**PUBLIC ACCOUNTS COMMITTEE**

**[Verbatim Report of Meeting]**

**HELD IN THE**

**COMMITTEE ROOM (EAST WING)**

**ON**

**TUESDAY, 16TH MAY, 2017**

**VERBATIM NOTES OF THE MEETING OF THE PUBLIC ACCOUNTS COMMITTEE HELD IN THE COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON TUESDAY, 16 MAY 2017 AT 9.37 A.M.**

**Submittee: Ministry of Women, Children, Poverty Alleviation**

In Attendance:

1. Mr. J. Koroivueta - Permanent Secretary (WCPA)
2. Ms. Saleshni Naidu - Director, Poverty Monitoring Unit
3. Mr. Rupeni Fatiaki - Director, Social Welfare
4. Ms. Venina Duvuduvukula - Acting Principal Accounts Officer
5. Ms. Reijieli Mawa - Acting Director, Women
6. Mr. Emosi Zinck - Senior Admin Officer (HR)

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DEPUTY CHAIRPERSON.- Honourable Members and members from various Ministries and Departments, a very good morning to you all. I welcome you all to the meeting of the Public Accounts Committee and before us today, we have the Permanent Secretary (PS) of the Ministry of Women, Children and Poverty Alleviation, to lead us with his team of Officials to discuss submissions on the questions that we had sent out for the 2015 Audit Report. Before we request you, PS, to introduce your team, let me just very briefly introduce the Honourable Members of the Committee.

(Introduction of Committee Members by Deputy Chairperson)

We also have Officials from the Ministry of Economy (MOE) who are on my far right and on my far left, we have Officials from the Office of the Auditor-General (OAG). They are here to assist us with some advice and clarification on issues should we have any, and they will also assist in giving us independent views as possible in regards to the issues and questions which might arise from the submission.

Nonetheless, I would like to request, PS, if you could introduce your team to us and you can take us through your submission. I believe there is a written response already provided to the Committee so I will be requesting you or one of your designated Officials to take us through your submission.

MR. J. KOROIVUETA.- Deputy Chairperson and Honourable Members, I think these microphones feel the effect of climate change. We are very privileged to be here as a Ministry. If you allow, I will introduce our team.

(Introduction of Officials by the Permanent Secretary)

If you may allow us to begin, would you like us to go page by page, Deputy Chairperson?

DEPUTY CHAIRPERSON.- Yes, I see that it is a very extensive submission nonetheless, we would like you or whoever is your designated staff who will be representing this submission to take us right from the start. There will be some interruptions in between because Honourable Members would want to ask some questions, so this is what this submission will be like. Thank you.

MR. J. KOROIVUETA.- Part A of the Financial Statement, I will ask Ms. Venina Duvuduvukula to take us through on that and following that will be the recruitment anomalies and Mr. Emosi Zinck will take us through on that.

MS. V. DUVUDUVUKULA.- Thank you, Deputy Chairperson.

Part A - Financial Statement; we have the Audit of 2015 Accounts of the Ministry which as the Statement of Receipts and Expenditure is stated in the Table 24.1. We have all the descriptions, the expenditure from 2014 compared to 2015.

Under Receipts, we have the total revenue of $150,166 compared to $17,594; and Expenditures under Operating Expenditure, we have Total Operating Expenditure which is $42 million compared to the $34 million in 2014.

Capital Expenditure under Capital Construction with Grants and Transfers, we have $848,973 compared to $902,037 in 2014 and the Table shows the Total Capital Expenditure and VAT which is $221,521 compared to $241,000 in 2014. The Total Expenditure for the whole Ministry in 2015 was $43,933,368 compared to $35,534,832in 2014.

The Total Revenue increased from $132,572 from $17,594 in 2014 to $150,000 in 2015, just mainly due to the increase in the Miscellaneous Revenue. The increase in the Miscellaneous Revenue was due to the refund of allowance for welfare beneficiaries and that was the result of closed or invalid bank accounts. The Total Expenditure increased from $8 million or 23.6 percent in 2015 compared to 2014 and the main reason was the increase in Staff Establishment from 158 in 2014 to 179 in 2015. That also increases the employer’s contribution to the FNPF from 8 percent to 10 percent. Also, the increase was due to the transfer of the Poverty Monitoring Unit from the Office of the Prime Minister to our Ministry.

Expenditure also increased due to the introduction of a new programme, the Expanded Food Voucher (EFV) Programme for pregnant mothers in rural areas and there was an increase in the number of recipients also in the Social Protection Programme (SPP) which is the Poverty Benefit Scheme (PBS), Social Pension Scheme (SPS) and Care Protection (C & P), and the implementation of a new programme under the Child Helpline and the Integrated National Poverty Eradication and the Fiji National Women’s Expo under the Department of Women.

HON. RATU S.V. NANOVO.- Deputy Chairperson, can we ask few question on the first section?

I would like to thank the Team for the presentation made so far. However, my question is on the increase in Miscellaneous Revenue which was due to the refund of allowances for Welfare beneficiaries, as a result of closed or invalid bank accounts. What will happen to this money?

Next year are you going to pay it out again or you will maintain it within the Ministry or how are you going to handle this because this was supposed to be paid out? The State did not receive it, it was refunded back to the Ministry and that is why the income has gone up. What will happen to that money? Will you retain it or you will pay it out again next year?

MS. V. DUVUDUVUKULA.- Thank you, Deputy Chairperson. The procedure for written cheques is, if it is within the current year then it goes back to the Expenditure Allocation and if it is more than the previous years, then we credit that to the Revenue.

HON. RATU S.V. NANOVO.- Do you really go out of your way to ensure or to check whether who should be the recipients, are they still alive or not? What sort of checks do you carry out to ensure that this money should have reached them in the first place?

MR. R. FATIAKI.- Deputy Chairperson and Honourable Members, the process is that, they have an agreement with Westpac which is the official bank, so every six months they provide us with the invalid accounts. The process is that, within three months if the account is not operating then they flag it and they report to us that those accounts are inactive. After six months if it is still not operating, then they send us the list of names of accounts that had not been operating.

That money, as Ms. Duvuduvukula had mentioned, within that financial year it comes back to us but if it is for the past years, then it goes back to MOE. With regard to the process of renewing cases, yes, I believe later on there is a question on the review of cases. We do conduct a review of cases but I think as I had explained in the previous meeting here with the Committee on our 2014 Accounts, this is the challenge we continue to face.

At the moment we have 52,000 plus case files and these include the three major Social Protection Programmes which is the PBS, Child Protection Allowance (CPA) and the SPS. So to review all cases annually is unrealistic for us because that is not only our sole responsibility, we have other responsibilities that include child protection in other areas. So what we have done is that, annually we factor that into our Business Plan, that reviews are to be systematically ongoing, so that has been the process.

Our cases are reviewed systematically by our Officers throughout the year but in our Standard Operation Procedure (SOP), we have scheduled that in every five years, that there needs to be an overall or whole review of all cases and that would require us to go to MOE to ask for additional Project Officers and additional funding to be able to do that total review of all cases. But within that period of five years, it is factored into our Annual Business Plan every year, that the reviews are to be conducted systematically.

The other challenge that we have, for example, is if a person passes on. We do not have access to that information until it is reported to us. At the moment, we have been consulting with Births, Deaths and Marriages (BDM) to assist in giving us accessibility to their database but at the moment, I think because of their system they are not able to allow anyone to access database. So, unless and until we are given the information that someone has passed on, most often we do not get that information until such accounts are indicating to us that it is not operating and then we do our reviews and then we close it, but the money comes back to the Government.

HON. RATU S.V. NANOVO.- I thank you for your explanation but my question is, for example, that account with Westpac is not moving in the middle of the year, so they gave you the list. It is not the total list of clients but only those that are not moving. Surely by the time you should have your personal files within your system, do you not go through those files in order to see what is happening, where are they at that point in time? Just that, not the whole review.

MR. R. FATIAKI.- Yes, once those names are brought back to us, we flag those names and we do the actual review on those cases.

DEPUTY CHAIRPERSON.- Sir, you have alluded earlier that 52,000 cases.

HON. RATU S.V. NANOVO.- ….the default accounts in the bank that are not moving, it is not the whole.

DEPUTY CHAIRPERSON.- And plus there is no inter exchange of information with BDM also.

MR. R. FATIAKI.- Deputy Chairperson, No. We have met with them, requesting the possibility of us accessing their database but the information that they have given us is that because there are other stakeholders also accessing their database so they cannot allow every stakeholder to access their database. At the moment we do not have access to their database.

DEPUTY CHAIRPERSON.- Which is what makes it difficult for you to identify.

MR. R. FATIAKI.- Yes, but we have had consultations with the After Care Fund, this is the Ex-Servicemen’s Fund so they have given us their database that we are able to access and so we cross-checked with our list because they have updated information, and likewise with FNPF. We have a Memorandum of Understanding (MOU) with FNPF to help us with the identification of the deceased.

HON. A.M. RADRODRO.- Thank you, PS and Director ,for informing us about this process that you have in-house. I take it from this explanation that this Miscellaneous Revenue was more than one year, that is why they were recorded. What made this revenue not detected within the year that carried this process to be recorded as revenue rather than treated as expense within a year? Do you have enough resources? Do you do your monthly reconciliation that will allow you to detect this process?

MS. V. DUVUDUVUKULA.- Thank you, Sir. The process is in place now, we are doing the reconciliations against the cheques that are coming back from the bank and the cheques as I had mentioned earlier, that if it is within the current year, then we always flag them to the Divisions for them to identify the right account number due to that invalid account. Otherwise, we have a reconciliation that is in place now.

HON. A.M. RADRODRO.- The reconciliation being performed, is it monthly?

MS. V. DUVUDUVUKULA.- Yes, monthly.

HON. A.M. RADRODRO.- And it is working now?

MS. V. DUVUDUVUKULA.- Yes, Sir.

HON. A.M. RADRODRO.- In these particular instances, PS, what happens to the monthly reconciliation process, was it done or was it not done?

MR. J. KOROIVUETA.- Yes, we had some issues to be honest. As the Director mentioned, the issue with some of our stakeholders which we are dependent on and the issue with BDM is both, capacity and also connectivity and that is why. We tried two different strategies:

1. Basically to synchronise their database that we have connected to them; and
2. Was to actually place a person from us in BDM so that they become the focal person for the Unit.

Those strategies did not turn out to the way we want them to.

Ideally, we would love to have a IT platform that actualises, like with BDM for the deceased because we know if we do not, it is a wastage basically on Government resources. Right at the moment, it is something lingering on us, this wastage. At the moment, it is more of a reactive response rather than a proactive one, and these are the issues that we have on the table.

We are so desperate to have a system in place because we know once it is works, it cut outs wastage and resources can be actually utilised surely in a more extensive way so that people who truly deserve to be assisted will get assistance. At the moment it is a disadvantage to those who should be within the catchment pool but they have been left out because of this particular matter. It is a real issue that we have.

HON. A.M. RADRODRO.- A statistical question on this scenario; what would be the estimated number of beneficiaries that will be affected by this invalid bank accounts?

MR. J. KOROIVUETA.- We do not have the exact information readily available, Deputy Chairperson, but certainly we can make that available because that will certainly give a message, the statistical response to the Honourable Member.

DEPUTY CHAIRPERSON.- Yes, Honourable Ratu Nanovo?

HON. RATU S.V. NANOVO.- Deputy Chairperson, I think this fault was detected way back in 2014. My question to the Ministry through the PS by now going forward do you have relevant capacity to address this in future to ensure that these issues do not recur?

MR. J. KOROIVUETA.- Honestly, we do not have the desired capacity to do it. We have the capacity to make it work but the desired capacity we do not have. Our issue is human resource so then we would be able to do our business in a better, more effective and more functional manner. We know that the Government resources that are given, are given with the intent that is given to people who really deserves to be assisted. And if this is a continuing issue, then certainly it will affect the coverage, the outcome and also the impact of social protection investment by the Government. Those are ongoing issues.

HON. RATU S.V. NANOVO.- On that, Deputy Chairperson, the issue on human resource, what have you done to try and rectify that issue, the difficulty that you facing, the budget and you have got savings in here? What have you done?

MR. J. KOROIVUETA.- We have actually made our budget submission to the MOE in the normal budgetary process in that regard year after year. We have had some HR but realistically it is not adequate for the expected demand that we have. In fact, the situation reviewed by the World Bank clearly shows the scope of work that the Ministry has, which is in disparity with the human resource that we have.

HON. A.M. RADRODRO.- Deputy Chairperson, just a supplementary question to this; the reason for these invalid bank accounts, as I understand it, is due to deaths of beneficiaries, is that the main reason?

MR. R. FATIAKI.- Honourable Member, there are several reasons to it:

1. The death of the beneficiary; and
2. The wrong account number.

If it is a wrong account number it goes, but most often it is the death of the recipient and sometimes the recipients do move. A lot of them migrate and without informing us, then their accounts become invalid because they are not operating for several months. So those are the main reasons that do contribute to that.

HON. A.M. RADRODRO.- When they migrate overseas, you will still be depositing in their account?

MR. R. FATIAKI.- Yes, the money continues until information comes to us to say that they have gone. As I have said, if the bank does look at their records and then provide us with the list of the accounts that are not operating for the past several months, then we will know but if they do not provide us with that information, we are not able to capture it then.

HON. A.M. RADRODRO.- But you are still depositing?

MR. R. FATIAKI.- Yes, the money is deposited into that account. When the names come to us, then we do our checks to certify or verify that this person has actually gone abroad or has passed on because there were certain occasions where we were told that the person died and then we closed the account. Then we found out later that the person is still alive. Some of them wait for the money to accumulate and then some of them do not take it but when we close them and they found out, they come running to us to say; “I am still alive”.

HON. A.M. RADRODRO.- You can only take the horse to the river but you cannot make the horse drink from the river.

MR. R. FATIAKI.- To add on to PS’s comments in relation to human resource, yes, ever since then, we have been asking for additional human resource. For the forum’s information, the ratio of case per officer is almost 2,000 cases per officer. Just those three cases and that is excluding our Child Protection cases, our reports and other work that we do which is according to international standard, it is not quite…

HON. A.M. RADRODRO.- For international standard benchmark?

MR. R. FATIAKI.- In international standard, it is supposed to be one office per 20 welfare cases. So it is quite a challenge and then not only that, we have additional responsibilities that are added to our work. We have now the elderly, the responsibility for their homes and aging has now come to us. The disability law has now being passed and has come to us. Even though we have got additional which is not like hundred but it is about ten additional human resource but then as we have these, other responsibilities come and requires us to continue and ask for that.

HON. RATU S.V. NANOVO.- Deputy Chairperson, just want to pick on two issues that he had raised during our discussions. You mentioned migration, is it migration locally or migrate overseas or what?

MR. R. FATIAKI.- If it is local and they are moving within Fiji ,they can still access if they come from Labasa to Viti Levu. They should be able to access because this is the same bank account but then they migrate to overseas. Some of them do not migrate, some of them go for a visit, their children sponsor them to come for visit so they go visit for three months, they extended it for another three months …

HON. RATU S.V. NANOVO.- If they are able to meet that expenses or cost to go overseas, why did you assist them in the first place?

MR. R. FATIAKI.- Well, this is mostly for the Social Pension Scheme, the elderly people.

HON. RATU S.V. NANOVO.- The second issues is if the person dies. Why did you not wait for the death certificate to come to you and then you close their account? Why did you close their account without that?

MR. R. FATIAKI.- Like I said in several cases, we have received information from the community.

HON. RATU S.V. NANOVO.- You should confirm before you close their account?

MR. R. FATIAKI.- Yes, that the person has passed on and then we close it.

HON. RATU S.V. NANOVO.- And he gets alive again?

MR. R. FATIAKI.- Then the person comes and says; “Hey, I am still alive.”

(Laughter)

MR. R. FATIAKI.- But this is the information that we get, sometimes it is from the *Turaga-Ni- Koro*.

HON. RATU S.V. NANOVO.- That is causing the problem within the system. You should have a check and balance system with you, not just closing an account like that, but until you get a death certificate, otherwise it will get alive again.

(Laughter)

DEPUTY CHAIRPERSON.- May be, it will depend on the scenario. Some people who pass away, probably they are the only ones.

MR. R. FATIAKI.- That is where the connectivity to BDM is very important.

Then the other challenge that we have, especially with those in the rural areas, is not only the death certificate but with birth certificates as well, they are not registered. They do not register the deaths or the birth until after several months or even years, so if it is not registered in the system you will not be able to access their death certificate or the birth certificate. There are cases where children are six years old and about to enter school, then the parents come running to register their children for a birth certificate so that the can be enrolled. But for the first six years, they were never registered and some of them are children of civil servants.

HON. A.M. RADRODRO.- Just a question to the Ministry in regards to the utilisation of the banking facilities, there is always the issue of banks charging fees to the meagre amount that has been given to the beneficiaries. Have you considered reviewing this process or making arrangements with the bank regarding the bank charges or fees that they usually take out from the beneficiary’s money that is deposited into their account?

MR. R. FATIAKI.- When we put the tender out a couple of years back, there were responses from several stakeholders. Unfortunately, when we put the tender out, BSP and ANZ did not put the tender, only Westpac put their tender. And then we had the mobile companies Digicel and Vodafone also they put their tender and so the Tender Board looked at the tender and one of the conditions is the fees. So Westpac was willing to waive the fees and so they waive the fees for the accounts. We looked at the others, it was too expensive, the M-Paisa which was going to be expensive not only for us but expensive for the clients as well. That is why we went with Westpac.

HON. A.M. RADRODRO.- For those areas where they do not have access to Westpac banking facilities, what options do they have?

MR. R. FATIAKI.- At the moment, we are giving the clients the options. For example, if an elderly person comes to us for SPS, then we ask them; “Do you have an existing bank account?” If they say; “Yes, I have got a BSP or ANZ bank account”, then we allow them to use those accounts.

However, in areas where there is no accessibility to all banking facilities, we use Post Fiji so we still have an agreement with Post Fiji but they do not receive accounts, they receive vouchers that are printed. So every month, they can take their vouchers to the Post Office and they can redeem those vouchers for cash. That is the process.

HON. RATU S.V. NANOVO.- Still on Post Fiji vouchers, what I came across in Kadavu, once they bring their vouchers to the Post Shop in Kadavu, they deduct portion of that money again. Are you aware of that?

MR. R. FATIAKI.- Yes, that has been raised with us and we have gone to Post Fiji because they are not supposed to deduct any money. Normally, some post masters or postal agencies demand from the clients, saying; “You are using my facility so you have to buy” or “You are taking the money, then you have to buy from our shop”, but that is not supposed to be. We have reminded Post Fiji of such cases, so they have addressed it.

HON. RATU S.V. NANOVO.- Has that been improved?

MR. R. FATIAKI.- So far we have not received any latest complaints.

DEPUTY CHAIRPERSON.- You can continue with Appropriation Statement.

HON. A.M. RADRODRO.- Deputy Chairperson, just on the expenditure, the introduction of the Expanded Food Voucher highlighted to the Committee, the intension and the appropriation whether these Programme is still continuing?

MR. R. FATIAKI.- The Expanded Food Voucher Programme for rural pregnant mothers is a Programme between our Ministry and Ministry of Health, this is to assist the pregnant women in the rural areas because statistics have proven that pregnant mothers in rural areas do not attend to their clinics on time and secondly, malnutrition is one of the issues that is a fear in the rural areas. So the objective of this assistance is to encourage rural pregnant mothers to come and attend clinics on time, likewise to help with their nutritional health while they are pregnant.

This assistance is given to rural pregnant mothers for three terms, which means first pregnancy, second pregnancy and third pregnancy. It is a $50 voucher, given to them, and that is the objective. We work with Ministry of Health to help us in providing the information. We do the printing of the vouchers, disseminate them and we do the distribution to these women. It is given from the nursing stations and rural health centres.

HON. RATU S.V. NANOVO.- Still on that Deputy Chairperson, one of the difficulties that the pregnant mothers out there in the rural areas are facing at the moment is the fourth pregnancy. Once they are on to their fourth, they are required to come over to Suva or Lautoka or to those centres. What are you doing in order to assist them to come across and while waiting here, do you also provide assistance to them?

MR. R. FATIAKI.- They still can use it if they are registered in Vanua Balavu or one of the islands, so they receive the vouchers. Even if they have to come to give birth in the main centres, they can still use those vouchers.

HON. RATU S.V. NANOVO.- So it applies to the fourth child onwards?

MR. R. FATIAKI.- No, it is only for the first three.

HON. RATU S.V. NANOVO.- My concern is on the fourth child?

MR. R. FATIAKI.- I think one of the reasons why they are trying to do is family planning.

MR. J. KOROIVUETA.- I think the other thing, Deputy Chairperson, is the parental responsibility. The intent of the Fijian Government is to promote self-reliance and also the promotion of family life is a parental responsibility which they need to take on board. Otherwise, the State will bear everything from the first child to the tenth child. So we have to inculcate this mindset into our people.

Basically to give out the free hand-out, the basic intent was to promote early booking of mothers so that we do not have our mothers dying from pregnancy. This was the key intent of the Programme, the provision of mothers out in the rural areas to book as early as possible. The earlier they book, the more the assistance will be given to them, from the time of booking right through pregnancy till one month post pregnancy. The other thing was to basically ensure that money given is actually used for the better nutrient of the mother which will have a better outcome status from the pregnancy.

HON. RATU S.V. NANOVO.- Deputy Chairperson, can we ask the Honourable Assistant Minister for Health to highlight this to us because he has just visited all the rural areas, on the fourth pregnancy case?

HON. A.D. O’CONNOR.- Having visited all the Outposts, I am still coming to terms with that for the very reason that we go back in history whereby our foremothers catered for themselves, hence the reason I did mention that I am getting myself around those issues and acquainting myself with that. So that is something that I am doing in my own personal research, as you would appreciate, and I go back in time. There were a lot of things, not only for the pregnant mothers or would be mothers but we go back in history for health issues, as you will all appreciate these things are only just coming up now, so I am getting myself around that.

HON. A.M. RADRODRO.- Sir, just a question to the PS on this Expanded Food Voucher Programme, he mentioned, “$50 per mother” during the nine months?

MR. J. KOROIVUETA.- $30.

HON. A.M. RADRODRO.- $30 per month. What is the total allocation that has been set in 2014 for this Programme?

DEPUTY CHAIRPERSON.- 2014 or 2015?

(Inaudible)

DEPUTY CHAIRPERSON.- You can continue.

MS. V. DUVUDUVUKULA.- 24.3 - Appropriation Statement; we incurred expenditure totalling $43,933,368 in 2015 against the budget of $44,812,148, resulting in savings of $878,780 or 2 percent. The details are given in Table 24.2.

The whole appropriation for the Ministry in 2015 is highlighted which has a Total Operating Expenditure of $43 million. The changes or requests came from the Ministry which was $70,000 and we have the Revised Estimate of $43 million. The Actual Expenditure that we spent in 2015 was $42 million and we had a Lapsed Appropriation of $618,229.

In the Capital Expenditure, we had a Budget Estimate - $800,000 and Changes - $70,000 which gives us a Revised Estimate of $870,000. We had Actual Expenditure incurred in that particular year which was $848,973 and Lapsed Appropriation of $21,027.

The same goes for VAT which was $461,045 from the Budget Estimate and the revised was the same. We incurred $221,521 which gives us the Lapsed Appropriation of $239,524. The Total Expenditure for the whole Ministry is stated there in Table 24.2 which was $44.8 million and the Revised Estimate of the same. The actual that we spent in that particular year was $43.9 million and we had Lapsed Appropriation of $878,780.

HON. RATU S.V. NANOVO.- Deputy Chairperson, can I just ask a question; on that savings of $878,780, can you not use that to increase your capacity required or request the MOE because you had advised us that you need some more staff? What is the process/procedure that could be used?

DEPUTY CHAIRPERSON.- I think the PS would be the best person to answer that.

MR. J. KOROIVUETA.- Deputy Chairperson, those were Social Protection funding so obviously, we cannot utilise them for human resource.

HON. A.M. RADRODRO.- Just a question to the PS, you also have a new programme called Child Helpline. Can you just inform the Committee on the success rate or the unsuccessful rate of this Child Helpline?

DEPUTY CHAIRPERSON.- That is not picked up as audit issue but you have the onus to answer, if you want to.

MR. J. KOROIVUETA.- I will start it off and then the Director will take it on from there.

Deputy Chairperson and Honourable Members, Child Helpline is a unique facility whereby the children in our country are given a facility to express themselves, so it is actually meeting the requirement of the Convention on the Rights of the Child, the right to be heard so that was the means whereby we meet that requirement. It is working well, it started with the 12 hours and now it is fully operational to 24 hours. 1325 is the line number and it is a tendered out facility. The contractor is Medical Services in the Pacific (MSP) and they actually manage the facility for us.

We have a contractual agreement with them. We have a Memorandum of Agreement (MOA) and the Government provides funding for it which is disbursed to the MSP. They gave us acquittals and also report to us on a quarterly basis the category of cases. Maybe, I will ask the Director just to give us a brief on that.

When it started, there was a lot of fake callers and one of the key issues was actually to separate the genuine ones from the fake ones. It is not only receiving the response but also there is a response to it, so they actually tie-in the various responders into it so it is an abuse that needed the Ministry of Health. There is a set Standard Operating Procedure for that to happen but for the numbers, we do not have the update here with us. We can provide the Committee the exact numbers from the Child Helpline.

DEPUTY CHAIRPERSON.- That is not necessarily an audit issue reflected in the Audit Report.

(Inaudible)

DEPUTY CHAIRPERSON.- Alright, so we would love to have that data, perhaps a breakdown of that.

MR. R. FATIAKI.- The amount committed to the Child Helpline is $200,000 per annum. As the PS had said, it is outsourced and as from the beginning until now, we have seen an increase in the number of calls that come in and the calls include; children calling raising issues of child neglect and abuse, so the organisation has captured the type of cases that have been reported to them, including those false calls and likewise, the coverage of the line, where the calls are coming from.

We had tried Rotuma and as far as Rotuma is concerned, they have access to the line so as we have progressed, we have been promoting the line. Even in the islands, they are able to get calls that are coming from the Eastern Division, raising those issues.

DEPUTY CHAIRPERSON.- Honourable Members, we are requesting data for only Child Helpline, or for all those new introduced Programmes?

We have Child Helpline, Integrated National Poverty Education Programme and the Fiji National Women’s Expo, if we can have data on all the allocations for the separate Programmes, apart from the Child Helpline.

Part B - Audit Findings, you can continue.

MR. E. ZINCK.- Thank you Mr. Chairperson and Honourable Members, and members of the forum, I will be taking you through Item 24.4 - Recruitment Anomalies; employment decisions in the Public Service are made without patronage, favouritism or political influence and appointments are based on merit after an open, competitive selection process.

Before a letter of appointment or contract is issued, a candidate selected for appointment must undergo medical examination and be passed as being in all respects, physically and mentally fit by authorised medical officer. The employee must have a satisfactory police record as well.

The Ministry had appointed 20 Temporary Relieving Officers (TROs) and seven TROs in 2014 and 2015 respectively.

In terms of the audit review, it revealed that appointments had the following anomalies:

* The temporary relieving appointments were not advertised;
* The TROs were hand-picked from expression of interest received by the Ministry and from NEC volunteers, although some applicants did not have qualification in the relevant field of study; and
* Proper interviews were not conducted and police and medical clearances were not obtained prior to the appointment of these officers. There are examples that are referred to in Appendix 24.1.

DEPUTY CHAIRPERSON.- I apologise for the interruption, just a question on that; these TROs, if you could just explain their contractual agreement, is it for one whole year or three months?

MR. E. ZINCK.- Thank you Deputy Chairperson, these TROs were appointed as a result of temporary vacancies that arose within the Ministry or the positions that were made vacant and we needed to fill those positions temporarily before we actually advertise and fill those positions.

DEPUTY CHAIRPERSON.- So in cases like this, PS, is it necessary to advertise?

MR. J. KOROIVUETA.- Yes, it is mandatory to advertise all the vacant posts.

DEPUTY CHAIRPERSON.- Whether it is temporary or permanent?

MR. J. KOROIVUETA.- Yes.

HON. RATU S.V. NANOVO.- Still on that, Deputy Chairperson, it is clearly stated there in the first paragraph what they should do and yet the way they did it totally contradicted what the first paragraph says. What is the cause of all these?

–It says in the first paragraph; “Employment decisions in the public service are made without patronage, favouritism or political influence, and appointments and promotions are made on the basis of merit after an open, competitive selection process.” Yet, those three bulletpoints in addition to the example given, a total leeway off the mark. Why? Why was this done, knowing very well that it is outside of the policy?

DEPUTY CHAIRPERSON.- I think adding to that, there are general requirements as well, like police clearance and medical clearance which was also not followed. Perhaps, we can get an explanation on that?

MR. J. KOROIVUETA.- I think these were issues at that time and I can assure you that this is no longer an issue in the current recruitment system. It was a time when HR was not ideal and also the recruitment itself was not very transparent during that time. Some of these requirements were based on the situation at that time when you needed to get the work done, when you needed to drive a car and for you to go through the advertising or the recruitment process, there is a time effect to that.

You have to advertise for two weeks and to close, then you have the selection panel that has to undertake that. So, for continuity of service, we had to resort to this but I can assure the Committee that this is no longer the matter now. It is now mandatory that all positions be subject to advertising and also the recruitment processes is under the Open Merit Recruitment and Selection (OMRS) guideline.

HON. RATU S.V. NANOVO.- Deputy Chairperson, going back to the statement that we have just heard from the Permanent Secretary, we do understand that but the key issue here is that, some of the people who were recruited and the qualification they have is totally different from what is required. That is what I am saying, it totally contradicts to what was laid down initially.

DEPUTY CHAIRPERSON.- And just adding on to that, if we could also be further explained, after all these findings, what happened to those appointees, are they still in the system? As I had earlier said, some general requirements are also needed, like police and medical clearances which was violated as well. We are interested to know if those appointees are still in the system or there has been other measures taken.

MR. E. ZINCK.- Most of these project officer positions were later advertised and have been filled. These are project positions where we needed people to be on the ground to deliver the services, so posts have been advertised and have been filled, some of which we are still currently processing.

HON. A.M. RADRODRO.- We were requesting the Ministry to start with the driver and then go case by case on what has been done because there are no comments from you on the driver, whether he is still temporary or is permanent, whether he has obtained all the necessary documents. Each year, we can request, PS, if they have a conflict of interest in this particular table, then maybe you should declare now.

MR. J. KOROIVUETA.- Deputy Chairperson, we do not have any conflict of interest.

DEPUTY CHAIRPERSON.- Those positions were for a particular project, the positions that had been highlighted here.

MR. E. ZINCK.- Deputy Chairperson, in terms of the positions, these are project positions under different programmes within the Ministry. For example, under Appendix 24.1 in terms of the Temporary Relieving Driver for Beggars Operations, that is a project position and that position was advertised and filled. We are currently requesting MOE for that position to be regularised and to be under the Ministry’s Establishment.

DEPUTY CHAIRPERSON.- So, you still have this driver?

MR. E. ZINCK.- Yes.

DEPUTY CHAIRPERSON.- Alright. How about the second one, Women’s Interest Assistant?

MR. E. ZINCK.- For all the positions that did not have the qualifications in their personal files, we have requested officers to bring in…

DEPUTY CHAIRPERSON.- Sir, we prefer to go case by case. So, we are on the second one, Women’s Interest Assistant. Just like you have mentioned about the driver, is this person still in employment? That is the first information we want to know.

HON. RATU S.V. NANOVO.- The Officer has qualification in fundamentals of business accounting, however, no evidence on qualification was maintained in the personal file. As at the date of the audit, the Officer was acting as Senior Women’s Interest Assistant Officer. However, the acting appointment letter from January 2016 to March 2016 was not in the personal file. Those are the kinds of issues that we are saying, qualifications not related and personal information like that, they should be in the personal file. Who checked all these? Why was this carried forward when all the processes required to be done was not done?

MR. E. ZINCK.- Deputy Chairperson, in terms of this particular appointment, we have obtained his Certificate of Fundamental Accounting and in terms of the appointment, it is the Women’s Interest Assistant which is under the Support Service cadre.

HON. A.M. RADRODRO.- So, what is the necessary qualification required for this particular post, Women’s Interest Assistant, do you have the necessary qualification required for this position?

MS. R. MAWA.- Thank you, Deputy Chairperson and Honourable Members. In relation to the Women’s Interest Assistant’s Minimum Qualification Requirement (MQR), it is always a Form 7, to say in terms of the entry. However, it does not specifically say whether it is in business or in other areas.

In relation to the Women’s Interest Assistant position, it is based in looking after a district so the appointment is made because when a position is vacant, there are women’s organisations existing in project so there is a dire need to recruit an officer to specifically look at that particular area in terms of follow-up, in terms of ensuring that the project is taken care of in the district that they are in. Thank you, Deputy Chairperson.

HON. A.M. RADRODRO.- Deputy Chairperson, just a question regarding this explanation. Does the Ministry have a succession plan so when situation like these arise, you can easily replace within your succession planning system?

MR. E. ZINCK.- We admit that there is no succession plan for the Ministry as we speak.

HON. A.M. RADRODRO.- Going forward, have you addressed that loophole?

MR. E. ZINCK.- As of now, we do not have a succession plan for the Ministry.

HON. A.M. RADRODRO.- MOE, what is the normal process in terms of HR development, what is the Finance requirement?

MR. E. ZINCK.- In terms of the current process, we just go through the Learning and Development Plan in terms of the CAPs where the officers need training. But in terms of succession planning, that is something that we do not have in the Ministry but we will also look into that.

HON. A.M. RADRODRO.- As per the explanations being given, this is a very important position in the respective Ministry, the Ministry of Women so posts need not be vacant. Therefore, it needs to be continuously and fully occupied on a 24/7 basis, as I take it from your explanation.

MR. E. ZINCK.- In terms of the Welfare Officer II, the Officer was appointed on 10/7/14 as Temporary Relieving Clerical Officer (Poverty Benefit Scheme Allowance Verification Officer). On 20/1/15 she was appointed as Welfare Officer II and that was an established position.

The MQR for Welfare Officer II is a Diploma in Social Community Work or Psychologist from a recognised institute with relevant work experience or an Undergraduate Degree in Social Community Work/Psychology or equivalent.

In this case, the Officer who was appointed had a Bachelor of Arts Degree in Accounting and Management. However, no evidence on qualification was maintained in the personal file. That is something to admit, that there was no evidence in the personal file. However, we had later requested each officer to put in all their documents in terms of their qualifications and to be filed in their personal files.

(Inaudible)

MR. E. ZINCK.- Yes, we have her Certificate (Degree) in her file.

MR. R. FATIAKI.- Can I add to that, Sir, for Welfare Officers, yes, the criteria is very clear but we have an issue with applicants. You will notice and are aware that at the moment, social work is a new programme in USP. Psychologist is a programme that no one wants to take except, for a few. So although our criteria is psychology and social work, when we receive applications half or even three-quarter of the applications do not have that qualification. So we look at the best possible candidates that we have.

This person whom we had recruited was already in the system and we had monitored her performance. Likewise, most of the work that are done by the Welfare Officer II are just the basics, like filling of forms, interviewing and those kind of work. That is one of the reasons why we have taken in those who have already had the experience doing those work, but it is very hard for us to get social work graduates and psychology graduates and counselling graduates.

DEPUTY CHAIRPERSON.- I totally agree to that. PS, just a question; is there any, sort of, capacity building within the Department in cases like this, to have the officers more trained towards dealing with welfare issues, et cetera?

MR. J. KOROIVUETA.- Yes, Deputy Chairperson, let me just take us back. As a Ministry, we have issues with our Corporate and we have dealt with that, basically because of issues like this that do come up. Corporate was basically a place where there was no clear delegation of roles and responsibilities for the posts and also in terms of accountability. So we basically made a clean-cut two months ago that we have HR on one side and then we have Admin and Finance because basically people had somewhat mixed roles, some doing admin finance and HR. So we now just separated HR because we wanted to deal with HR which is a crucial issue in a Ministry like ours, and Admin and Finance.

Also, we went through a process of actually putting on the table all the Standard Operating Procedures of the Ministry, so we have done that. Every Department now have SOPs so when it comes to recruitment, they basically have a checklist they have to go through. So we now in a quality processing system when it comes to discipline, when it comes to appointments, recruitment or procurement for that matter, that is, a standard SOP and we have standardised template. It is something that we as a Ministry took on board. It basically was a contribution from the Ministry that we undertook this year and at the end of it, we wanted to have an inventory, basically a catalogue of all the SOPs for the Ministry so that when that person is not on a desk, service continues and a quality service as well can be very well assured.

So we have learnt from this, we know this was an issue and these were the things that we do not want to come back hitting at us in the future in that matter. We wanted to do things right. Basically under the OMRS process, also for the disciplinary, terminations and all the other processes whether it is a problematic, whether it is a HR, whether it is Admin and Finance.

DEPUTY CHAIRPERSON.- So, we take note that now there is a very clear demarcation of duties within the Ministry.

HON. A.M. RADRODRO.- Deputy Chairperson, just a question regarding the MQR that is set by the Ministry in regards, for example, to Social Welfare Officers. This is a very critical position, very critical work of the Ministry, but I note that your MQR is only requesting for Diploma in Social Community Work or Psychology from a recognised institute. There is no other option in terms of people who have experience in terms of counselling. Is there a special requirement too for that, like in village settings where people go to the *talatala*? Is that not part of consideration or part of your requirements, apart from just investing in graduates?

MR. R. FATIAKI.- Yes, I think the complete MQR requires some qualifications, plus years of experience. For example, in counselling and likewise with social work, if we are to take in anyone in the community who is doing some kind of social work and claim that they are social workers, in our experience some of them can do worse in working with people rather than doing well for the clients because the principle guidelines that guide social workers, counsellors and psychologists to work with clients. There is a lot confidentiality required, there is a lot of assessments which they require those assessment skills, observation skills, interview skills to be able to derive the relevant information that is required.

Of course, yes, we put experience plus qualification and like I mentioned earlier, it is pretty hard for us to get people with the right qualifications because of the lack, I would say, of people who are there waiting to come in and apply for those kinds of positions.

Again, when we receive officers and we absorb them into our system, the Degree or Diploma in social work that is offered at USP and other Universities or recognised institutions where they offer generic social work Diploma or Degree, they are not specific. They talk about social work in totality but when it comes to working with abused children, it requires certain skills to be able to work with such cases.

The question goes back to your first question whether we do capacity building, yes, of course we do that and we do that with NGOs, like UNICEF and others that specifically work with child protection cases. Our officers are taken through training manuals on how to identify if a child is displaying some certain kind of behaviour and how can social workers be able to identify those. Generic social work will not be able to give them that kind of skills, it is specific. That is why, though we have that qualification but we look for specific skills that we are able to work with.

HON. RATU S.V. NANOVO.- Still on that Deputy Chairperson, we do thank the Director for the explanation. Again, are you planning in the near future to review the qualification requirement for this in order to match up with the kind of training offered at tertiary institutions?

MR. R. FATIAKI.- In fact, we are in consultation/working together with social work school in USP and not only that, recently a couple of months ago we had been working together with the Oceania social workers which include Massey University and South Sydney University which we have our local Doctor Joji, who has been working with us and we have attachees from Universities coming to help us with our programmes, training and capacity building.

MR. J. KOROIVUETA.- Jut to add on, Deputy Chairperson, as a result of the change in the MQR we now have on board nurses who have been appointed Welfare Officers. We also have those in the teaching institutions, teachers have now come on board and so we have changed it.

HON. A.M. RADRODRO.- That brings to another set of questions in terms of your MQR that you have set out with the changes that you have implemented, are you going to change your MQR as highlighted in the Table by the Auditor-General or are you going to address that by resolving the Audit issues, especially in terms of the MQR and what is actually happening on the ground?

MR. J. KOROIVUETA.- Well, as the Director said we have changed the MQR now, we have made it more open because of the work that is required in the social welfare so it is very much of an open recruitment now.

DEPUTY CHAIRPERSON.- Honourable Members, we now proceed to 24.5.

MR. E. ZINCK.- 24.5 – Creation of Project Posts without Proper Approvals; the Permanent Secretary for each Ministry, with agreement of the Minister is responsible for the Ministry, has the authority to determine all matters pertaining to the employment of all staff in the Ministry, including the:

* + terms and conditions of employment;
  + qualification requirements for appointment and the process to be followed for appointment, which must be open, transparent and competitive selection process based on merit;
  + salaries, benefits and allowances payable, in accordance with its budget as approved by Parliament; and
  + total establishment of the total number of staff that are required to be appointed, in accordance with the budget as approved by Parliament.

Employment decisions in the public service are made without patronage, favouritism or political influence, and appointments and promotions are made on the basis of merit after an open, competitive selection process.

The Audit noted that the Permanent Secretary created 15 new project positions in 2015 without any consultation or approval of the line Minister.

In addition, the Permanent Secretary appointed the officers for the newly created project positions without advertising the posts. Refer to Appendix 24.2 for details.

The finding indicates that an open, transparent and competitive process was not followed in the creation of the positions and filling of vacancies contrary to Public Service Act Section 4.2 and Section 127 of the 2013 Constitution.

In terms of the recommendations, all appointments are to be made in consultation and approval of the line Minister as required under Section 127 of the 2013 Constitution and all recruitments are to be undertaken through an open, transparent and competitive selection process based on merit.

HON. A.M. RADRODRO.- Deputy Chairperson, just a question to the PS and the Auditor-General in terms of the appointment of project positions; how do you determine this line of consultation approval of the line Minister? How do you determine that there was no consultation approval of the line Minister in this particular aspect?

AUDIT REP.- Thank you, Honourable Member. Approval of the line Minister, we usually refer to the criteria that is on top there the PS for each Ministry with the agreement of the Minister responsible. So the memo that must have been sighted that we have in our file should have the Minister’s endorsement but unfortunately, the Auditors did not see that at that time and for this audit we have seen that there are a lot of filing issues as well, so maybe the Ministry is having it somewhere but it is not just on record at the moment.

HON. A.M. RADRODRO.- PS, can you elaborate on that?

MR. J. KOROIVUETA.- Yes, that was an issue because one of the underlying realities in the work of our Corporate and to be honest, was actually having proper documentation. That is why we went on that path to ensure that there is quality standardised documentation of all recruitment, including the submission of recruitments after the selection panel, that it needs to be endorsed by the PS and also in accordance with the Honourable Minister, and we needed that and those are the SOPs that we have. So in every recruitment process, every position would have those documentation so for us, the issue there was clear documentation because that is evidence-based and it basically addresses what Madam from the OAG mentioned.

HON. RATU S.V. NANOVO.- On that Deputy Chairperson, can we be confirmed that with the recruitment of these15 new project positions there was no nepotism, favouritism, nothing like that happened because the procedures that should be undertaken was not followed?

MR. J. KOROIVUETA.- We can certainly confirm to the Committee that there was certainly no element of such nepotism or favouritism in that regard.

HON. A.M. RADRODRO.- Positions were appointed without being advertised and secondly, whether the Minister was finally given necessary regularisation of these positions after they were highlighted by the auditors?

MR. R. FATIAKI.- Those positions are basically the data input clerks whom we had brought them in for the Bus Fare Programme, so they have been recruited all over Fiji in every Divisional Office to handle this Programme because when the Programme came, there were no officers (I mentioned it the last time), so we brought in those clerks at basic level to be data input clerks. So we were employing them because of that situation but at the moment, the positions had been advertised, we took in some based on their performance, some were not taken in because again, based on their performance. Those posts had been regularised and advertised.

HON. A.M. RADRODRO.- Deputy Chairperson, just a supplementary question on the whole lot of administrative issues that had been highlighted, the question is directed to the MOE; have you done any internal auditing at the Ministry? When was the last time you did it and whether the issues that you had highlighted are also reflected in this Report?

MOE REP.- Deputy Chairperson and Honourable Members, the last audit that the Internal Audit Unit did for the Ministry of Women and Social Welfare was in the 2015 Financial Year which would have been around the same time that this audit was conducted by the OAG. So the main issues that we highlighted were not highlighted by the OAG and that was in terms of reconciliation, we highlighted the reconciliations.

If I can just use the update that we have from our FMIS Unit, the Ministry has yet to submit to us their reconciliations for the 2016-2017 Financial Year on a monthly basis.

HON. A.M. RADRODRO.- The issues that you had highlighted in 2015 …

MOE REP.- They are still recurring, yes.

HON. A.M. RADRODRO.- …around the time of this audit, did you bring it up to the attention of the PS and his Executive Team?

MOE. REP.- Yes, Sir, our report was submitted to the PS.

MS. V. DUVUDUVUKULA.- Deputy Chairperson, I believe that the reminders came to us and we had submitted the reconciliation for 2015 but I would just like to raise an issue like last week, that the monthly reconciliation was not received by them. In fact, we did send it to them, it was dispatched and hand-delivered and we did confirm to them via e-mail that it was sent to them. We had to photocopy copies of the reconciliation that was made and we had to dispatch it to them again in 2016.

MOE REP.- To confirm, for 2015, the reconciliation had been submitted. The issue here we are talking about is the latest updates on the reconciliations.

HON. A.M. RADRODRO.- (Inaudible)

MOE REP.- The latest updates on the reconciliations, they have not submitted any reconciliation for this year.

MS. V. DUVUDUVUKULA.- I can just confirm that it was hand-delivered last week and dispatched to Laisa at FMIS.

AUDIT REP.- For which reconciliation?

MS. V. DUVUDUVUKULA.- That is for all that was highlighted through an email from Asinate.

AUDIT REP.- Before I came here, I just got a confirmation from Laisa and the list is here, that we have not received it so can you please provide the evidence on that?

DEPUTY CHAIRPERSON.- Honourable Members, we will take tea break and after 10 minutes, we will continue.

The Committee adjourned at 10.57 a.m.

The Committee Interview resumed at 11.21 a.m.

DEPUTY CHAIRPERSON.- Honourable Members, we will continue with our submission and as far as I can see the issues that are left to be discussed, I do not think we will be able to complete all the issues given the time we have, the time constraints because I cannot deny Honourable Members from asking supplementary questions, they will continue to do so.

So, PS, should we not be able to complete all the discussion on the issues for this session, we will be requiring your good Ministry to come back to the Committee and complete the submission at a later date. Can we continue from 24.6?

MR. E. ZINCK.- Thank you, Deputy Chairperson.

24.6 - Officers Responsible for Vehicle Accident Not Surcharged; the audit review of accident cases revealed that a number of drivers were involved in a vehicle accident during 2014 and 2015.

In terms of the anomalies, the following were noted:

* + documents in respect of cost of damages, accident reports and surcharge costs were not provided;
  + drivers were found to be negligent and were advised by the Solicitor-General’s Office to be surcharged for recovery of cost of damages from them. However, the Ministry could not recover the cost as in most cases, the drives were terminated from the Service;
  + driver of the accident vehicle GP430 was terminated on 31/03/15 and was re-engaged from 23/04/15 but was not surcharged for his action; and
  + there was no evidence to indicate that the accident reports were sent to Solicitor-General’s Office for opinion.

In terms of the Ministry’s comments, we discharged officers who had accidents and have sustained damages to Government vehicles. However, this year we have started to surcharge officers through proper documentation from the MOE and compilation of relevant documents from our Transport Unit. Officers involved in road accidents were surcharged accordingly from this year.

HON. RATU S.V. NANOVO.- With that, Deputy Chairperson, when this policy was in place in 2014, why was it not followed? Why did you defer it up to this year? Why was that not followed? If that was the case, who or was anyone disciplined for not following the procedure that is already in place?

MR. E. ZINCK.- Deputy Chairperson, in terms of not following the right procedures that is something that we overlooked and that is something that is quite clear in the transport policy, that in terms of accidents we will need to get accident reports and submit them to MOE and the Solicitor-General’s Office. That was something that we overlooked on our part.

HON. RATU S.V. NANOVO.- I hope it would not happen again in future and relating to the penalties that were given to the drivers, we know very well that their salaries are not big enough to cater for the sum they were required to pay for the whole damage, what are you going to do in this area? Also, the deductions that you do from their salary can only go up to a certain percentage and you cannot do more than that, what would you do in order to ensure or how can that be compensated, or what is the best way out?

MR. E. ZINCK.- Thank you, Deputy Chairperson. In terms of the process we submit the accident report to the MOE and the Solicitor-General’s Office in terms of the surcharge Normally, when they do the surcharge it is say less than the cost of the accident itself.

HON. RATU S.V. NANOVO.- Is it worked out until he retires and by that time, the debt should be paid off? What happens if you terminate him before the debt is paid off?

MR. E. ZINCK.- In terms of the process of the driver who is involved in the accident, we do not terminate the officer, so that we are able to recover the costs that is given by the Solicitor-General’s Office.

HON. RATU S.V. NANOVO.- I note that there is a termination somewhere in here, the driver of the accident vehicle GP 430 was terminated and then re-engaged. How can you terminate someone and you take him back again?

MR. E. ZINCK.- Yes, after we had terminated the Officer and that was something we realised with the transport policy, that you are not supposed to terminate an officer when he/she is involved in an accident as we are needed to submit reports to the Solicitor-General’s Office so that they can determine the amount of surcharge to be given to the officer. That was why the Officer was re-appointed, to allow for the process to take place.

HON. A.M. RADRODRO.- Deputy Chairperson, just a clarification on these vehicles; are these part of the Government leased vehicles or are they owned by the Ministry?

MR. E. ZINCK.- These are leased vehicles from the MOE.

HON. A.M. RADRODRO.- In the Table 24.3 - GN 710, GN 708, GP 475, GP 661 and GP 476 are all MOE’s leased vehicles?

(Inaudible)

DEPUTY CHAIRPERSON.- MOE, what if the driver decides to leave the Ministry then and gets employed somewhere else, what are the policies in regards to that scenario, in order to get the cost recovered?

MOE REP.- If the employee decides to leave the Civil Service then, of course, wherever he is employed, we can claim the money through the Small Claims Tribunal. We can lodge the claims in the Small Claims Tribunal and get/recover from there.

Mostly, if it is a leased vehicle, first of all, they only have to pay the excess because normally all the leased vehicles now are covered under insurance.

HON. A.M. RADRODRO.- What about in this particular year (2015) when the accident occurred?

MOE REP.- Honourable Member, just a clarification and my apologies, I provided a response the last time, I mentioned it was from the late 2015. However, I went back and clarified with the Government Fleet Management Unit whereby they said it was mandatory that from the time the Government went into this leasing agreement, it was mandatory that all Government vehicles should be insured. Government will pay the insurance and the recovery part is ….

HON. A.M. RADRODRO.- Which vehicles?

MOE REP.- Sir, because vehicle number GP 430, I suppose, is a new number so definitely it is a leased vehicle but for others, we have to clarify on that.

HON. A. M. RADRODRO.- In this particular instance, the insurance is supposed to be paid by Government or part of the leasing arrangement paid by the people leasing out their vehicles?

MOE REP.- You mean the lessor should pay the insurance of the Government? It was the Government who was paying.

HON. A.M. RADRODRO.- (Inaudible)

MOE REP.- MOE.

HON. A.M. RADRODRO.- (Inaudible)

MOE REP.- Only the excess is charged to the Ministry.

MS. R. MAWA.- 24.7 – Continuous Funding for Failed Projects; the finding of the report highlighted the facilitation of funding into the Nasalia Women’s Group in Naitasiri with the amount of $8,693.97, as highlighted in the Report in terms of the inactive of the women’s group and its financial returns.

As per the recommendations, our response was that, this is an ongoing project with the women’s group which is in partnership with the Ministry of Agriculture. We noted that in some of our projects which we are dependent on other stakeholders, it is also prolonged. However, in terms of the funding, the Department actually undertook a Memorandum of Agreement (MOA) in terms of the funding that was given.

The workshop in relation to that fund was undertaken last year and this was also acquitted. With the group, I must say that in terms of the success it is not only the women’s group that is inactive but there are other indicators which we have put in place last year to actually gauge the success of the project. This is an on-going project with the Ministry of Agriculture which is still progressing at the moment in terms of installing the machine for this particular women’s group. Thank you, Sir.

HON. A.M. RADRODRO.- Deputy Chairperson, just a question to PS; on this particular machine that has been installed at Nasalia Village for the last three years, what is the Ministry’s plan now to that particular machine?

MS. R. MAWA.- The plan at the moment is that, the Ministry of Agriculture is working on that in terms of it not just installing the machine, but also making sure that the building is in compliance with the project that is going to be undertaken, meaning it has to be OHS compliance, it has to meet the health requirements, et cetera, because it is a food processing project. Thank you, Deputy Chairperson.

HON. RATU S.V. NANOVO.- Are they producing cassava flour at the moment?

MS. R. MAWA.- Deputy Chairperson and Honourable Members, at the moment the project has not yet started because we have to put in place those compliance procedures before this comes in. This is what needs to be undertaken first before the machine is actually installed into the process.

HON. A.M. RADRODRO.- Can you inform the Committee when does the Ministry intend to start operating this machine?

MS. R. MAWA.- Thank you, Deputy Chairperson. In terms of starting the project, as I have alluded to earlier, we depend on the Ministry of Agriculture. What we can do is to provide something from the Ministry of Agriculture because they are the ones who are actually working on the installation of the machine and all the requirements that are needed.

(Inaudible)

MS. R. MAWA.- Deputy Chairperson, this is a joint project between the Ministry and the Ministry of Agriculture. The Ministry of Women, Children and Poverty Alleviation have already built the Centre, however, in terms of the machine that needs to be installed, this is where we are working with the Ministry of Agriculture in relation to that.

HON. RATU S.V. NANOVO.- Just on that, Deputy Chairperson, I think in Kadavu we also got a number of women’s projects like this, but again if I can remember correctly, some of them are already defunct by now. What sort of monitoring system do you undertake to ensure that the system is sustainable and continue to assist in your final aim for them to be sustainable in the long run?

MS. R. MAWA.- Deputy Chairperson and Honourable Members, in terms of monitoring, last year the Department have put in place some monitoring system because we have a number of projects in each of the District, we have a quarterly monitoring of the projects. And the monitoring captures indicators of success which is not just the inactive of the women’s group but the groups opening their bank account in terms of their financial empowerment.

I must say that some of the projects, some of the women’s resource centres that were inactive or not intact, at the moment, they are using that particular women’s resource centre. Probably, I would say for Kadavu, they are now into cooperatives, looking at how best they can use individual women’s groups, value adding that to also looking at how best they can export the product. I think for Kadavu as highlighted, we had sent eight women from Kadavu to Sigatoka to learn of how best they can actually upskill themselves in order to meet the requirements, not only looking at export but also locally producing the products. Thank you, Deputy Chairperson.

HON. A.M. RADRODRO.- On this particular project, just a question to the PS; was there an assessment or a feasibility study done before putting up this machine at Nasalia Village? Why Nasalia Village, have you seen this Village?

MS. R. MAWA.- Yes, the move to identify Nasalia Village was because of the existing resources that they have and also in terms of the marketing of their product. The project is looking at cassava flour, which in terms of marketing, the interior, the women and community of Naitasiri would come to a specific location, mostly Suva to sell their produce. This was something that, to have this, they would be able to connect and network amongst them, use this Centre as a facility for cassava flour, so that is the reason why Nasalia Women’s Group was chosen to undertake the project.

HON. A.M. RADRODRO.- (Inaudible)…to this cassava flour generation machine?

MS. R. MAWA.- Well, in terms of the feasibility study, that is something I would rather come back and inform the Committee in terms of that. Thank you, Deputy Chairperson.

HON. A.M. RADRODRO.- A supplementary question; I know the need, as you mentioned, to have locations centralised for this cassava machine. I think two weeks back, the Honourable Minister for Women was in Matainasau which has a bread factory. So this machine in Nasalia is totally way out of the main road. I was hoping that this be placed alongside the main road where it is accessible to all other villages that wish to take their cassava product to that machine. In fact, Nasalia is a way off from the main road, it is about half an hour or one hour. I would like to know whether the Honourable Minister for Women is aware of this when she was in Matainasau, did she take a visit to Nasalia?

MR. J. KOROIVUETA.- Deputy Chairperson, I can only recollect that this initiative was under the flagship of Fiji/Indonesia Cooperation so there was a heavy hand by the Government of Indonesia to invest in these equipment and also the capacity building of the community itself.

Now, why Nasalia? I think it is beyond our understanding. By the time we came in, it was up and running but I understood it was a joint agreement with the Ministry and the Ministry of Agriculture at that time, looking under the umbrella of empowerment of rural Fijian women to have in there. It provides flour for their own needs in the community, therefore, they have accessibility to a food commodity which they would have to travel to either Nausori or Suva to get it.

It is also a means of actually building their financial capacity. It is a money making, once it gets up and running but we are held back because we still need to have the proper infrastructure, we need to have all the compliance to the health requirements because we are manufacturing a food product so we need to meet that with also OHS. From our side we are pretty confident that we have done our bit but we have certainly ensured that because that will be on the image of the Ministry and also something that will stall the betterment of the community there.

HON. RATU S.V. NANOVO.- I Just want to know whether any of the officers from your Ministry have been up there for the last year or so, just to see what is happening there right now?

MS. R. MAWA.- Thank you Honourable Members of the Committee. Yes, the Department have been to Nasalia, I even went last year to see the project. Although it is far, it is reachable and we have been monitoring, we have been discussing with the Ministry of Agriculture in terms of making sure our investment there is returned to hem.

HON. A.M. RADRODRO.- Deputy Chairperson, I was there last month and it can be viewed as a white elephant. It is there, everything has grown up and it seems that no one is taking care of it. So it can be considered as a wastage of Government resources, if the project is not fully implemented and in operation. It can only be as good as it is operated, otherwise it is just a white elephant without the necessary support given to the villagers. It is just sitting there and no one is taking responsibility, even the maintenance and upkeep of the machines so I think it is better if you can decide very quickly on what to do with the machines.

MR. J. KOROIVUETA.- We will take note of that.

DEPUTY CHAIRPERSON.- You can take note of that and the Ministry can provide information on that later on. Nonetheless, it is of concern since it has been raised as an Audit issue so we very humbly request if we could be provided feedback on the future of that project.

We will move on to the next item.

MR. R FATIAKI.- 24,8 – Review of Case Files – Poverty Benefit Scheme (PBS); Deputy Chairperson and Honourable Members of the Committee, this is regarding the review of cases involving the PBS. A case file must be opened with the name of the applicant, case number in the system, address and contact written on it. All documents provided by the applicant must be kept in the case file.

Audit review of PBS case files noted that documents such as birth certificates, completed assessment forms, confirmations from FNPF on pensioner status, pictures of dwelling, et cetera, necessary for processing of PBS applications were not filed in several case files.

In addition, some case files were not approved by the Senior Welfare Officer. The absence of relevant documents could result in the Ministry not being able to carry out proper due diligence and could result in assistance being provided to people who do not deserve the assistance.

Recommendations made; the Ministry:

* obtained and filed the required documents from the recipients;
* reviewed and updated case files periodically;
* considered entering in a formal agreement with FNPF and other relevant stakeholders, such as the MOE/After Care Fund to confirm a recipient’s pension status; and
* ensured that adequate training/supervisions is provided to subordinate officers handling applications.

The Ministry response is that the birth certificate is a must for the processing of applications and this is required. For each application, without the birth certificate, cases will not be processed. What I mean by this is that, our applications are automated and in the birth certificate there is a registration number that serves as security key, so without the birth certificate the system will not process. I think the problem that arises here was that the birth certificates were obtained but somehow or another, they were misplaced and that is the reason when the Audit came around, they were not able to obtain those.

I am not making an excuse here but it has been an ongoing challenge for us, especially with the filing of documents. As I mentioned earlier, at the moment, we have 24,452 case files just for PBS alone. Then we have 3,384 for Care and Protection cases and then we have 25,212 for SPS. All these comes to a total of 53,648 case files and it is quite a challenge because it requires a lot of documents that must be provided.

For us, I think, once we obtain the main document which is the birth certificate, we can process the case. In the process, the clients are advised to provide the supplementary documents such as birth certificates for the children or other members of the household. Again, as I mentioned earlier, some of the challenges is that, some of them are not registered, sometimes they do not provide documents, even documents from schools so it will take some time for cases to be processed.

If they do not provide it, we have two options; the first option is to wait for the documents to come and it becomes a pending case and it will appear on our books as a pending case until they provide the documents. If it becomes a pending case, it becomes an issue because they go to other higher authority and say; “I applied but until now, nothing has been done.”

The second option is, as long as we receive the primary document which is the birth certificate for the head of the household or the individual, then we can process because one of the requirements is on home assessments, if it is possible so we carry out the home assessment. If the information that is derived from the home assessment qualifies them to be assisted, then we go ahead and process the applications and when they bring those documents, then we file them. Sometimes when the documents are provided and again this is not an excuse, officers do their work where they handle different documents per day, most of the times documents are misplaced.

The other things that we are challenged with, if you come to our office you will notice the space limitation that we have and some of the cases are put in in boxes and are put, even now it is so obvious, it is put on the ceiling. So if the Audit comes running to check the files, we will have to get most of those boxes down from the ceiling to obtain those case files because we do not have enough storage space, even we have tried to provide them with filing cabinets, but you can imagine the size of a filing cabinet. If you can get all those filing cabinets to put all these case files in, then our Office might not have enough space but to go and serve from outside. That is what we are working on.

Ideally, I think the Government’s approach and I think I saw it recently in one of the newspapers is that, to go on the automated system where records are kept on electronic mode, doing away from the paper trail. I can assure that this challenge will continue because of the amount of paperwork trail that we encounter everyday. I am talking specifically on the Social Protection Programmes. Apart from that, we have the other cases like the Child Protection cases, adoption files and abuse files that we have to keep on children, and it is enormous amount of paperwork that we have to do. So, making no excuse to that, yes, many times documents are misplaced but cases are processed as long as we provide the primary document.

There is also recommendation to review and update files periodically. As I have alluded to earlier in the previous presentation and at the beginning, yes, we have factored this into our Annual Plan to review cases. Again, it is quite a challenge because of the number of cases that we have to review cases and so we have been doing that but I think we need to continue to put emphasis on those review cases, and then we will have to relook at setting our Annual Programmes to emphasise the importance of reviewing cases. But I can assure that every review cases have been reviewed and may be those cases that you have highlighted, were those ones that were not reviewed during the Audit but the reviews have been consistently done annually.

The other recommendation is considering entering a formal agreement with FNPF and the MOE on the After Care Funds. I can assure the Committee that, yes, we have consulted with the After Care Fund and they have provided us with their list of recipients whom are receiving After Care Funds, we did comparisons and then we discovered that they are receiving, we closed the cases that are receiving After Care Fund assistance because they cannot be receiving both, because it is coming from the same coffers or from the same purse.

With FNPF, yes, we have consulted with them and we have an MOA with them. Unfortunately, we have submitted names but FNPF has its own core business objectives. And our list is not a small list, so it is quite difficult for them to provide their feedback because the amount of names that we have and then we will have to discuss with them that someone has to sit down and go through that total list. However, there is a current agreement with them and we are trying our best to see how we can work this MOA to the best so that it helps us, likewise how it can help FNPF as well.

That, Deputy Chairperson and Honourable Members of the Committee, is just a brief response regarding the review of cases.

HON. RATU S.V. NANOVO.- Still on that, Deputy Chairperson, I just want to highlight my experience with the Bank that I worked for, for a good number of years. Whenever an application comes in like that to your section, that file will then automatically be delegated to an officer, who will ensure that all the primary documents required are within that before he/she starts working on that file. If it is not there, he/she sends it back and withdraws the application. For reviews, the person in charge is responsible for that. Is that the case with you people so that, at least, one officer is responsible for the number of files that he/she should be reviewing or handling at any one time?

MR. R. FATIAKI.- Deputy Chairperson, Sir, yes, when cases come, they are referred to different case officers. For those officers, there is a number given whereby if it is mine, it is SPSRF/number and the number of years the officer responsible for each particular case that he handles. For example, we have an officer that looks after the Eastern Division, who is responsible for all Eastern cases that come, As I had mentioned in our discussions, we have a problem with staff turnover. If cases are halfway through, the officer leaves and a new officer comes in, sometimes when the documents are incomplete, they will have to try and see that documentations are completed, so those are some of the challenges that we encountered.

Yes, the process is that, if I handle this, I should see it through right to the completion of the case and unless and until I am away and I cannot complete it, of course, I can highlight it to my superior, who can delegate it to someone else. Yes, there is a process that allows and ensures from Point A to Point C, someone starts and completes the case.

HON. RATU S.V. NANOVO.- Still on that, Deputy Chairperson, we heard that the problem that they are encountering at the moment is the staff turnover. What have you done in order to correct that situation? You have noticed that that has been recurring, one of the areas that I was discussing with you during morning tea was that maybe you are recruiting highly and over-qualified staff to do a certain work because they just come there to wait, until they get a good offer, they will go. Why do you not recruit those people or offer them good salary so that they can stay?

MR. R. FATIAKI.- Thank you, Sir, that is an ongoing issue that we continue to encounter. Our experience is that, officers come in with their qualifications from university, they come and do two to three years, gain experience and they are out and it is hard to maintain officers because of those kinds of situations.

One of the things that we are trying to do now is to move away from generic social work and that is what you can do, but there are some things that you cannot do and you will have to go outside externally and ask for those things. What we are trying to do is to try and specialise because as I mentioned earlier, at the moment, our officers are doing generic social work which means at my level at headquarters, I have four Units looking after different responsibilities - Social Protection, People with Permanent Disability, the beggars and the ageing.

At that level, roles and responsibilities are demarcated but at the field level, it is the same officer who does all. So it is quite a daunting and challenging task to do all in one day and I say, officers wear different hats and in a day’s work, different cases come in and different cases require different approaches. You can use the same approach with a Child Welfare Case to an elderly cases, it is different. So what we are looking forward to do is trying to specialise where we can have officers at field level who just specifically deal with Social Protection, meaning that they only look after social protection. Then we have people who are just looking after Child Protection issues. Fortunately, we were able to request for that and that has been approved as of this year, are number of cases that will look at Child Protection but for us, that is something that we can do later.

On the issue of salary and other perks, that is something that we will have to request our people from the MOE.

HON. RATU S.V. NANOVO.- The salary is within you to decide and request because you will be paying the same ….(Inaudible)Changing the curriculum or whatever will take time but if you request for salary this year, you will get it next year and things will start to move.

MR. J. KOROIVUETA.- Deputy Chairperson, Sir, the financial tag to positions now is under review under the Civil Service, under the existing Job Evaluation. So that is something that all of us are looking forward to, to basically remunerate positions in accordance with their responsibilities.

In terms of attrition, we do not have any control. It is our business basically to train and retain our people, to ensure that we maintain the skills.

We also have innovated an initiative and it is the placement for Postgraduates within the University of the South Pacific and also with one of the Australian universities. We wanted to ensure that we have credible workforce and also recognition that it is also a placement institution at our ministry.

HON. RATU S.V. NANOVO.- (Inaudible)

HON. A.M. RADRODRO.- Deputy Chairperson just a supplementary question on this particular review of case files for benefit scheme and the SPS, the number of files that you have is quite amazing. It is probably half of what we have in FNPF in terms of the number, and the way of administering these files, there seems to be a big laxity, sort of, approach in terms of its administration. Going forward, is the Ministry considering having a strong room to file all those because this number is definitely going to increase on an annual basis? Are there plans to have a strong room to keep all those documents in there before we go into the electronic system?

MR. J. KOROIVUETA.- Deputy Chairperson, that is really the crux of the matter. Our head office is located in three localities within Suva, but ideally we should be under one roof. It takes a lot of IT challenges and coordination to ensure but working with what we have, I think this is what we certainly can do.

The other issue that we have been looking at is to have a proper document management system that will be able to do online management well with our Divisional Offices.

Also our databases are actually not centralised. So, when it is in the Division, the Director is not able to see or view it online so it is one of those disadvantages. It is also one of the issues being brought up by the Audit. It is an IT issue basically to centralise it so that all the systems are able to sync together wherever we are. In fact, we wanted it to be online because of the nature of the work, that wherever you are you can always view it.

HON. A.M. RADRODRO.- Deputy Chairperson, I think considering the existence of a strong room will be where all the master documents are in there before you put it out for all the Divisions to have their issues. I think there is a need to have a very good strong room so that information from every individual beneficiary is maintained and kept there.

MR. R. FATIAKI.- Honourable Member, yes, these files are located in the different Divisional and District Offices with some at Headquarters. It depends on the case where the offices are located, for example, in Ba they have a strong room. When the Ba Office was asked to move to the Koronubu House, they came to us and asked for specifications. So, we requested for a strong room and that was provided. But in other places where we were told to go and occupy, when we moved in there, we found that there was no strong room. What happened was, we were using containers and if you go past the Boys Centre, you will see containers there and one of those containers is where we have housed our files.

HON. A.M. RADRODRO.- Maybe, it is about time now that you push hard during Budget consultations to have a strong room.

MR. J. KOROIVUETA.- We are having the Budget consultation this afternoon, Sir.

DEPUTY CHAIRPERSON.- PS, how those proposals will eventuate, we will have to wait and see later.

24.9 – Review of Case Files – Social Pension Scheme (SPS) which is similar to the one that we had discussed. Honourable Members, if you wish, we can move on to the next one which is important.

MR. R. FATIAKI.- 24.10 - Continued Social Pension Assistance to Deceased Recipients; the Social Pension Scheme is for elderly persons who are 68 years and above. As of last year, it dropped to 66 years and above and has no source of income and is not the beneficiary of superannuation payments, such as FNPF Pension Scheme, Ex-Servicemen After Care Fund, Government or Insurance. The death of a recipient may result in the termination of assistance.

Audit review of 180 SPS recipients on a random basis from the Suva Welfare Office revealed that seven deceased recipients continued to receive their allowance after death. The list of the names are there. The Ministry was not able to determine the recipients’ obituary status on time as there was no link to the birth, death and marriage database of the Ministry of Justice. In addition, the Ministry did not practice obtaining the “life certificate confirmation” of recipients on an agreed review time to confirm their existence. Due to the time limitation in the system, there is potential risk of overpayment.

Recommendation: The Ministry work in partnership with Birth, Death and Marriage Section of the Ministry of Justice to identify deceased recipients on a timely basis; and consider amending its Standard Operating Procedures to include requirement for the recipient to submit their life certificate on a practically agreed review time.

Response: The recommendation is noted. The Ministry is faced with the challenge as there is no proper link between the Ministry and BDM. With the new system, and I am talking about the new system that is currently being carried out by Yalamanchili with ITC and we have been assured that once this system is up and we are supposed to be implementing it this year but then again, some hiccups on the other side, so we were not able to implement this. This would help us as they have explained to us, that once this system is up and running, we should be able to have access to, not only with BDM but also the banking facilities and iTLTB. So that is the assurance that they have given us and they have displayed it when they provided us with the information on that system. As of today that system has yet to be up and running.

The other recommendation is the amending of the Standard Operating Procedures and the mention of life certificates. We did write life certificates when they were in the vouchers. It is for six months because normally, we used to issue the vouchers on a six-monthly basis. So, it is from January, February, March, April, May up to June, and then on their vouchers is a life certificate where it says they have to fill. It is something like Ex-servicemen, in fact, we took that idea from the Ex-Servicemen, something that they do and they are supposed to fill them and send them back to us, to state that they are alive and well.

Unfortunately, the type of cliental that we have who are the social pensioners (these are the elderly), we had very few life certificates returned to us. What happened at the beginning was that, if they do not return it, we close the case. We close the case because they did not respond to their life certificate and so we had an issue with that because they are still alive but because of the process that is required we had to do it. But then we found out later that it is not working because if you look at this type of cliental who are in the interior, rural areas, maritime islands, it is hard for them to be able to send the life certificate. So, yes, we did start to do that, unfortunately because of the feedback that we have, we had to do away with it and rely on the reports that come to us.

Yes, we have prosecuted cases where we have discovered that there are fraudulent cases using the False Information Act. We discovered that relatives had been using the allowance when the old person has passed on. We had cases where they were taken to court where the court gave them a choice whether to pay or imprisonment and they paid immediately. So that is the avenue that we are currently following when we discover a fraudulent case by using the False Information Act to prosecute those cases.

HON. RATU S.V. NANOVO.- A supplementary question, Deputy Chairperson, to minimise that problem, do you have your officers out there in the maritime rural areas where the District Officers or the Provincial Administrators are based to assist you in this area?

MR. R. FATIAKI.- Sir, at the moment, it is only two that we have, one is based in Kadavu and the other one is in Levuka, who looks after Lomaiviti. We are looking at the other areas but, yes, we work with the Provincial Administrators. In fact, they are the ones who often refer cases to us where our officers are not available so they are the ones that provide us with that kind of information. But I think as you had mentioned, Sir, it is important to get the death certificate because sometimes the reports came from their office and then we do it, and then we discover that person is still alive.

DEPUTY CHAIRPERSON.- So in cases like this, how does the Ministry get informed, do you find it out yourselves or you receive complaints?

MR. R. FATIAKI.- Deputy Chairperson, there are several avenues that we pursue. For example, if our people are going to a community to do review cases or awareness, they try and get that information while they are on the ground.

The other avenue is we receive information from *Turaga-Ni-Koro’s* and significant members of the community who provide us with that information or like I said, the Ministry of Health provides us that information or, for example, if I know the case because I know my people, so I can see from the social media that they send their condolences to so and so and I know this person very well so I say; “Alright, this person has passed on, close the case.” So those are the avenues that we use. Whatever is available, they will be used but I think there needs to be more emphasis on trying to ensure that it is done on time because sometimes, for example, six months later or three months earlier or sometimes a year after, then we find out.

DEPUTY CHAIRPERSON.- Sir, PS, in regards to a scenario like this, are there any MOUs or MOAs with the Ministry of Health whereby if a person passes away, does the Ministry have some sort of agreement whereby they are able to inform your line Ministry as soon as possible about cases of deaths, et cetera?

MR. J. KOROIVUETA.- Yes, there does not exist one now but we certainly can scope that.

HON. A.D. O’CONNOR.- On that subject, Deputy Chairperson, the BDM should include an extra M for Migration. It might be something for the Registrar or the Executives to consider adding migration to the BDM, so you have Births, Deaths, Marriage and Migration to capture those who have gone abroad.

HON. RATU S.V. NANOVO.- On that, Deputy Chairperson, will it cost the Ministry of Health to send you all copies of death certificates?

(Laughter)

MR. R. FATIAKI.- Sir, I think looking at experience, we have a lot of partnership with different stakeholders but as I mentioned earlier, they have their core business and objectives. For the Ministry of Health to give us their list of death certificates, it will require someone specifically to do that and people are dying everyday. It depends on how stakeholders see the importance of information, likewise when they require information from us, so that is the challenge that we are facing. We have this agreement but the implementing part is quite a challenge because like I said, they have their core objective and business that they need to fulfil on their part, so it is quite a challenge there.

DEPUTY CHAIRPERSON.- I think is good that we have the Honourable Assistant Minister for Health in our Committee. Nonetheless, these issues are leading to audit issues and it would be very vital to have some sort of agreement whereby the two line Ministries can work in resolving this.

Can we move on to the next item?

MS. R. MAWA.- Thank you, Deputy Chairperson.

24.11 – Control Weakness on Competitive Tender Processes; a tender must be called for the procurement of goods, services or works valued at $50,000 plus and more.

The Ministry engaged a supplier to these various promotional items, who undertook printing works costing $160,757 and $130,745 during the years 2014 and 2015 respectively.

The audit noted that the total cost of purchase or supply of items of similar nature from the same supplier during 2014 and 2015 were more than $50,000. However, the Ministry did not call for tenders for the supply of these items. In Table 24.5 are the examples of items that were not called for tender but bought from this supplier.

On the various dates that is noted in the Table, there was a payment for the reproduction of wrist bands for child protection and the amount that is quoted and the comments by Audit was, I quote, “One quotation obtained only due to previous experience with the supplier.”

The second on 22nd October, there was a payment for the printing of brochures and three quotes were obtained which, according to the Ministry, the supplier was engaged as the previous brochures were designed by them.

On 29th December in the same year, another payment for ‘protection of child abuse and neglect’ pins and badges, there was no quotation obtained as this was a reprint of pins already issued on LPO. There was no delivery note or signed invoice sighted. On this same date, a payment for printing of brochures in vernacular languages, there was no LPO no delivery note or signed invoices was sighted.

On 3rd December, payment for promotional items, the Auditor commented that two quotes were obtained and according to the Ministry, the supplier was engaged for quality product and was the only supplier who could produce as other suppliers could not produce the required items. The same as in the April payment of items, such as caps, t-shirts and bags whereby two quotations were obtained and the supplier was preferred because they were able to provide items within the required timeframe.

On 23rd April, payment for printing invitations, three quotations were obtained and according to the Ministry, the supplier was preferred as they designed the items free of charge, flexible to change and they have the capacity to deliver on time.

However, on the Audit Recommendation, our comments said that we have noted their recommendations and we did admit that the quotation was only one in some various areas but we have in place tight controls on purchasing, that we should have, at least, three quotations on any service that is provided by the vendor.

Just to add on, Deputy Chairperson, I just quote from Section 11- Part 2 of the Financial Instruction 2010 where it says; “The total value of goods and services to be obtained from a singular supplier for a particular project or contract…”, whereby the services was done on a single request but obtained on different dates and with the justification that was noted that we obtained from the same supplier due to the quality of services they provide in comparison to the other printing suppliers. Thank you, Sir.

DEPUTY CHAIRPERSON.- Are there any questions?

HON. A.M. RADRODRO.- Just a question to the Ministry, in terms of what they have addressed at the end, the procedures that are being highlighted and what the Auditor-General had identified, you have stated that all those issues are in line with the policies and procedures of the Finance Instructions?

SAUDIT REP.- Thank you, Honourable Member. I am just reading these comments now because if you see in our Report they were no comments. Let us verify and come back to the Committee on that. *Vinaka*.

DEPUTY CHAIRPERSON.- If we can just get a confirmation from the Ministry in regards to the last comment by the Ministry. It says, I quote; “…with incomplete documents, OAG comment is noted and adhered to. Are those documents in order now as per stated here?

MS. R. MAWA.- Yes, Sir.

DEPUTY CHAIRPERSON.- Thank you. 24.12?

MS. R. MAWA.- Deputy Chairperson and the Honourable Members of the forum, in relation to 24.12 - Unutilised Budgetary Allocation; the Report finding noted the significant savings in two of the budgetary allocations namely; the Non-Government Organisation Grant of $150,000 and the Women’s Plan of Action of $1 million.

The recommendation made is to ensure that the Ministry put in place proper plans to ensure that the funds made available in the budget estimates are resourcefully utilised.

In terms of our response, from the $1 million and the $150,000, our Department consists of one officer staff per district and that also is a challenge in itself. In terms of the plans that are in place, we have plans in place but in terms of the implementation, that is something which is beyond us in terms of trying to ensure that we implement all the programmes, noting the staffing that we have.

I must say that as of now, our Women’s Plan of Action, the $1 million that has been allocated and noting our staff in the field, if we are to look at the women of Fiji who are 15 years and above, we have about 17,000 women per officer/field staff. If we are to look at that in terms of the outreach, that is why I am saying we have about 17 field officers at field level.

Nevertheless, now I can confirm that the $1 million that we have been allocated for this year, we have all the money there with us and I can confirm that we can utilise those funding, likewise the NGO grant which we are now working at implementing our projects that have been there with us to be undertaken. Thank you Deputy Chairperson.

DEPUTY CHAIRPERSON.- I have a question for the OAG, I note you have a very stringent comment there where you mentioned, I quote: “The large budget savings indicates poor planning by the Ministry…”, that sounds a bit harsh. Anyway, I just wanted to know the underlying reason behind your Office commenting as such. Is there any threshold whereby there is, for example, a limitation of $100,000? If they are savings of more than $100,000, do you consider that as poor planning? Poor planning is a very concerning word.

AUDIT REP.- Thank you Deputy Chairperson. I believe these are wordings here but what I would like to draw the attention of the Ministry and the Committee here is that, when a budget is given, Ministries and Departments are required to prepare their annual procurement plan and if your procurement plan is in place, you will know which projects you want to undertake and how you are going to implement it throughout the year. I take this and we will go back and discuss what we have written, the poor planning. At the moment, we do not have any policy that gives us the threshold to mark or quantify poor planning.

DEPUTY CHAIRPERSON.- On that note, if there is no policy in regards to that, your Office should not be writing words like that because that basically gives a whole bad picture to the Ministry itself. Realistically speaking, savings is good if utilised properly but using words such as, “poor planning” by the Ministry, that is quite concerning.

HON. RATU S.V. NANOVO.- Just to contribute to that, Deputy Chairperson, I think the planning of how to use this money was done by the Ministry and they also have a work programme to follow in order to fulfil all those plans during the year. If that was not done, that is a question to be put back to them as to why was it not done. If it was beyond three-quarters of the work done, why was not 80 percent or 90 percent? That is acceptable.

DEPUTY CHAIRPERSON.- The allocation was $1.15 million as I noted, the savings is $395,000 so what were the underlying reasons behind such a huge savings? Was it actually due to your poor planning as they have alluded?

MS. R. MAWA.- Deputy Chairperson, the Department actually had it planned and in terms of that, we also had stakeholders collaboration. As we went along in terms of the facilitation of some of our programmes, we also use stakeholders to facilitate and in some of our planned programmes, we work with communities. When we plan our programme and when there is a death in the community our programme is deferred, so in those kind of cases, we have other plans to implement. For that, then we have to look at alternatives whether to put that forward to the next financial year or implement within that period, also taking note of what I had mentioned earlier.

DEPUTY CHAIRPERSON.- Now, it is more understandable but the explanation that you have provided, perhaps that could have been included in the Ministry’s comment because the Ministry’s comment says, “no comments.”

HON. A.M. RADRODRO.- Maybe, plan for the unforeseen circumstances.

Deputy Chairperson, the NGO grants plays a lot of emphasis because there are a lot of women’s groups and activities. Just a question, the National Council of Women, do you still provide them with grants?

MS. R. MAWA.- At the moment, we have not provided grant to the National Council of Women.

HON. A.M. RADRODRO.- Providing until todate?

MS. R. MAWA.- We have been providing assistance to NGOs who are umbrellas on governance, not specifically for National Council of Women.

HON. A.M. RADRODRO.- Previously in the budget, you have been providing grants to this particular NGO?

MS. R. MAWA.- Not to the National Council of Women.

MR. R. FATIAKI.- Deputy Chairperson, can I add to that, I think the NGOs, as the Director had mentioned, we are working with them in partnership and this is challenge that we also encounter with our NGO colleagues that when we distribute funds, one of the requirements is the acquittal. So if they do not acquit on time, we do not release the funds.

Again, the other challenge that we have in partnership with NGOs is that, we would have to have an MOA which is verified by the SG’s Office. It is quite a long process, sometimes it takes months for our MOAs to come back from the SG’s Office. Then when it comes to the distribution of funds, we are coming to the end of the financial year. So when we distribute funds they cannot acquit because the funds are not distributed on lump-sum, it is distributed on phases. If it is $20,000 to this particular NGO, we can only distribute $10,000 and if they do not acquit the $10,000 on time and the financial year has come up, the other balance of $10,000 remains as unutilised funds.

HON. RATU S.V. NANOVO.- Was that explanation justified in this one?

MS. V. DUVUDUVUKULA.- Deputy Chairperson, we have not provided any comments in here. The only comment we have is the verbal response to this Committee.

HON. A.M. RADRODRO.- For grants, you would have been able to tell us which which NGO were not given or partly given, that allowed for the savings, that is probably where we are coming from.

MS. V. DUVUDUVUKULA.- Thank you, Deputy Chairperson, that is noted.

MR. R. FATIAKI.- 24.13 - Information Management Anomalies – Database for Social Welfare Programs; the Ministry, under its Social Welfare Programmes, provided major welfare assistance through the following four programs:

1. Poverty Benefit Scheme;
2. Social Pension Scheme;
3. Child Protection Allowance; and
4. Bus Fare Subsidy.

In managing these Programmes, the Ministry is responsible to ensure that welfare assistance flows to those who need it the most, while stamping out the corruption and fraud in the system. The need to improve record management in all agencies is vital for promoting good governance, transparency and accountability in the public sector.

Timely and accurate decisions are necessary for effective management of the social welfare programmes. Sound decisions require accurate, current and reliable information which depend substantially on the quality of data available.

Detailed study and understanding of the Ministry’s programmes and schemes was to be undertaken in 2013 and integrated into e-application software which are supposed to be developed by the ITC. However, as at the date of audit, the Ministry was still using the manual system. Currently the data is kept in MS Excel format by respective stations and forwarded to Headquarters for consolidation, verification and payment process.

The consolidated MS-Excel records provided for audit did not have the relevant primary fields, such as the Tax Identification Number (TIN), date of birth and birth registration number. In addition, the consolidated records did not have the standard formatting in order to enable effective data analysis, such as identifying multiple payments to single recipient.

Moreover, an MOA was not signed between important stakeholders, such as the Fiji National Provident Fund, Ministry of Economy Pension Office, Immigration Department, Police Department, Ex-Servicemen After Care Fund, Birth, Death and Marriage Registration Office, banks and Public Trustees Office to enable sharing of information.

Given the size of the budget allocated to the programmes annually and the large number of recipients assisted, it is essential that a database which is linked with important stakeholders is established. This will enable proper monitoring of the assessment and approval of the new applications, reduce workload on verification process and minimise potential risks of mismanagement of funds and fraud.

On the recommendations; the Ministry should:

* + follow up formally with the ITC on the progress of the e-application software;
  + have a standard format for its records kept in MS-Excel and include important fields in its record, such as TIN, date of birth, birth registration number, et cetera, to enable data analytics; and
  + liaise with relevant stakeholders and enter into an MOA for information sharing.

On the Ministry’s response, this is the greatest challenge the Department has at the moment, however, the good news is that, the new system with ITC has now been completed and signed off. An allocation has been given in this year’s budget for the recruitment of Project Officers to carry out the data migration. Hopefully, this can be completed before the end of the year (that was last year, 31/12/16) which will see the improvement of our system.

This new system will enable the Department to access information from relevant partners, such as BDMO, iTLTB, the Banks, and now with the signed MOU with FNPF, it will enhance and improve the implementation and monitoring of these Social Protection Programmes.

The only challenge that the Department may encounter in the implementation of this new system as also experienced in the old system will be the connectivity. It can be slow in some areas and inaccessible in others. As I had alluded in my previous responses, one of the greatest challenge we have is the central database. I can recall when we started automating the Social Protection Programmes, it started with the Welfare Database. I was there at the beginning when it developed. Somehow, we did not complete that and then we had the Evolve Database. We did not complete that and then we now have the one that is with ITC, which is beyond our control because throughout the years regarding information technology, the central authority is with ITC.

At the moment, when I gave that response, we were anticipating that at the end of last year, this system would be up and rolling because it had been signed off and we were shown the example. But I would like to inform this Committee that as of today, that has not been done and we are still waiting for them to come back to us because last year when we went to the MOE, we asked for a budget to include the recruitment of project officers to do the migration. This is the 52,000 plus cases that I am talking about to be migrated into the system.

We were given that $60,000 in anticipation to recruit those staff but because we are still waiting for them to ensure that all the works had been done, to-date, we have not been able to do that because they have not completed and have not come back to us on those specifics that we need. Again, that is a challenge but as I had mentioned, you may have the system but one of the challenges also that we face is connectivity.

The ideal is for me to be able to access all the databases and know the particulars of the cases but at the moment, I do not, I have to wait for them when they send their information on a monthly basis. Then it is compiled as a whole and then I will be able to access it, but the ideal is for us or the PS or the Minister to be able to sit in the office, click a button and be able to access.

If there is a pending case in Labasa or Naitasiri or somewhere, they should be able to access that system. At the moment, that is not happening but that is what we want to happen. At the moment, it is beyond our control because of the system and the connectivity again is going to be an issue. You can have the system, but if it is not connected, then it is going to be an ongoing problem for us.

DEPUTY CHAIRPERSON.- I think that basically brings us back to the previous issues that we have been highlighting under certain different skills. Nonetheless, Honourable Members, I believe that is the last issue there as per their submission. Any supplementary questions?

HON. A.M. RADRODRO.- Sir, on this database, this is very important for the Ministry, especially all that we have discussed and the volume of files and cases that you have, who is the main cause of the delay in this database, is it the Ministry or the ITC?

MR. R. FATIAKI.- …(inaudible)…the Ministries that were in the first phase that was implemented, I think they were doing that with BDM and other stakeholders that were in their listing.

HON. A.M. RADRODRO.- (Inaudible)

MR. R. FATIAKI.- The Indian company.

HON. A.M. RADRODRO.- (Inaudible)

MR. R. FATIAKI.- They designed the software.

HON. A.D. O’CONNOR.- They are doing all of Government, the Executives, IT base, they are currently now working on a telephone system network for the entire Government, for the whole of the Executives. I just forgot the gentleman who was the CEO, an Indo-Fijian gentleman. They had come before us.

(Inaudible)

HON. A.D. O’CONNOR.- I think it was Ali, so they are doing a telephone system network for the whole of Government.

MR. R. FATIAKI.- …(inaudible) In fact, our IT personnel, had been following up with them on the updates.

HON. RATU S.V. NANOVO.- Have you got another (inaudible) ….

MR. R. FATIAKI.- I think we have been doing that monthly because it has been delaying our work and we have factored it into our programme, that this is one of the achievements that we wanted but it has been delayed and we had to explain that to the MOE. They asked us as to why we have not we used the $60,000 that we asked for last year. So, in our initial budget consultation with them we did highlight to them the challenge that we faced because we cannot bring in people now because of the incompleteness of the information that we require.

HON. A.D. O’CONNOR.- As Director has alluded to earlier was the fact that a host of these things gets stalled at SG’s office. With regards to the telephone system I am working on with ITC which is for the whole of Government to be on the same telephone system, it was only been released about a month ago from SG’s Office. It was held up there for a good while and we are coming to almost the end of the solution for the whole of Government.

HON. A.M. RADRODRO.- Specifically the database for the Ministry, what stage is it up to in terms of implementation? You said that you are doing a follow up, as per your comments, you are just ready for implementation.

MR. R. FATIAKI.- Sir, as I mentioned, we had signed off, which means they have taken us through the whole process and we are satisfied and happy with the process. The delay is that, we have been liaising with them on the 53,000 cases that have to be migrated. They have agreed and they have told us that they have, at the moment, current information on our three other databases that we are using, that will be able to help them migrate those ones into the new system and then we can do the rest. So we can bring in the project officers to do the ones that they have not done but unless and until they are able to migrate the current ones, we will have to wait until they can do that. That is where the delay is.

HON. A.M. RADRODRO.- (Inaudible)

MR. R. FATIAKI.- Last year.

HON. RATU S.V. NANOVO.- Last year?

MR. R. FATIAKI.- We signed off last year because that was when I made my response.

HON. A.M. RADRODRO.- (Inaudible)

MR. R. FATIAKI.- Yes, because they took us through, they showed us, we did examples and we were able to access iTLTB, the bank, et cetera. We are happy with it because the system was developed on our information. They came and did consultations with us and so they developed the system according to our specifications.

HON. A.M. RADRODRO.- Customised.

MR. F. FATIAKI.- Yes, customised to us. The issue now is trying to help us migrate the ones that are currently in our system to the new system so that we can continue with the rest.

HON. A.M. RADRODRO.- Your recording is still done on the consolidated MS Excel?

MR. R. FATIAKI.- Yes, it is still done on that.

HON. A.M. RADRODRO.- The security of that record?

MR. R. FATIAKI.- The security of the records, in every information system there are levels of access in security. So, the Senior Welfare Officers are the ones that are able to approve and the field officers do not have access to that particular portion of the system, the approval. So, there is level of security system for accessibility. Information is sent to Headquarters and our Head Office. The IT personnel at Head Office consolidates all those information and then submits the list for payments.

HON. A.M. RADRODRO.- (Inaudible)

MR. R. FATIAKI.- As far as I can recall, we have not come across cases where there have been people trying to play around.

DEPUTY CHAIRPERSON.- Honourable Members, on this note, I would like to thank all the Officials from the various Ministries, in particular the Ministry of Social Welfare, Women and Poverty Alleviation, for your submission. We are also grateful to the OAG for highlighting issues in a rather very comprehensive manner, as I can see a lot of appendix information there as well. We also understand the scenario and the situation faced by the Ministry which is limiting them in terms of implementing their roles and responsibilities in a more efficient manner. We will await for the changes to happen which we wish will happen as soon as possible because those issues are recurring.

We take note of your submission and the challenges that you are facing, the ongoing problems and definitely we will be recommending all these in our Report to Parliament. Nonetheless, I thank you, PS, and your team for your submission. Before we conclude our session, any final words from you, PS?

MR. J. KOROIVUETA.- I would like to thank the Committee for your time and also for the advices that had been given to us. I think we must note that Fiji has got a reputable social protection system in the Pacific so certainly these comments will help us shape it better. After the *TC Winston* it was utilised basically to have the Cash Grant to the beneficiaries and they rated it as one of the credible mechanisms that could be used in rehabilitation, so thank you for the advice given to us.

The Committee Interview adjourned at 12.46 p.m.