

PUBLIC ACCOUNTS COMMITTEE

[Verbatim Report of Meeting]

HELD IN THE

COMMITTEE ROOM (EAST WING)

ON

WEDNESDAY, 28TH MARCH, 2018

VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS COMMITTEE HELD IN THE COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON WEDNESDAY, 28TH MARCH, 2018 AT 9.39 A.M.

Submittee: Ministry of Local Government, Housing and Environment

In Attendance:

- | | | | |
|----|---------------------|---|----------------------------|
| 1. | Mr. Joshua Wycliffe | - | Permanent Secretary |
| 2. | Mr. Kolinio Bola | - | Director |
| 3. | Ms. Sainimili Bulai | - | Environment Officer |
| 4. | Mr. Navin Chand | - | Principal Accounts Officer |

Office of the Auditor-General

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| 1. | Mr. Dineshwar Prasad | - | Audit Director |
| 2. | Ms. Sereana Delana | - | Audit Manager |

Ministry of Economy – Internal Auditors

- | | | | |
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| 1. | Mr. Emosi Dovibua | - | Head |
| 2. | Mr. Sailosi Sawana | - | SAO |
| 3. | Mr. Mohammed Rahad | - | PAO |

DEPUTY CHAIRPERSON.- Honourable Members, members from the media, Ministry of Economy (MOE), the Office of the Auditor-General (OAG) and in particular, I acknowledge the presence of the PS and his team from the Ministry of Local Government, Housing and Environment.

We are here to discuss issues pertaining to the Audit Report of the Economic & Infrastructure Sector of Fiji 2016 Volume 4 and also the Audit Report Volume 3 on Social Services Sector 2016. I believe, Sir, you will be taking us through the Audit issues in regards to the three Department's Audit Reports which are stated as per the Report.

Without further ado, I would like to request you, PS, if you can just very briefly introduce your team and then from then on, take us through the Audit issues and the questions we sent for the submissions today. Thank you.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson and Honourable Members, colleagues from the MOE and colleagues from the OAG, for giving us the opportunity to come and present before you the issues, the efforts and the processes put in place to rectify those issues found back in the year 2016.

If I may start with Part A: Financial Statement; Section 23.1- Audit Opinion; on the qualification issue with the City Wide Informal Settlement Upgrading Trust Fund which had a closing balance of \$7,269 for the period ended 31st July, 2016. The City Wide Informal Settlement Upgrading Trust Fund did have a balance of \$7,269, however, as I am informed there were no transactions for the period in their account for 2015 and 2016.

One of the key reasons the reports were not received on time was also particularly because of the shortened financial year in 2016. However, the Ministry has put a submission with the OAG and has closely worked with them, to rectify so this does not recur again in the qualification of City Wide Informal Settlement Trust Fund.

The Office has submitted the document to the OAG and as soon as we obtained the approval from them, we will submit it to this Committee. The expected date will be 30th April. If there are any questions on this, otherwise I can proceed further?

DEPUTY CHAIRPERSON.- Honourable Members, any question on 23.1 -Audit Opinion? Honourable Radrodro?

HON. A.M. RADRODRO.- Deputy Chairperson, just a question regarding this Trust Fund Account, PS, it looks like it is a new account that was set up recently for this particular project?

MR. J. WYCLIFFE.- For the Lagilagi Project, it has been there since 2015 at least, at the minimum if not before that. It was established in 2013.

HON. A.M. RADRODRO.- In 2013 but this is the 2016 Audit. It is a concern when the records are not being kept.

MR. J. WYCLIFFE.- We agree, Honourable Member. What we have done though is after that, we have tightened up and we have also done an internal audit with the Lagilagi Housing themselves their trust fund as to how these funds were utilised and so as the process of rectifying it, what we have done is, not only done our books but also the way that money was spent internally by Lagilagi Housing. If there is anything more to add, Director Housing?

HON. A.M. RADRODRO.- In this particular scenario, would the Department maintain this particular bank account?

MR. J. WYCLIFFE.- yes.

HON. A.M. RADRODRO.- The Trust Fund Account?

MR. K. BOLA.- Honourable Member, the City Wide Trust Fund has trustees comprising the Permanent Secretary, the Director Housing and the two Directors from the People's Community Network (PCN). So the trust account is tapped at the Ministry's Accounts.

HON. A.M. RADRODRO.- That is all right, but why the records not being properly kept and submitted for Audit, especially, it is a latest account when the PS and the Directors are part of the accounting of this particular fund. Why is the record not submitted for audit?

MR. J. WYCLIFFE.- Going back to 2016, this was basically from 2015-2016, I had gone back to see how they had organised it during that year.

HON. A.M. RADRODRO.- ...(inaudible) with the PS and Director Local Government directly involved in the accounting of this particular trust fund account but yet records were not properly submitted for audit?

MR. J. WYCLIFFE.- During that time, yes, Honourable Member they have not kept it on time on a monthly basis. However, the only thing we have currently done is rectify, unless you have anything else to add to.

MR. N. CHAND.- Honourable Member, the sum of \$7,269 was appearing as a credit balance in FMIS under this City Wide Trust Fund. However, the bank balance is zero, this fund of \$7,000 was drawn on 20th June, 2014. However, the journal for the payment was not captured in the FMIS so as a rectification exercise which we have taken this month, we have actually submitted the request to Auditor-General so that this adjustment is passed in order to have this GL Account balanced.

HON. A.M. RADRODRO.- I have noted your comments, PS, that you are trying to rectify this problem through working with the OAG and the MOE. How do you intend to rectify those problems when you cannot even produce the records for audit?

MR. N. CHAND.- Sir, in relation to this, the bank statements were acquired from the Bank of the South Pacific that was submitted to me two weeks ago. I have put up the submission. I joined the Ministry on 15th February, 2018 as the Principal Accountant. So as a rectification exercise in relation to the Audit issues, I have actually inquired with the Bank and have actually trailed this information, as a measure to correct this so that this qualification does not appear again, this was the measure undertaken.

HON. A.M. RADRODRO.- So the records that had been highlighted here by the Auditor-General that you have not been submitted to them is just basically the bank statements?

MR. N. CHAND.- Yes, Sir. The funds were withdrawn in 2014.

HON. A.M. RADRODRO.- Auditor-General, can you tell more about this records just the bank statement?

AUDIT REP.- Thank you, Honourable Member. Currently, the Auditor-General is getting the Audit of the Department of Housing for the 2017 Financial Statements and this amount is yet to be reconciled. And as mentioned by Mr. Chand, they are in the process of proposing a journal entry to correct this transaction.

According of Mr. Chand, there is a nil balance in the bank statement and it shows a credit balance in the FMIS, so definitely it is a reconciling issue. Reconciliations were not done and it has not been forwarded to us for review. So at this point of time, we cannot really comment on the nature of the variance.

DEPUTY CHAIRPERSON.- You mentioned reconciliations not being done, was it due to the failure of the Accounting people who were there at that time?

AUDIT REP.- I think the comments that we are getting from the Ministry, there are few things in there:

1. Lack of resources;
2. there were few officers who were managing both, the Department Housing and the Department of Local Government; and
3. I think they are suggesting some of the trainings to be conducted.

So those are some of the reasons that they provided to us during audit.

DEPUTY CHAIRPERSON.- Yes, lack of resources is something that we acknowledge as a persistent problem in other Ministries as well. PS, with your indulgence if you can just inform the Committee, has this problem been solved now?

MR. J. WYCLIFFE.- Mr. Deputy Chairperson, yes, after I came into the Ministry, I have looked at this issue and I have reinforced and I am going to reinforce the Accounts. The Principal Accountant who is sitting on my left is the latest addition we have had in the team to reinforce and strengthen our finance.

It is true that we have struggled, I did not want to earlier reply to the Honourable Member, I did not want to start my responses on an accuse by saying, that that was not the reason but certainly we have struggled with staff resources. But we have not sat on our hands and done nothing about it, we have gone ahead and recruited three new staff now, one of them being the most senior official which is the Principal Accounts Officer and that is now beginning to reflect on our books.

We are starting to see immediate changes, this very fact that he has come in and he is working with the OAG in submitting and being able to reconcile, is a shift from our previous struggles.

HON. RATU N.T. LALABALAVU.- Thank you, Deputy Chairperson, I seek some clarification from the PS and the MOE; reading through the OAG Report, it is quite difficult for them to set in accuracy, correctness of their audit on the trust account. Are you legally empowered to hold Trust Fund Account?

MR. N. CHANDRA.- Sir, in relation to this setup, the bank account was opened based on the Cabinet Decision we had for that particular project. So, we have actually liaised with MOE in order to open the account and approval was sought.

HON. RATU N.T. LALABALAVU.- I find that quite uncomfortable because it gives them the role of housing, here you are trying to operate on Trust Fund Account.

MR. K. BOLA.- Yes, Sir, let me explain on the Trust Fund Account. There was a Cabinet Decision in 2010 where the Government approved the housing partnership between the Ministry, the PCN and the Asian Coalition of Housing Rights where part of the funds will be transmitted through the MOE from the Asian Coalition of Housing Rights. This is a three-year partnership programme and remaining 50 percent is funded through Government.

Basically, the intention of the Trust Fund is to assist Municipal Councils in the incremental upgrading of 15 informal settlements within the Councils' boundary from 2011 onwards. From our records, we have implemented about more than 18 incremental upgrading programmes in partnership with PCN and all the 15 Municipal Councils throughout Fiji. So, that is where the establishment of the Trust Fund which was opened with approval given by the Permanent Secretary for Finance then in 2012 or 2013. I have got a Cabinet Decision and the MOU that was undertaken and signed by the Government.

HON. RATU N.T. LALABALAVU.- Thank you, Deputy Chairperson, a further clarification, PS, who are the beneficiaries there, the town councils or the people who are in need of housing or those NGOs?

MR. K. BOLA.- Honourable Member, the beneficiaries are basically the urban poor who are living in settlements and the Ministry works with all the Councils in the incremental upgrading of their roads, toilets and showers and also water and sanitation. So, you can see some of the good examples is

the construction of five disabled homes in Lagilagi Housing Project. Part of the fund was sourced to construct the five homes for the elderly in the Lagilagi Housing Project and if you travel around all the Municipalities, you will see evidence of those projects.

The beneficiaries are the urgent poor, people living in formal settlements and I have got a list of all the settlements that were assisted.

DEPUTY CHAIRPERSON.- Yes, we can move on to the next issue and that is 23.6.

HON. A.M. RADRODRO.- The formation of those who are responsible for this Trust Fund Account?

MR. K. BOLA.- Yes, signatories, Sir, signing off of cheques so the cheques could be given to the Councils for the implementation of the incremental upgrading programmes.

HON. A.M. RADRODRO.- In terms of the records and cash book that are being highlighted here by the Auditor-General, who is supposed to be responsible for that since the Ministry and NGO is responsible?

MR. J. WYCLIFFE.- The books are kept at the Ministry, Honourable Member, and they are maintained at the Ministry. However, the funds that are dividend to the NGO and how they are spent, they keep their books and what we now do is we audit them as well. So, once the funds go to them, how they have utilised it, that is under scrutiny as well.

DEPUTY CHAIRPERSON.- I believe we have taken sufficient questions on that, if we can move on to the next issue. Thank you.

MR. J. WYCLIFFE.- The next one is also an issue that has been there since legacy. It has been there for a while within the Ministry. Again, a key issue there was a staffing situation. We have not had adequate staffing and since 2016, we had three staff. Now we have bolstered it with three additional staff as well, and we have addressed this problem through the Budget submission by getting in three new positions.

The measures that we have taken so far as provision of FMIS and payroll training for our staff, in-house we have built capacity to motivate staff and procedures and processes pertaining to reconciliation. All underlying reconciliations are being prepared now on a monthly basis and we closely monitor the works of the team to ensure the procedures are adhered to at all times.

We have taken for a special focus an active role so that the reconciliation as it stands of today, reconciled and completed.

HON. A.M. RADRODRO.- A question to the Ministry, do you have an internal audit section in your Ministry?

MR. J. WYCLIFFE.- As of last year we did not have, we have now looked at restructuring and employing an internal audit structure in place for this year.

HON. A.M. RADRODRO.- The question is directed to the MOE on the role that they play, how many times have they audit the Department of Housing since this issue is an operational issue which can be easily rectified if identified on time?

MOE REP.- Sir, we have conducted various audits from 2015 on the Department of Housing and the Department Local Government and similar issues have been noted. We have also highlighted it and the Ministry also mentioned that they will be addressing the concerns.

DEPUTY CHAIRPERSON.- There are no more questions on that. Perhaps, we can move on to the next one.

MR. J. WHYCLIFE.- Thank you, Deputy Chairperson.

23.7 –Non-Utilisation of Funds for Lagilagi Projects; this is similar to the one that we were talking about. Again, that particular year was a shortened financial year so we could not entirely spend that entire amount that we had said. There was a bit of a delay in reporting because the year abruptly ended in August.

However, we have since worked with them and like I said initially, we could not prepare an audit report. We have instructed them to provide an internal audit report for that year and on the Government grant for the Lagilagi Development Project before it will realise year 2016-2017. This is part of the Ministry's governance improvement and financial practice.

We are also putting checks and balances in place by regularly attending site meetings and project managers' meetings which include our design, QS, Structural Engineers and other consultants who work alongside with the PCN. It goes through tighter scrutiny and we are hoping that this audit that we put in place for them would come up with where the shortfalls were and how if there is any gap left from hereon to rectify it.

Is there anything else you would like to add? That is all.

DEPUTY CHAIRPERSON.- Just a question out of interest, PS, there are names of certain NGOs in here - Peoples Community Network, is that an NGO?

MR. J. WYCLIFFE.- It is an NGO, Deputy Chairperson, it is a housing network, a very good idea in terms of how a partnership could be established between the needy, citizens who need houses and also collect resources from various partnerships. Government is a major supporter of PCN but they also go about raising funds, if they have to.

It collects people, especially fire victims and people like that who have nowhere to go all of a sudden. PCN has come in and supported the Government to be able to provide the assistance for them. They have their own membership and membership contribution towards it which is monthly. They pay the money, the mortgage amount and the house becomes theirs. It is an NGO in short.

DEPUTY CHAIRPERSON.- You have mentioned that they have a membership, this membership comprises of who?

MR. J. WYCLIFFE.- The people who need the housing assistance.

DEPUTY CHAIRPERSON.- So organisations like this basically come in to assist their members who are paying a subscription.

MR. J. WYCLIFFE.- Yes, and they build houses for these people. In so many way they do resemble other vendors, housing suppliers in the market but more with a twist towards charity.

HON. RATU N.T. LALABALAVU.- Thank you, PS. Through you, Deputy Chairperson, I am just seeking some clarification on the NGO. You have indicated they are very good, they have been identifying the problems, et cetera, but here we have a problem of auditing.

MR. J. WYCLIFFE.- I agree.

HON. RATU N.T. LALABALAVU.- Was it properly and thoroughly checked as to the capacity of this NGO?

MR. J. WYCLIFFE.- A very good question, Honourable Member. I will wait for you to complete and then I can respond.

MR. K. BOLA.- Deputy Chairperson, we have the audit report for the PCN in terms of the Government grant that was used for the Lagilagi Housing Projects for the financial year 2016–2017 done by Naiveli and Associates. We have the records here.

The acquittals in terms of Government grants that were meant for the construction of Lagilagi Housing Project are being provided by the Accounting Section and the physical development reports were undertaken and provided by the contractor, Fortech. We have the evidence here in terms of Government grants that was used for the construction of the Lagilagi Housing Project.

(Inaudible)

MR. K. BOLA.- Recently, they have also done the audit since we have engaged them through a Cabinet Decision that was made in 2013 so all those financial years, they have audited their report and also the audit was done by the Auditor-General and the MOE in terms of utilisation of Government grants for the construction of the Project.

(Inaudible)

MR. K. BOLA.- 3.2, yes, it was a Government grant.

MR. J. WYCLIFFE.- Sir, the question here is basically non-utilisation. There was a small amount that was not utilised and it could be attributed to several reasons, including a shorter financial year, they could not do it in the six-seven months. But other than that, we do not have any issues directly associated with that.

HON. A.M. RADRODRO.- PS, just a question, in your response you said, the non-utilisation was contributed by both, internal and external factors. Could you elaborate to the Committee on what do you mean by the internal and external factors?

MR. J. WYCLIFFE.- In terms of internal factors, obviously it was the shortened year in which we went to them and told them that the year ends so it is internally from us, we mooted that.

In terms of external factors, they obviously did not have the capacity to spend it all immediately in that short time and again, I do not want to brand them as an NGO and say that is why they did not have access capacity but obviously in private scenario, they would have had a lot more access capacity to just get on with it and do it, even if deadlines are pulled back, that was why.

HON. A.M. RADRODRO.- ...(inaudible) project on the ground. This has been an ongoing audit issue regarding this particular project. The intentions of the project was to give housing for the less fortunate in Fiji but as we go to those projects, there are still an increasing number of people still squatting. So, are you really taking the intentions of the project - less fortunate, affordable homes? What is the current scenario?

MR. J. WYCLIFFE.- Thank you, Honourable Member, a very good question actually.

Lagilagi Housing Project alone would have never been able to resolve the problem once and for all. You cannot even say it is a drop in the ocean but, at least, it is a starting point. That is where the Lagilagi Housing Project started.

It was also meant to be a model, to be able to showcase going forward. Affordable housing is an issue not just in Fiji alone, that is all over the world and affordable housing comes because of three issues - technology, manpower and the rising costs. So whether it is an NGO or Government, everyone faces the same issues.

So what we have done at the Ministry, we have also subsidised our projects through other means, like sustainable housing. One of the several reasons people come and squat, the root of the problem is, seeking employment, as we all know, education and health. The Ministry is working in conjunction with other Ministries to go back to the root of the problem and establish a solution there, not at this end of the spectrum where they come and are already squatting.

What we are doing is, we are doing satellite township models where we have done enough research and development into it. What we do is right from where they intend to come out and squat, we attack the problem there by providing them employment, providing them education and primary healthcare.

This model has successfully worked elsewhere, and we are trying to localise it to Fijian requirements and being able to take it forward. But like I said, Lagilagi was only a starting point, and we would need a few of them in the country to continue to take it forward.

HON. A.M. RADRODRO.- The intentions of Lagilagi Housing Project and the purpose of its setup, was it basically foremost to address those sitting tenants or squatting or now has been opened up whereby the people that are intended for initially are no longer

MR. J. WYCLIFFE.- Honourable Member, the intention will continue to be the same, the people for whom it was intended, it would benefit them. And the Ministry keeps a close tab on who is coming in, who is trying to sneak in and who is not and that is why the last paragraph of my submission says that we are there on sight regularly for meetings both, with PCN and the people who are there ensuring that outsiders do not sneak in. I would be lying if I say that people do not try, people do give it a try to sneak in but we work with the PCN to stop it.

DEPUTY CHAIRPERSON.- We can move on to the next audit issue.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson.

23.8 - Delay in Processing First Home Buyers Applications; again, we are going a few years back when this First Home Buyer model was being, not just tested but also progressed, so the model was progressive. It was being, I would not say perfect but it was being rectified right through as it worked. During that period of time it went through several processes but since the last 18 months or two years what we have done is, we have put in new models, we have improvised on our Standard Operating Procedures (SOPs) and last year, we were able to do close to 1,000 First Home Buyers support.

How we have done that is, we have undertaken to double check within the Ministry, also go on spot checks and work with the banking and financial institutions so they worked closely with us. So the processing time has also reduced. So we aspire to have in our SOP as of now, have it all done in 24 days when it reaches the Ministry within the 24 working days. So basically we have come a long way from where it was before to now, it has not only increased the number of First Home Buyers but the speed has also come down. It used to be 80 days and now we are looking at 24 days.

DEPUTY CHAIRPERSON.- We, as Members of Parliament perhaps, this is just a general question but before that, you mentioned very stringently that the First Home Buyers was administrated under Section 50 of the Ministry of Economy budget allocation, therefore, it nullifies the Auditor-General's comment. OAG, what is your stance on that statement?

AUDIT REP.- Thank you, Deputy Chairperson. I just like to request the Committee if OAG can get back to that issue because we will have to verify that with MOE and our reports as well.

DEPUTY CHAIRPERSON.- Secondly, PS, would you be kind enough to assist us with the criteria of the First Home Buyers Scheme? A lot of people called and asked us as Members of Parliament and I think this arrangement is through the banks, it is not through...

MR. J. WYCLIFFE.-through the Housing Authority and financial institutions, like banks.

DEPUTY CHAIRPERSON.- So, this are all the banks in Fiji?

MR. J. WYCLIFFE.- Yes, all banks in Fiji and also Housing Authority. We aspire in the coming financial year to increase that to other people, other services as well because it is increasing, more people are coming in.

One other area we found out last year after I took over was the lack of awareness and that is one of the reasons why you Parliamentarians get asked the questions all the time, because of people not being fully aware of the criteria. So what we have done is, we have facilitated promotional events, promoting the First Home Buyers with financial institutions.

We have had and we will continue to have this, it is a new idea roundtable with financial institutions and also bring in home buyers to attract the people and also, we will be releasing advertisements in this financial year and reach out to community networks.

One area the Ministry has explored successfully with the Department of Environment and we would like to replicate it with the Department of Housing is to work with the Ministry of iTaukei Affairs among communities as well, so that we are able to reach into other communities and provide information, not just information from a bureaucratic point of view but also in the customer language, wanting them to understand their customer needs, housing needs and being able to provide information

on that. So we will collaborate. The Permanent Secretary of i-Taukei Affairs and I will work closely together in building a model so that information is spread far and wide.

DEPUTY CHAIRPERSON.- Perhaps, general questions are not audit issues, perhaps during tea time we can have more conversation on that.

MR. J. WYCLIFFE.- Sure, Sir.

DEPUTY CHAIRPERSON.- A lot of people keep asking us about this Scheme.

Before moving on to the next issue, do you have any question?

HON. A.M. RADRODRO.- Just a clarification on the First Home Buyers, are they for any newly built home or newly bought home?

MR. J. WYCLIFFE.- Yes, it has to be a first time buyer. They should not have had any other home owned by them. The way we verify that, we go through the Titles Office and do a title search and if the person does not have a title that the new record has shown then, that is one of the criteria that they can get.

Now and again, you get people who have started to build or they have had only one piece of land, and if they have started to build the first home on the first piece of land, we then do assist them as well because that is their first home. But we have a stringent measure, we have inspectors to go and see and come and have photographic evidence.

DEPUTY CHAIRPERSON.- Thank you, as I said we can have more discussions on that during our informal break. Definitely, we want to know more about this Scheme so we can perhaps, move on to 23.9 as of now.

MR. J. WYCLIFFE.- 23.9 – Anomalies in General Ledger Accounts Reconciliation; this is similar to 23.1. Those issues are from the previous years that had continued. However, with the strengthening of the team now and three more people joining the team and having increased training, we have been able to rectify it so far and we also work now with the OAG in being able to sort out those issues.

DEPUTY CHAIRPERSON.- Perhaps, this is a question to the Department of Housing. There has been some very essential concerns like reconciliation, update of General Ledger, et cetera, which was not very consistent. Has the request for more staff been sent to the Ministry because this seems to be a legacy problem as alluded by the PS, meaning that it has been continuing for quite a number of years? Was there a request being sent and what was the scenario at that time? Perhaps, we would be interested to know why the officers were not appointed.

MR. K. BOLA.- Sir the appointment of officers is the responsibility of the Permanent Secretaries. If there are vacant posts, they are the ones to decide. If they need additional staff, it goes through a budgeting process and it is their duty to justify to the MOE during the Budget time that they need an extra staff.

DEPUTY CHAIRPERSON.- So as we speak, probably the previous PS was not sending this request?

MR. K. BOLA.- It could be and it could also be a miscommunication between the operations people and the Accounts people in the Ministry whereby during budgetting time, they did not liaise with each other and look at the real needs from the accounting side.

MR J. WYCLIFFE.- Deputy Chairperson, if I may also add, that when this matter came to my notice, I did work with the current Permanent Secretary for Economy, she did help me, but it was her band-aid solution because they also have their own work to do. They have their own tasks to do as well but in spite of that, she did help me with temporary assistance. We also reached out to the Ministry of Labour, their team came and they supported us for a while.

This has happened in the last six to eight months constantly working on it. That is why we have been able to rectify and bring it to speed wherein we can come back and submit to the OAG and to PAC a total up-to-date reconciliation. That was because we have reached out to other Ministries for support and in a lighter vein, we went to the Ministry of Infrastructure and requested for people to come and help and that PS sent so we ended up pinching one of their staff to come and work for us as our Principal Accountant.

Today, we are where we are in prudence because three Ministries including MOE helped and, of course, when this matter came to my notice, I put up a budget submission like how my colleagues said and justified it and I was able to get three staff.

DEPUTY CHAIRPERSON.- Thank you. Any question?

HON. A.M. RADRODRO.- Deputy Chairperson, just going back to the First Home Buyers processing time, we note the improvements in terms of time and processing time from 109 days as highlighted by the Auditor-General to 24 days now. My question is basically, what was the cause of the delay and how can we ensure there is real processing accountability; now it is reduced to 20 days from 109 days?

MR J. WYCLIFFE.- It went into multi-level sequencing, how the applications were being processed. When we became aware, I come from a housing background myself and two things are important like you said, you are very right, one is scrutiny, being stringent at the same time efficiency and speed as well.

What I did was work with the team to identify areas that will make it more efficient and identify areas that were actually sagging the time and making it inefficient. So cut out those areas, put in more stringent through adding people so instead of two of pair of eyes looking through it, we have now six pairs of eyes but the only difference is all of us do it at the same time and not do it at six separate times. So that cut off a major gap in time.

DEPUTY CHAIRPERSON.- Have you also cut off certain criteria?

MR J. WYCLIFFE.- No, the criteria is the same what it was intended for originally, it is still the same. In fact, you are looking at making it even more friendly and useful right now because we have heard people with little higher salary threshold wanting to go for this and we are looking at other models from our Pacific neighbours, especially Australia and New Zealand; how they have done and how they have kind of increase the threshold and still being able to assist people. But to be honest, we still have the segment of people whom we have not entirely catered for, so it would not be wise to start looking at them as well. But funding is available, so there is no issue there. We should be able to accommodate but the key would be personnel to process human resources.

HON. A.M. RADRODRO.- Sir, just supplementary question regarding the criteria, as for those in the villages who want to build homes, I know that one of the criteria is for leases, you have registered leases or something?

MR J. WYCLIFFE.- Titles?

HON. A.M. RADRODRO.- Titles, yes, for those in the villages they will definitely be out in meeting the criteria. And also those on the \$50,000 salary, that is at the point of application, but if they go up or those who were up there come down when they were rejected at the time of the application?

MR J. WYCLIFFE.- Thank you, Honourable Member, two things happen. One is when they apply, some people at the lower end and then they go up. What we do is we take the date of application into consideration. For people who come back, again the date of application is what we look at, so when they apply, when they intend to buy a home is what was taken into consideration.

But in terms of village housing, there is another model; would you like to discuss about that, the village housing?

MR. K. BOLA.- We agree that people living in villages are excluded from the First Home Buyers Grant but if they subdivide the land and get a proper lease, they will be entitled. There is another programme that has been run by the MOE, the Indigenous Funds, just to help the indigenous subdivide their land for residential purpose, if they are living in Fijian villages. With the combined of those two grants they can basically assist the *iTaukeis* in accessing their first homes, especially in the areas outside town boundaries; people living in rural areas.

There are two existing grants that are operating; one being operated by the MOE which is called the Indigenous Grant for \$10 million that will help landowners subdivide their land for residential purpose and this Grant will complement in the construction of their homes. I think more analysis needs to be undertaken by the Ministry and also the MOE to ensure that this programme run concurrently and enable every Fijian to access their first homes.

DEPUTY CHAIRPERSON.- Yes, but as we speak, this will still remain a problem for all those *iTaukei* people who are in the villages because it is believed the ownership of the land is communal.

MR. K. BOLA.- No, if they agree to de-reserve and subdivide through the land subdivision.

DEPUTY CHAIRPERSON.- I think that is an impossible process because if there is a house right in the middle of the village...

MR. K. BOLA.- No, no, what I am saying, Deputy Chairperson, is those people who want to live outside the village reserve but still within or closer to their villages, either of the programmes that they can work with the Government to ensure that they have

DEPUTY CHAIRPERSON.- So are there opportunities for those who are inside the villages?

MR. K. BOLA.- I think they have the right too. They want to build outside the village reserve, as long as the *Mataqali* agrees and the leasing process is done through the iTLTB.

HON. RATU N.T. LALABALAVU.- Through you, Deputy Chairperson, PS, in hearing your views on efficiency, turnaround time and your plans now to liaise very closely with the Ministry of iTaukei Affairs to address all these, does your Department or Ministry once thought of relaxing some

very very stringent conditions that affects the cost, especially land development costs like instead of kerbing, et cetera, gravel because firstly, it will improve very much on efficiency and secondly, the cost will be reduced. I have tried it once when I was in charge of the Ministry of Lands. We tried it at Malolo, Nadi and even in Labasa-Bainisucu area, it was great just having gravel road but you provide the basics there - water, electricity, et cetera. Have you given thought on that yet?

MR J. WYCLIFFE.- Thank you, Honourable Member. We continue to look at ways and means of speeding up and putting efficiency in place. Any variance to what is normally expected in the standard, the Minister has the powers to be able to waive it, and in such cases, we go to the Minister. But what you are suggesting, I take your point on board and you have two exemplars to show from Malolo. The Ministry would like to see how efficient that has come over a period of time.

One of those things in civil engineering when we do civil works is we look at durability and we always look at cost effectiveness. If it can balance these two, not sure about in Fiji but in some countries, they even guarantee the roads. The contractor guarantees a number of years the roads will be durable. If that is something that withstands durability, yes, we would like to really do it, Honourable Member. We will try to look at that option but an answer to your question, yes, we have considered options and waive the balance of how we could look at efficiency, as well as durability in terms of infrastructure.

Secondly, infrastructure directly does not sit us either in all the infrastructure. We do development within the communities and so contractors who come in, they bid for the job and if we can draw parallel to similar which have been successful and you said this was done about 10 years ago, we are certainly quite keen to see if that would still be working in our areas yesterday.

Thank you very much for that.

DEPUTY CHAIRPERSON.- Thank you, Honourable Ratu Lalabalavu. I believe 23.9 relates to the previous response of inadequate staffing and that has been addressed. Perhaps, we can move on to 23.10 - Board of Survey not Conducted.

MR. J. WYCLIFFE.- Deputy Chairperson, that has now been done. That was again a short year a time, they could not complete it before August but since then, we have been able to complete it.

DEPUTY CHAIRPERSON.- It says the section sequence number says 8.5. Is that a typing error?

MR J. WYCLIFFE.- It is a typing error, we apologise.

DEPUTY CHAIRPERSON.- It is a bit confusing. We will move on to the next one that is the Department of Local Government, Town & Country Planning. Before we do so, I believe the tea is ready, so we can take a small tea break for 15 minutes and we will continue with the submission on that Ministry afterwards. Thank you.

The Committee adjourned at 10.32 a.m.

The Committee Interviewed resumed at 10.56 a.m.

Interviewee: Ministry of Local Government, Housing and Environment.

In Attendance:

- | | | | |
|----|------------------------|---|---------------------------|
| 1. | Mr. Joshua Wycliffe | - | Permanent Secretary |
| 2. | Mr. Alipate Mataivilia | - | Economic Planning Officer |
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DEPUTY CHAIRPERSON.- Thank you, Honourable Members, members of the media, Ministries and Departments, Office of the Auditor-General (OAG), we are going to have Ministry of Local Government, Town and Country Planning and Environment submission now and we are going to start with 37.1 as per the written submission provided by the Permanent Secretary. So, if you can take us from there PS, thank you.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson.

Part A: Financial Statement; 37.1 - Audit Opinion; that has been a recurring issue. Again, with the new Principal Accounts Officer we have been able to rectify that.

We were working with both, the OAG as well as the MOE. In a far right column, it gives an update on what we have done to resolve this particular issue.

In relation to qualification pertaining that we received in the trust fund of the Ministry of Environment with the assistance from FMIS, the trust fund account we have reconciled now from 2012 to 2017. The variance of \$1 million plus between trust revenue account and bank account, the Ministry is almost finalised and will submit its submission to the MOE. I am told that one of the official here is working with the Ministry so we will rectify the variance which had resulted in previous years' mispostings and adjustments made, and this will be done in a matter of about four to five weeks from now.

Beneath, Deputy Chairperson, you will see the measures we have undertaken post that situation from the previous years. We have had reinforced trainings for our staff, built their capacities and now with the new regime, ensures the reconciliations are prepared and verified and signed copy is submitted to the MOE, and they all prepared on a monthly basis. With the principal level manager who is managing the Accounts Department now for the first time ever, controls and checks and balances are now in place. So I can confidently tell this Parliamentary Committee that going forward, they will not reoccur.

DEPUTY CHAIRPERSON.- Thank you, I believe you have also made the comment that we will be provided an update on 30th April, 2018.

MR. J. WYCLIFFE.- Yes, we will.

DEPUTY CHAIRPERSON.- So, we will await for that. Just a point of interest, this Environment Trust Fund, what does it contain?

MR. J. WYCLIFFE.- The main source of Environment Trust Fund comes from the gate fees at Naboro Landfill.

DEPUTY CHAIRPERSON.- Alright.

MR. J. WYCLIFFE.- The fees that we collect at the gate, that is one area that the money comes from. The Naboro Landfill services four Municipal Councils from the greater Suva area so an Act allows that trust fund to be utilised for, of course, at the Naboro Landfill for the purpose that is there.

Also, environmental reconciliation during disaster, one of environmental repair that we can undertake as per the Environment Management Act 2005. If there are any other variances obviously we go through the Solicitor-General's Office to clarify.

DEPUTY CHAIRPERSON.- So, there are fines in relation to littering, et cetera, does that also go to this Fund?

MR. J. WYCLIFFE.- Yes, the Environment Impact Assessment (EIA) Fee, the Waste Management Fee and the bond that we collect for EIA, all these go into Environment Trust Fund as well.

DEPUTY CHAIRPERSON.- Thank you. Honourable Members any question on that? So, we will await until 30th April and you can just email the Committee on the update.

MR. J. WYCLIFFE.- Thank you.

DEPUTY CHAIRPERSON.- It is not essentially important coming here and give submission on that.

37.6 - Failure to Prepare of Salaries and Wages Reconciliations.

MR. J. WYCLIFFE.- This is also the legacy issue that we have spoken about other Departments earlier and we have undertaken similar measures in place. We put similar checks and balances in place so it does not reoccur. Again, I can with confidence tell this Committee that these things when rectified when going forward will not reoccur.

DEPUTY CHAIRPERSON.- Honourable Members, I believe that is a legacy issue and as alluded earlier by PS, measures had been taken by recruitment of new staff to look into this and hopefully, they will improve further on that.

HON. A.M. RADRODRO.-A supplementary question to the PS; in hearing about the way forward, recruitment of staff, how many staff do you have in total at the Ministry?

MR. J. WYCLIFFE.- In the Accounts Section, they were working with three staff up until last year. After I reviewed and had recognised this issue, I have taken three more, and one of them being a Principal/Manager level, that was lacking, the gap was that.

We had a Senior Accounts Officer (SAO) and that was not actually fulfilling the checks and balances, more a supervisory cadre but when you have a manager, manager puts a more monitoring effect into that, so we now have six and we have one more vacancy that we will be looking at filling. As you are aware, the Ministry of Environment was separate so totally all in all, the Ministry of Environment has got 106 so it would cross a complement staff of 180.

HON. A.M. RADRODRO.- The Ministry would have an established staffing structure.

MR. J. WYCLIFFE.- For Department of Environment?

HON. A.M. RADRODRO.- No, for the Ministry.

MR. J. WYCLIFFE.- Yes, that is the new structure we have looked at.

HON. A.M. RADRODRO.- So, these new recruitments, are they part of the existing established or are they new?

MR. J. WYCLIFFE.- They are new. We went to the Budget submission last year and requested from MOE for these three additional positions. So, it is new and that is part of the structure.

DEPUTY CHAIRPERSON.- Just a question on out of interest; the increase in staff, has the responsibility of the Department also increased in terms of new initiative and incentives?

MR. J. WYCLIFFE.- Yes, the primary focus of the increase was basically we were running on negative so we had a gap to close. The first and foremost activity and the responsibility was to fill the gap, so a new staff filled it up. Apart from that, responsibilities have also been built up which includes compliance, monitoring and audit as well, so internal audit structures. That was never existed before. We rely on MOE to do that.

DEPUTY CHAIRPERSON.- Thank you, I believe there are no more supplementary questions on that so we can move on to the next issue.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson.

37.7 - Delay Implementation of the Laqere Waste Transfer Station Project; this is a very interesting situation that we have and I am speaking as someone who is coming new to the Ministry, so I see it with a fresh pair of eyes. I also speak it with the situation where there are things that we could and do it better, and this is a typical example, the Laqere Waste Transfer Station. Before I go to Laqere, I will talk about a Waste Transfer Station.

The need for a Waste Transfer Station is very eminent and I will tell the reason that Naboro is shrinking by the day. When I say shrinking, the pits we keep digging last now days for just about a year, 12 months or 13 months and I have one of our officers here who is directly posted at Naboro. Half way through the construction of one, we are already planning for the next one and we cannot endlessly go on creating pits. We have only certain amount of space.

Secondly, the type of waste that is going into Naboro has vastly changed. Nowhere in Fiji do we have a recycling plant of a rubber tyre. So from rubber tyre to all toxic materials do end up in Naboro, so sorting is minimal or zero, non-existing, so all of these end up in the Landfill, not just occupying space, it goes beyond sometime threatens to busted seams in terms of OHS requirements. What we do is immediately, of course, the Government plans ahead of how we rectify this issue, not allowing this issue to get out of hands.

So far we have done that but going forward, the need as in all other countries is the need for a transfer station. The transfer station not only behaves as a transit point but also helps in sorting out. If you are able to sort out before it reaches the landfill, we are able to better handle it through other means like, for instance, if you have to incinerate the waste, majority of the waste can be incinerated and it does not have to go. You burn it so it does not go into the Landfill.

Singapore is an example, their Landfill works like this; 65 percent of their waste is incinerated (burnt), 30 odd percent is recycled and only 5 percent goes into the Landfill as against 90 percent going into the Landfill. So we are miles away from reaching there and the first step towards that is sorting station, and that is a transfer station. So the need for a transfer station is very much a real and eminent one.

When you talk about transfer station it needs to fit in to that purpose, so your transfer station is of no use if I build it a couple of kilometres down the road from Naboro. It is not actually a transfer station, it is basically one point just before the doorstep of Naboro. A transfer station should be able to collect garbage, waste from all areas put it in there, sorted it out and then take it, so location is very important.

One of those areas where we have been wanting to look at for years now is Laqere and when we talk about waste, the normal citizens responses is waste, not needed, unnecessary. So today's use is tomorrows garbage so garbage is something that they reject. They do not want to keep in the backyards. So when we went to the areas and did consultation, you cannot just like that, create a transfer station. We have EIA to be made, we have got several things to do so we do need to go and consult with people. In my time since I have come, we have at least had two such engagements with the communities, both have been very highly unsuccessful.

The last one was beyond more than unsuccessful, they have vexed their community, give a strong signal, most of whom are sitting here were with me in that meeting, I led the meeting. I went there with the PS, iTaukei Affairs and we had the chief as well. All of them set there but the community was completely closed to the idea and I can understand why because the perception of waste being in their backyard.

One of those things that was tried to be articulated to them was this garbage will not stay beyond six hours, it has a transit point. Decay and foul smell starts happening when it is there for a longer period of time, so within six hours it will all be shifted, the technology is like that.

It still was not acceptable so since then, we have taken an approach where we will not go back to Laqere rather look at other land options. So the stance that the Ministry is now taken is we are working with the Ministry of Lands to look for a more viable piece of land where we can establish. We are hopeful that this year we will be able to come up with a spot, a land and start looking at it.

There are many suggestions, some suggestions are we go back to Lami, the dumped that used to be in Lami which is closed but again, we thought that that chemically not feasible, people still say, "that is an area of contention, we do not want to go there." So we are looking for other suitable places.

To this Committee what I would like to say is, I can assure that if as much as people contact you in questioning about the decisions and positions, these landfills are underground. They are all underground, trucks come underground collect it, sort it underground and take it away. On top, it is a clean nice park, you really cannot make out aerially that there is a waste transfer station underneath.

The state-of-the-art transfer station that can go underneath, work underground, and so there is no issue of smell or for that matter, health issues at all and that is successfully done in most developed nations, and we should be able to bring it up for Fiji as well.

So in short, the Ministry is looking at other land parcels so we did not ask for that money in the Budget last year because of that particular issues. We skipped that year, so we utilise the time to look for appropriate spaces and we will make a fresh Budget submission based on the land that is available. Thank you, Deputy Chairperson.

DEPUTY CHAIRPERSON.- Any similar plans for the Western side, I believe, population there is also increasing.

MR. J. WYCLIFFE.- I agree. We do have similar plans for the West, we are working with the EU, there is a latest EDF submission where we will consolidate three or four dumps into one Landfill. The city of Lautoka is working in partnership with the City of Bonn, as part of the COP 23 so I am leading those discussions and negotiations with the City of Bonn with Officials from the Lautoka Office and Head of the Department of Local Government.

The purpose of this outreach and engagement events are because we will have one central satellite Landfill which will feed into the four or five major Western dumps. So dumps are different from landfill, landfills will process the waste as well.

The last one is, we are also looking at waste energy so if you can incinerate it, then we can produce energy. We are working with FEA and FEA has looked at a couple of models internationally. Earlier this week, day before yesterday there was a meeting they had with the supplier group from abroad in trying to put a model in place.

So all these can be possible, only if you have a transfer station. It is very important and I just cannot say enough about the needs. My plea is for communities around Fiji to recognise the need for this, otherwise we just go on digging pits, over pits, over pits endlessly. Thank you, Deputy Chairperson.

DEPUTY CHAIRPERSON.- These stations where the waste materials should be sorted out, after they are sorted out, for example waste like tyres, I think there needs to be an arrangement made where those tyres will be going to some buyer or something?

MR. J. WYCLIFFE.- Yes, how it works, Deputy Chairperson, is these transfer stations also behave as a recycling agencies. We are actually improving the economy, improvising the economy. If it is a tyre or let us say if it is an organic waste, I mean, organic waste that our companies in Fiji, like chicken waste, they make them into organic feed that are being exported hugely there is a demand in the Middle-East. There are also energy briquettes that could be made out of waste and that is how countries like Singapore have reduced it to 60 and recycle them into further businesses.

So, the answer to your question is, that transfer station will behave as recycling spot as well, so what actually goes to the Landfill, basically we cannot do anything with that, it just needs to end up there. An the ideal means would be 5 percent to 10 percent and if Fiji can get to that spot in the next five years to ten years, we would have to dump really well.

DEPUTY CHAIRPERSON.- Before this idea of having these proposed stations, I think it should also include the agencies that would be buying the waste material.

MR. J. WYCLIFFE.- Yes.

DEPUTY CHAIRPERSON.- So, what is the update on that, are agencies coming up for...

MR. J. WYCLIFFE.- Yes, without naming the private sector there are, at least, two, three private agencies who have already come and offered to joint venture partnerships with the Government. There are international investors prepared to invest up to about quarter million dollars, half a million US dollars each. So, there is no dearth for money or resources or partnerships, it is a question of finding a land that is suitable to do this. Once we do, it then we will have enough and more people will come and join us.

DEPUTY CHAIRPERSON.- Thank you. Any questions on that? It looks like a very well planned scheme.

HON. A.M. RADRODRO.- Deputy Chairperson, a question on the actual expenditures that were incurred on this particular project, the consultants' cost for those particular years, what has now happened to the consultants' report?

DEPUTY CHAIRPERSON.-This is in relation to the consultants who were there, any response on that, Sir?

MR. J. WYCLIFFE.- Thank you, Honourable Member, what went through that was consulting for design for engineering purposes. We had already made design, consultancy was also engaged for that. The actual expenditure as you would see for planning and design was stagnant, nothing actually.

Construction works and set up to commence, we spent \$135,000, a small amount in that. Also, the amount incurred was basically towards hiring consultants - \$157,000 out of the \$2 million that was totally there. So, that just reflects the amount of activity as not even being one-ten of the budget.

HON. A.M. RADRODRO.- Are these all works done for the preferred Laqere site then? Now that you have mentioned that you are now looking for an alternatives site, will you incur the similar amount again?

MR. J. WYCLIFFE.- You are right, Honourable Member, so this \$200,000 plus that is incurred, some of it can be salvaged. Some of the planning, modelling, some of what I spoke in the last few minutes about the models, those can be implemented so I would not say the entire cost goes to waste but however, to be very honest, yes. A bulk part of it was money spent towards Laqere, being in mind, unless there is anything else to add.

Basically, 50 percent to 60 percent of that can be salvaged, we do not have to go and reinvent the wheel. I do not think it is wise to go back to Laqere again, we would just be earning more displeasure from people.

(Inaudible)

MR. J. WYCLIFFE.- I am sure there were on the market. Thank you, Deputy Chairperson.

DEPUTY CHAIRPERSON.- We can move on to the next issue Sir.

MR. J. WYCLIFFE.- 37.8 - Failure to Implement Projects; the response in the far right corner talks about the Department of Town and Country Planning assisting all the Municipal Councils in their planning of capital projects. The Councils have been advised to focus more on their preliminary works of the projects using their own resources effectively before requesting for any additional Government funding.

Some of the issues identified have also contributed to the project delays. Site inspection has also been conducted with Desk Officers from the MOE to have a fair idea on the project planning, while a present analysis of our new projects.

What we have done is the Department is strengthening its monitoring roles and also the pending projects and their acquittals have also been helped to get that improved through tighter controls. However, some of the delays in the project was, of course, due to *TC Winston*. A bulk part of the Municipal Council times went in clearing not just the debris but also the whole three, four or five months initially was to put the place back in semblance, clearing the areas and also engaging in rehabilitation works.

If you see the trend between then and now, there is a clear shift and improvement in the way capital projects have gone. Clearly, if you could sketch a draft the activities, the efforts went towards salvaging and rehabilitation a lot more. When projects are seen as a progress or as something as a development at that stage, we had to salvage and rebuild and, of course, the introduction of the new fiscal year. So, the Ministry of Local Government, Housing and Environment with relevant Municipal Councils decided to commence new work, what we could not do in 2016, bring them back in 2017.

DEPUTY CHAIRPERSON.- In regards to this PS, I just want to highlight some of the comments from the Ministry and I would say, this is a bit funny in nature. Some of the comments that have come and one of it is, whilst we understand the main reason is here, but some other reason which had been highlighted in the Ministry's comment and if I can refer to this in the Audit Report, and I quote:

“The formal Development Lease (DL) from TLTB sent to DTCP got returned due to typo-errors and anomalies...”

Is that true? I think that is a very silly thing to do for such an important proposal. Any idea who was responsible for this?

MR. J. WYCLIFFE.- I would say apart from typos, there should be more issues as well. You just do not return them for the sake of typos and at that stage, we are talking about May 2016, typos alone would not have been an issue.

DEPUTY CHAIRPERSON.- Exactly!

MR. J. WYCLIFFE.- It would have been other errors as well, typos included, so I have a feeling these typos have found their way here, not the other errors that actually should have gone in as well. But our response to that is, the rehabilitation took precedence over development during that time.

DEPUTY CHAIRPERSON.- Because that is why I said, it sounds quite funny because of typo errors, such a proposal like that being returned.

MR. J. WYCLIFFE.- Also, Deputy Chairperson, a couple of projects they have mentioned here - Valelevu Sports Complex. After the delays that we had we have now looked at that particular year. We could not do it so it pushed that period in time and that gave us time to actually relook internally and see how we could differentiate and when we differentiated it and looked at the seating capacity, looked at the turf itself, looked at the night sports activity, we were able to attract more interest externally. This included the Chinese Embassy who have now come with a substantial amount which could take care of it.

As of yesterday afternoon, I had discussions with the Chinese Embassy, so over the next few weeks we should have a major announcement and once that money comes, it would be similar to what is happening on the Suva Civic Auditorium. If you go past it, you will see developments happening fast so it is a question of that happening in the next two or three weeks. Immediately they will take it up and the project should go on.

DEPUTY CHAIRPERSON.- Do they have any business interest on that or is it just purely ...

MR. J. WYCLIFFE.- It is a welfare support, country to country support. They will not have any welfare.

HON. A.M. RADRODRO.- Thank you, PS, for such huge capital projects. There is always a challenge for the Ministry in terms of having a technically qualified staff and rightly so in your comments where you said, you would be advertising for qualified technical staff to also be part of these projects. How has that progressed?

MR. J. WYCLIFFE.- Thank you. What we do is follow a hybrid model. We will have internal technical staff, and we have advertised, not only for this but other capital projects as well. So there is enough focus on the West as well as the North and the Central, so that is one ingredient of the hybrid.

The other half is having consultants as well. If we can combine these two, the Ministry would always see our interest, the Government interest. The consultant will also be on the spot.

HON. A.M. RADRODRO.- Does the Ministry have qualified engineers in-house or does it engage consultants?

MR. J. WYCLIFFE.- Yes, we do have qualified engineers, but we would love to have a few more. The new revision of salaries will make these positions more attractive but going back in the year 2016, salaries were not sufficient enough (alone) to attract qualified engineers so we are looking forward to this new year term.

DEPUTY CHAIRPERSON.- I believe that has been covered quite well enough. Perhaps, we can move on to the next issue.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson.

37.9 - Unreconciled Main Trust Fund Account Balance – Department of Environment; again, the City Wide Informal Settlement Upgrading Trust Fund Account. The balance from the Ministry of Environment had a variance of \$0.5 million which was inherited during the transition of the Department of Environment from the Ministry of Lands. The Department of Environment has been housed under a few different Ministries.

Prior to it now becoming a Ministry, this was inherited from the previous years in 2010. The variance is being reduced every year and the Ministry is committed to regularising the anomaly inherited against the FMIS records that are seen as of now. Again, I am singing the same chorus in terms of lack of staff but this will drastically improve from this year onwards.

DEPUTY CHAIRPERSON.- Thank you. I think the next issue is quite important, ‘Significant Outstanding Debtors for Naboro Landfill’.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson.

37.10 Significant Outstanding Debtors for Naboro Landfill; again, the scenario we are seeing is a scenario from 2016. It was a very peculiar year where we had huge amount of debris, waste and all that from *TC Winston*. We had to keep the gates of Naboro Landfill open because it was an environment of reconciliation project; a reconstruction, rehabilitation work that was meant to happen. So the Municipal Councils were given a grace period, they had to come and pay.

We have also worked with Town Councils and City Councils in being able to have access to this and we do realise a debt is a debt, you cannot get away with it. We have now worked with the Councils in 2017 after this year 2016 which already we are now talking about, and work with them on our financial terms. We sat with them, especially Councils like Nasinu, we have put in a model where they can repay it and that has worked well.

What you see here from then on to today, the debts have massively reduced and I would allow one of them or two, to actually give the figures to see how much it has come down to.

DEPUTY CHAIRPERSON.- What is the figure now?

MR. J. WYCLIFFE.- Yes, we will just come to that, Sir. Good news, Deputy Chairperson, they were all paid up, it is zero. The debts are were paid up.

What happened was, basically we had to sit with them and work with them on a financial repayment model. When I took over this, that was alarming and I saw this Audit comment. What I did was, I invited all the CEOs of Councils, sat with them and negotiated a repayment model. I was thinking that it is actually a small amount left but I am just now advised that it was all paid up. They have kept up with their payments.

DEPUTY CHAIRPERSON.- So just for the Committee's documentary evidence, if we can have those facts and figures. I can understand the amount is zero but we just need some supporting documents.

We will move on to the next issue. Overcharging of VAT on Revenue.

MR. J. WYCLIFFE.- I will let the Principal Accounts Officer respond to that.

MR. N. CHAND.- Thank you, Sir.

37.11 Overcharging of VAT on Revenue; in relation to the 2016 accounting period, the VAT charged on Town and Country Planning Fees, the 15 percent VAT rate was used. It was supposed to be 9 percent as announced by the Government.

Currently the measures we have taken to rectify this, we have reconciled the variance component of each particular payment which was made to the Ministry and we will settle the correct VAT amount to Fiji Revenue and Customs Services (FRCS). That will be done within a fortnight from now. We will provide an update to the Committee on this.

Moving forward, we have put control measures in place so that this does not reoccur. On the monitoring bit for the cashiers on a regular basis, I do monitor the payments received by the Ministry and ensure that correct rates are used.

DEPUTY CHAIRPERSON.- So in cases like this, PS, obviously this can create frustration, like it is said here that the Ministry has overcharged individuals and businesses. So once your Ministry identifies this anomaly, do you inform people about this?

MR. J. WYCLIFFE.- Anomalies, the gap and the actions that have led to the gap, we do it. We remind and we work with them closely so that it does not happen again.

DEPUTY CHAIRPERSON.- At times, what happens is, individuals go to FRCS inquiring about this issue without realising that probably, something went wrong with the line Ministry. I thank you for that response. Honourable Members, any questions on that?

Since there are no questions, we will move on to the next one.

37.12 Non Submission of Acquittals from Municipal Councils; before you answer that, there is a table, I believe, on the supplementary report to the Audit Report on the Whole of Government Financial Statements for the year ended 31st July, 2016. This is in relation to this point here - Examples of Municipals and Statutory Authorities that failed to submit audited financial statements. There is a table summarising that. Perhaps, whilst you are giving your response, you can also combine that.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson, 37.12 and 37.13 are consecutive questions which, as the Deputy Chairperson has requested, to have a combined response.

In terms of individual Councils, the Suva City Council, what is mentioned there is true, so to rectify that we have worked closely with the Councils. First and foremost:

- We have implemented the International Financial Reporting Standards (IFRS) so it is a uniformed platform across all Councils' Accounts Managers; and
- for areas where there is trouble with their financials, with the assistance from the OAG for the managers of the Accounts Teams, we have now have a special training as the part of our Local Government Forum, where the OAG supports us and assists the Finance Managers of these Councils in complying with the requirements.

In terms of acquittals, again, that short year of 2016 had struggles because obviously monies were not spent as much as they should have been spent and that shortened the 2016. However, since then the matter has improved and improvised in the way they have handled it.

I am informed that as of today, about 50 to 60 percent for this current year has been already acquitted, so how we have achieved that is through ensuring that regularly our team visit our project sites and it requires reporting. We have put in a proper reporting regime internally between the Ministry and the Councils as well. So acquittals are beginning to come a lot more than what it was before.

In terms of the backlog and as I said, the Table here in terms of each Council and how much they have failed to submit audited financial statements, again, we have put a strong effort into ensuring that the audit progresses well and they are able to provide financial statements on time.

As of July, 2018 the Suva City Council follows review that should be submitted draft annual accounts of 2012 to 2015 to the OAG in seven weeks. The Suva City Council is working on the 2016 and 2017 Annual Audits to be forwarded before the end of July 2018. The copy of all draft annual accounts under the review from 2012 to 2015 is attached, and I have it here.

Deputy Chairperson, if you would like to have that, as follows:

- Nasinu Town Council: 2014 to 2017 Annual Accounts have been programmed to be submitted before the end of July as well, so they are coming into the final stages.
- Savusavu Town Council: 2016 and 2017 Draft Annual Accounts will be submitted before July.
- Nausori Town Council will submit their 2017 Draft Annual Accounts before the end of May, as required under the Local Government Act. The OAG has informed that the audit of 2014 to 2016 will be carried out from May 2018.

So what we are going to do is to fix what is currently there, as well as revisiting legacy, so it is a dual approach to rectify this failure that has happened in the past. I am happy to forward this attachment here, as follows:

- Sigatoka Town Council has the similar story, Annual Accounts of 2017 to be submitted before May.
- Lami Town Council: OAG has informed that the 2014 audit shall commence in May 2018; and 2015 and 2017 Accounts to be submitted before end of July.
- Rakiraki Town Council will submit their Draft Annual Accounts of 2017 before the end of May as required under the Act.
- Levuka Town Council: Meeting with the OAG was held about two weeks ago to plan the audit and 2013 to 2017 Annual Accounts will be submitted before the end of July, 2018.
- Tavua Town Council: Meeting with the OAG will be held next week as we speak today to plan how to rectify the failure between 2014 and 2018.
- Ba Town Council is to submit their Draft Annual Accounts Plan from 2017 before the end of May.
- Labasa Town Council is to submit their Draft Annual Account of 2017 by end of May.
- Lautoka City Council will follow up with OAG on the time for audit. We are following up on their 2016 Accounts to be submitted before the end of May 2018.
- Nadi Town Council will finalise their 2015 to 2017 Annual Accounts and submit before the end of July.

DEPUTY CHAIRPERSON.- Thank you. Staff just ensure that document is taken.

HON. A.M. RADRODRO.- Deputy Chairperson, also in the Table is about the National Fire Authority, status of their audited financial?

MR. J. WYCLIFFE.- Deputy Chairperson, I do not have it here under the scope but I am happy to provide in writing to the Committee.

HON. A.M. RADRODRO.- Thank you.

DEPUTY CHAIRPERSON.- Whilst we were having submissions from the different Municipal Councils, we did acknowledge the challenges they are facing as well and even though we note that the reporting system is now uniformed in all the Municipal Councils.

One issue that was raised by them is the accounting software they are using. They are saying that to some extent and this also contributed to some of their anomalies. My question to you PS is, is there a uniformed software now within all the Municipal Councils or they are still using different...?

MR. J. WYCLIFFE.- Deputy Chairperson, thank you for the question. In response to that, they are using different methods, anything from an electronic register which is Spreadsheet and improvisation of Spreadsheet to software as well, and Councils are different in their financial resources.

We have Suva which runs in the millions as compared to Rakiraki which has a limited amount. One of the strategic things that the Ministry has planned under its strategy apart from the IFRS, is to also have a shared services approach towards financial management. So under the shared services, we will have a shared services platform, so all the 13 Councils will have a standardised platform for analysis and reporting.

Currently, they have different methodologies and use different functionalities but in the next 24 months, it will be standardised because standardisation is the first step we are taking towards shared services. For instance, if that collection that is under the finance is the major issue for all Councils, we are not just looking at that but we have finalised Shared Services Model, which we will be rolling out this year, partly towards the last quarter and before we do that, we would look at a standardisation software, so it is uniformed in reporting.

DEPUTY CHAIRPERSON.- So we are basically looking at a timeline of 24 months?

MR. J. WYCLIFFE.- For the shared services, this will be a part of the shared services approach.

HON. A.M. RADRODRO.- Municipalities?

MR. J. WYCLIFFE.- Thank you, Honourable Member, a very good question.

What approach we have taken? We have gone to the CEOs of the Councils and during our recent Local Government Forum a couple of weeks back, we had told them to go and have listening sessions with the communities. Obviously, technology is at the back end, service delivery is at the front end, so what they will be consulting with the community or the taxpayers is the front end service requirements they have, and then match the technology to that. So that is phase one of the project.

DEPUTY CHAIRPERSON.- Just one request about this shared services approach, we would love to have a paper or a proposal which actually explains that.

MR. J. WYCLIFFE.- Yes, sure.

DEPUTY CHAIRPERSON.- ...because this will be part of our recommendation as well, and we need to know more about that.

MR. J. WYCLIFFE.- I will provide that.

DEPUTY CHAIRPERSON.-...yes, so if something is there we can have a look at that. We will move onto the next issue.

HON. A.M. RADRODRO.- Just a question regarding the updated financial accounts of Municipalities, for example, Suva City Council. What it stated was that the 2011 audit is in progress and 2012 to 2015 are still under review

The earlier submissions made by the Auditor-General for Suva City Council (2012 and 2016) yet to be received for audit, there is a bit of inconsistency there in terms of the status, the update given by the Ministry and given to the Auditor General. Suva City Council is a big Council, why is it being allowed to delay in terms of submission of audited accounts?

AUDIT REP.- Thank you, Deputy Chairperson. For Suva City Council, they have submitted their 2011 Audited Reports to the OAG and they are currently working with them on the audit. The 2012 Audit, they are keeping that on their view that they have clear the issues with Auditor-General on 2011 before they submit the 2012 and the following years, because there are some variances identified in the report and they do not want those variances to be carried forward to the following years. They want to settle that one first on 2011, before moving on to 2012. That was why they held on to the other years' financial statements. Thank you.

DEPUTY CHAIRPERSON.- When we had submissions from Suva City Council, we were addressed on some of the in-house problems of the Council itself. But from the perspective of the Ministry, what was the main underlying reason why they delayed their submissions for so many years.

MR. A. MATAIVILIA.- I think they have provided their explanation here, maybe I will give it to the Committee on why they held on to that 2011, they are trying their very best to identify those variances highlighted by the OAG. We have given them a timeline, for them to provide the other years' financial statements. The timeline we have given to them is this July 2018, all the pending ones should be submitted to the OAG.

HON. A.M. RADRODRO.- PS, just a supplementary question. The Ministry of Local Government's financial instructions specifically states in Section 3.3.1 that recipient of Grant shall provide financial statement audited for grants of \$20,000 or more.

For Suva City Council, as you see in the table, the audited account is still yet to be completed for 2011, now it is 2018, so 2017 should be the latest audited financials, but the grant is still been given. For 2015 - \$10 million and 2016 - \$7 million. Why is it that the Ministry is allowing this, and defying its own rules and regulations?

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson. I understand what was given out in 2016 and 2017 was towards Albert Park, that was the project that was completed. That one, and after that, I am not aware of any further grants we were given. We have tightened up, we have said that if they do not provide any more, we will not go forward with providing any further funding to it. That is the only way we can tighten up. We have tightened up the screws and said, "No more funding, if they cannot do it."

HON. A.M. RADRODRO.- (inaudible)...the Ministry's Finance Manual that any grant, you should receive the audited financial statement.

MR J. WYCLIFFE.- It has been on our instructions to them, the Manual is being updated even as I speak with the new Finance Manager who has come in. He is updating the Manuals but it has been our written instructions and, in fact, in one of our explanations here to the Committee, we had mentioned that we had already told the Councils that if they do not acquit, they do not get the funds anymore with that and also get them audited.

MR. A. MATAIVILIA.- To add on to that, Sir, Albert Park was a public need at that time, so we cannot rely on those financial audits to hold up those projects. So what we can do now, we can scrutinise the Honourable Member's recommendation to ensure that all the accounts are being audited before we give them the grant. Thank you.

MR J. WYCLIFFE.- The Park was a long pending project. It did not just come up in 2016, it was there for a while, awaiting the funding and so once it was there, we did that.

HON. A.M. RADRODRO.- Not only for Suva City Council but other Councils as well. You continue to give out grants, despite written regulations of the Ministry that they should provide prior to giving the grants.

MR J. WYCLIFFE.- I fully understand what you are saying, Honourable Member. The Ministry is eyes for the development as well, because if we do not intervene and develop, on the one hand that will sag and the other hand, it is going to take a while so, like my colleague said, four or five years of backlog, if they have to be cleared before I give out funds, the development is going to get delayed. I hear you loud and clear, thank you for that.

Another approach that I would like to take is equally balanced approach. While we are stringent on this, ensure that they provide accountability through audited statements, I also ensure that development is there. So it is a multiple monitoring effect; we do monitor how they will do it and at the same time we will, but I hear you very loud and clear. Thank you.

HON. A.M. RADRODRO.- Another supplementary question. With these delays from the Town Councils, it seems like the Ministry is not taking any actions on the people responsible for the delays.

MR. A. MATAIVILIA.- Thank you, Honourable Member for that question. Our Senior Accountant position for the Department of Local Government was vacant for a number of years so since it is filled now, we have asked them to provide financial statements on the timeline that we have set which is July 2018. That will include all the backlog of their financial statements and the updates there in the Table, and we also lock them in their CSA and the CEO Assessment Forms where the SA and CEO will also be assessed on this. They have to deliver on this backlog because of the need to provide the financial statements before giving the grants are given to the Municipal Councils.

MR J. WYCLIFFE.- Just that he is being a little modest, he is that SAO who was appointed. We appointed him there, only for this at a senior level. The Department did not have a Senior Accounts Officer.

With all these issues and delays of financial Statements and Audits, we saw the need for a Senior Accounts Officer, so I have appointed him there so he is there now 24/7 working with the Councils, and whatever movement we have seen, it was after he has pushed for it and we will continue to keep the pressure on.

HON. RATU N.T. LALABALAVU.- On a lighter note, Deputy Chairperson, each Government that comes only has very limited time, four years or five years. You have to make statements. One of them is Albert Park, the other is Lami. Even though the audit of accounts are late in coming, they still push through. There is nothing new, previous Governments did that too.

On the one hand, you are turning a blind eye to systems that are in place, the OAG read thoroughly, scrutinizes and on the other hand, given the short time that we are in power, we will have to do this. So it is not really coming from the demand of the people but that is the will of the Government on being of a check and balance there. That is how we want things done, how the Government want things done and how the Government should be doing things as earlier reported by the OAG at that time.

Just on a lighter note, we actually did Civic Towers too, a huge outstanding amount owed to by the Suva City Council but we went ahead with that multi-storey building. Just on a lighter note, thank you.

HON. A.M. RADRODRO.- Government backing...

(Laughter)

DEPUTY CHAIRPERSON.- Do not worry, the Government backing will be there for the next 20 or 30 years

(Laughter)

Thank you. That was a very good point, that all these changes also depend on the leadership as well.

We have the next issue and just a point, whilst we were having submissions from individual Town Councils we did note lot of changes. Some Town Councils mentioned that they were quite stringent and they had removed certain accounting resource personnel who were lagging behind.

There were also internal changes as well. Some good Account Officers from other Councils were put in another Council which had concerns in regards to the anomalies, et cetera. So, I think there were lots of internal changes as well, and we take note of that.

Hopefully, as we have received this and I was just having a look at all the Audited Accounts, most of the Councils were updated until 2017. Some of them updated until 2018 and that is a good reflection. So, hopefully, we will be seeing more improvements in the next Audit Report.

MR. J. WYCLIFFE.- Thank you, Deputy Chairperson. A similar situation has now improved in terms of the General Ledger reconciliations. I have seen a marked, not just improvement but most of that 90 percent has been rectified and they are closely working with the MOE and OAG, both for 37.14 and 37.15 which is the missing payment vouchers. What we have done is, for those few that were missing we have gone back to the Bank, work with the statements that we have had and in some cases, work with the vendors as well to rectify.

A little while ago, I was talking about the first Home Buyers situation where instead of just one or two pairs of eyes, we now increased it threefold so it will go through three levels of checking before it goes to the final posting. So, we will be able to ensure that missing payment vouchers or lack of ledger balance account for reconciliations are minimal. Like I said, it has been a recurring issue in the last two to three years that has just come up but this year onwards we have worked around it.

DEPUTY CHAIRPERSON.- Thank you, Sir. Any question on that Honourable Members? I think that was also a legacy issue and it has been addressed with the new changes in place in the Ministry.

37.16 - Panellist for Directors Position.

MR. J. WYCLIFFE.- Yes, we fully accept the comments made by the OAG. The Interview Panel Members should be at the level of position being advertised or above. However, to have someone included from a level that will be reporting, the wisdom I am told, behind that decision was like, for instance, the position of a Special Administrator (SA) sitting in a Panel helps to understand the very same issues we have been discussing here as to the kind of person that you recruit, and I have tried this elsewhere for positions where I have had some bottleneck - one person, not the entire team but one person sit on the Panel. Because they come with their requirements as well and for them to know who they are going to be working with, it helps, but that is a totally different level of talent acquisition process.

From what I see, it links, it can be perceived, like how the OAG has said, but that was during those times. If not perfected, improvised, we now have an Open Recruitment System, although that is for the Public Service, we are now extending it to the Councils as well. So, there will be a regularised way of setting up panels, setting up criteria, even our advertisements will reflect the Open Merit Recruitment System (OMRS). So, from Point A to Point Z everything is now dictated by that Guideline which is meant to be best practice guideline. I can assure the Committee that going forward, best practice will be followed in terms of our recruitment and talent acquisition issue.

Just one last comment on that particular issue, actually to explain to the Committee how it happened, was they collected the panel and then those days they had Staff Board. The Staff Board then went to the Permanent Secretary, appoint the PS, then the recruitment process was done and then approved by the PS, Assistant Minister and then the Minister as well.

So, going forward the OMRS will be extended to the Councils. Although, we cannot imply that they do it but best practice will be followed and similar situations will not recur.

DEPUTY CHAIRPERSON.- It is quite ironical that the officers are appointing that officer under whom they will be working.

MR. J. WYCLIFFE.- They are not appointing, the panel does appoint. The panel interviews, the appointment is done by the PS.

DEPUTY CHAIRPERSON.- But still, that is quite concerning. It is a conflict of interest there, so is there a panel.....

MR. J. WYCLIFFE.- No, I mean, that was for that panel, that particular role and it went through the process that we require within the Ministry. It went through all the stages of approvals so it was ministerially approved. There was no breach of rules but like the OAG feels that it could be perceived as a conflict of interest because I interview my own boss.

DEPUTY CHAIRPERSON.- Exactly!

MR. J. WYCLIFFE.- However, like I said, that is not a common practice but it happens from time to time and I am not justifying it, Deputy Chairperson. I was not even part of that in those days but I am just standing by the decision made that possible thinking, I am told, during that stage was to have a council and put us well.

DEPUTY CHAIRPERSON.- So, there is a council now which selects.

MR. J. WYCLIFFE.- One of the panellist was from the Council, I am told he is from Nadi.

DEPUTY CHAIRPERSON.- The question I am interested in is, how the Director is chosen now?

MR. J. WYCLIFFE.- The Director now is chosen very differently, it is an Open Merit System where I as PS approve the panellist, the panellist list comes to me.

DEPUTY CHAIRPERSON.- So, who are part of this panellist now?

MR. J. WYCLIFFE.- The OMRS rules are very clear, it is either the same, a similar position role or above, so it cannot be anyone below. It is very clear now.

HON. A.M. RADRODRO.- If you take that line, the SA would be above the DLG?

DEPUTY CHAIRPERSON.- Exactly.

MR. J. WYCLIFFE.- No, I cannot say that. I mean, the SA cannot be above the DLG but he has had an input into the talent acquisition process. What I am saying is that, that is not wrong. I would not say it is wrong from the perception of a subordinate sitting in the panel, but from perception of conflict of interest, yes, certainly it is not the best way to do it.

HON. A.M. RADRODRO.- SA is above the CEO?

MR. J. WYCLIFFE.- Yes.

DEPUTY CHAIRPERSON.- But not above the Director?

MR. J. WYCLIFFE.- No, because it does take instructions on Director, especially in this day and age, the reason we have put in strategic performance plans where the Director has a direct input into an SA's performance.

HON. A.M. RADRODRO.- In other words, SA is representative of the Councils?

MR. J. WYCLIFFE.- Yes.

HON. A.M. RADRODRO.- Councillors are above the DLG?

AUDIT REP.- Sir, just to clarify that the SA under the Act reports directly to the Minister. We had already discussed in the past, I mean...

DEPUTY CHAIRPERSON.- Not the Director?

AUDIT REP.- The Director is a policy form, he acts on behalf of the Minister. We have discussed this during the last audit performance when we did this with the OAG. So, the SA in this case, like he/she is higher than the DLG.

MR. J. WYCLIFFE.- The Minister appoints the SA, so the appointing role is the Minister, but I still insist that we need the Director to look at the performance of the SA.

DEPUTY CHAIRPERSON.- Exactly!

MR. J. WYCLIFFE.- You need the Director to work on a day to day basis on the ground, to ensure performance does take place.

DEPUTY CHAIRPERSON.- I just hope you understand what we are trying to imply here. We are basically interested in knowing about the structure and the different roles and responsibilities. So this sounded a bit confusing to us. Just a question out of interest, is there any SA paid more than the Director?

MR. A. MATAIVILIA.- The SA is paid higher than our Director.

DEPUTY CHAIRPERSON.- The SA is paid higher than the Director?

MR. A. MATAIVILIA.- Yes, Sir.

MR. J. WYCLIFFE.- Again, we cannot say that either because even within Ministries going forward, there could be highly technical roles who would be paid higher, not the Permanent Secretary, but the Director. Because we lack those skills, we get people who can be paid higher because salaries are based on the scarcity as well.

DEPUTY CHAIRPERSON.- Exactly!

MR. J. WYCLIFFE.- So there would be people in the Ministry being paid higher, and then, of course, comes the question of engaging people from overseas and their salary structures are different too. Again, Fiji is not the only place, you get this all over the world, where people subordinates do get paid more in certain areas.

DEPUTY CHAIRPERSON.- I think this is very similar too when we visited AFL, the people who are working in that Control Centre are paid more than their immediate Supervisors. I think a similar scenario is there, but we do get concerns; I mean, there is a common perception that whoever is paid higher is more in authority.

MR. J. WYCLIFFE.- Yes, but I can say that the new salary reforms that we have, the Director salaries have gone up on par.

DEPUTY CHAIRPERSON.- We do not need to know what the exact figures but we were just asking out of interest, and I thank you for that. As the reforms say, certain positions are based on skills and need basis.

Honourable Radrodro, do you have something?

HON. A.M. RADRODRO.- Just a comment, maybe we can also link the interview panel to the submission of Audited Accounts, which SA is doing good and should be part of the panel, going forward.

(Laughter)

MR. J. WYCLIFFE.- The last one on my list here, we have since, done the Board of Survey. In 2016, we have not done it, that short year, but since then we have done the Board of Survey and had completed that too.

DEPUTY CHAIRPERSON.- So we will be awaiting a response till the end of April on that, and I believe there was another response.

MR. J. WYCLIFFE.- On shared services.

DEPUTY CHAIRPERSON.- Yes, thank you.

Honourable Members, any other question?

HON. A.M. RADRODRO.- Deputy Chairperson, yes. PS, I would like to take us back to the Naboro Landfill issue. There is a community levy that is usually given out to the resource owners of that area. I think it started in 2004, then there was an agreement that needs to be revised in 2013. Has that agreement been formalised?

MS. S. BULAI.- Thank you, Honourable Member. Yes, the agreement was revised in 2013, pertaining to the community levy at \$0.78 for every tonne of waste disposed of at the Landfill. We are currently working with the Solicitor-General's Office to renew the agreement, to continue the payment.

DEPUTY CHAIRPERSON.- Thank you.

(Inaudible)

MR. J. WYCLIFFE.- The Waste Transfer Station.

(Inaudible)

MR. J. WYCLIFFE.- Or the market?

(Inaudible)

MR. J. WYCLIFFE.- Transfer Station?

(Inaudible)

MR. J. WYCLIFFE.- Yes, if it had taken up, they would have got that, but we have not had that.

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

MR. J. WYCLIFFE.- Outwardly, superficially, the reasons given was smell and we do not want waste in our backyard. However, there was sufficient proof, we said that it is not going to stay there for more than six hours and it will be underground. If there are other reasons, I do not know I have not....

DEPUTY CHAIRPERSON.- Thank you, PS and your team and also Representatives from the line Ministry for a very thorough and well explained responses. I believe there are just few things we have requested and if we could have a copy of the terms and conditions of the First Home Buyers Scheme as well.

On that note, I thank you and I acknowledge your presence before the Committee. So far, things look good and we will be awaiting the submissions from the Town Councils in particular, once the audit process is completed and it becomes part of the Audit Reports.

So I thank you once again, PS, and your team and before we conclude, if there are any final comments from you.

MR. J. WYCLIFFE.- Thank you very much, Deputy Chairperson and Honourable Members. It was a great experience explaining how we have fared; from where we are and where we have come.

Also, I want to thank both, the MOE and the OAG for being such a big strength and support in helping us achieve and improve, and we look forward to working with them in improving it. I also want to thank the Honourable Members and Deputy Chairperson for your constructive suggestions and assistance in this, it was a very fruitful exercise for us. Thank you.

The Committee Interview adjourned at 12.11p.m.