobago will be the strongest orientation of the Auditor General's Department.

### **Appointment of the Auditor General**

The Auditor General is appointed by the President of the Republic of Trinidad and Tobago after consultation with the Prime Minister and the Leader of the Opposition and may hold office up to age sixty-five (65) years and may be removed from office only on certain grounds and after a prescribed procedure. Those provisions are entrenched in the Constitution of the Republic of Trinidad and Tobago (1976).

### **Current Auditor General**

2019 - Present Ms. Lorelly Pujadas

### **Role and Function**

The Auditor General is required by law to examine and report annually to Parliament on the accounts of Ministries, Departments, Regional Health Authorities, Regional Corporations and such State Controlled Enterprises and Statutory Boards for which the Auditor General is the statutory auditor. The portfolio also includes the audit of:

- The accounts of projects funded partly or wholly by International Lending Agencies;
- All pensions, gratuities and other separation benefits paid by the State in accordance with the Pensions Acts and other Agreements; and
- The grant of credit on the Exchequer Account in accordance with the requirements of section 18 of the Exchequer and Audit Act, chapter 69:01.

The audit services take the form of financial audits, compliance audits and value for money audits intended to promote:

- Accountability;
- Adherence to laws and regulations; and

- Economy, efficiency and effectiveness in the collection, disbursement and use of funds and other resources.

### **Duties and Powers of the Auditor General**

The duties and powers of the Auditor General are defined in the Exchequer and Audit Act Chapter 69:01 of the laws of Trinidad and Tobago. Part III of the Exchequer and Audit Act specifies these duties listed here under:

1. The Auditor General shall not be capable while holding the said office of holding any other Office of emolument in the service of the State.
2. (1) Save as is otherwise provided for in the Constitution the provisions of the law and regulations in force relating to the public service shall apply to the Auditor General.  
(2) Where the Auditor General is removed from office under the Constitution the Minister shall make a full statement of the reasons therefore at the first opportunity to Parliament.
3. (1) The Auditor General shall examine, inquire into and audit the accounts of all accounting officers and receivers of revenue and all persons entrusted with the assessment of, collection, receipt, custody, issue of payment of public moneys, or with the receipt, custody, issue, sale, transfer or delivery of any stamps, securities, stores or other State property.
4. The Auditor General shall satisfy himself that -
  - (1) all reasonable precautions have been taken to safeguard the collection of public moneys and that the laws, directions and instructions relating thereto have been duly observed;
  - (2) all issues and payments were made in accordance with proper authority and that all payments were properly chargeable and are supported by sufficient vouchers or proof of payment;
  - (3) all money expended has been applied to the purpose or purposes for which the same was granted by Parliament and that such expenditure conforms to the authority which governs it and has been incurred with due regard to the avoidance of waste and extravagance;
  - (4) essential records are maintained and the rules and procedures framed and applied are sufficient to safeguard the control of stores and other State property.

### **Overview of the Audit Process**

#### Engagement

The Auditor General can be engaged to conduct audits in the following ways:

- 1) For the audit of Ministries and Departments of the government of the Republic of Trinidad and Tobago, the Exchequer and Audit Act section 9(1) mandates the Auditor General to conduct these audits.
- 2) In many instances the statute (law) setting up a Statutory Body or Authority indicates that the Auditor General shall be the auditor. In some instances, the Auditor General is allowed the freedom to appoint an auditor who would submit reports through the Auditor General.
- 3) Some statutory bodies, which have the prerogative to appoint auditors in their own right, appoint the Auditor General to conduct the audit.
- 4) At times International Financial Institutions require that the Auditor General's Department conduct the audits of projects funded by loan from these institutions.

## Issues, Observations and Recommendations

During the Committee's examination of the concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021 with specific reference to the administering of government grants, the following issues were identified, observations made and recommendations proposed:

### Pervasive Issues

#### 1. Fraud and Other Irregularities

**A number of suspected instances of fraud in the administering of grants at the MSDFS and the MOF were noted.**

#### **Ministry of Finance**

The Auditor General reported that, upon merging the databases for the SRG and FSP grants, it was noted that eighteen (18) FSP recipients had also received the SRG in the sum of \$41,000.00. This was noteworthy insofar as the SRG eligibility criteria included that an applicant must have no other source of income. The SRG was, therefore, not meant to be paid to recipients of MSDFS Social Welfare Grants such as the FSP. The MOF acknowledged that this was the result of an oversight and expressed that more clarity was needed regarding people's entitlement to the various benefits available<sup>8</sup>. As at January 2023, the MOF was unable to provide a progress report on police investigations into this matter<sup>9</sup>.

#### **Ministry of Social Development and Family Services**

The MSDFS informed the Committee that, as at December 2022, three (3) of its officers were under investigation by the Trinidad and Tobago Police Service (TTPS) with respect to suspected incidences of fraud occurring before FY 2021. Of these, one (1) had already been dismissed by the Public Service Commission after admitting their guilt. Investigations were ongoing into the other two (2) officers.

The MSDFS was unable to provide the Committee with an estimate for the sums lost due to grant-related fraud in FY 2021 and FY 2022 at the time of the public hearing in November 2022. The Ministry however affirmed that its Investigations and Compliance Unit (ICU) was reviewing the FY 2021 and FY 2022 data and would be able to provide an estimate by the first quarter of FY 2023<sup>10</sup>.

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<sup>8</sup> Report of the Auditor General FY 2021, para 3.100, page 90.

<sup>9</sup> Written submission from the MOF dated January 17, 2023.

<sup>10</sup> Written submission from the MSDFS dated December 6, 2023.

Regarding the internal investigations into these matters, the Ministry explained that quarterly progress reports could be provided on the nature and progress of specific investigations<sup>11</sup>.

**Observation:**

- i. Policy experts have long identified ‘agreement on objectives’ as a key factor in the success or failure of policy implementation<sup>12</sup>. To ensure consistency, all entities involved in implementation need to have the same understanding of the objectives of the policy that they jointly implement. The importance of this requirement corresponds to the MOF’s recognition that greater clarity was needed about the parameters of grant eligibility across the various implementing agencies.*

**Recommendations:**

- i. The MOF should submit to Parliament a status update on TTPS investigations of suspected grant-related fraud by January 29, 2024; and*
- ii. The MSDFS should submit to Parliament an update on matters related to grant fraud, including the following by January 29, 2024:*
  - a. An indication of whether relevant internal investigations have been completed or remain ongoing;*
  - b. The action taken based on completed investigations; and*
  - c. An estimate for the sums lost due to grant-related fraud in FY 2021 and FY 2022.*

## **2. Recovery of Overpaid Sums**

Efforts to recover overpaid sums were ongoing at the MSDFS, the MTCA and the MOF.

### **Ministry of Finance**

At the public hearing, it was highlighted that the MOF was working with the National Insurance Board of Trinidad and Tobago (NIBTI) to find and correct discrepancies related to payments of the Salary Relief Grant (SRG). In some cases, the sums in question had already been collected. This included one (1) instance in which an overpayment of \$6,000.00 made on September 6, 2021 was detected by the SRG Unit on January 26, 2022, and the corresponding sum was recovered through collaboration with the NIBTI on February 21, 2022<sup>13</sup>.

### **Ministry of Social Development and Family Services**

- **Public Assistance Grant**

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<sup>11</sup> Ibid.

<sup>12</sup> Hogwood, B. & Gunn, L.A. 1984. *Policy analysis for the real world*. Oxford: Oxford University Press.

<sup>13</sup> Written submission from the MOF dated January 17, 2023.

Regarding the Public Assistance Grant, the Auditor General found that “the National ID numbers for sixty-one (61) persons did not correspond with their date of birth. Payments to these individuals totalled \$886,350.00.”<sup>14</sup> In response to the Committees enquiry on this matter, the MSDFS indicated in its written submission dated December 6, 2022, that these overpaid sums would be recovered “via a reduction in payment over a specific period based on discussion with the client”. It was further highlighted that this practice was in line with the relevant provisions of the Financial Regulations.

For reference, the Financial Regulations of the Exchequer and Audit Act Chap. 69:01 provide the following regarding overpayment and recovery, at sections 83 and 84(1):

“83. Every unauthorised payment and overpayment of salary, pension, allowance, wages or other moneys constitutes a debt which is recoverable in full from the payee.

84. (1) When an unauthorised payment or overpayment is discovered, the person overpaid shall be informed and the incorrect rate of payment shall be stopped immediately.”

The MSDFS indicated in the aforementioned written submission that a data clean-up exercise was underway whereby it would be ensured that all grant beneficiaries’ national ID numbers corresponded with their respective dates of birth in the Ministry’s records.

- **COVID-19 Income Support Grant**

The Auditor General reported that ten (10) persons who were registered under the National Insurance system had also received the ISG, whereas the ISG was only meant to be paid to persons without a National Insurance number<sup>15</sup>. The MSDFS informed the Committee that investigations were ongoing into this matter at the time of the public hearing. Letters were due to be transmitted to payees to whom the erroneous payments were made, in accordance with the aforementioned Financial Regulations.

## **Ministry of Tourism, Culture and the Arts**

The Auditor General reported that seven (7) applicants were paid the Emergency Relief Grant twice during FY 2021 totalling \$35,000.00<sup>16</sup>. In response to this finding, the MTCA affirmed that in six (6) of the seven (7) reported instances, each of those applicants in fact only received one (1) ERG payment<sup>17</sup>. The explanation given was that, while the cheques for the payments in question were indeed printed twice, the error was spotted and the six (6) duplicate cheques were cancelled before they could be issued.

The Auditor General recommended that the MTCA conduct reconciliation exercises on grant payments to determine the sums overpaid and the necessary action to recover those sums. In its

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<sup>14</sup> Report of the Auditor General FY 2021, para 3.65, page 86.

<sup>15</sup> Ibid, para 3.112, page 92.

<sup>16</sup> Report of the Auditor General FY 2021, para 3.102, page 91.

<sup>17</sup> Written submission from the MTCA dated June 15, 2022, page 1.

written submission to the Committee dated January 11, 2023, the MTCA indicated that the recommended reconciliation exercise had been duly conducted and that no further overpayments had been detected.

**Observation:**

- i. The Committee notes the updating of the MOF's Master Lists of Qualified and Paid Applicants regarding the SRG and hopes that this will preclude similar problems from reoccurring.*

**Recommendations:**

- i. The MOF should submit an update to Parliament on the completion of its work with the NIBTT to detect and remedy discrepancies in SRG payments, specifying the following, by January 29, 2024:*
  - a. The total sum to be recovered;*
  - b. Whether the entire sum has been collected;*
  - c. The sums that remain outstanding, if any; and*
  - d. The challenges due to which sums remain outstanding.*
- ii. The MSDFS should report to Parliament on the following by January 29, 2024:*
  - a. The completion and results of the clean-up exercise with respect to national ID numbers; and*
  - b. The status of the recovery of overpaid sums from persons having erroneously received the COVID-19 ISG despite their ineligibility for the ISG as they were registered under the NI system.*

### **3. Data Management**

Ministries were in the process of implementing their distinct data management systems.

#### **Ministry of Tourism, Culture and the Arts**

The Auditor General recommended that the MTCA create an ERG applicant database to prevent duplicate payments.

In a written submission to the Committee dated June 16, 2022, the MTCA confirmed that the recommended database had been created and was being maintained by the Ministry's Grants Secretariat. In a further submission dated January 11, 2023, the MTCA indicated that five (5) duplications had been detected and rectified as at January 2023.

#### **Ministry of Social Development and Family Services**

In its Ministerial Response to the 2<sup>nd</sup> Report of the PAC, 12<sup>th</sup> Parliament, on an Examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for



the financial year 2021, the MSDFS explained, regarding its pandemic relief payments, that it had implemented several measures to improve operations. One of these measures was the implementation of an online application and validating system fitted with online monitoring and control capabilities. Another was enhanced inter-ministerial collaboration between the MSDFS, the MOF and the NIBTT. The latter was described as “critical in ensuring the requisite crosschecking of databases.”

The Committee enquired as to whether full interoperability had been achieved among the databases of the MSDFS, the MOF and the NIB. In its written submission dated December 6, 2022, the MSDFS explained that “full interoperability cannot be achieved with disparate databases”. Interoperability, according to the said submission, could be improved with the introduction of an Interoperability Framework. One such framework was being developed by the Ministry of Digital Transformation.

The MSDFS further explained that it was putting several Memoranda of Understanding (MOUs) in place with key stakeholders using the Application Programming Interface (API), which is “a set of defined rules that enable different applications to communicate with each other”<sup>18</sup>.

In its Interim Report<sup>19</sup> on an Examination of the Response of Public Authorities to the COVID-19 Pandemic in Trinidad and Tobago, the Public Administration and Appropriations Committee (PAAC) recommended that “the MSDFS should implement proper monitoring and oversight procedures to be utilized for the administering of COVID-19 initiatives”.

In its Ministerial Response to the Interim PAAC Report, the MSDFS indicated the following:

“The MSDFS is currently in the process of developing its Integrated Social Enterprise Management System (ISEMS). This system, once fully operational, will facilitate the electronic data gathering of clients’ information and the processing of grants and services. [...] This system also has embedded in it full auditing and real time data sharing capabilities, which further improves the Ministry’s processing system. To assist in this transition, the MSDFS is in the process of gathering requirements to engage a vendor to digitise its administrative records. [...] ISEMS also allows for seamless interoperability and integration to enable data and information sharing across the organization, as well as with other social sector ministries and service providers”.

The vendor was identified Fujitsu/Synergy and the MSDFS indicated that the development of the ISEMS process was due to be fully implemented by the third quarter of FY 2023<sup>20</sup>.

**Observation:**

- i. Further to the point raised by the MSDFS that “full interoperability cannot be achieved with disparate databases”, the Committee recalls its Thirty-Third (33<sup>d</sup>) Report<sup>21</sup>,***

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<sup>18</sup> IBM, What is an API? Accessed June 30, 2023. Available: <https://www.ibm.com/topics/api>

<sup>19</sup> Parliament of the Republic of Trinidad and Tobago, Interim Report of the PAAC. Accessed June 30, 2023. Available: <https://www.ttparliament.org/wp-content/uploads/2021/11/p12-s2-J-20211110-PAAC-Ri.pdf>

<sup>20</sup> Written submission from the MSDFS dated December 6, 2022.

<sup>21</sup> Parliament of the Republic of Trinidad and Tobago, Thirty-Third Report of the PAC. Accessed June 30, 2023.

*Eleventh Parliament. The subject of this Report was the status of the implementation of the recommendations on Information and Communication Technology (ICT) governance and general controls as stated in the Reports of the Auditor General on the 2017, 2018 and 2019 Public Accounts. In this Report, the development of the Interoperability Framework was noted as an ongoing matter as at September 2019. There appears, therefore, to have been only modest progress in this regard over the past four (4) years.*

**Recommendations:**

- i. The MSDFS should submit a status report to Parliament on the development of MOUs with key stakeholders, including the following by January 29, 2024:
  - a. The names of the key stakeholders;*
  - b. The purpose of the respective MOUs;*
  - c. The expected timeline for the finalisation of the MOUs.**
- ii. The MSDFS should report to Parliament on the status of the full implementation of the ISEMS, which was estimated to be achieved by the third quarter of FY 2023, by January 29, 2024; and*
- iii. The Ministry of Digital Transformation should report to Parliament on the status of the development of the Interoperability Framework by January 29, 2024.*

#### **4. Human Error**

Human error in manual data entry and storage was widespread.

##### **Ministry of Finance**

At the MOF, the Auditor General noted that “eight (8) instances were found where recipients under the age of 18 years were in receipt of SRG, which totalled \$23,500.00”<sup>22</sup>. Errors in the manual screening of applications for the Salary Relief Grant led to applications from persons falling outside the stipulated SRG eligibility age range of 18-65 not being identified and invalidated<sup>23</sup>.

Further, the MOF acknowledged staff shortcomings in terms of the data entry errors as well as non-verification of SRG applicants’ national ID numbers. In a written submission to the Committee dated January 17, 2023, the MOF indicated that the SRG Unit had updated its Master Lists of Qualified and Paid Applicants based on a source document verification exercise.

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Available: <https://www.ttparliament.org/wp-content/uploads/2021/11/p11-s5-J-20200701-PAC-R33.pdf>

<sup>22</sup> Report of the Auditor General FY 2021, para 3.95, page 90.

<sup>23</sup> Written submission from the MOF dated January 17, 2023.

## **Ministry of Social Development and Family Services**

The Auditor General found that human error at the MSDFS led to four (4) instances of Income Support Grant applications being approved whereas those applications were registered under the National Insurance system and had therefore already received the ISG from the MOF<sup>24</sup>.

Regarding the Food Support Grant, the Auditor General was unable to verify whether the correct amount was paid to each recipient as the requisite information for such a determination was not submitted for audit by the MSDFS. In response to a question from the Committee as to whether there had been any instances of families receiving Food Support Cards with values greater than their actual entitlement as established by the means test, the MSDFS acknowledged that “due to human error, the absence of a robust assessment system, as well as the volume of clients in the system over the years, the FSP database has been found with errors”<sup>25</sup>. The said written submission also noted that “input errors” had led to numerous staff entering the same national ID number for numerous distinct application who had indeed supplied their own bona fide ID numbers. The Ministry affirmed that it had since “introduced several mechanisms to ensure accuracy”.

## **Ministry of Tourism, Culture and the Arts**

As previously highlighted *at Issue 2 – Recovery of Overpaid Sums*, human error led to the issuance of seven (7) duplicate cheques for Emergency Relief Grant payments, six (6) of which were quickly detected and cancelled.

### ***Observation:***

- i. While it is clear the vigilance is needed to reduce the prevalence of human error in the verification and processing of grant applications, the Committee remains acutely aware that the volume of work assigned to officers found to have committed some of these errors is the more fundamental issue. The latter issue is addressed further at Issue 6 of this Report.*

### ***Recommendations:***

- i. The MSDFS should report to Parliament on the specific measures introduced to ensure accuracy of its data entry and record keeping by January 29, 2024; and*
- ii. The MTCA should report to Parliament by January 29, 2024 on the recovery of the sum of \$5,000.00 in respect of the acknowledged duplicate payment made to one (1) ERG applicant in FY 2021.*

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<sup>24</sup> Report of the Auditor General FY 2021, para 3.99, page 90.

<sup>25</sup> Written submission from the MSDFS dated December 6, 2022, page 5.

## Individual Areas of Concern

### Ministry of Social Development and Family Services

#### 5. Human Resource and Institutional Strengthening

**Staff training and new recruitment as well as the delineation of new responsibilities within the Ministry will increase efficiency in administering grants and effectiveness in curtailing fraud.**

Ongoing training was needed in the areas of records and database management. This was the case at the Ministry itself as well as at the Ministry's service centres.

In addition to up-skilling existing staff, the MSDFS acknowledged the importance of recruiting highly skilled staff across key aspects of the Ministry's work that play a role in mitigating against the kind of fraudulent transactions for which three (3) officers of the Ministry were investigated by the TTPS during FY 2021<sup>26</sup>. More effective records and data management by relevant staff would also reduce losses owing to human error, which amounted to \$37,370 in FY 2021 specifically under the Food Support Programme<sup>27</sup>. These highly skilled positions included investigators, compliance officers, audit officers, forensic accountants and cybercrime analysts. This would be a vital addition to the efforts of existing quality control staff.

The Ministry established an Investigation and Compliance Unit (ICU). This unit has under its purview matters relative to compliance with public service financial regulations, procedures and policies applicable to the administering of grants. The combination of the ICU's work and a more robust Internal Audit function should mean that the gaps that allowed possibility of fraud to persist would be effectively closed.

#### ***Recommendation:***

- i. The MSDFS should submit a status update to Parliament by January 29, 2024 including the following:***
  - a. A brief summary of the work conducted by the Investigation and Compliance Unit since the Committee's public hearing in November 2022;***
  - b. The number of vacancies for investigators, compliance officers, audit officers, forensic accountants and cybercrime analysts filled during FY 2023; and***
  - c. A summary of the records and database management-related training initiatives carried out during FY 2023 and the number of staff who benefitted from the training.***

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<sup>26</sup> MSDFS response dated December 6, 2022 to questions for additional information, page 2.

<sup>27</sup> Ibid, page 3.

## 6. Development of Caseload Model

At some MSDFS service centres, officers were dealing with over four hundred (400) cases each. At the public hearing, the officials from the MSDFS acknowledged the need to ease the caseloads of staff at service centres. This would help to ensure quicker processing times, a better customer experience and more manageable work for the staff. The Ministry was developing a ‘caseload model’, whereby officers would be assigned a maximum of one hundred (100) cases. This system was due to be implemented in January 2023.

### ***Recommendation:***

- i. The MSDFS should submit a status update to Parliament by January 29, 2024 including the following:*
  - a. The date of implementation of the caseload model;*
  - b. The number of cases assigned per officer at each service centre where the caseload model has been implemented as well as the number of cases per officer prior to the implementation of the caseload model; and*
  - c. Qualitative data reflecting the perspective of service centre staff on their experience since the implementation of the caseload model compared to their experience prior to the implementation of the model.*

## Concluding Remarks

The Committee notes the efforts that were in progress to remedy miscellaneous discrepancies and to strengthen procedures across the systems for the administering of grants, and looks forward to receiving updates on the various investigations that were launched. It is hoped that the experience of implementing this policy during the challenging and unexpected circumstances of the pandemic will serve as a lesson going forward on the importance of consistent and resilient policy implementation. This will be to the benefit, both of the people of Trinidad and Tobago and to the overarching imperative of efficient and effective policy implementation.

This Committee respectfully submits this Report for the consideration of the Parliament.

Sgd.  
Mr. Davendranath Tancoo  
**Chairman**

Sgd.  
Ms. Jearlean John  
**Vice – Chairman**

Sgd.  
Dr. Amery Browne  
**Member**

Sgd.  
Mrs. Ayanna Webster-Roy  
**Member**

Sgd.  
Mr. Adrian Leonce  
**Member**

Sgd.  
Mrs. Paula Gopee-Scoon  
**Member**

Sgd.  
Mr. Roger Monroe  
**Member**

## Appendix I - Witnesses

At the public hearing held on November 9, 2022, the witnesses attending on behalf of the Auditor General's Department, the Ministry of Finance, the Ministry of Social Development and Family Services and the Ministry of Tourism, Culture and the Arts were:

### Auditor General's Department

- Ms. Lorelly Pujadas - Auditor General
- Ms. Reahla Balroop - Assistant Auditor General (Ag.)
- Ms. Neela Sookra - Audit Supervisor (Ag.)
- Ms. Diane Ragoonath - Audit Executive (Ag.)
- Ms. Nela Dwarika Ali - Audit Director

### Ministry of Finance

- Mrs. Joycelyn Thomas-Vialmosa - Deputy Permanent Secretary, Strategic Management & Execution Office (SMEO)
- Mrs. Enid Zephyrine - Director, SMEO
- Mrs. Atayla Guerra - Senior Project Manager, SMEO
- Mr. Dexter Jaggernauth - Program Manager, SMEO

### Ministry of Social Development and Family Services

- Ms. Jacqueline Johnson - Permanent Secretary
- Mrs. Jennifer Harvey- Bethel - Director, Finance and Accounting
- Mr. Rawlins Jailal - Accounting Executive II
- Ms. Carla Mc Kie - Auditor II
- Ms. Rhonda Francis - Head, Investigation and Compliance
- Mrs. Christine John-Guy - Deputy Director, Social Welfare
- Mr. Brennan Gowrie - Director, Monitoring and Evaluation

### Ministry of Tourism, Culture and the Arts

- Mrs. Satie Jamraj-Marimuthu - Permanent Secretary (Ag.)
- Mr. Damian Richardson - Director, Culture (Ag.)
- Mr. Michael Murray - Cultural Programme Coordinator
- Ms. Simone Williams - Senior Research Officer (Ag.)



**THE PUBLIC ACCOUNTS COMMITTEE –  
THIRD SESSION, TWELFTH PARLIAMENT  
MINUTES OF THE ELEVENTH MEETING HELD VIRTUALLY ON WEDNESDAY  
NOVEMBER 9, 2022 AT 10:04 A.M.**

Present were:

Mr. Davendranath Tancoo	-	Chairman
Ms. Jearlean John	-	Vice-Chairman
Mrs. Ayanna Webster-Roy	-	Member
Mr. Adrian Leonce	-	Member
Ms. Charrise Seepersad	-	Member
Ms. Keiba Jacob	-	Secretary
Ms. Hema Bhagaloo	-	Assistant Secretary
Mr. Justin Jarrette	-	Graduate Research Assistant
Ms. Nilijah Reaney	-	Graduate Research Assistant

Excused were:

Mr. Roger Monroe	-	Member
Dr. Amery Browne	-	Member
Mrs. Paula Gopee-Scoon	-	Member

**COMMENCEMENT**

- 1.1 At 10:04 a.m., the Chairman called the meeting to order and welcomed those present. The Chairman informed Members that Dr. Amery Browne, Mr. Roger Monroe and Mrs. Ayanna Webster-Roy asked to be excused from the Meeting.

**EXAMINATION OF THE MINUTES OF THE TENTH MEETING**

- 2.1 The Committee examined the Minutes of the Tenth (10<sup>th</sup>) Meeting held on Wednesday June 8, 2022.
- 2.2 There being no omissions or corrections, the Minutes were confirmed on a motion moved by Ms. Charrise Seepersad and seconded by Ms. Jearlean John.

**MATTERS ARISING FROM THE MINUTES OF THE TENTH MEETING**

- 3.1 With reference to item 8.3, the Chairman informed Members that the responses to questions for additional information were received on July 8, 2022 and used to draft the Committee's Eighth (8<sup>th</sup>) Report. The Responses were received from:

- Auditor General’s Department;
- Judiciary;
- Ministry of Agriculture, Land and Fisheries;
- Ministry of Finance - Board of Inland Revenue;
- Ministry of Foreign and CARICOM Affairs;
- Ministry of Health;
- Ministry of Planning and Development;
- Ministry of Tourism, Culture and the Arts;
- Ministry of Trade and Industry;
- Ministry of Works and Transport;
- Office of the Attorney General and Ministry of Legal Affairs;
- Office of the Prime Minister; and
- Trinidad and Tobago Police Service.

## **COMMITTEE REPORTS – SECOND SESSION, TWELFTH PARLIAMENT**

- 4.1 The Chairman reminded Members that the following Committee Reports were circulated on October 1, 2022 for their consideration. The reports were as follows:
- Draft Seventh Report on an examination of the Audited Financial Statements of the Trinidad and Tobago Securities and Exchange Commission (TTSEC) for the Financial Years 2014 to 2018;
  - Draft Eighth Report on an Examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2021; and
  - Draft Ninth Report on an examination of the administration of the CAPE Scholarship Programme as reported on in the Special Audit Report within the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2019.
- 4.2 The Chairman invited Members to make any comments and or suggestions. After some discussions, it was agreed that:
1. Members were to review the draft reports and submit their comments to the Secretariat by Wednesday November 16, 2022.
  2. Thereafter the Chairman directed the Secretariat to prepare the finalised reports for presentation at the next sitting of the House of Representatives and the Senate.

## **DETERMINATION OF WORK PROGRAMME**

- 5.1 The Chairman invited Members to review the proposed draft Work Programme and list of entities under the purview of the Committee for the Third Session, Twelfth Parliament that

were uploaded to the Rotunda (e-repository) for consideration. A discussion ensued.

5.2 The Committee agreed to the following:

- Members were to review the proposed work programme and indicate their preference/ suggestions for five (5) entities to be examined by the Committee in the Third Session to the Secretariat by Wednesday November 16, 2022; and
- The draft Work Programme be finalised at the next meeting of the Committee.

### **OTHER BUSINESS**

5.3 The Chairman informed Members that the Commonwealth Parliamentary Association (CPA) extended an invitation to Members to participate in new online courses which focus on Climate Change, Accessibility and the Public Accounts Committee. An email was sent to Members to register for these online courses.

### **PRE-HEARING DISCUSSIONS RE: EXAMINATION OF THE CONCERNS RAISED IN REPORT OF THE AUDITOR GENERAL ON THE PUBLIC ACCOUNTS OF THE REPUBLIC OF TRINIDAD AND TOBAGO FOR THE FINANCIAL YEAR 2021 WITH SPECIFIC REFERENCE TO THE ADMINISTERING OF GRANTS**

6.1 The Chairman reminded Members that the purpose of the virtual public hearing was to have a discussion with Ministries, Departments and Agencies on their administering of government grants with reference to the concerns raised in the report of Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021 with specific reference to the administering of grants.

6.2 The Chairman outlined the remit of the inquiry.

6.3 The Chairman invited Members to review the Issues Paper based on the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2021 with specific reference to the administering of grants.

6.4 The Chairman invited Members to raise any issues or questions on the examination into the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year 2021 with specific reference to the administering of grants. Members discussed the issues of concern and the general approach for the public hearing.

### **SUSPENSION**

7.1 There being no further business for discussion *in camera*, the Chairman suspended the meeting at 10:26 a.m.

**AN EXAMINATION OF THE REPORT OF THE AUDITOR GENERAL ON THE PUBLIC ACCOUNTS OF THE REPUBLIC OF TRINIDAD AND TOBAGO FOR THE FINANCIAL YEAR 2021 WITH SPECIFIC REFERENCE TO THE ADMINISTERING OF GRANTS**

8.1 The Chairman called the public meeting to order at 10:39 a.m.

8.2 The following officials joined the meeting:

**Auditor General's Department**

- Ms. Lorelly Pujadas - Auditor General
- Ms. Reahla Balroop - Assistant Auditor General (Ag.)
- Ms. Neela Sookra - Audit Supervisor (Ag.)
- Ms. Diane Ragoonath - Audit Executive (Ag.)
- Mrs. Nela Dwarika Ali - Audit Director

**Ministry of Finance (MOF)**

- Mrs. Joycelyn Thomas-Vialmosa - Deputy Permanent Secretary, Strategic Management & Execution Office (SMEO)
- Mrs. Enid Zephyrine - Director, SMEO
- Mrs. Atayla Guerra - Senior Project Manager, SMEO
- Mr. Dexter Jaggernauth - Program Manager, SMEO

**Ministry of Social Development and Family Services (MSDFS)**

- Ms. Jacqueline Johnson - Permanent Secretary
- Mrs. Jennifer Harvey- Bethel - Director, Finance and Accounting
- Mr. Rawlins Jailal - Accounting Executive II
- Ms. Carla Mc Kie - Auditor II
- Ms. Rhonda Francis - Head, Investigation and Compliance Unit
- Mrs. Christine John-Guy - Deputy Director, Social Welfare Division
- Mr. Brennan Gowrie - Director, Monitoring and Evaluation

**Ministry of Tourism, Culture and the Arts (MTCA)**

- Mrs. Satic Jamraj-Marimuthu - Permanent Secretary (Ag.)
- Mr. Damian Richardson - Director, Culture (Ag.)

- Mr. Michael Murray - Cultural Programme Coordinator
- Ms. Simone Williams - Senior Research Officer (Ag.)

### 8.3 Key Topics Discussed:

1. The prominence of Current Transfers and Subsidies as a portion of total Government Expenditure;
2. The budgetary allocation under Current Transfers and Subsidies for the administration of grants;
3. The observations made by the Auditor General on the processing of government grants since FY2016;
4. The overall context within which government grants were provided during FY 2021;
5. The processes involved in the administration of grants;
6. The integrity of the data used for the processing of grants;
7. The number of recipients who received grants from the MTCA;
8. The general controls in place surrounding the management of data;
9. The initiatives taken by the MSDFS, the MOF and the MTCA since the publication of the Auditor General's Report for FY 2021 to address the issues in the Report;
10. The estimated sum of funds lost due to fraud in FY 2021 and 2022;
11. The measures implemented to mitigate against instances of fraud in the administering of grants including the reporting of matters to the Trinidad and Tobago Police Service and the referral of staff involved in suspected fraudulent activities to the Service Commissions Department for disciplinary proceedings;
12. The number of MSDFS staff under investigation with respect to suspected incidences of fraud before FY 2021;
13. The creation of an Investigation and Compliance Unit at the MSDFS to investigate matters relative to compliance with public service financial regulations, procedures and policies applicable to the administering of grants;
14. The strengthening of the work of the Internal Audit Unit to identify and close gaps in the system for the processing of grants at the MSDFS;
15. The development of an IT Framework to detect illegal or suspicious transactions in the grants system;
16. The increase vigilance of the Social Development Division in identifying areas for potential fraudulent transactions;
17. The MSDFS' engagement with key stakeholders including the Central Bank of Trinidad and Tobago and the National Insurance Board of Trinidad and Tobago to address gaps in the system via policies or legislation;
18. The human resource challenges at Ministries and Department to address the risk of fraud;
19. The need for the recruitment of highly skilled persons such as investigators, compliance officers, audit officers, forensic accountants and cybercrime analysts to support the MSDFS's efforts in mitigating instances of fraud;
20. The need for enhanced staff training at the MSDFS;
21. The challenges incurred in the transference of data from manual to electronic files;
22. The need for improvement of the current data management system;
23. The length of time required to complete the data cleansing activities;
24. The need for alternative payment methods for the disbursement of grants and efforts by the MSDFS to transition away from payment of grants by cheque;

25. The pervasive issue of human errors in the manual data entry and storage systems used by Ministries administering grants;
26. The lack of definite deadlines for the completion of the identified improvement processes in the administering of grants;
27. The number of beneficiaries of the Public Assistance Grant in FY 2021;
28. The creation of a Caseload Model to assist with the challenge of heavy caseloads relative to client to staff ratio;
29. The implementation of a case management system;
30. The ongoing collaboration between the MOF and the NIB to address discrepancies in payments of the Salary Relief Grant;
31. The recovery of Emergency Relief Grant overpayments by the MTCA;
32. The length of time required for the processing of grants by the MSDFS and the number of applications which remained outstanding; and
33. The challenges experienced by the Auditor General in accessing certain documentation required for the conduct of the audit.

8.4 The Chairman thanked the representatives from the AGD, MOF, MSDFS and MTCA for attending the virtual meeting and they were excused.

### **SUSPENSION**

9.1 At 1:15 p.m., the Chairman suspended the public meeting to resume for a post-mortem discussion with Members only.

### **POST-MORTEM DISCUSSION**

10.1 At 1:16 p.m., the Chairman resumed the meeting.

10.2 The Chairman sought Members' views on the public hearing. A discussion ensued.

10.3 The Committee agreed that additional questions would be sent to the following:

- Ministry of Finance;
- Ministry of Social Development and Family Services; and
- Ministry of Tourism, Culture and the Arts. **[Please see Appendix]**

### **ADJOURNMENT**

11.1 There being no other business, the Chairman thanked the Members for their attendance and the meeting was adjourned to November 30, 2022 at 10:00 a.m.

11.2 The adjournment was taken at 1:20 p.m.

**We certify that these Minutes are true and correct.**

CHAIRMAN

SECRETARY

*November 9, 2022*

## Appendix to Minutes

### ADDITIONAL QUESTIONS ARISING FROM THE 11<sup>TH</sup> MEETING OF THE PUBLIC ACCOUNTS COMMITTEE

#### QUESTIONS FOR ADDITIONAL INFORMATION – MSDFS

### REPORT OF THE AUDITOR GENERAL ON THE PUBLIC ACCOUNTS OF THE REPUBLIC OF TRINIDAD AND TOBAGO FOR THE FINANCIAL YEAR 2021 WITH SPECIFIC REFERENCE TO THE ADMINISTERING OF GRANTS

#### GENERAL QUESTIONS:

1. Provide an estimate of the total grant funding lost due to fraud during FY 2021 and FY 2022.
2. Indicate the number of staff currently under investigation by the Trinidad and Tobago Police Service (TTPS) concerning suspected fraud in the administering of grants at the MSDFS before FY 2021.
3. What is the total number of officers required for a full complement of staff in the Investigations and Compliance Unit and the Audit Unit at the MSDFS?
4. Provide a timeframe for the completion of investigations into monies lost due to fraudulent transactions in the administration of grants during FY 2021 to FY 2022.

In its Ministerial Response to the 2<sup>nd</sup> Report of the PAC on an Examination of the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the financial year 2021, the MSDFS explained the following about its pandemic relief payments:

“The MSDFS has made strides to improve its overall process for the disbursement of pandemic relief payments. To this end, the Ministry has implemented various measures to improve targeting mechanisms and overall operations, these include:

- Implementation of an online application and validating system fitted with online monitoring and control capabilities;
- Enhanced inter-ministerial collaboration between the MSDFS, the MOF and the National Insurance Board (NIB), which was critical in ensuring that the requisite crosschecking of databases was facilitated.”

#### Question:

5. Was full interoperability achieved among the databases of the MSDFS, the MoF and the NIB?

During an inquiry into the Response of Public Authorities to the COVID-19 Pandemic in Trinidad and Tobago, conducted by the Public Administration and Appropriations Committee (PAAC), the MSDFS

indicated to that a unit within the Ministry was mandated to follow-up on all rental assistance applications to eliminate invalid applications and ensure compliance.



**Questions:**

6. Was this also done for all other grants or was it limited to rental assistance?
7. If this was implemented for all grants, when was it introduced and how did it impact the prevalence of ineligible recipients of grants?

**ISSUE: FOOD SUPPORT PROGRAMME (pages 84-85)****Questions:**

1. Re paragraph 3.55: is there any functionality in the Ministry's ICT systems that allows for the flagging of recipients to reduce the likelihood that the same applicant could receive more than one payment?
2. Re paragraph 3.56: did the MSDFS identify any loopholes that could enable a person to apply online and be approved for a grant for which they did not meet the requirements?
3. Re paragraph 3.57: were there any instances of families receiving Food Support Cards with values greater than their actual entitlement as established by the means test?
  - a. If yes, how many such instances were detected?
4. Could the Ministry quantify the total sum disbursed under the FSP programme as a result of data inconsistencies?

**ISSUE: PUBLIC ASSISTANCE GRANT (pages 85-86)****Questions:**

1. Re paragraph 3.64: what initiatives were undertaken to recover the sum of \$886,350.00 worth of Public Assistant Grants paid to individuals whose National ID numbers did not correspond to their dates of birth?
2. Re paragraph 3.65: were there any instances of families receiving the Public Assistance Grant of a greater value than their actual entitlement as established by the means test?
  - a. If yes, how many such instances were detected?
3. Re paragraph 3.66 and 3.67: were these individuals entitled to a second public assistance grant payment?
  - a. If no what gaps or oversights allowed them to receive additional payments?
4. Could the Ministry quantify the sum disbursed via the Public Assistance Grant programme as a result of data inconsistencies?

**ISSUE: DISABILITY ASSISTANCE GRANT (pages 87-88)****Questions:**

1. Re paragraphs 3.71: are applicants required to fill out all fields when submitting Disability Grant applications?
  - a. If no, which fields were considered optional and what determined which were mandatory and which were optional?
2. Re paragraph 3.72: under what circumstances, if any, may an applicant legitimately access the Disability Grant or any other grant administered by the MSDFS in the absence of their National ID number and / or their date of birth?
  - a. Did such circumstances apply to the cases noted here by the Auditor General?

- b. In the Ministry's view does any of the \$83,104,000.00 disbursed need to be recovered?
  - c. If yes, what initiatives, if any, were undertaken in this regard?
- 3. Re paragraph 3.73: what initiatives, if any, were undertaken to recover the sum of \$84,000.00 worth of Disability Grants paid in cases of duplicate National ID numbers?
- 4. Re paragraph 3.76: were these individuals entitled to a second Disability Grant payment?
  - a. If no what gaps or oversights allowed them to receive additional payments?
- 5. Could the Ministry quantify the total sums disbursed in the form of Disability Assistance Grants as a result of data inconsistencies?

#### **ISSUE: SENIOR CITIZENS' PENSION (pages 88-89)**

##### **Questions:**

- 1. Re paragraphs 3.79, 3.80 & 3.81: were applicants required to fill out all fields when submitting Senior Citizens' Pension applications?
  - a. If yes, which fields were considered optional and what determined which were mandatory and which were optional?
  - b. If no, what was the reason for the absence of these systematic controls?
- 2. Re paragraph 3.86: under what circumstances, if any, may an applicant legitimately access multiple grants?
  - a. Did such circumstances apply to the cases noted here by the Auditor General?
- 3. Could the Ministry quantify the total monies paid out under the Disability Assistance Grant Programme as a result of data inconsistencies?
- 4. What is the status of initiatives undertaken to recover these sums?

#### **ISSUE: COVID-19 INCOME SUPPORT GRANT (pages 91-92)**

##### **Questions:**

- 1. Re paragraph 3.108: Were the remaining 1,282 applicants eligible for the ISG based on the criterion relating to the last date of employment?
  - a. If yes, how was this eligibility confirmed in the absence of information in the "Effective Date for Last Day of Employment" field?
- 2. Re paragraph 3.109: What was the process followed by the Ministry when such apparent duplicate payments were detected?
- 3. Re paragraph 3.110: what was the reason for the differentiation between applicants who received the ISG despite the inconsistency between their National ID numbers and their dates of birth and those who did not receive the ISG due to this same inconsistency?
- 4. Re paragraph 3.112: what initiatives, if any, were undertaken to recover sums paid to those who received the ISG despite being ineligible because they were indeed registered under the NI system?

#### **ISSUE: GRANT MONITORING AND OVERSIGHT**

In its Interim Report on an Examination of the Response of Public Authorities to the COVID-19 Pandemic in Trinidad and Tobago, the Public Administration and Appropriations Committee (PAAC) recommended that "the MSDFS should implement proper monitoring and oversight procedures to be utilized for the administering of COVID-19 initiatives".

In its Ministerial Response to the Interim PAAC Report, the MSDFS indicated the following: “The MSDFS is currently in the process of developing its Integrated Social Enterprise Management System (ISEMS). This system, once fully operational, will facilitate the electronic data gathering of clients’ information and the processing of grants and services. [...] This system also has embedded in it **full auditing and real time data sharing capabilities**, which further improves the Ministry’s processing system. To assist in this transition, the MSDFS is in the process of gathering requirements to engage a vendor to digitise its administrative records. [...] ISEMS also **allows for seamless interoperability and integration to enable data and information sharing** across the organization, as well as with other social sector ministries and service providers” (pages 3, 7 and 12). This process was estimated at 6% completed as at January 2022.

**Questions:**

1. What percentage of this project has been completed as at October 2022?
2. Has the vendor been engaged?
  - a. If yes, identify the vendor.
3. What is the estimated timeline for full completion?

The MSDFS also stated in its Ministerial Response to the PAAC that it would be best to have a “central shared repository” in administering grants.

**Questions:**

4. Will other Ministries, Departments and Agencies also have full access to the ISEMS?
5. Will the ISEMS meant to constitute a central shared repository for use by social sector ministries and related agencies?
  - a. If no, what would such a central database entail and who would spearhead this important initiative?

**QUESTIONS FOR ADDITIONAL INFORMATION – MINISTRY OF FINANCE**

**REPORT OF THE AUDITOR GENERAL ON THE PUBLIC ACCOUNTS OF THE REPUBLIC OF TRINIDAD AND TOBAGO FOR THE FINANCIAL YEAR 2021 WITH SPECIFIC REFERENCE TO THE ADMINISTERING OF GRANTS**

**ISSUE: SALARY RELIEF GRANT**

**Questions:**

1. Re paragraph 3.91: how long did it take for the MOF to detect this irregularity?
2. Re paragraph 3.95 & 3.98: given the requirement that recipients of the SRG should be between the ages 18 - 65 years, did the Ministry consider any system to automatically block / invalidate applications from persons outside of this age range?
  - a. What was the reason for the lack of validation of application forms?
3. Re paragraph 3.96: The MOF indicated that the SRG Unit was verifying applicants’ source documents in order to make the necessary corrections to the records.

- a. Has this process been completed?
- 4. Re paragraph 3.97: has the SRG Unit completed the correction of all of these errors?
- 5. Re paragraph 3.100: the MOF acknowledged that the \$41,000 payment to eighteen (18) ineligible persons was an oversight and that the matter was receiving police attention.
  - a. What progress has been made to date by the police in this regard?

**QUESTIONS FOR ADDITIONAL INFORMATION – MINISTRY OF TOURISM, CULTURE AND THE ARTS**

**REPORT OF THE AUDITOR GENERAL ON THE PUBLIC ACCOUNTS OF THE REPUBLIC OF TRINIDAD AND TOBAGO FOR THE FINANCIAL YEAR 2021 WITH SPECIFIC REFERENCE TO THE ADMINISTERING OF GRANTS**

**ISSUE: EMERGENCY RELIEF GRANT – MTCA**

**Background**

3.101 Cabinet by Minute No. 1133 of July 2, 2020 agreed to “to the provision of a one-off Emergency Relief Grant in the sum of \$5,000.00 to artistes and creatives, who have lost income due to cancelled exhibitions, classes, conferences, workshops and other cultural related events, as a result of the measures undertaken by the Government of the Republic of Trinidad and Tobago to mitigate the spread of the 2019 Novel Coronavirus (COVID-19)”. The Grant was launched on Friday, July 10, 2020.

The following was noted in the MTCA’s written submission dated June 16, 2022 (page 3):

<b>Auditor General’s Recommendations</b>	<b>MTCA Response</b>
<p>1. A database of the ERG applicants with the necessary controls built into the system should have been maintained. This would have prevented the duplication in payments.</p>	<p>The MTCA confirms that a database of the ERG applicants has indeed been created and is used and maintained by the Grants Secretariat of the Ministry. An additional measure of control is provided by the NCC, which assists with any duplications that the Grants Secretariat may have inadvertently missed. It is important to note that, following the realignment of Ministries, only junior contracted staff in Grants Secretariat were transferred to the newly formed Ministry. As such, there was therefore no transfer of knowledge and/or experience, resulting in a new of issues, as highlighted in your report. This was eventually rectified with the assignment of one senior officer to the Unit, who now holds responsibility for the oversight of the Grants Secretariat and who has made efforts to ensure that the opportunities for duplications and other errors are greatly reduced, and that checks and balances are incorporated into the daily procedures.</p>

<p>2. Reconciliation exercises on the payment of grants should be conducted to determine the amount of overpayments and the way forward.</p>	<p>The MTCA has initiated a reconciliation exercise to determine if there have been any further overpayments and none have been identified to date.</p>
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**Questions:**

1. When was the database created?
2. When was the senior officer assigned to the Grants Secretariat?
3. How many potential duplications and other errors have been detected and corrected since the assignment of this officer to the Grants Secretariat?
4. Since the Ministry's submission to the Committee in June 2022, have any overpayments been detected?
5. If yes, provide details of the amounts and of efforts to recover those overpaid sums.
6. What is the timeline for the investigation of fraudulent activities relative to the administration of grants?

## Appendix III – Verbatim Notes

### VERBATIM NOTES OF THE TENTH VIRTUAL MEETING OF THE PUBLIC ACCOUNTS COMMITTEE HELD (IN PUBLIC) ON WEDNESDAY, NOVEMBER 09, 2022, AT 10.39 A.M.

#### PRESENT

Mr. Davendranath Tancoo	Chairman
Ms. Jearlean John	Vice-Chairman
Mr. Adrian Leonce	Member
Ms. Charrise Seepersad	Member
Mrs. Ayanna Webster-Roy	Member
Ms. Keiba Jacob Mottley	Secretary
Ms. Hema Bhagaloo	Assistant Secretary
Mr. Justin Jarrette	Graduate Research Assistant

#### ABSENT

Mr. Roger Monroe	Member
Dr. Amery Browne	Member
Mrs. Paula Gopee-Scoon	Member

#### AUDITOR GENERAL'S DEPARTMENT

Ms. Lorelly Pujadas	Auditor General
Ms. Reahla Balroop	Assistant Auditor General (Ag.)
Ms. Neela Sookra	Audit Supervisor (Ag.)
Ms. Diane Ragoonath	Audit Executive I (Ag.)
Mr. Brian Noel	Network Administrator
Mrs. Nela Dwarika-Ali	Audit Director

#### MINISTRY OF FINANCE

Mrs. Joycelyn Thomas-Vialmosa	Deputy Permanent Secretary- Strategic Management & Execution Office (SMEO)
Mrs. Enid Zephyrine	Director of Strategic Management & Execution Office (SMEO)
Mrs. Atayla Guerra	Senior Project Manager- Strategic Management & Execution Office (SMEO)
Mr. Dexter Jaggernaut	Programme Manager - Strategic Management & Execution Office (SMEO)

#### MINISTRY OF SOCIAL DEVELOPMENT AND FAMILY SERVICES

Ms. Jacqueline Johnson	Permanent Secretary
Mrs. Jennifer Harvey-Bethel	Director, Finance and Accounting

Mr. Rawlins Jailal	Accounting Executive II
Ms. Carla Mc Kie	Auditor II
Ms. Rhonda Francis	Head, Investigation and Compliance Unit
Mrs. Christine John-Guy	Deputy Director, Social Welfare Division
Mr. Wendell Jones	Supervisor III, Social Welfare Division
Paul Kanneh	ICT Director

**MINISTRY OF TOURISM, CULTURE AND THE ARTS**

Mrs. Satie Jamraj-Marimuthu	Permanent Secretary
Mr. Damian Richardson	Director, Culture (Ag.)
Mr. Michael Murray	Cultural Programme Coordinator
Ms. Simone Williams	Senior Research Officer (Ag.)

**Mr. Chairman:** A pleasant good morning to all and welcome to the officials from the Ministry of Finance, the Ministry of Social Development and Family Services, the Ministry of Tourism, Culture and the Arts and the Auditor General's department. I am Davendranath Tancoo, Chairman of the Public Accounts Committee. For reference and information, the Public Accounts Committee has a mandate to consider and report to House on, A, appropriation accounts of moneys expended out of sums granted by Parliament to meet the public expenditure of Trinidad and Tobago.

B, such other accounts as may be referred to the Committee by the House of Representatives or as are authorized or required to be considered by the Committee under any other enactment.

And C, the report of the Auditor General on any such accounts and whether the policy is carried out efficiently, effectively and economically and whether expenditure conforms to the authority which governs it.

The purpose of the Public Accounts Committee today is to have a discussion with Ministries, Departments and agencies on the administering of government grants with reference to the concerns raised in the Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year ended 30<sup>th</sup> of September, 2021, and to determine the challenges faced in the administering of grants and possible solutions to mitigate these challenges going forward.

Based on the issues identified, the following key stakeholders have been invited to today's discussion: the Auditor General's department, the Ministry of Finance, the Ministry of Social Development and Family Services and the Ministry of Tourism, Culture and the Arts.

Please note that this meeting is being broadcast live on the Parliament's Channel 11, on Radio 105.5 FM and the Parliament's YouTube channel *ParlView*. Viewers and listeners are invited to send their comments and questions related to today's enquiry via email, [parl101@ttParliament.org](mailto:parl101@ttParliament.org), via Facebook [@/ttParliament](https://www.facebook.com/ttParliament) or via Twitter [@ttParliament](https://twitter.com/ttParliament). All participants are advised that their microphones should remain muted until recognized by the Chair to contribute. I now invite members of the Committee present here today of the Public Accounts Committee, to introduce yourselves and to the members of the public and to your attendees here today. Members, Committee members, I turn over to you.

*[Introductions made]*

**Mr. Chairman:** Thank you. I want to now invite other representatives here today to introduce yourselves beginning with the Auditor General's department, then continue to the Ministry of Finance,

then the Ministry of Social Development and Family Services and then the Ministry of Tourism, Culture and the Arts. So let us begin with the introductions from the Auditor General's department.

*[Introductions made]*

**Mr. Chairman:** Okay. So now it is the turn of the Ministry of Finance to introduce yourselves for me, please.

*[Introductions made]*

**Mr. Chairman:** May I now invite the representatives from the Ministry of Social Development and Family Services to introduce yourselves.

*[Introductions made]*

**Mr. Chairman:** Thank you all very much. May I now invite members from the Ministry of Tourism, Culture and the Arts to introduce yourselves.

*[Introductions made]*

**Mr. Chairman:** Thank you all very, very much and welcome to the Public Accounts Committee. Welcome to this session where we will be asking you all several questions seeking to get clarifications and information that we can use to clarify our concerns with regard to the award of grants. I want to now invite the Auditor General's department with the Auditor General who is here to make a brief opening statement. Over to you, Ma'am, the floor is open.

**Ms. Pujadas:** Thank you, Chair. Thank you, Chair, for inviting the Auditor General and my team to discuss those concerns which we have reported in the report of the Auditor General on the Public Accounts of Trinidad and Tobago. As we know section 161 of the Constitution has provided us with the mandate to review the financials of Ministries and departments with regard to the public accounts.

Through you, Chair, I just want to draw the Committee's attention to chart 3.1 of our report which is at page 75 of our report. I just want to draw your attention as to the focus on the administration of grants and where that was placed in our endeavours. If you will observe on the chart there, you would see that 40 per cent of the outflows, that Government expenditure for the year 2021 was expended under Current Transfers and Subsidies. The Ministry of Social Development and Family Services is a Ministry that is one of the key Ministries that supports expenditure under this particular Sub-Head. In fact, the Ministry accounts for 23 per cent of the expenditure expended under the Sub-Head Current Transfers and Subsidies. And of that, 95 per cent of the Ministry's expenditure is expended through the administration of grants. So within that context is one of the reasons that we sought to look at how the data, the integrity of the data for the processing of grants was undertaken.

I would also like to draw to your attention that this is something that we have been doing over the years from since 2026, we have looked—2016, my apologies. Since 2016 we have been looking at the different grants and how the processes have been done through electric means, as well as through their manual processes. So you may have noted, for example, in our 2016 report we had made comments with regard to the senior citizens' pension in terms of the manual processing that they do. And we also made mention in terms of the general controls that are surrounding the data processing of these things.

So we continue in this year and last year as well to look at this because grants are a significant portion of expenditure. And so we are appreciative of the PAC taking the opportunity at this point in time to get further updates from the Ministries involved as to what forms of improvement they have undertaken since the admission of our report because at the end of the day, we altogether would want to be better organizations and, you know, to improve our processes. So we thank the Committee



for inviting us and we look forward to hearing what has been undertaken thus far by the various entities that you have invited here today. So thank you very much, Chair.

**Mr. Chairman:** Thank you very much, Ma'am. I want to now invite the deputy Permanent Secretary of the Ministry of Finance to make a brief opening statement.

**Mrs. Thomas-Vialmosa:** Good morning once again. It is well known that the Government of Trinidad and Tobago during the height of the pandemic sought to, well, would have instituted lockdown measures in order to control the spread of the virus. And in so doing and in recognition of hardship that persons who would have lost employment and suffered temporary layoffs and so on, in recognition of the hardship they would have faced, a policy decision was taken to financially assist those persons who suffered such loss. And the period April to June 2020, grants would have been provided, the Salary Relief Grant in particular would have been provided for persons who were registered under the NIS system. This was later extended for the May to June 2021 period. The process has been ongoing and it is significantly complete. We are now nearing completion of the payment of those grants.

And we would like to say that we did review the comments of the Auditor General in its report on the public accounts for the financial year 2021. And we consulted with the administrator of the facility which was the National Insurance Board of Trinidad and Tobago and also the Salary Relief Grant command centre that was set up in order to respond to those comments. And we are pleased once again this morning to be given the opportunity to participate in this meeting and provide further updates. Thank you very much.

**Mr. Chairman:** Thank you, Madam Permanent Secretary. May I now invite the Permanent Secretary of the Ministry of Social Development and Family Services to make a brief opening statement.

**Ms. Johnson:** Thank you, Chairman. We are indeed grateful for this opportunity to have this constructive dialogue based on the Auditor General's report. The Ministry continues its transformation initiatives aimed at streamlining its services in the interest of those who we serve, that vulnerable group of our society. Some of the things that we are going to discuss here are in terms of the remedy, are well advanced and we hope that in during the discussion, that we have the comments and opinions of the members of the PAC so that we can further engage in bringing to fruition the remedies we have put in place to address some of the issues raised in this report. We look forward to this discussion. I thank you.

**Mr. Chairman:** Thank you very much, Ma'am. May I now invite the acting Permanent Secretary of the Ministry Tourism, Culture and the Arts to make a brief opening statement.

**Mrs. Jamraj-Marimuthu:** Chair, thank you. A cultural and creative industry combine the creative and production and commercialization of creative content that are intangible and of a cultural nature and these depend almost entirely on person to person interaction for the production and proliferation. With the COVID-19 this impact reduced the artiste's ability to perform and earn a living via conventional means. So therefore, it became important for us to develop mechanisms to buffer and protect and preserve the livelihood of the artistic community.

So the Emergency Relief Grant for artists and creatives was administered by the Ministry of Community Development, Culture and the Arts, and following the merger in September 2020, by the Ministry of Tourism, Culture and the Arts, a one-off grant was in the sum of \$5,000 to artists and creatives who would have lost income due to cancelled exhibitions, classes, conferences, workshops and other cultural-related events. This, of course, would have been as a direct result of mitigation effects to mitigate COVID-19 and its spread. A total of \$25 million was allocated to the entity to

meet these payments. And to date, a total of 4,281 persons would have received grants. So the Ministry is able and present here to answer any questions and we will continue to work towards alleviating the burden experienced by the artists and creatives. Thank you for the opportunity.

**Mr. Chairman:** Thank you very much to all representatives who would have spoken. The format that we have proposed to adopt in this enquiry is the Chairman, that is myself, will ask some general questions and then we will have other members of the Committee delve into the specific programmes and therefore some specific questions which would have arisen based on the reading of the Auditor General's report specifically on the administration of government grants.

Colleagues, if you may allow me. The Auditor General's report highlighted some serious concerns about the—some discrepancies found in the award of these grants. Some of them were small in terms of the numbers of queries, and some of them were very large in terms of the number of queries, and some were small in terms of the number of funds involved but some were substantial. I mean, well, there was one instance in which, I believe, upwards of \$700,000—\$886,000 was the subject of a query based on information that did not jell right with what was required. On the basis of that, the Auditor General's report identified specific issues requiring attention and I know that from the time—from between when the Auditor General's report was submitted and now, some adjustments would have and should have been made to ensure that those matters have been investigated properly and as a result when we meet today at this session we should be able to find answers to the queries raised by the Auditor General and raised by your Committee from here on going in.

On the basis of that, I have a couple of questions that I want to forward to the Ministry of Social Development and Family Services, specifically to the Permanent Secretary who is here—the Permanent Secretary who is here. What is the Ministry's general assessment given the Auditor General's report for 2021? What is the Ministry's general assessment of its level of preparedness to treat with fraud risks in administering grants at the beginning of the financial year 2021? Madam Permanent Secretary.

**Ms. Johnson:** Chair, the Ministry is aware that there are some issues with regard to the payment of all its grants. We have seen the emergence of fraud in every one of the grants that we pay here including the ones that we paid during COVID, as well as grants that we paid related to our disaster management programme.

The Ministry has put in place quite a number of mechanisms to mitigate against fraud. Outside of the usual processes that we have been employed that are in the regulations, to deal with referring matters of fraud to the police, to treating with staff who might have been involved in that kind of activity to the service commission for discipline, we have installed in fiscal 2021, an Investigation and Compliance Unit within the Ministry to do investigation which would support the efforts of the police service to address the compliance issues with regard to ensuring that divisions and members of staff comply with the existing regulations in the public service, in particular the financial regulations and the financial instructions, as well as other procedures and policies applicable to the administration of grants. We have also engaged more actively our internal audit unit to look at some of the gaps in our processes and in our systems.

The Ministry has also tried its best to ensure that proper supervision exists in various divisions involved in the administration of our grant system. And that is a measure to ensure that our local service delivery agents such as the Social Welfare Division are more vigilant in identifying possible opportunities available for defrauding the system. So those are some of the core areas that we have been focusing on in fiscal 2021.

We are also implementing an IT framework platform that will allow us to detect illegal transactions in our system. We are also working with many of our key stakeholders including the Bankers Association, the Central Bank, the NIB, the First Citizens Bank to look at the gaps in the system to ensure that they become—to ensure that we fill them procedurally or via policy or via legislation.

So we are also looking at alternative mechanisms that will allow us to eliminate payments by cheques so we get to a system of card payment. And our information technology that we are now putting in and we are well-advanced there, we are now at the model office stage where we are actually training and running the application to address the many other gaps identified by the Auditor General, some of which, well, she said 2016, but some of them date back to 2002 in terms of the administration of the grant system.

And finally, we are also looking at amending our legislation to treat with some of the gaps that we see in the system that expose the Ministry to fraud and illegal transactions.

**Mr. Chairman:** Thank you very much, Ma'am. Ma'am, you referenced the increased use of sharpening up of your internal audit unit and an Investigation and Compliance Unit that has now been set up. Can you advise if both of those units are now fully staffed to ensure that we have maximum attention being paid in ensuring that fraud risk is a thing of the past?

**Ms. Johnson:** Chairman, I would say that we need some additional staff in our audit unit. The Treasury Division has identified the need for an Auditor III and we are pursuing that with the Ministry of Public Administration. We have recruited quite a bit of persons for our Investigation and Compliance Unit. [*Technical difficulties*]*—*the leads and several of the key positions including the legal unit. We are still engaged in recruiting some additional investigators and compliance officers to support the unit. The unit is up and running and investigations are ongoing.

**Mr. Chairman:** Thank you, Ma'am. But what this indicates then, though, is that we still have some gaps which exist because of a shortage of manpower. Now, given that these are not necessarily establishment posts, can you advise what is your level of—well, during what time—give me a deadline when you think and hope that both units will be fully staffed so that you will be able to administer this thing properly.

**11.05 a.m.**

**Ms. Johnson:** We are hoping to complete the staffing of the ICU unit within the next four weeks. We are on our final stages of interviewing the investigators and some compliance officers. Our audit unit, that is our Auditor III, is an established position, and that has to go to the PMCD, it has to go to the Cabinet, it has to be scheduled as a travelling position. So that is a creation of an additional post on the establishment. That will take some time, Sir, and I would estimate that that would take about three to six months.

**Mr. Chairman:** Thank you. Madam Permanent Secretary can you advise your committee of the number of positions that you are still awaiting to be filled for both the Internal Audit Unit and the Investigation and Compliance Unit? Can you advise us the number of persons?

**Ms. Johnson:** We have a full audit unit at this point in time. What we are asking for, based on the Treasury's recommendation, is an additional position of Auditor III, given the quantum of money that we spend here on grants. We spend nearly \$5 million, and we agree that an Auditor III instead of an Auditor II ought to lead that Internal Auditor Division. So outside of that addition the audit unit is fully staffed at this point in time. The ICU unit, I do not have the exact figure but I could supply that to you. We still need to have quite a few more investigators on the ground. I believe that we have—

we are interviewing this week for the remaining—next week for the remaining investigators and compliance officers. I can ask Ms. Francis to just give me a brief on the amounts we have to include. Ms. Francis could you give me a brief?

**Ms. Francis:** Good morning, Chairman, through you, we have 10 investigators to be recruited which we expect to complete recruitment, as the PS indicated, within the next four weeks. We have two forensic accounting officers also, to be recruited, and one cybercrime analyst still to be recruited.

**Mr. Chairman:** Ma'am are you not concerned that given that the Auditor General's Report was done a while ago, a substantial while ago, and some of these matters would have been discovered, some of these fraudulent activities, for whatever reason, would have been determined and discovered hopefully by yourselves, even prior to the Auditor General's Report, that we have taken a substantial amount of time before we having gotten this unit established? You are speaking of about 13 persons at the ICU unit still to be recruited, are you not concerned that we have spent a lot of time and therefore a lot more expenditure of funds, et cetera, may have been undertaken, but we still have not had this unit established at this point?

**Ms. Johnson:** Chairman, I would agree with you, but it is not for want of not trying to recruit cybercrime analysts and forensic persons. It is not a skill that you find out there. We have looked—we did have some interviews with regard to filling these positions. Those persons did not pan out for us and therefore we even considered before we went back out to advertise whether we can go the alternative way of finding a firm to provide the services. So it is not for want of not trying, that unit has around 31 people, we still have to fill about 13 more of the positions, and the work continues within the division, but I would agree that we really ought to focus heavily on filling the remaining 13 positions within the unit. It was not the original intention to fill all 31 positions immediately, but to fill the positions as the work develops. This is a new unit in the Ministry, and therefore based on the strategy we indicated that we will fill as much as we can with the current workload, and as things develop we would proceed with filling the other positions.

**Mr. Chairman:** Thank you ma'am. But of course you would agree that at the start of this process is where much of the weaknesses in the transparency and in the possibility of fraud, much of those weaknesses would have existed over the last couple of years, therefore the filling of that, the complete filling of those units should have been the priority, not just a partial filling but the complete filling of it, because as you go forward I am hoping that you would have found ways to close the gaps, to remove the risks and the potential for fraud. So that the incidence of fraudulent activity or mistakes on the process would have been less, because right now your investigation and compliance unit should have had the most instances of alleged fraudulent activity, because of the fact that the system initially was weak and is now being built up, so—I am saying that just to say that maybe we need to focus much more on filling the entire unit to ensure we have full compliance and investigation at this point so that we do not have greater need for it down the road. If you do this thing right in my view ma'am, you would be able treat with the problems now for investigation compliance and therefore have less need for investigation and compliance support as you move forward, because much more of the gaps would have been identified and filled. So that is just a recommendation.

But I also want to go back to something else you indicated, that when we were talking about the level of preparedness to deal with the fraud risk you indicated that some members of staff and some applicants had been referenced to the police and other legal units, can you give us an idea of the number of persons involved? The number of members of staff and the number of individuals who may have been participating in what could have been a fraudulent activity, who are now engaging the attention of the legal services and the police service?

**Ms. Johnson:** The number at the police service is pretty large and some of them have been under investigation for quite a long time. We have close to about 31 cases that we have referred in fiscal 2021 to the police. For issues relating to staff, we have approximately eight members of staff who have been engaged in some form of activity that warrants proper investigation, and those are with the commission.

**Mr. Chairman:** So in total you have some 39-odd members, police investigations going on with regard to fraudulent activity at the MSDFS, is that correct to say?

**Ms. Johnson:** Chair, I am specifically referring to those that were referred under my remit, there were others there before that we get updates on every now and then from the police as the investigation progresses.

**Mr. Chairman:** Thank you very much. I am a bit concerned though that you have had some from before, would you be able to give us an idea of the numbers of instances that would have been forwarded to police service before, based on the same administration of government grants, but before your period, before 2021?

**Ms. Johnson:** Chairman, we can do a count for you, Sir. Can I submit that in writing? A lot of them related to the encashment of cheques at the Ministry, Senior Citizens Pension at supermarkets, those are under investigation. We also have instances where we have fictitious payments to elderly homes. We have matters which were dealt with, disaster payments which may have been fraudulent, which are also under investigation for fiscal 2021. So do I make that submission to you Sir?

**Mr. Chairman:** You can submit to it the Committee at the Secretariat here.

**Ms. Johnson:** Thank you.

**Mr. Chairman:** I am advised that the Secretariat will send you a formal communication requesting the specifics and you can then respond to that accordingly. If I may move on briefly, in the Ministerial Response to the Second Report of the Public Accounts Committee on an examination on the report of the Auditor General for the financial year 2021, the MSDFS explained with regard to the pandemic relief payments that it had made great strides in the overall process for the disbursement of pandemic targeting relief. You also indicated that you are—well, the question I have is whether the implementation of an online programme, an online application [*Inaudible*] whether it is at now, whether that has been done, and if it has been done or whatever stage we are at now, whether it is working to ensure that we have a proper efficient system that deals with some of the issues and gaps that would have been identified by the Auditor General?

**Ms. Johnson:** Chairman, for phase two we moved from a manual process to an online application process, which allowed us to do further interrogation of the applications, liaised with the Ministry of Finance to remove the possibility of duplicate payments. That system was done and developed through iGov. We have not continued the development of that system, Sir. One of the reasons why it is because we are engaged in the implementation of the Integrated Social Enterprise Management Information System here, and that system along with some of the other transformation initiatives at the Ministry, including the design and implementation of a vulnerability register will address the gaps we have seen emerging in COVID one and COVID two.

Now, the systems we are building are supposed to treat with any shocks in the economy which would require the Ministry of Social Development to respond urgently by making payments that are urgent and temporary. So that is the system that we are focusing on right now, that we are building, that would allow us to identify those people who may become vulnerable as a result of a shock in the economy like COVID, make arrangements for them to be easily identified and paid via the new

platform. The Ministry of Social Development therefore will become the repository of those payments that would hopefully treat with the payment of grants from one source in the public service as opposed to what we have seen with COVID several agencies of government making payments to grants for persons who are considered to have been made vulnerable as a result of the shock in the economy. So that is what we are developing.

**Mr. Chairman:** Thank you very much Ma'am, I have some more question but I would want to open the floor to my other colleagues who would have questions. I would like to pursue it based on the individual support programme, the individual grant, item by item, grant by grant, and if necessary we can then do the general questions as well. I know my colleague member Leonce has a question that he wants to ask, so if could take Mr. Leonce first and then we will deal with Ms. Seepersad and Mrs. Webster-Roy in that order. Mr. Leonce.

**Mr. Leonce:** Thank you very much, Chair, through you, just sticking on the food support programme, in the Auditor General's Report in paragraph 3.58 spoke about the addresses of applicants were not included in the data, therefore audit was unable to determine whether more than one member of a household was in receipt of a grant. I just wanted to ask quickly, one, how do we filter due to—with their addresses to ensure that more than one person in a household is not accessing the grant? And two, how are we able to assess persons who live in cluster type arrangements where they share the same addresses? And three, how do we use that information when there are persons that seek lodging by persons who access the grant, let us say they stay in a room? I am aware of persons in my constituency who would have suffered by fire and they seek lodging, they got assistance by persons who also access the grant, which they shared one household and they are both in need, how do we treat with those three types scenarios? Thank you.

**Mr. Chairman:** Excellent questions. Madam Permanent Secretary?

**Ms. Johnson:** The household grant, so it is not given—it is not an individual grant like the pension or disability. It is applied, and based on the size of the household. So, the data on the system that we might have been missing may be—it is not on the system for several reasons. It is in an application, a manual application. A Food Support Grant application process begins with an assessment of the household. The income of the household based on the number of members in that household. So that information is captured using—and a standard means test is worked out to indicate whether the applicant who is applying on behalf of the household is eligible for a food support grant.

Now we are looking at—I think we need to distinguish here what we currently have in place, what we have, what we are putting in place, because what we call our SSCMS which is the current database that we are using to report on payments is not an interactive system. In fact, it is the manual data that we took and put into that system. So it does not capture everything. And we recognized that we did have an error in terms of moving that data from the manual files to that database that we are currently using as a reporting mechanism. So the data on that was captured in a data transfer exercise, and we are agreeing that we transfer manual files to the electronic version that were designed to store the data may not have been properly done because we saw the absence of the peer review in the entry of the information, data was entered wrong.

We know, for example, the Auditor General's Report identified several of these inconsistencies, in terms of date of birth, et cetera. So we are aware that that system may not carry 100 per cent accurate data on our client. The Food Support Grant, as I indicated, is a household grant, and it is based on a manual application process. For you to become a permanent food support payee, you need to supply certain information to us for our final assessment, and we need to visit your household to confirm the data we have captured from you on that manual form. So the site visit is

important in determining what is placed on that form, and that has to be confirmed by a social welfare adviser. Cluster type arrangements are determined on site visits.

So you may have, yes, persons affected by a fire, and inside of one building you might have two or three households inside of there, and we have seen that all the while. But they are doing their own separate meal preparation, et cetera, within that facility, and that is what our social welfare advisers would consider when they look at the visits, when they go out to do their visits to confirm the information they have taken on the manual documents. So those are some of the things that we do to verify and validate the information that we capture manually.

**Mr. Leonce:** Thank you very much PS. Is it then that some modification would be done in terms of how you capture the data of recording it on the system for those particular instances?

**Ms. Johnson:** What we have done is our new platform allows us to capture a lot more information. That is the interactive digital system that we are gonna work with as soon as we have completed our testing and our model office set up. Now, that captures information at the individual and the household level, so that database will be able to tell us exactly what is the size of the household as well as capture long term, the dynamic changes in the household in the future. And that would influence how you are paid and how much you are paid as a client of the Ministry. It is not like the current database which is built on a platform to merely capture data related to payments. So the new system which would remedy a lot of these things is really very interactive, it is paperless, unless you have things to attach to the file and notes to put in there. So it is very distinct and separate and apart from that old system which we put into place since 2010 but only transferred data to it around 2015. And as I said, we recognized the fact that the data input had its challenges and therefore a lot of data cleansing has to be done now to that data in order to move it to the new system, and we have engaged in data cleansing since 2021 to clean up the current database.

**Mr. Leonce:** And thank you so very much PS, and just one last question, when do you estimate that this data cleansing activity would be brought current in terms of where we are?

**Ms. Johnson:** Right now, through you, Chair, we have 11 local boards that we are working with in addition to three or four core delivery units of our Ministry, and we are putting in the data into the current system, keying in it, using a methodology that would allow peer review of that data to ensure its accuracy from referencing the manual files. Another phase of that would involve scanning the file unto the new system. What we have done with the vendor recently is sort of try and negotiate a programme that would allow us to bring across the data into the new system so that we could engage in its use, but also simultaneously engage in data cleansing.

So far we have completed four of the 11 service centres. We hope to complete another four within two to four weeks and then we will treat with the others which will take us to sometime at the end of the year or January for data clean up. We do not anticipate everything will be done in terms of the data clean up by January, and therefore we will continue to use our business intelligence system on the new platform to ensure that all the data is properly cleansed. And that is an option we have when we build the new system, to use the business intelligence there to see where there are gaps in the data, and a lot of that was identified in the Auditor General's Report.

Our current system does not allow us to really use the business intelligence to identify the gaps. It does in some places. But since we are going to the new platform that would allow us to use more of that to ensure that the data is well maintained and there are no gaps in any of the fields that we are working with.

**Mr. Leonce:** Thank you very much PS, and, Chair, thank you very much.

**Mr. Chairman:** Thank you. Madam Permanent Secretary I am extremely concerned that we have taken so long and we are still not been able to break the back as it were of this data clean up exercise. Can you advise how many applications or how many—I am trying to gauge the volume of what we are looking at which would have taken from the time of discovery to date to January and still not be sure that we have captured all the issues and the information. Can you give us an idea of what is the volume of applications that we are treating with, with the volume of information that we are treating with so that we can get a better idea as to why it is taking us long as it is taking to have this process, the data transfer exercise and the verification system properly done so we actually have a working functional body of knowledge that the Ministry can draw from that can reflect the realities of the need for grants on the outside? Can you give us an idea of the size of the data entry process that we are looking at?

**Ms. Johnson:** Chairman, we have in excess of 200 pieces of data here to be treated with. While we are doing data cleansing we are also dealing with a lot of queries. Because while it may sound as a very straightforward [*Inaudible*] we have some challenges inside of there, we have to locate the manual files. Some of these files date back to the 60s and 70s, and some of those people are still pensioners. For example, we have to verify data, we have to ask the client in some cases to come to us, as you would have seen in our advertisement on the newspaper they are encouraging persons to come in with their information so that we could properly populate the database. So there is a lot of challenges involved in the data cleansing process. It is over 200 pieces of—or piles that we need to treat with. It is not only the core grants like pension, disability and public assistance and food support, but it is also grants that we offer in terms of house repair, plumbing, community care for the elderly, those have to be included there, data relating to what we pay as subventions to NGOs. So it is a pretty broad clean up and digitalization system that we have to bring all the manual data on to the system.

**11.35 a.m.**

And, as I said earlier, when we started the—[*Technical difficulties*]  
—we had a lot of queries. You were going into files and you were not seeing copies of an ID card, for example, and you would need to get the client to come in to bring one. We are using the new digital format of the birth certificate so that we can capture a pin number. A lot of people do not have the digital format of the birth certificate and they would now need to go and get that and bring it back to us. A lot of people do not have the new ID cards that are set out with the year of birth and we need to send them to get those [*Technical difficulties*] because the ID card for us is a unique identifier.

So there are a lot of things happening. We started off with 46,000 queries, we have dropped that to 13 and that is evidence that we have been working at ensuring that the data—the vacant data fields capture the information that we want. So I can ask, through you, Chair, Mr. Kanneh can give us some rough data on the volume that we are looking at and where we are in terms of cleaning the data.

**Mr. Kanneh:** Good day, Chair. So we have actually completed over 52,000 records, that is totally completed, validated and certified. We have approximately, as PS stated, we have about 13,000 under the query status that we are actually working on. Outstanding, in terms of still to be done, is just over 119,000. But they are not all the same type of records, so we have seen that the NSDP records are a little more straightforward. The social welfare files are the ones that are challenging and in depth. So, just as the PS said, just to note, when we say “completed”, we mean that they have been validated, they have been peer reviewed. So we are making sure that the process is done—it is probably a little bit slower—but it is done properly. So we are looking at getting the type of quality that is needed to



ensure that the records are accurate.

**Mr. Chairman:** Thank you very much, Sir. It is of grave concern to your Committee that 119,000 are still left to be done out of 200,000, but that is just for note at this point. I want to invite member Webster-Roy, I know that the Member had some questions that she wanted to raise. Member.

**Mrs. Webster-Roy:** Thank you, Mr. Chairman. Mr. Chairman, through you, to the Permanent Secretary, Ministry of Social Development and Family Services. In her initial response to you, in terms of some of the deficiencies identified by the Auditor General's Report, she would have indicated that the Ministry of Social Development and Family Services is currently considering amendments to their legislation to improve the administration of the grants, as well as to have a more robust system in place for the way they issue their grants and their services. I wanted the Permanent Secretary to share us with us what are some of the possible amendments they are considering and how that will ensure that we have greater efficiency within the system, please.

**Ms. Johnson:** Chair, we are engaged in the amendments to the grants legislation, the Senior Citizens' Pension. We are also reviewing the Public Assistance Grant, the disability grant as well. We are also looking at other pieces of legislation which impact payment and the possibility of illegal transactions here, including the Act treating with the elderly in our country.

With specific reference to those that are well advanced, like the amendments to the Senior Citizens' Pension, we are making every effort there to reduce the possibility of changing cheques at supermarkets and post offices and that sort of thing, because we see that there is a lot of possible fraud emerging in the changing of cheques at some of those agencies. So we would want to consider removing that and we have been working with other agencies in the banking sector and the Central Bank to look at alternative payments to cheques. We have been pushing things like the direct deposit to your bank account with the hope of reducing the amount of cheques that we are printing on a monthly basis, and that is going pretty nice. We already have 71 per cent of our pensioners going towards direct deposit and that is very encouraging for us. So our cheque printing numbers are reducing every month.

We also are tightening up on some of the requirements for pension. We want to insist that persons who are eligible for that grant are indeed living in Trinidad and Tobago and are ordinarily residents in the country so that is a major amendment in that area as well. With regard to the public assistance, we are trying to do the same thing there, streamline the payment.

We are also trying to include in all legislation areas where we need to have information from key public sector agencies, like the NIB and the immigration department, so that we could streamline our processing of application for grants to ensure that we are targeting the right people.

We are also treating with some of the areas that may be outside the remit of the social welfare officer to investigate, particularly persons who may be misleading the board in terms of supplying information and so those particular applications require detail investigation. Good examples are persons who have businesses and are seeking the pension and may have done something that shows us they are no longer businesspersons or no longer involved in business and would want to take advantage of the pension.

So there are a lot of things that are changing in the legislation that would allow us to target the people who are vulnerable and in need of the grant at all levels.

**Mrs. Webster-Roy:** Thank you, Madam PS. One other question. In terms of the issuing of food support, I remember during the COVID period, special food cards were issued out for children in schools who are on the school feeding programme through the Ministry of Social Development and

Family Services. However, there were instances where in some households children who are citizens of Trinidad and Tobago but the parent who they are living with might not have been a citizen would not have been able to benefit because the parent would not have had a national ID.

Are there any considerations in terms of for those children who vulnerable, who are indeed in need of food support, and because their parents may not have a national ID—is there anything being considered in terms of legislation to factor in those children who are vulnerable?

**Ms. Johnson:** Chair, this is something that we have deliberated on at the Ministry. There is no reason to deny those children, so we recently made a decision to support those children. Our Ministry uses the national ID card as the unique identifier. With the introduction, by the Ministry of Digital Transformation, of the unique identifier system, it would mean that we can easily identify persons as being Trinidadians and deserving of the help based on that new system.

But in the interim, we have taken the decision at the Ministry to support persons who do not have a national ID but they are the parents of children who are citizens of Trinidad and Tobago, and that has been worked out recently with a case of a father not being a national but the child is a Trinidadian and in need of help. The Ministry has made the decision to support those children. So that is in the new ruling and the new position of the Ministry with regard to those children.

**Mrs. Webster-Roy:** Thank you, Madam PS. Thank you, Mr. Chairman.

**Mr. Chairman:** Thank you. I will turn over now to member Seepersad. Member.

**Ms. Seepersad:** Thank you, Chairman. Madam PS, you spoke about the challenges of recruiting cybercrime and other types of specialists, forensic accounting officers, et cetera. Those are very, very specialized personnel. Is it the problem that you are also addressing is the financial payments, the salaries being offered to these individuals, that is causing some of the issues in recruiting your full complement of staff?

**Ms. Johnson:** Chairman, that is quite correct. As you know, there is a procedure for remunerating persons on contract. We are guided by the Chief Personnel Officer in those matters and the price of labour in those areas are very high and that has been one of the reasons why persons are not willing to come on board with us. We have been engaging the CPO with a view to having those salaries raised and he currently has a justification before him for persons in the compliance unit and the investigation unit, as well as us looking at exploring what might be the other options available to the Ministry to get that kind of service. So, yes, the remuneration package is also a major challenge for us.

**Ms. Seepersad:** Do you have a timeline on when this matter will be resolved because it seems to be an ongoing issue and it is not going to be solved unless you look at the remuneration package. I mean, that is just the facts of life and the longer we wait, I guess the longer we have gaps being extended and the whole system will take that much longer to be sorted out.

**Ms. Johnson:** Chair, we have—[*Technical difficulties*]—at the highest level and we are hoping to bring a resolution quickly.

**Ms. Seepersad:** Chairman, through you, I listened to the members giving us information on the cleaning up of the records; 200,000 entities and you still have 119,000 still be done. Two questions. In the meantime, while you are doing the clean-up exercise, what steps, what procedures, et cetera, are in place to mitigate against ongoing mistakes, fraud, et cetera, being continued without us stopping it while we do the clean-up exercise?

**Ms. Johnson:** Chair, we continue to do on-the-ground things like training, encouraging our staff to be cautious, careful in inputting data into the system. Those are some of the ongoing things that we

have been addressing in the system as much as we can because a lot of the errors are human errors. A lot of the errors reported by Auditor General, when investigated, proved to be human error in inputting data. So a lot of on-the-ground caution and insisting that due attention be paid to the inputting of manual data on application form, data into the current database reporting system, these are some of the things that we currently do, as well as treat with, as I said, gaps in the information system as much as possible by going back to the client to get the information.

We continue to investigate and pass files and documents to the investigation unit and the audit unit to investigate matters perceived to be an illegal transaction, or may have some fraud in it, or may have some human error in terms of the data. Those things are ongoing at the Ministry.

**Ms. Seepersad:** Through you, Chairman, just another follow-up question. Does the database prevent you from uploading a file if you do not have all the information put in? Because that is normally how databases are, you cannot complete the upload of the documents or the information unless you fill out all the data fields.

**Ms. Johnson:** Chair, the system was designed somewhat like that in 2010. However, those things were dispensed with because the system did not develop beyond a data storage system in 2016. However, our new platform that we are going to would create alerts of the nature that the member just described. So, for example, if you put in an ID number and it is working out to be more than the four digits, six digits plus three, the system will not take the data and it will represent and tell you that something is wrong with the information you are putting in there. So the new system that we are going to has the validation processes built into it that would prevent the erroneous data from being inputted into the system.

**Ms. Seepersad:** Madam PS, and you said that system will be fully implemented by January? That is what you had said or is it my misinterpretation?

**Ms. Johnson:** We hope to roll out in January, Chair. We are in the model office stage. We just finished the training with the vendor and iGov. We are now in the model office testing and ensuring that the policy, the legislation, the procedures are in place to—[*Technical difficulties*] The model office phase is three months and it is an office which operates as a service delivery centre, not only a social welfare office but a service delivery centre. Once we have tweaked and managed and reviewed what the job entails, et cetera, we move to the implementation stage and we are hoping to get there by January once our model office has carried out the testing and the tweaking and user acceptance, et cetera.

**Ms. Seepersad:** But that would not include 100 per cent of all your files because you have still have 119,000 outstanding. Is that correct?

**Ms. Johnson:** Yes. And as I said earlier, Chair, what we are trying to do now with the vendor—and we have to make a decision whether we need to continue data cleansing on the old system that we are using or make a transfer to the new system and continue the data cleansing there. That is a decision that we are making with the Ministry of Digital Transformation and iGov, including the vendor, to determine what is the best option.

One of our challenges is that we do not have space at our local offices to expand our data cleansing crew and that is one of the—[*Technical difficulties*]  
—we have maxed out, the use of the space available within our local offices to deal with the data cleansing. We recently asked for a container to be set up at Aranguéz in order to start the process there, but we did not get permission to do that. So we have to utilize whatever space, boardrooms that we have in those offices there to get the data cleansing crew in because they need access to the manual files.

So that has been a challenge for us and we have been trying to work around it as best as we

can to ensure that we expedite the process. But as I said, a decision has to be made and we are in discussions with the vendor, iGov and MDT to see whether the option exists for us to transfer the data that we have and continue our clean-up exercise on the new platform.

**Ms. Seepersad:** And, Madam, through you, Chairman, just finally, when would that decision be made?

**Ms. Johnson:** The initial discussions were held yesterday with the vendor, so we are hoping that they will come back to us with an option that we can consider.

**Ms. Seepersad:** I just have one comment, Chairman, if you would permit me. Can I make a comment, Chairman?

**Mr. Chairman:** Yes, please.

**Ms. Seepersad:** Madam PS, given the sums involved and the number of records involved and the time since this has been going on, I find it extensive and I honestly do not have in my mind a finite time. I guess I am a time-driven person and everything I write down has an end, some sort of conclusion, and I am not getting that feeling, that information from you as to when this thing will be concluded and we could rely on data in the system. And the sums involved are too large for us not to have a finite time frame to have everything in place. Thank you, Chairman.

**Mr. Chairman:** Thank you very much, Member. [*Technical difficulties*]*—*in expressing my own concern, and I am sure my other colleagues will similarly speak for themselves now, but my own concern is that now we seem to have three or four different levels of engagement. We have the paper transactions, we have the computerized transactions which have many forms that need to be cleaned up. We have the cleaned-up version and now we have the new system—correct me if I am wrong. We have a new system in which we are still hoping to migrate all this information to and then we will, at some point in time in the future, have a workable system with less risks of fraud. That seems to be a very drawn out process and as somebody involved in project management, you must have a timeline, a fixed timeline as to when we will actually be in a situation where we have sufficient data that can be easily used to verify applications and applicants to ensure that proper usage of the funds allocated to the Ministry is undertaken.

I am registering my grave concern that the data entry system, the processes that we are following—just like member Seepersad—seem to have no end in sight and have been taking a very, very long time to get anywhere. And while we are doing that, we are changing the deadline as we move forward. Because, like I said, we had the paper, then we had the computerized version, then we had the clean-up exercise and now we have this new process which we are now in model office stage and still hoping to migrate information.

So it is of grave concern, and I am sure to the other members of the Committee, that we are not where we should be at least after two or three years of trying to do this thing, to resolve the disputes that would have come up and some of these disputes date back, as you have indicated, many, many years. But I want to give the floor now to member Jearlean John who has indicated that she has some questions she wants to raise. Member.

**Ms. John:** Yes, Chairman, sorry. Okay. I just have two short questions because, by and large, other members of the Committee have kind of asked the questions that I had lined up. I just want to post the question to PS Johnson, please, whether the system of investigation is static? When I say “investigation”, meaning citizens who deem to be in need, is it that they have to apply for these grants or are they—[*Technical difficulties*]*—*have a system or a team of people or a department even—you see something on the news, can this be triggered by something in the newspaper, maybe have a community

officer passing by or is it that the Ministry waits on someone to apply for these grants, please?

**Ms. Johnson:** Chair, our grants follow an application process, so someone will have to come to us to make an application indicating that they are in need of our grants. Now, we do get referrals from our stakeholder agencies like the Children’s Authority, the Office of the Prime Minister, the Ministry of Education and our own family services division and the courts. So that they can make referrals of clients. Ideally, what we need to get to in the social protection system is an identification of those people who are vulnerable in our country and we go to them as well as identify those—[*Technical difficulties*]  
—vulnerable so that we could attend to their needs in the event that we have to be—[*Technical difficulties*]  
—in the economy. So, yes, more work has to be done on the vulnerability system that we employ for the social protection of our citizens. Yeah? And that is—[*Technical difficulties*]  
—for a lot more community service out there in terms of identifying those persons in need.

**Ms. John:** Yes, Chair, through you, again, just briefly. Madam PS, what about the students who are food insecure, I know that came up earlier, but that had to do with students or children whose parents were not citizens of the country. What about through the school system where a teacher will know if a child is food insecure? They are not going to school with enough, they are not nourished and so on. Maybe the school feeding programme is picking it up, but I do not know if it is the breakfast and lunch, but what about dinner? I know it is sometimes a lot for the social security system of the country but it is that through the school system we pick up on children who are food insecure?

**Ms. Johnson:** Yes, Chair, we do have a referral system with the Ministry of Education. So the Student Support Services, the social workers in that unit and the guidance officers can refer a family to our Ministry for support once they identify the need for a financial support or some kind of additional psychosocial support. So there is a referral path existing between the Ministry of Education, the Children’s Authority, the court, et cetera.

**Ms. John:** Very well. Thank you. Chairman, my last question, please, it is just to do with the folks who would have qualified for the Salary Relief Grant based on the Ministry’s terms and that would have been persons who would have been—well, permanent residents or citizens, and they were registered within the NIS system and they laid out the kind of people, the fields of employment in which they could have been employed.

But there is an informal sector and, as I said, we cannot help everybody, I am sure you cannot, but like a fisherman—I remembered the MP for Mayaro talking about the person “who smoking fish” and so on. Because these people, they are employed, but the employer will not probably be paying the NIS, et cetera, but they are no less in need. We have a lot of these people, people who are farmers, et cetera, were they able to access that grant at all? Those who were not within the NIS system as prescribed by the Ministry that is.

**12.05 p.m.**

**Ms. Johnson:** Chair, our instructions and our guidelines were to treat with those persons who did not have an NIS number. So, we were paying all those persons who did not have an NIS number. So our procedure was to check with the NIS before we make a payment to determine whether that name carried an NIS payment. Once the name did not carry an NIS payment, we would proceed with the validation of the application and the payment. That was our instructions.

**Ms. John:** Thank you, PS, and thank you, Chairman.

**Mr. Chairman:** Thank you very much, member. A lot of what we discussed just now fell under the Food Support Programme. I want to turn to the Public Assistance Grant. I still have some questions with regard to the food support but in the interest of time and to cover a lot of the questions that

would have come up, I want to move on to some of the other grants; the Public Assistance Grant in particular.

The Auditor General found that some \$310 million was spent during the period October 01, 2020 to September 30, 2021. Of that money, 27,715 persons received that grant. So, 27,715 persons received Public Assistance Grants totalling \$310-odd million. I want to emphasize 27,715 successful applicants or successful persons. But they discovered, the Auditor General that is, 673,504 instances of blank fields in the database. That is a substantial amount of blank fields, given that 27,700-odd persons benefitted. And the question I want to ask, because the Auditor General provided a breakdown as to what exactly those blank fields were, and they are substantial, because some of them should have automatically disqualified an individual from succeeding from the application going forward because they were so integral to the application process itself, including persons with ID cards, et cetera, the ID card numbers not matching, not having an ID card, addresses missing, et cetera.

The question I want to ask is: of these 673,504 instances of blank fields in the database, did that disqualify persons from not getting this grant? Or is it that persons still got the grant, despite those things being missing? The reason being, because I think that there is an example that was provided where somebody applied for a grant, it is provided in the documentation given to us; that somebody applied for a grant, I think 16 persons applied for a grant and did not get it, based on the same criteria and some other persons applied and did get the grant. So, my query, just to go back to the query, 673,504 instances of blank fields but 27,715 persons benefitted from \$310 million. I want to know if persons were not allowed to access the grant because of the fact that these blank fields were missing.

**Ms. Johnson:** Chair, we will explain the blank fields in a short while. But those blank fields are on a database. And as we indicated earlier, data was transferred to that database in 2015, using a model which may have had a lot of challenges. It lacked a validation process. It lacked a peer-review process.

Now, the manual file, if you go back to the manual file, you would see the ID cards on those files. Yes? Because our payment system on the OPAC's relationship—the platform, carries an ID card, a name, an ID card and amount to be paid. So we are paying the person who you might see here where the ID card data was not on the database system. So, it may not be accurate to say that we are paying people without ID cards. Yes? Because our payment system is linked to that unique identifier, which is an ID card. I would let our IT Director explain the concept behind 673—blank fields.

**Mr. Kanneh:** Good day, Chair. So, the original requests from the auditors were for the payment files. Subsequent to them receiving the payment files, the payment files do not have IDs nor date of birth on them because it is an extraction from the database that goes to payment. So therefore, some information is not on that payment file and was not required.

The auditors then asked if they could get the IDs and the date of birth. So, what ICT did was actually join other existing files that we have in our records that came from the existing database that contained the IDs and date of birth and the application ID also.

However, the existing application, when I say application, the existing database, all the fields are not populated. In fact, some of those fields are really—when they were put there, they were never really used. So, at that time the developers had intentions to add other features to the database, but those were never done. But the fields did not impact the payment file. So, for example, the file that went to the auditor, there were two fields of IDs. One was populated, and one was not populated. The one that was not populated came from the system and one was populated.

Also, just as we were saying before, all the national IDs are not populated on the current database. And that is something that we are working with, in terms of the data cleanup and we have made significant strides in that. So, that will account for some.

Also, the large number is really a multiplication factor. Because the files that were given to the auditor represent a year worth of payments. So, if in month one there were 10 IDs missing, by month 12, that would be 10 multiplied by 12. So that is why the excessive large number of the 673,504, because it is multiplied by the month.

Just to sum it up, applications are done from the local board and are done manually and payment information is what is transferred to the SSCMS. So the applications will be verified and that would be done on the manual system. The automated system or the electronic system database just manages the payment and that payment, as PS indicated, is an update from the OPAC system which actually does the payments.

**Mr. Chairman:** Thank you very much. This still raises a bit of a query for me because we were talking about the absence of the national ID card numbers, and so, on. I think it was the Permanent Secretary that just indicated that some of this data transfer problems can be cited as far back as 2015. We are now in 2022, and we still have situations in which, in the last fiscal, in 2020—in fact, it is not the last, it is the fiscal before—we still have instances where in fiscal 2021, which is from October 01, 2020, to September 30, 2021, we still have \$886,350 worth of Public Assistance Grants paid to individuals whose national ID numbers do not correspond to their date of birth. And that is a basic thing.

So, my point being that there is still a problem today. So even if we had this issue from 2015, even if we had issues with the data from 2015, in fiscal 2021, one year, we still had \$886,000 spent on Public Assistance Grants for individuals whose national ID numbers do not correspond to their date of birth. So that, that clearing-up exercise should not just account for this substantial amount of money spent. This may also include new applications. Am I correct in saying that? Or is it that you have a system that is so well functioning that no new applications would have been considered with this particular problem in place?

**Mr. Kanneh:** Chair, so what was done to avoid new applications not having the expected quality, while we are building the new system we still took some time off to modify the existing system. So, what we did, there is a peer review process for new onboarding of clients where two persons must validate that they have seen the data. So, when one person takes the records and—it was asked before it is not—[*Technical difficulties*] But there is a sure of flag that shows what are the records that are in the system. And the peer reviewer and the first person who is entering the data must, right, conform to. [*Technical difficulties*]—application as well as stop it, but we are doing it that the peer reviewer and the person do what they are supposed to do. But if the peer reviewer does not conform to what the first data entry person does, the system does not allow any further—[*Technical difficulties*] so no grants can be added to an applicant's registration if the peer reviewer has not confirmed that the data is accurate.

**Mr. Chairman:** I take what you are saying, Sir. I understand that you all are trying to find mechanisms to crosscheck and double check to ensure that no new applications now go forward until they meet all the relevant criteria. Commendable. However, my concern with specific regard to persons whose national ID numbers do not correspond with their date of birth, it is that this year, that is October 2020, to September 2021, \$886,000 was spent on Public Assistance Grants for persons whose national ID did not match their date of birth.

This is just for one year, but if we are saying that from 2015 to now, we have had this migration, this problem then, and if you are saying that we are not correcting it now, so that it cannot get a new

Public Assistance Grant unless you have all these criteria in place, commendable, but it means that from the period before, from 2015 to now, it is very possible that persons are receiving Public Assistance Grants, not just because their national ID numbers do not correspond to their date of birth, but because something is inherently wrong and/or fraudulent with the national ID card number submitted in the first instance. Is that clear? Because if in that financial year, we had this much money being spent with persons whose national IDs do not match their date of birth, which should not happen, it means for the year before that, something similar; a similar amount of money would have been spent. For the year before that, similarly. For the year before that, especially if you are now putting in place a system which will prevent this from happening for new applications, it meant for years previously, even from the time of migration to now, you would have had a substantial amount of money being spent on the basis of an ID card, which does not match persons' date of birth, and which may therefore be fraudulent.

**Ms. Johnson:** Chair, we investigated 61 applications mentioned in this document. They were all human error. And as we indicated in our response to the Auditor General, the matters were, we did indicate to them that certain things were investigated. Our investigation unit was part of that investigation, and those 61 persons that they provided for us were human errors. There is a lot of human errors in our system. That is not to say, Sir, that we may not have fraudulent entries. Yes. But we do have a lot of human errors in the current database that we are using.

**Mr. Chairman:** Accepted. Accepted, Ma'am. Thank you. Thank you for your clarification. I do not know if my other colleagues have questions or queries with regard to the Public Assistance Grants. If not, let me just springboard off a statement you just indicated. I want to agree that you mentioned earlier that eight members of staff from your Ministry were under review of some sort for fraudulent activity. Would it be possible for you to advise at what level those staff members exist at, and whether they are still employed at the Ministry, or whether they have been suspended or put to different function? I am referring specifically to the eight individuals you said that were staff members who would have been engaged or allegedly engaged in fraudulent activity.

Let me repeat the question, because I went on a bit. With specific regard to the eight individuals who are members of staff of the Ministry of Social Development and Family Services, who allegedly were involved or are being investigated for improper conduct, with regard to fraud, with specific regard to the grants, my question is whether those persons are still employed at the Ministry, whether they are suspended, or whether they have been assigned to new roles and functions? And what level of staff is that? Are they data entry, junior management, or senior management?

**Ms. Johnson:** They are from all levels in the organization. We have four persons on suspension and awaiting the completion of the investigation. We have three people at disciplinary level at the commission, and that is ongoing. And the commission had a dismissal recently of one person and those are the eight that I know of in 2021.

As I indicated, prior to 2021, we have persons who have been dismissed and who are naturally retired from the system who are under investigation.

**Mr. Chairman:** And the persons who have been suspended, are they suspended without pay, or they suspended with pay?

**Ms. Johnson:** They are suspended with pay, in accordance with the Public Service Regulations. Those investigations would have to be carried out to determine what instructions the Service Commissions will give us in the matter.

**Mr. Chairman:** Thank you, Ma'am. I want to move on to the disability grants, if I may. Again, I am



assuming that there is a substantial number of national ID card numbers and date of birth fields that were blank. And those too would reflect human errors. Is that correct?

**Ms. Johnson:** Yes, correct, Sir.

**Mr. Chairman:** So, therefore, there would be no need to query whether any of this \$83 million that was disbursed would need to be returned? In fact, let me ask the question differently. In all of those cases, to follow what you have said before, where we have national ID card numbers and date of birth fields that were blank, in which payments totalled \$83 million, those cases would have been investigated by your good selves and found to be human error. Is that correct to say? Or is it that there were one or two that would not have been human error that may have been something else?

**Ms. Johnson:** Chair, many of them were human errors. Our investigation unit is addressing those which may not be human errors.

**Mr. Chairman:** Can you indicate, Ma'am, an idea of the quantity that may not be human error? I understand that you cannot be very specific, but it is just to get an idea of how much of it was actually legitimate in the sense that it was not necessarily fraudulent activity compared to how much may possibly be attracting the attention of the police?

**Ms. Johnson:** Ms. Francis, do you have any data on that?

**Ms. Francis:** I would just say, in 2021 we did a sample of 3,009, of which 847 did not match. And when we looked at those with matched, they were found to be errors associated with the EBC. So we found less than a 5 per cent fraudulent or suspected fraudulent activity.

**Mr. Chairman:** Okay, but that is 5 per cent out of your sample. But the population that you are looking at is substantially larger. So 5 per cent of a substantially larger population is still going to be a substantially large figure. Has there been any attempt to, I do not want to use the wrong phrase, but to sample the entire population? Because this will, unless directly targeted, continue until a new system kicks in.

**Ms. Francis:** We are in the process and I think this is more—I should direct this to PS. Because yes, we are in the process of looking at doing the entire database.

**Mr. Chairman:** PS.

**Ms. Johnson:** Yes, that is correct.

**Mr. Chairman:** Correct. Thank you. If my colleagues have no further questions I want to turn to the senior citizens' pensions/grants. PS, I noticed that the Auditor General complained bitterly, well, not bitterly but she did complain, did indicate that while data was requested for the entire fiscal from October 2020 to September 2021, the documents that were provided only were provided for the period October 2020 to July 2021. And, therefore, her findings, that is the Auditor General's findings, were only for a 10-month period, as opposed to the entire fiscal. Can you indicate why at all this information was not provided to the Auditor General to allow her to do a proper finding?

**Ms. Johnson:** Chair, that information was available. I do not understand why the Auditor General did not access it. That information is available. Pension is paid for the month on the first of the month. So the paid data would have been available. The pay sheet has to be uploaded to the database, and that takes some time, because that has to come from our vendor, the NIB, in order for it to be uploaded to the database. So that arrives at the Ministry closer to the end of the month and then we input the data, that OPACs data into the database.

**Mr. Chairman:** I understand that, Madam PS. I am not trying to incite a war between yourselves and the goodly Auditor General. However, I am referencing item 3.78 of the Auditor General's

Report for 2021, which says:

“Data was requested for the period October 1, 2020 to September 30, 2021. However, the MSDFS”—which is your good selves—“provided data from October 1, 2020 to July 31, 2021.”—And, therefore—“The findings only relate to a ten-month period and not the financial period under review.”

So, it is not necessarily that—I understand why it may have happened, but I am sure you will also agree that there would have been a period between when your cut off period, as you just described, would have taken place, and when the documentation would have been requested, and when the documentation would have been prepared and released to the Auditor General.

I still am not sure why it was not submitted. I take what you say that there is a time period and there is a gap between when payments are actually made and when the documents come to you. But I am not sure that that sufficiently explains why there is a period for which the Auditor General did not get documentation.

The Auditor General’s Department is present. I do not know if they would want to fill us in with a clarification or an indication of whether or not they eventually got the complete set of data requested for 2021. Over to the Auditor General’s Department. Can you confirm whether you received all the data for fiscal 2021?

**Ms. Pujadas:** Chair, we are verifying our data right now. So could you give us an opportunity to just verify the data and then we will respond to you accordingly?

**Mr. Chairman:** Sure. Thank you.

**Ms. Pujadas:** Chair, just one moment, please. Mrs. Dwarika-Ali has the data before her and she will respond, if you may give her an opportunity, Chair.

**Mr. Chairman:** I am sorry. I missed that. Can you repeat please?

**Ms. Pujadas:** Yes. I said Mrs. Dwarika-Ali has now obtained the information and she is willing to give you the information right now, if you would give her that opportunity, please.

**Mr. Chairman:** Sure.

**Mrs. Dwarika-Ali:** Chair, we had requested the data for the entire period for the senior citizens’ pension. However, as stated in the audit report, we only received for the 10-month period. And to date, we have not received for the entire period, which is the additional two months. And this data was received in March 2021.

**Mr. Chairman:** Thank you. So that just highlights the point I was trying to make earlier, thank you for your clarification, that the data was not provided. Now, the thing is that that data, even when provided, would not be audited at the next report of the Auditor General, because it would be for the period outside consideration. Is that correct?

**Mrs. Dwarika-Ali:** What is that, Chair?

**Mr. Chairman:** Sorry?

**Mrs. Dwarika-Ali:** Can you repeat the question?

**Mr. Chairman:** Yes, I will actually love to. You had indicated that the additional data was not provided to the Auditor General’s report, to date. Correct?

**Mrs. Dwarika-Ali:** Yes.

**Mr. Chairman:** Now, it means that that data, whenever provided, for whatever reason it was not provided, that data when provided will not form the basis of an investigation for the next Auditor

General's report because the Auditor General's report would be for a particular period. And therefore, we would have missed the opportunity to investigate and to look at that two-month period, even if the information is provided today.

**Mrs. Dwarika-Ali:** Yes, because we would be doing a follow-up for the 2022 report and the follow-up, as you rightly state, would be for the period October 2021 to September 2022.

**Mr. Chairman:** Madam Permanent Secretary, given what the Auditor General's Department has just indicated, can I beseech you to ensure that the additional data is provided as soon as humanly possible? Because this is very basic data. And it is a very basic piece of communication that can go between the Ministry and Auditor General's Department, so we do not have this hiccup continuing. And hopefully, we will not have this hiccup in the next financial year. Madam PS, can I have the assurance that you will ensure that that data reaches the Auditor General's Department?

**Ms. Johnson:** Chair, yes. However, very importantly, we will have to determine why the data was not provided to the Auditor General. And I would like to ask if it was provided for the other grants? I find it very strange that it was not provided for senior citizens' pension. And I will undertake an investigation into that.

**Mr. Chairman:** All right, if I may help.

**Ms. Johnson:** Because that is—

**Mr. Chairman:** If I may help, Ma'am. There is no reference, no similar reference for the other grants. So I am assuming it is only for the senior citizens grant. But I take you at your word; that you would ensure that a proper investigation is done to find out why. I do not think it is necessarily some mal intent. But there is some communication issue there that is substantial because quite a bit of time has passed and lapsed, and the information has not been provided. And I am sure that the Auditor General's Department would have made some follow-up queries as well to get the information. So let us try to make sure that this does not happen in the current fiscal.

If I am to move on please. One of the Auditor General's findings was that 18 instances were found where the name field was blank for recordings related to one local board. It may then be that the problem stemmed from the local board itself.

**12.35 p.m.**

My question being whether the Ministry would have done its due diligence, whether there is a particular problem with that particular local board or whether it was just a staff member who was a bit negligent? My question being whether some investigation was done with regard to why, in that one particular local board, we have had several instances where we had blank field names—sorry, blank name fields?

**Ms. Johnson:** And, Chair, our investigation revealed that there are in fact some local boards that are showing a lot more errors and inaccurate data than are others, and that is clearly related to the size of the clientele in those regions. Those boards have been identified for splitting, namely, the Tunapuna board, the Chaguanas board, the San Fernando board, and the Aranguez board. Those local service centres are running in excess of 22,000 clients being processed on a monthly basis. Tunapuna, which is the—I think it is the board here that has been identified, has 29,000 clients and therefore, that has been identified as a priority centre for splitting to create an Arima board.

**Mr. Chairman:** All right. I hear you, Ma'am. But is it then that the reasoning, the explanation—is it that the explanation that you are providing to the Committee is that there was human error because of the volume of work to be done?

**Ms. Johnson:** That is one of the challenges, Sir.

**Mr. Chairman:** So is it then that adequate staffing should have been put in place to ensure that this does not happen?

**Ms. Johnson:** That has been one of the challenges as well, Sir, and we are trying to work on that in collaboration with the Ministry of Public Administration.

**Mr. Chairman:** Ma'am, if I have to put you on the spot, can you give me an indication as to what is the level of the staffing that you think is—the additional staffing you think is required to have some of these problems not recur? If you are pursuing it with the Ministry of Public Administration, I am assuming that you know exactly how much additional staff would treat with some of these shortcomings. I notice that you just indicated that you want to split the unit to Arima and Tunapuna, which would help, but that should be guided by the additional staffing requirements. So I am assuming that if you are that far ahead of thinking of splitting, you must know then what the nature of the staffing requirements are that will help you.

**Ms. Johnson:** Yes, Chair. We have worked out a caseload model that we are going to use. Right now, the Tunapuna board is working. One officer has in excess of 438 cases on hand. We would like to get that ideally below 100 cases per officer, which would mean a significant increase in the number of officers.

Our new platform that we are trying to implement, come January, is adopting a case management system because we are no longer focusing on the payment of financial grants, but rather on the development of the individual and the household, which would require that officers pay greater attention to the family, and to use the case management approach in order to develop the family to the extent that they may be independent of grants.

It may also mean that the family not only want a grant but they may be in need of other services that would complement their independent living. And therefore, we have, as I said, modelled on a caseload of around maybe 100 in the first instance. And therefore, the staffing would have to relate to the volume of the client at the local boards, and well now we calling them service centres.

**Mr. Chairman:** Thank you, Ma'am.

**Ms. Johnson:** So that is—*[Inaudible]*

**Mr. Chairman:** Thank you, Ma'am. If I am to gather from what you are saying, you are saying that best practice or acceptable practice should be one to 100 clients— one employee to 100 clients? And you are currently at one to 438 at the Tunapuna centre? Is that correct?

**Ms. Johnson:** That is an example, Sir.

**Mr. Chairman:** All right. Can you then indicate whether or not you have a similar situation elsewhere in the country in the other divisions where we do not have the appropriate number of staffing, which may also reflect some of the errors that we see here throughout? Is it then that we need to up the staff or improve the staffing in other departments, sorry—in other units as well? Well, not units but the other departments that deals with senior citizens' pension. Are you following me, Ma'am?

**Ms. Johnson:** Yes.

**Mr. Chairman:** In Tunapuna, you have established one to 438, and you said that a better option or a more ideal situation would be one to 100, which means you need to increase your staff fold by 400 per cent. My question is whether or not a similar situation exists in other divisions where we may have, even if it is a lower ratio, the ratio is still not adequate for best practice?

**Ms. Johnson:** My response, Chair, is, yes. We need to seriously look at all the ratios at our service

centre. We need to look at all the ratios.

**Mr. Chairman:** Thank you, Ma'am. That brings back another concern that we raised earlier. So I just want to throw it on the table now for reference, because if we have data entry issues, and we have investigation issues, and now we have staffing issues that are actually related to senior citizens' pensions directly, what that points is to a serious understaffing or a less than adequate staffing of the Ministry in all of these segments that will make sure—so that we do not have the same problems that we have now. Just to make that point maybe a little bit tighter. Are all of the things that you have identified thus far point to shortfall in staffing or to the possibility that staffing improvement would resolve some of the issues here? Is that correct to say?

**Ms. Johnson:** Chair, the issue at our service centres point to several challenges. Staffing is but one of them. The issues are also related to training. The issues are also related to the lack of a proper IT system to address our client needs. Yeah? So it is quite a bit of challenges that we are attempting to deal with and we have been mobilizing all our key stakeholders in support of remedying the situation.

**Mr. Chairman:** Thank you, Ma'am. As you would agree, this Ministry is a substantially important Ministry because it relates generally to the persons who are at a particular point in time in their life, have the greatest need for your support. And therefore, it is critical, since Ministry of Finance is here, it is critical then to have the Ministry of Finance and the Ministry of Public Administration, who is not here, expedite the filling of vacancies and the filling of the required bodies as would be needed to ensure that your Ministry functions efficiently, at least at this point to ensure that the grants that we are looking at now are not unduly hindered from reaching the places that it should get and the persons who need them most.

I want to use this opportunity to appeal to the Ministry of Finance to ensure that adequate funding is provided. And through the Ministry of Finance and through you, Madam PS, maybe you can get a little more aggressive. I am not saying that you are not aggressive but maybe you can get a little bit more aggressive with the Ministry of Public Administration to ensure filling of the vacancies as are required. I note my colleague, member Seepersad, has her hand up. Member, would you like to weigh in at this point, please? The floor is yours.

**Ms. Seepersad:** I just have one quick question, through you, Chairman. Could the PS tell us what was the sum of money paid under the senior citizens' grant programme that was the result of these data inconsistencies? If you have an idea of how much money was paid out.

**Ms. Johnson:** No, I do not have that information with me.

**Ms. Seepersad:** Would you be able to provide to us at a later date?

**Ms. Johnson:** Yes, we can. We will try our best.

**Ms. Seepersad:** Yes, thank you very much. Chairman, thank you.

**Mr. Chairman:** Sure. Just one last question under this particular item, the Senior Citizens' Pension. I note that there were 404 instances where the cheque number was zero and the bank account was also zero, but \$1.296 million was spent. I am curious as—[*Technical difficulties*]*—*bank account was zero, and the cheque number was zero, how—[*Technical difficulties*]*—*paid? How did 404 persons benefit from \$1.3 million in effect, if you could not put it into the bank and you could not write that cheque?

**Ms. Johnson:** Okay. So, Chair, the system is showing that we did not pay that person for that month via cheque or by bank. That is what the data on the data system is showing. But when you go to the paysheet, you are seeing a valid person with an ID card getting a payment. So this has been investigated. This matter has been investigated. So it has to be an error in the transfer of the—

[*Technical difficulties*—to the repository.

**Mr. Chairman:** Okay. I know I said last—just now, one last question. I have one last question. The Auditor General’s Report, at 3.84, indicated that there was—108 instances were found where the age of the Senior Citizens’ Pension recipient ranged from 27 years to 64 years. I would like to get an idea of, when you did your investigation, what did you find—how do you account for that? How can a 24-year-old, or a 25-year-old, or somebody at that age end up benefitting, especially since you indicated in a previous question that you must apply for these things? How would a 24 or 25-year-old have benefitted from a Senior Citizens’ Pension?

**Ms. Johnson:** Chair, at original sight, we really thought that this was a fraudulent issue but on verification, a lot of it are data input errors. Mrs. Francis.

**Ms. Francis:** Thank you, Chair. Through you, Chair, we investigated 61 instances thus far of 3.84, and what we have found, we have found 49 instances of input error. So, for example, if a person was born in 1939, there was an input error of 1993. We still have the others that are under investigation at present.

**Mr. Chairman:** Thank you. I may have missed the numbers, so I just want to get an idea for clarification. There were 108 instances in which this age issue was identified. You said, you looked at some, how many did you look at out of that 108?

**Ms. Francis:** We looked at 61 out of the 108 so far and—

**Mr. Chairman:** And out of that 61, how many were found to have been illegitimately receiving the Senior Citizens’ Pension?

**Ms. Francis:** We have not found any that have been illegitimately receiving. We were able to clearly identify that 49 were input errors and we are still investigating the others.

**Mr. Chairman:** The others. So that means that you still have some 50-odd persons to investigate, correct?

**Ms. Francis:** Investigate, yes, Sir.

**Mr. Chairman:** Thank you. I want to move now to the Ministry of Finance, the Salary Relief Grants. There are several questions that were raised and I think in the Ministry, in their response to the—[*Technical difficulties*—provided quite a bit of information that cleared up some of the queries raised. Are there queries—[*Technical difficulties*]

All right. In one of these queries, in item 3.93 from the Auditor General’s Report, two applicants with a figure totalling \$2,500, which they should not have based on the criteria for the grants, they should not have received this \$2,500—so that is a total of two persons with \$2,500. It may seem as a nominal sum but it identified an issue, it identifies a weakness. My reason for the query is in the response from the Ministry of Finance, the response is:

The NIBTT and SRG unit confirmed that these overpayments totaling \$2,500 were an oversight.

Now, in every other instance when we have queried here with the Ministry of Social Development and Family Services, and with other Ministries, they would have identified a solution. So we recognize in this instance the Ministry of Finance is telling us—we recognize that it was an oversight. Can the Ministry advise whether any action was taken to retrieve this fund or whether it is just going to be left alone, that it was an oversight and therefore, there is no need to consider it further?

**Mrs. Thomas-Vialmosa:** Good afternoon, Chair. The Ministry of Finance, we are working along with the National Insurance Board of Trinidad and Tobago who is the administrator of the facility.

Currently, the National Insurance Board, they are reviewing the reconciliation of the entire project and it is only when that exercise is complete, we will be in a position to definitively say how many persons may have fallen under this category. And at that point, there will be a policy decision on the treatment of these payments.

**Mr. Chairman:** Thank you, and duly noted. So that means that it might actually be a greater number than just those two individuals with a \$ 2,500 figure?

**Mrs. Thomas-Vialmosa:** We may not be able to say. As I said, the reconciliation process is nearing completion, so we will have to await the outcome.

**Mr. Chairman:** Thank you. I note too that the Auditor General has indicated that in the application form the format for the date of birth field was not standardized across the database, which resulted in a situation where we had persons whose date of birth did not match with their ID card numbers, et cetera. In the Ministry's response to the Committee, you indicated that these inconsistencies, when identified, are being corrected by the SRG unit. Is it that an investigation is going on now or is it just with regard to the 264 instances where the Auditor General identified that there was an error? Is it that it is only those that are being corrected? Are they being corrected, in the process of being corrected or have they been corrected?

**Mrs. Thomas-Vialmosa:** Okay. So there are several points at which errors are discovered. Apart from what the Auditor General has identified, also at times, members of the public would call in the command centre, the SRG command centre, they would call in to query their statuses—[*Technical difficulties*] It will trigger an investigation. Where there is missing information or so, it would be provided, and the data corrected so that their payments could be—[*Technical difficulties*]—as well as the ongoing reconciliation exercise has also highlighted instances where corrections needed to be made—you know, investigations to be done and corrections made.

**Mr. Chairman:** Thank you. One of the things that was raised as well is that the Ministry indicated that the input errors—so your Ministry indicated that input errors did not necessarily affect the value of payments made. The query I have is whether those input errors led, at all, to some persons who may be—[*Technical difficulties*]—receive the salary grant actually getting it?

**Mrs. Thomas-Vialmosa:** We do not believe so because there were several checks and balances in terms of screening the applications against the supporting documents that were to be provided. So the applicant may have input, you know, the date in an incorrect format but because we would have had copies of the ID card, we would have been able to corroborate the correct information and process the payment.

**Mr. Chairman:** Thank you. I know that we have the Ministry of Tourism, Culture and the Arts here, so I want to turn to them now. I do not want them to feel left out. One of the Auditor General's findings, item 3.102, was that:

Seven applicants were paid the emergency relief grant twice during the financial year 2021, totalling 35,000.

Now, I know that an investigation was done, the Ministry of Tourism, Culture and the Arts, in their response to us, indicated an investigation was done which would clear six of those persons. However, they indicated in their response to us that:

One applicant did in fact receive two cheques for the period in question, resulting in an overpayment of \$5,000. The MTCA knows that this error was likely made as a result of the applicants name being submitted, along with the relevant supporting documentation by two different organizations.

Now, that is fair. So it is not—again, I do not see that necessarily being something that is with malintent. However, it is an overpayment. My question being, what was done to recover the money? Because just like with the other Ministries, where something was done inappropriately, Ministries are expected to take necessary steps to—[*Technical difficulties*—]for proper use. Can the Ministry indicate, or the Acting Permanent Secretary who is here, can you indicate whether any steps have been taken to ensure that the moneys overpaid to this particular individual, this particular artiste, has been returned to the Ministry for proper use elsewhere?

**Mrs. Jamraj-Marimuthu:** Chair, once the overpayment is recognized, the Ministry would have taken some steps to correct that it did not happen again. And in addition, with respect of this particular overpayment, it was turned over to the legal department to then actively seek to recover the money related to both payments.

**Mr. Chairman:** Thank you, Ma'am, I appreciate that. It is just that in your response to us, that clarification was not provided, and that would be the logical end to the question. So if you will engage us a little bit, just—in fact, indulge us, sorry, a little bit just to indicate to the Secretariat that this in fact has happened, that this payment was in fact queried, and that repayment of the overpayment, for lack of a better phrase, repayment of the overpayment was executed. Would that be possible, Ma'am? Just to confirm it?

**Mrs. Jamraj-Marimuthu:** Yes, yes.

**Mr. Chairman:** Thank you.

**Mrs. Jamraj-Marimuthu:** We can provide the further details also.

**Mr. Chairman:** All right. That is the easy part of it. I want go back to Ministry of Social Development and Family Services. I think they had a bit of a breather, so we can now go back to trouble you all some more. I promise not to delay you much longer, I know it is a little bit past lunchtime. Let us deal with the Income Support Grant from the Ministry of Social Development and Family Services' point of view.

The Auditor General at item 3.107 indicated that:

Audit was unable to determine the criteria for the payment of the Income Support Grant under the second phase.

The obvious question, well—I have the Auditor General's attention. Auditor General, can you indicate why you could not determine the criteria? Is it that a criteria was not specified to you to determine how somebody will qualify, how somebody will get a payment, et cetera, for the ISG?

**Mrs. Dwarika-Ali:** Chair, in terms of the criteria used for the payment of the grants for the second phase, as we said at 3.107, we were unable to determine. In terms of documentation that stated the specified criteria, this was not proposed, in the response when the Ministry stated that they developed their criteria based on an announcement by the Prime Minister and subsequent public health notices. So we had no documentation to state the criteria.

**Mr. Chairman:** Right. So, I understand that because that it is listed in your report. Because this 3.108 follows from 3.107, which is basically to conclude that due to the lack of information, audit could not determine if the remaining 1,282 applicants, who were paid, were actually eligible for the ISG based on the criteria related to the last date of employment.

So, I think there is a question there. I think based on what you have indicated, the Ministry's information to you, if this is all that they provided, which was that they developed the criteria based on the instruction of the Prime Minister, et cetera, that is fine. But no criteria was provided. So that



left you in a situation where you could not have assessed whether any criteria was followed because simply you were not given a criteria.

So it is not enough, with due respect to the Ministry, to the Permanent Secretary, to say that you are going to be developing a process and criteria for a grant, an eligibility criteria for a grant based on the announcement of the Prime Minister and subsequent public health notices, without providing to the Auditor General the information to verify that those persons who received the grant were duly eligible to receive the grant.

Madam Auditor General, can I ask whether or not any such criteria has been provided to your office from that period to now with regard to the specific grants?

**Mrs. Dwarika-Ali:** No, Mr. Chair. None was provided.

**Mr. Chairman:** Madam Permanent Secretary, can you advise why no such criteria was provided? Because clearly you would see that in the absence of that criteria, the Auditor General cannot do her job in ensuring due diligence was paid to the provision of grants. And there is for 1,282 grants, that is a substantial amount of persons who would have received an ISG without necessarily the Auditor General being able to verify they were in fact eligible. Can you, Ma'am, Madam Permanent Secretary, indicate why no criteria was provided? And if it is possible when such criteria will be provided so that the Auditor General can do her job?

**Ms. Johnson:** [*Technical difficulties*]*—*the Auditor General with these documents in my possession. The criteria did not vary significantly. And this is the advertisement, because the second phase of COVID was restricted to certain sectors. So the criteria used for the phase one evaluation applied to phase two. The only thing that varied there was the fact that the sectors to be paid were limited to those identified by the Prime Minister, yes? And the deadline associated with when the cut-off date for the payment, the unemployment varied from the 2020 phase one.

These documents were provided to the Auditor General's Department staff. So, again, I do not understand why it is being said that these items were not available.

**Mr. Chairman:** Ma'am—if I may Ma'am, I am sure that the Auditor General's Report would have been a public document for quite a while now, and this would have been specific to your Ministry. So, I am aware that you would have been familiar with at least these specific statements coming out of the Auditor General's Report. I am aware that you would have been aware of it before today's session. This is not news to you. This would have been raised and flagged by your Ministry as well.

Even if there was a slight tweaking of the criteria, with due respect, and I am not defending the Auditor General, I am not speaking on the Auditor General's Department behalf, but once a new—this is a second phase. If a criteria was not provided, I am assuming that the Auditor General would have requested the criteria and therefore, it would have been a basic thing to say that the criteria has not changed and the only thing has changed is this. But there would have been a communication between yourselves and the Auditor General's Department to clarify a situation, so we do not have, what appears to be, a lack of—well, what seems to be a lack of communication between both a Ministry and the Auditor General's Report, because that works for nobody.

**1.05 p.m.**

**Ms. Johnson:** And Chair, I would like to put on the table that I am agreeing that this document was sent by the Auditor General on April 26<sup>th</sup>, to the Ministry for feedback on the items raised in the report here, and we did provide a response including the document—this is the response we provided and it was sent on May 16<sup>th</sup>, to a lot of these issues and included in that response are these documents

here. So, I am a bit lost as to why the Auditor General is still not in receipt of our response to these queries, including those which were investigated and resolved, in addition, to the documents and the criteria. And maybe it is something that we need to have a discussion on because under the regulations, we are required by law to provide all the documentation required of the Auditor General and in the past we have done so. And the Auditor General [Inaudible] to me the office of the Ministry without the required documents, we are obligated to ensure that the Auditor General is satisfied with all that is requested.

**Mr. Chairman:** So, Ma'am, I am looking forward to the Auditor General's Report for 2022, in which I assume none of these matters will be raised again, because they would have been resolved. I want to continue, please. I just have a couple more questions. Under item 3.110—there were six instances found where the nationality card numbers of applicants were not consistent with the date of birth entered in the database, I am assuming that you would advise that that would have been based on clerical error. The payments for those recipients total 17,500. My input—the part that I want to focus on is, however, 16 applications with the same issue were not paid, this is what I raised before. These applications were filed in the “outstanding applications” file pending payment. So, the issue being that six persons were not paid because sorry, six instances were found where ID card numbers were not consistent with date of birth and they were paid. Sixteen persons—16 applications had the same problem and they were not paid, I am assuming that that can get resolved, so that is not my issue. My issue is they were placed on something called the “outstanding applications” file, pending payment. My question then is—what is the status of those applications that have been vested in the outstanding applications file?

**Ms. Johnson:** So, those would have gone there because they had to be validated, revalidated. In a lot of instances, the phase two applications Chair, came in on an online platform that was designed in collaboration with iGov. So, we moved from the manual in phase 1 to an online application process in phase 2, the actual validation—and the system was built so once you put an NIS number into the system, you ought not to be paid, you were automatically rejected. Right? So, subsequent to those coming through the system, but not—those that are not rejected there was a manual validation process, which required the Validator to check the data inputted by the client with the attachments provided by the client. And that is where we found a lot of the data entered by the client did not match what the client provided in the copy of the ID card, for example. So, those persons here it would have meant that either the attachment, they might not have been able to see clearly the ID number on the attachment. It might have been reasons like that, that the 16 persons might have been placed on a file for outstanding documents to clear up, copies to be provided or something like that so a proper validation can be undertaken.

**Mr. Chairman:** Thank you, fairly comprehensive answer, thank you very much. I want to open the floor to my other colleagues to find out if they have any other questions that you would like to raise at this time before—I have maybe just two questions before I wrap. Colleagues, do you have any other questions you would like to place to the—our guest here today?

**Ms. Seepersad:** I do not have any further questions Chair.

**Mr. Chairman:** Okay, so allow me to ask my last—my closing questions. Madam Permanent Secretary, Ministry of Social Development and Family Services, my question—have all applications for grants and these are questions that would have come from the members of the public—have all applications for grants during COVID-19 have those applications all been resolved, meaning that either the grants have been approved or rejected or are there still some that are pending?

**Ms. Johnson:** Chair, we do have approximately 3,000 applications pending, we as at—we have 3,139 applications pending in 2022. We have paid 1,154 under phase one, and we paid 110 under phase two. The others are being audited.

**Mr. Chairman:** All right, now clearly you would see why that would be of some concern to members of the public, especially since these would have been needs based grants and we are now looking at a year in some instances, two years may have passed between when these persons desperately needed financial support and when they will actually get a grant. Can you indicate what—which grants, these would have been and what kind of timeline we are looking at to resolving those delays?

**Ms. Johnson:** Okay, so the outstanding ones we have, would be for COVID phase one, and we have, which we have to pay, we have asked for a release. As soon as we get the release and the files have been audited, the audit is actively under way; we have asked for the release, we have gotten the Cabinet approval recently to make the payments. Once we have the release, we will do the printing of the cheques and subsequently advertise in the newspaper to have persons come in and collect their payment.

**Mr. Chairman:** So, you are saying that the Ministry of Finance is now one of the factors holding you back from resolving this matter?

**Ms. Johnson:** Yes, we are waiting on that release.

**Mr. Chairman:** All right. The other question raised by a member of the public is—what is the estimate of grant funding lost to fraud during fiscal 2021 and 2022?

**Ms. Johnson:** Chair, we have not—

**Mr. Chairman:** Would you be in a position to estimate that figure?

**Ms. Johnson:** —made an estimate of that. I do not know if we can maybe come up with a good guess. We have been assuming that it is in some instances, we have branded maybe about \$50 million. I am not certain of that figure Chair, because we do not have any system of finding an accurate figure, we might be in a position to determine that when our investigation unit has done a more comprehensive review of the system.

**Mr. Chairman:** Can you give us an indication of some sort, even general if necessary, as to what kind of time frame we are looking at, because that is a substantial—\$50 million is a substantial amount of money in social expenditure that could be used for other things, I am sure you will agree and therefore, we will want to target the elimination of that sort of fraudulent activity, because it deprives those most in need. But would you be able to give us an idea of a time frame that you may be looking for and in which these investigations can be completed so, that not just for you to get a figure, but you can get a determination as to how to eliminate that figure from growing?

**Ms. Johnson:** Chair, I will have to revert to Ms. Francis here but that is a priority for us. Given the volume of records to be considered, maybe she would want to venture a time frame, Ms. Francis?

**Mr. Chairman:** Okay, let me help Ms. Francis a bit and in the interest of time ask that we put that in writing. Is that okay, Ms. Francis?

**Ms. Francis:** Yes, we would put that in writing Chairman.

**Mr. Chairman:** Thank you. If there are no other questions by my colleagues, I am not seeing any hands raised, I want to thank all members who are present here today and all the representatives of the various Ministries. I want to thank the representatives of the Ministry of Auditor General's department, the Ministry of Finance, Ministry of Social Development and Family Services and the Ministry of Tourism, Culture and the Arts, for your participation and to the members of the viewing

and listening audience for tuning in. I thank you all very, very much at this point in time, the officials will be excused. Again, I thank you all. I wish you were safe—well you are back and you are still in your offices, so I wish you a healthier and happy hearty lunch, God bless, thank you all very much for your participation. Members of the Committee please stay.

**1.15 p.m.:** *Meeting adjourned.*