



APPENDICES:
PUBLIC ACCOUNTS COMMITTEE QUESTIONS & LIST OF WITNESSES WRITTEN
EVIDENCES

Report of the Auditor General – Performance Audit on the Administrative and Management of the Bus Fare Assistance through E-Ticketing for the School Children, Disabled and the Elderly (Parliamentary Paper No. 71 of 2020)

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PERFORMANCE AUDIT ON MANAGEMENT OF ADMINISTRATION AND MANAGEMENT OF BUS FARE ASSISTANCE THROUGH ETICKETING (Parliament Paper 71 of 2020)

Ministry of Education

Theme 2 – Standard Operating Procedures

The Ministry of Education does not have a specific SOP for student bus fare assistance program. However, the Policy on Transport Assistance is used for its standard operating procedures. The policy was prepared to play a dual role as a policy guideline while also detailing procedures for the management and operation of the bus fare assistance program.

Review of the Policy noted that it only deals with internal stakeholders and does not cover the role of the external stakeholder which is the e-ticketing services provider. This has led to the absence of reporting between the Ministry and the e-ticketing service provider as required under the Electronic Fare Ticketing Act 2014. This has resulted in differences between the records of the Ministry and the e-ticketing service provider as proper reconciliations were not done.

Review of the draft Standard Operating Procedures for the Department of Social Welfare indicated that the draft is yet to be finalised and endorsed.

Although the Electronic Fare Ticketing Act 2014 enables the Ministry/Department to request for other reports in addition to those provided by the e-ticketing service provider, these provisions have not been applied.

Ministry of Education:

- 1. Can the Ministry of Education provide an update on the review of the Policy on Transport Assistance?**
- 2. And if it has included the need to obtain detailed reports as required under the Act from the service provider? If so, has the Ministry exercised their responsibilities under the Act to obtain this information?**

Theme 3 - Service Agreement between Ministry of Education Heritage and Arts and E-Ticketing Service Provider for Students fare

After enquiring with the TAU of Ministry of Education, Heritage and Arts, it was revealed that no formal agreement exists between the Ministry and the e-ticketing service provider for the delivery of the Bus Fare Assistance Program to eligible students. During the last quarter of 2017 calendar year, the e-ticketing card system was expeditiously implemented. The policy on bus fare assistance for school students was also not amended to cater for the change in method of providing the assistance from coupon and vouchers to e-ticketing cards. Similarly, internal control mechanisms for the new e-ticketing system was not developed. The Ministry continued to place total reliance on the system of the external e-ticketing service provider to distribute the assistance to beneficiaries.

The Ministry through it's response that was e-mailed to audit on 12/05/20 had stated that they are drafting an agreement. Can the Ministry provide an update on this?

Theme 5 - Management of Feedback and Complaints

Although complaints are recorded by the Units within MEHA and DSW, there is no procedure on how to deal with the complainant up to providing feedback to complainants. Although the policy by the Ministry of Education has dedicated two paragraphs on complaints, outline of the procedures on how to process each complaint has not been documented. Therefore, it is not clear as to what role each player plays from head of schools to District Education Officer before moving the issue through the TAU Unit. There is no feedback or survey done to assess how the Unit had performed with respect to handing complaints from its users.

DSW maintains a book for recording of any issues or complaints with respect to any feature of the program that the general public wishes to raise. However, there was no evidence to indicate that actions were taken on the complaint and feedback was provided to the complainants. We were also not able to determine if any survey was carried out to determine the efficiency and effectiveness of the complaints system. DSW also indicated that most complaints are made through telephone calls or they show up at their office.

The audit had recommended that:

- **MEHA and DSW should improve their engagement with customers in handling of complaints and providing timely feedbacks at the same time addressing any operational issues identified through the complaints.**
 - **MEHA and DSW should consider automating its complaint management system and other critical operations which are carried out manually.**
1. **Can the Ministry of Education and the Department of Social Welfare provide an update on this?**
 2. **In the absence of Complaint Feedback Survey procedure, explain how the complaint and feed backs are handled by the Ministry of Education?**
 3. **Since the Transport Assistance Policy has outlined policy guideline on complaints why was no operating procedure in place to guide the processes and responsibilities?**
 4. **Why are actions taken to address complaints raised by elderly and disable not documented? Does the absence of documented feedback mean that actions were not taken on the complaints raised by the recipients?**
 5. **Will the two ministries undertake surveys to establish the effectiveness and efficiency of the processes surrounding the management of complaints received and the feed backs?**
 6. **When will the draft revised transport assistance policy and stand operating procedure be approved and implemented by the Ministry of Education?**

Theme 6 - Conflict of Interests

The audit did not find any documentary evidence to confirm that officers of both the Ministry of Education and Department of Social Welfare that are engaged in the delivery of the program had declared any conflict of interest that may exist or which can compromise the public service values and their roles and responsibilities when providing services to the targeted beneficiaries.

Can the Ministry of Education provide an update on whether the policies and processes have been developed for the declaration of conflict of interest by officers involved in the assessment of the assistance?

In the absence of conflict of interest forms, the DSW revealed that the ethical element is captured, transferred to each of its officer and acknowledged when he or she signs his or her contract. To what extent is this monitored in terms of assessing ethical requirements on a case by case basis for individual officers when handling the bus fare assistance programs?

Has the Ministry of Education considered making awareness to teachers and staff of DSW to enlighten them on Conflict of interest and its repercussions?

3. MANAGEMENT OF THE PERFORMANCE OF THE PROGRAM:

Theme 1: Reports from the E-Ticketing Service Provider

Review of reports received by TAU on 11 December 2019 revealed that the e-ticketing service provider did not provide any exception reports on the actual use of blue student cards to indicate travel behaviour patterns and of each eligible student. MEHA also did not request for any such report.

Review of reports provided by DSW indicated that only the amount loaded into each card for that particular month was shown. The report did not indicate the amount used; the amount redeemed and the balance available for each card throughout the 23 months since the commencement of the e-ticketing mode of assistance.

The audit recommended that:

- **The Ministry of Education and Department of Social Welfare should sign a service level agreement which includes reporting requirements with the e-ticketing service provider.**
- **The Ministry of Education and Department of Social Welfare should obtain the required reports and ensure that procedures are in place on how to use the information in the reports and when exception reports should be obtained.**

- 1. Can the Ministry of Education provide an update on the audit recommendation?**
- 2. Has Ministry of Education received reports from the service provider?**
- 3. What actions are taken when reports are received?**

4. How many children have been assisted before onset of COVID19?

5. How many children have been assisted after onset of COVID19?

Theme 2: Regular Monthly Reconciliation

The audit noted that regular reconciliations has not been carried out by the Ministry of Education to reconcile its records against the records kept by the e-ticketing service provider through its electronic fund transfer payment platform.

Similarly, the Department of Social Welfare did not reconcile funds used against the funds that have been loaded into each card including the balances available in each card.

- 1. Can the Ministry of Education provide an update if there are SOPs that will be developed to help improve on the reconciliation of records kept with the Ministry of Education and the Department of Social Welfare against the e-ticketing service provider including the strict monitoring of the utilisation of funds?**
- 2. Why are bus fare assistance reconciliation not carried out by Ministry of Education against the records of bus fare assistances held at Vodafone?**
- 3. Were there reconciliation officers appointed to look after reconciliation of bus fare assistances records with the E- Ticketing Service Provider?**
- 4. Has this reconciliation process been incorporated into the Ministry of Education's SOPs or policy guidelines to provide guidance and mandate for its accomplishments?**

Theme 3 - Initial Listing of Eligible Students

There was no evidence to indicate during our audit that proper independent verification was carried out on the income of parents for students who have been assisted under the Bus Fare Assistance program either at the Ministry or school levels.

The audit recommended that the Ministry of Education should enter into an agreement with FRCS to obtain regular confirmation of parents of students assisted under the program. Following confirmation, students who do not fall within the defined category should be excluded.

- 1. Can the Ministry of Education provide an update on what actions they have taken with respect to the recommendation provided by audit?**

Theme 6: Review of the Students Bus Fare Assistance

The audit noted that the Transport Assistance Unit was yet to take appropriate action on the findings of the Internal Audit team of the Ministry of Education for assistance provided under the Transport Assistance Program.

The audit recommended that the Ministry:

- **Should ensure that recommendations in reports prepared by the Ministry of Economy's Internal Audit and Good Governance team are implemented on a timely basis; and**
- **Review the program to include updated or refinements as part of continuous improvement.**

1. **Can the Ministry please provide an update on whether or not all recommendations provided by the internal audit team of the Ministry of Economy have been addressed?**

Theme 7: School Zoning

A decade after the Cabinet approval, students have been accepted and enrolled in schools outside of the 2km school zone. Funding of the program could be minimised if the Bus Fare assistance program enforces the school zoning policy requirements. More money is paid out when bus fare assistance to students are not restricted as per the school zoning policy.

The audit recommended that:

- **The Ministry of Education should consider integrating the requirements of the school zoning policy into the Bus Fare Assistance program so that objectives of policies can be realized and the reduce expenditure incurred in funding of the program.**
 - **The Ministry of Education should also review applications for assistance outside zoning area and remove applicants which do not meet the criteria.**
1. **Can the Ministry please provide an update on how they intend to ensure that the requirements of the zoning policy will be strictly adhered to in the processing of bus fare assistance for school students?**
 2. **Can the Ministry confirm if the zoning policy withdrawn and why was it withdrawn?**
 3. **What was the time spent by the Ministry in developing the policy only to be withdrawn once it has been implemented?**
 4. **How does the Ministry ensure that the policy it develops is not withdrawn after being implemented?**

Theme 8: Student Bus Fare Assistance Application Process

There is no provision in the Policy on Transport Assistance or its accompanying form for the Transport Assistance Clerk to sign and confirm that s/he has scrutinised and vetted the form before submitting it to the head of school. Furthermore, the policy does not have any provisions for an independent or third-party confirmation of the income source declared by parents.

The audit recommended that the Ministry of Education should consider reviewing the Policy on Transport Assistance and application form to incorporate the following provisions:

- **Transport assistance officer to sign off applications after checking and vetting them.**

- The Transport Assistance Officers vetting and checks of applications to include recalculation of total income of parents and checking attachment of the required documents including the parents TIN and other sources of income.
- Confirmation of student's information is updated on FEMIS.

Can the Ministry please provide an update on the measures taken to ensure that proper assessments are done for the confirmation of the salaries declared by the parents of students that have applied for assistance under the program?

Theme 2 - Data on Students

A detailed comparison carried out on data as of 6 February 2020 between records maintained by the e-ticketing service provider and that of the Ministry highlighted the following gaps in data governance as indicators for areas of improvements:

1. A total of 148,893 Inactive cards have balances totalling \$2,972,684.40.
2. A total of 87,294 cards with funds that were incorrectly transferred amounted to \$745,318.73. The card holders of the new cards are not same as the previous card holder.
3. Validation of correct top-up could not be established as audit was not provided with the relevant data needed to carry out this test. The data provided was incomplete. In the absence of required data, audit was unable to determine the manner in which the Ministry determined that the correct amounts were topped- up and how reconciliations are carried out. Data detailing the movement of funds within each card is not provided to MEHA. Instead the Ministry relies solely on data maintained by the e-ticketing service provider.
4. Duplicate student ID was noted on active student cards although a student should have only one subsidized card registered under their names.
5. Duplicate card numbers were also noted.
6. The audit noted incomplete & missing data since MEHA is yet to update & maintain complete data sets.
7. The audit also noted incomplete data for student details. Due to incomplete data it was not possible to carry out reconciliation for amounts topped-up as MEHA did not disclose the total amount that is supposed to be topped-up on the student cards.
8. The audit noted improper registration and incorrect ID numbers being registered on to the system. Student ID numbers were not properly recorded including instance of duplicates noted within the service provider system. E.g. one particular student ID number was recorded 214 times.
9. Proper data management is not practiced by MEHA. The annual fare estimated by MEHA is not equal to the total amount topped up by the service provider.
10. The MEHA data shows the amount to be loaded onto the cards for 2019 should have been \$11,486,032 while the total value loaded for 2019 by the e-ticketing service provider was \$4,984,000 indicating an excess amount of \$6,502,032.

The audit recommended that:

- **The Ministry of Education and Department of Social Welfare should work with the e-ticketing service provider to cleanse data by respective parties.**
- **Data governance framework including expected level of data quality should be included in the agreement between the MEHA and DSW and the e-ticketing service provider.**

- 1. Can the Ministry provide an update on how have they rectified the issues highlighted through this report and how have they improved on the reconciliations of records between the Ministry and the service providers?**
- 2. How will the Ministry recover the funds lost through improper reconciliations and management of the program?**

PERFORMANCE AUDIT ON MANAGEMENT OF ADMINISTRATION AND MANAGEMENT OF BUS FARE ASSISTANCE THROUGH ETICKETING (Parliament Paper 71 of 2020)

Department of Social Welfare

3. ADMINISTRATION OF THE PROGRAM:

Theme 1 – Legal and Policy Framework

The Policy on Transport Assistance was approved by the Minister for Education in January 2015 while the review date for the policy was 20th January 2016. The Policy on Transport Assistance was not reviewed nor was any risk assessment carried out to determine the risks associated with the provision of e-ticketing services by an external service provider. Can the Ministry please provide an update on the review of the Policy and if risks assessments has been done to incorporate the new basket of risks associated with the transfer of the bus fare assistance from the manual voucher system and into the e-ticketing system?

The Department of Social Welfare does not have any approved policy on the provision of transport assistance to the elderly and people with disabilities. Can the Department provide an update on when they will finalise a policy for transport assistance to the elderly and disabled?

Theme 2 – Standard Operating Procedures

The Ministry of Education does not have a specific SOP for student bus fare assistance program. However, the Policy on Transport Assistance is used for its standard operating procedures. The policy was prepared to play a dual role as a policy guideline while also detailing procedures for the management and operation of the bus fare assistance program.

Review of the Policy noted that it only deals with internal stakeholders and does not cover the role of the external stakeholder which is the e-ticketing services provider. This has led to the absence of reporting between the Ministry and the e-ticketing service provider as required under the Electronic Fare Ticketing Act 2014. This has resulted in differences between the records of the Ministry and the e-ticketing service provider as proper reconciliations were not done.

Review of the draft Standard Operating Procedures for the Department of Social Welfare indicated that the draft is yet to be finalised and endorsed. Although the Electronic Fare Ticketing Act 2014 enables the Ministry/Department to request for other reports in addition to those provided by the e-ticketing service provider, these provisions have not been applied.

Department of Social Welfare

- 1. How soon can the Department of Social Welfare finalise their SOPs and if so, have you engaged the service provider to provide detailed reports as required under the Act.**

2. Has the Dept. reviewed and signed an agreement with the external service provider?

Theme 4 - E-ticketing Agreement for the Department of Social Welfare

The Permanent Secretary for Women, Children and Poverty Alleviation signed the agreement with the Chief Operating Officer and the Company Secretary of the external e-ticketing service provider to enable the provision of bus fare assistance through e-ticketing to the elderly and persons with disabilities.

Review of the agreement noted that it does not specify the date on which the agreement was signed by the two parties. Instead the agreement specified the commencement month as October 2018 for a period of 12 months with no date clearly identified. As at the date of the audit²⁷, it was noted that the agreement has not been renewed after expiring in October 2019. Even though the contract has provision in clause 3.1 for the Ministry to request and be provided reports in the manner it requires for its monitoring and evaluations, the Ministry has not submitted its request on reports for monitoring and evaluations each month.

The audit recommended that:

- **DSW should review the agreement to ensure that any gaps noted in the agreement are addressed, vetted for legal compliance and renewed.**
- **Monthly reports should be obtained for monitoring and evaluation.**

Can the Department provide an update on this?
How many versions of the agreement are there?
What date does the latest agreement have?

Theme 5 - Management of Feedback and Complaints

Although complaints are recorded by the Units within MEHA and DSW, there is no procedure on how to deal with the complainant up to providing feedback to complainants. Although the policy by the Ministry of Education has dedicated two paragraphs on complaints, outline of the procedures on how to process each complaint has not been documented. Therefore, it is not clear as to what role each player plays from head of schools to District Education Officer before moving the issue through the TAU Unit. There is no feedback or survey done to assess how the Unit had performed with respect to handing complaints from its users.

DSW maintains a book for recording of any issues or complaints with respect to any feature of the program that the general public wishes to raise. However, there was no evidence to indicate that actions were taken on the complaint and feedback was provided to the complainants. We were also not able to determine if any survey was carried out to determine the efficiency and effectiveness of the complaints system. DSW also indicated that most complaints are made through telephone calls or they show up at their office.

The audit had recommended that:

- MEHA and DSW should improve their engagement with customers in handling of complaints and providing timely feedbacks at the same time addressing any operational issues identified through the complaints.
 - MEHA and DSW should consider automating its complaint management system and other critical operations which are carried out manually.
1. Can the Ministry of Social Welfare provide an update on this?
 2. In the absence of Complaint Feedback Survey procedure, explain how the complaint and feed backs are handled by the Ministry?
 3. Since the Transport Assistance Policy has outlined policy guideline on complaints why was no operating procedure in place to guide the processes and responsibilities?
 4. Why are actions taken to address complaints raised by elderly and disable not documented? Does the absence of documented feedback mean that action was not taken on the complaints raised by the recipients?
 5. Will the two ministries undertake surveys to establish the effectiveness and efficiency of the processes surrounding the management of complaints received and the feed backs?
 6. Has Department of Social Welfare budgeted for an IT system for handling of complaints rather than the current manual system?
 7. When will the draft revised transport assistance policy and stand operating procedure be approved and implemented by the Ministry of Education?

Theme 6 - Conflict of Interests

The audit did not find any documentary evidence to confirm that officers of both the Ministry of Education and Department of Social Welfare that are engaged in the delivery of the program had declared any conflict of interest that may exist or which can compromise the public service values and their roles and responsibilities when providing services to the targeted beneficiaries.

1. Can the Department of Social Welfare provide an update on whether the policies and processes have been developed for the declaration of conflict of interest by officers involved in the assessment of the assistance?
2. In the absence of conflict of interest forms, the DSW revealed that the ethical element is captured, transferred to each of its officer and acknowledged when he or she signs his or her contract. To what extent is this monitored in terms of assessing ethical requirements on a case by case basis for individual officers when handling the bus fare assistance programs?

- 3. Has the Department of Social Welfare considered making awareness to teachers and staff of DSW to enlighten them on Conflict of interest and its repercussions?**

4. MANAGEMENT OF THE PERFORMANCE OF THE PROGRAM:

Theme 1: Reports from the E-Ticketing Service Provider

Review of reports received by TAU on 11 December 2019 revealed that the e-ticketing service provider did not provide any exception reports on the actual use of blue student cards to indicate travel behaviour patterns and of each eligible student. MEHA also did not request for any such report.

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The audit recommended that:

- **The Ministry of Education and Department of Social Welfare should sign a service level agreement which includes reporting requirements with the e-ticketing service provider.**
- **The Ministry of Education and Department of Social Welfare should obtain the required reports and ensure that procedures are in place on how to use the information in the reports and when exception reports should be obtained.**

Can the Department of Social Welfare provide an update on the audit recommendation?

Has Department of Social Welfare received reports from the service provider?

What actions are taken when reports are received?

How many children have been assisted before onset of COVID19?

How many children have been assisted after onset of COVID19?

Theme 2: Regular Monthly Reconciliation

The audit noted that regular reconciliations has not been carried out by the Ministry of Education to reconcile its records against the records kept by the e-ticketing service provider through its electronic fund transfer payment platform.

Similarly, the Department of Social Welfare did not reconcile funds used against the funds that have been loaded into each card including the balances available in each card.

Can the Department of Social Welfare provide an update if there are SOPs that will be developed to help improve on the reconciliation of records kept with the Ministry of Education and the Department of Social Welfare against the e-ticketing service provider including the strict monitoring of the utilisation of funds?

Why are bus fare assistance reconciliation not carried out by Department of Social Welfare against the records of bus fare assistances held at Vodafone?

Were there reconciliation officers appointed to look after reconciliation of bus fare assistances records with the E- Ticketing Service Provider?

Has this reconciliation process been incorporated into the Department of Social Welfare's SOPs or policy guidelines to provide guidance and mandate for its accomplishments?

Theme 4: Exit by Elderly from the Bus Fare Concession Card

The DSW does not have any procedure or guideline to cease reimbursement of e-transport cards for senior citizens and people living with disabilities when they are deceased.

Discussions held with the Senior System Analyst and Assistant Director revealed that currently there are no agreements with the Registrar of Births, Deaths and Marriages. This will make it difficult to keep track of deceased beneficiaries who are assisted under the program.

In the absence of such controls, there is a high risk of assistance being continued to be provided to deceased beneficiaries which can also encourage persons who have access to the bus cards to continue to use the assistance provided without being detected resulting in wastage of funds.

Can the Department of Social Welfare provide an update on how they have addressed the issue of confirming whether the intended recipients are alive before the assistance is provided?

How many elderly and person with disability were assisted before onset of COVID19?

How many elderly and person with disability were assisted after onset of COVID19?

Theme 5 - Review of Transport Assistance Implementation for Senior Citizens and People with Disability

As part of its annual action to improve the implementation of the program, the Department of Social Welfare produced a report prepared by its Monitoring and Evaluation Team in 2018. The report made eight recommendations as follows:

- (i) After comparing the two data sets, it has been noted that both sets are not reconciling, there seems to be more cases registered with DSW as compared to the payment list submitted by the e-ticketing service provider, a difference of 17,412 cases. This is quite a significant number so attempts must be made to find out the reason for these inactive cases because these numbers will continue to distort the figures, not giving the accurate picture of those actually assisted under this program.
- (ii) On the same note strategies must be developed and reviews conducted to identify those recipients that have passed away so that cases can be closed in the system.

- (iii) In regards to the different ID cards used in the issuance of the electronic bus fare cards, the only valid ID card to be used is the one issued by the Department, which is a photo ID with yellow colour for elderly and red for disabled persons. The e-ticketing service provider must ensure that their entire staffs issuing the electronic cards are made aware of this requirement.
- (iv) For ease of reconciliation, the e-ticketing service provider to provide the Department of Social Welfare with the monthly top up list, however, prior to that they must ensure that the data is updated and cleaned before submission.
- (v) Beneficiaries should produce their Social Welfare Bus Fare ID cards when using the bus services. This will need to be discussed with the relevant stakeholders.
- (vi) In regards to the information relayed by LTA on the abuse of the system, there is a need for the Committee to be setup to look into this. This will comprise of relevant
- (vii) Stakeholders to monitor the progress of this program, likewise, develop strategies to minimize the abuse of the system. Committee to include MWCPA, Fiji Bus Operators Association, LTA & e-ticketing service provider. The committee to meet on a monthly basis and then phase out into a quarterly meeting. The committee to have a Terms of Reference (TOR) for better management and validation of processes.
- (viii) Due to the volume of information that needs to be reconciled, a dedicated officer is required to be appointed to carry out these monthly data reconciliations.
- (ix) Cards need to have expiry date and photo identification

Audit has assessed that the Department has so far addressed only one (recommendation number 3) out of the eight recommendations.

Can the Department provide an update on when the remaining seven recommendations will be addressed?

5. DATA ANALYTICS:

Theme 1 - Data on Elderly and Fijians with Disability

Scrutiny of the data on Bus Fare Assistance Program revealed the following observations that can be summarised as follows:

1. Other forms of ID was being accepted by the e-ticketing service provider apart from the normal ID issued by the DSW. We noted use of incorrect ID Type for registration of card users. Concession & exempt card holders should be registered using Social Welfare ID. However, during the audit we noted the use of birth certificates, drivers licence and many other IDs for registration purpose.
2. There were more than one user for one active ID. There were more than one card assigned to the same ID.
3. In some cases, Monthly loading on Exempt and Concession Cards was more than the monthly approved limit of \$40.
4. We also noted instances where funds were being incorrectly transferred to incorrect cards.

The audit recommended that:

- **The DSW should carry out monthly reconciliation on the amounts loaded onto the cards of Welfare recipients against the amount used.**

- The DSW should work with the e-ticketing service provider to identify incorrectly registered recipients and rectify the issue.
- The DSW should identify the cards that need to be blocked. It must constantly make sure that no recipient has more than one active cards registered to their name. Responsible party as per the agreement should be made accountable for amount(s) that have been incorrectly loaded these amounts should be refunded back to the correct party.

Can the Department please provide an update on how have they addressed the recommendations provided by the OAG?



Parliament of Fiji
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PARLIAMENT

REPUBLIC OF FIJI

STANDING COMMITTEE ON PUBLIC ACCOUNTS



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File Ref No: Parl 7/02

12 February 2021

**The Permanent Secretary
Ministry of Education, Heritage & Arts
Marela House, Thurston Street
Suva.**

Attention: Dr. Anjeela Jokhan

Dear PS,

RE: Report of the Auditor General of the Republic of Fiji – Performance Audit Report on the Administrative and Management of the Bus Fare Assistance through E-Ticketing for the School Children, Disabled and the Elderly (Parliamentary Paper No. 71 of 2020)

The abovementioned report was tabled in Parliament on Friday 31 July 2020 and subsequently was referred to the Public Accounts Committee for further deliberation and scrutiny.

In accordance with Standing Orders 112 (1) (b) of the Parliament of the Republic of Fiji, the Committee has the powers to “*compel the production of documents or other materials or information as required for its proceedings and deliberations.*”

During the Committee’s deliberations, there were certain issues that the Members needed further clarification from your Office. The Committee would be grateful for your written response to the attached questions and to be submitted to the Committee Secretariat by **Friday 19 February, 2021.**

A copy of the report can be retrieved from the Fiji Parliament website using the following link:
<http://www.parliament.gov.fj/auditor-generals-report/>

Should you need further clarifications, please do not hesitate to contact our secretariat on email address savenaca.koro@govnet.gov.fj or mateo.lagimiri@parliament.gov.fj or telephone contact 3305811 or 9907356 and I look forward to receiving a confirmation from your end.

Yours Sincerely,

Hon. Alvick Maharaj
Chairperson, Public Accounts Committee

PUBLIC ACCOUNTS COMMITTEE

QUESTIONS

1.0 ADMINISTRATION OF THE PROGRAM:

Theme 2 – Standard Operating Procedures

The Ministry of Education does not have a specific SOP for student bus fare assistance program. However, the Policy on Transport Assistance is used for its standard operating procedures. The policy was prepared to play a dual role as a policy guideline while also detailing procedures for the management and operation of the bus fare assistance program.

Review of the Policy noted that it only deals with internal stakeholders and does not cover the role of the external stakeholder which is the e-ticketing services provider. This has led to the absence of reporting between the Ministry and the e-ticketing service provider as required under the Electronic Fare Ticketing Act 2014.

This has resulted in differences between the records of the Ministry and the e-ticketing service provider as proper reconciliations were not done.

Review of the draft Standard Operating Procedures for the Department of Social Welfare indicated that the draft is yet to be finalized and endorsed.

Although the Electronic Fare Ticketing Act 2014 enables the Ministry/Department to request for other reports in addition to those provided by the e-ticketing service provider, these provisions have not been applied.

Ministry of Education:

- 1. Can the Ministry of Education provide an update on the review of the Policy on Transport Assistance in relation to the Electronic Fare Ticketing Act 2014?*

Transport Assistance Policy Final draft is in process and is currently sent to Hon. Minister for her approval.

Approval and implementation of the Policy- by 26th February, 2021

Theme 3 - Service Agreement between Ministry of Education Heritage and Arts and E-Ticketing Service Provider for Students fare

After enquiring with the TAU of Ministry of Education, Heritage and Arts, it was revealed that no formal agreement exists between the Ministry and the e-ticketing service provider for the delivery of the Bus Fare Assistance Program to eligible students. During the last quarter of 2017 calendar year, the e-ticketing card system was expeditiously implemented. The policy on bus fare assistance for school students was also not amended to cater for the change in method of providing the assistance from coupon and vouchers to e-ticketing cards. Similarly, internal control mechanisms for the new e-ticketing system were not developed. The Ministry continued to place total reliance on the system of the external e-ticketing service provider to distribute the assistance to beneficiaries.

The Ministry through its response that was e-mailed to audit on 12/05/20 had stated that they are drafting an agreement. *Can the Ministry provide an update on this?*

Draft Service agreement is with service provider – Vodafone. Once the draft agreement is received from Vodafone, it will be sent to SG's office for a final vetting. Implementation will follow as soon as an approval is sought from SG's office. Tentative time set for implementation is July-21.

Theme 5 - Management of Feedback and Complaints

Although complaints are recorded by the Units within MEHA and DSW, there is no procedure on how to deal with the complainant up to providing feedback to complainants. Although the policy by the Ministry of Education has

dedicated two paragraphs on complaints, outline of the procedures on how to process each complaint has not been documented. Therefore, it is not clear as to what role each player plays from head of schools to District Education Officer before moving the issue through the TAU Unit. There is no feedback or survey done to assess how the Unit had performed with respect to handling complaints from its users.

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The **audit had recommended** that:

- MEHA and DSW should improve their engagement with customers in handling of complaints and providing timely feedbacks at the same time addressing any operational issues identified through the complaints.
 - MEHA and DSW should consider automating its complaint management system and other critical operations which are carried out manually.
-
- a) Can the Ministry of Education and the Department of Social Welfare provide an update on this?
 - 163 toll free line and emails are responded to and Transport officer are based at HQ and district offices to handle complains and resolve it.
 - A complaints register will be kept to register complains and actions taken to solve it. The register will be kept at school, District office and HQ. The future plan for the Ministry is to develop and implement an online complaint management system that will register complaint details.
 - b) In the absence of Complaint Feedback Survey procedure, explain how the complaint and feed backs are handled by the Ministry of Education?
 - The complaints received are resolved immediately on a case-by-case basis. Feedbacks are provided to the complainant via phone call or emails. Moving forward online feedback survey portal will be developed to register complaints.
 - c) Since the Transport Assistance Policy has outlined policy guideline on complaints why was no operating procedure in place to guide the processes and responsibilities?
 - The transport assistance policy has not be approved and implemented yet. Once the policy is approved and implemented, the draft Standard Operating Procedures which includes processes on complaints and responsibilities of each concern stakeholders will also be implemented.
 - d) Why are actions taken to address complaints raised by elderly and disable not documented? Does the absence of documented feedback mean that actions were not taken on the complaints raised by the recipients?
 - e) Will the two ministries undertake surveys to establish the effectiveness and efficiency of the processes surrounding the management of complaints received and the feed backs?
 - The ministry is working on developing the online system where the relevant stakeholder will be able to provide feedbacks of services and lodge complaints on e-ticketing.
 - f) When will the draft revised transport assistance policy and stand operating procedure be approved and implemented by the Ministry of Education?
 - Final draft is in process and is sent for Hon. Ministers approval. Policy to be approved by 26th February. The draft SOP will be approved and implemented once policy is approved by Hon. Minister.

Theme 6 - Conflict of Interests

The audit did not find any documentary evidence to confirm that officers of both the Ministry of Education and Department of Social Welfare that are engaged in the delivery of the program had declared any conflict of interest that may exist or which can compromise the public service values and their roles and responsibilities when providing services to the targeted beneficiaries.

Can the Ministry of Education provide an update on whether the policies and processes have been developed for the declaration of conflict of interest by officers involved in the assessment of the assistance?

- The draft Policy and SOP does include procedures of declaring Conflict of interest. The declaration of conflict of interest form is also attached as an appendix in the draft SOP.

In the absence of conflict of interest forms, the DSW revealed that the ethical element is captured, transferred to each of its officer and acknowledged when he or she signs his or her contract.

- a) To what extent is this monitored in terms of assessing ethical requirements on a case by case basis for individual officers when handling the bus fare assistance programs?
- b) What type of awareness program has the Ministry of Education considered providing for Teachers and Staff of Department of Social Welfare?

Ministry periodically through its official circular does keep the Heads of Schools informed on the latest requirements and updates to its e-ticketing function. The Heads of Schools are expected to cascade the information down to their teachers while the circulars are also printed and attached to the school notice board. The Ministry is also planning to develop a standard learning and development program for Heads of Schools/Teachers on e-ticketing by the next schooling year.

2.0 MANAGEMENT OF THE PERFORMANCE OF THE PROGRAM:

Theme 1: Reports from the E-Ticketing Service Provider

Review of reports received by Transport Assistance Unit (TAU) on 11 December 2019 revealed that the e-ticketing service provider did not provide any exception reports on the actual use of blue student cards to indicate travel behaviour patterns and of each eligible student. MEHA also did not request for any such report.

Review of reports provided by DSW indicated that only the amount loaded into each card for that particular month was shown. The report did not indicate the amount used; the amount redeemed and the balance available for each card throughout the 23 months since the commencement of the e-ticketing mode of assistance

The **audit recommended** that:

- The Ministry of Education and Department of Social Welfare should sign a service level agreement which includes reporting requirements with the e-ticketing service provider.
 - The Ministry of Education and Department of Social Welfare should obtain the required reports and ensure that procedures are in place on how to use the information in the reports and when exception reports should be obtained.
- a) Can the Ministry of Education provide an update on the audit recommendation?
 - Service agreement is with Vodafone for their consultation and will be implemented after it is vetted from SG's Office.
 - The ministry does get an automated daily report from the service provider which provides visibility on service transactions while exception reports are also requested from the service provider on a case by case

basis. While there is a standard way to use this information, a reporting manual that defines a standard method to consume this information will be developed as soon as the service contract is executed.

- b) What type of reports has the Ministry received and what is the frequency of reporting?
 - Daily Transaction report provided- daily.
 - Eligible student listing with new card numbers and end balances are provided- as and when needed
- c) What actions are taken when reports are received?
 - Identify and block cards that are wrongly tapped or adult fare are tapped and also block cards that shows larger amounts on balance which should not be there.
 - Monitor daily usage of each individual cards.
 - Load funds to the current card numbers.
- d) Can the Ministry provide clarity on the number of children assisted pre and post COVID-19?
 - Pre covid-19- 92,162 {vouchers 31,377 & e-cards 60,785}
 - Post covid-19- 103,728 {vouchers 32,927 & e-cards 70,801}

Theme 2: Regular Monthly Reconciliation

The audit noted that regular reconciliations has not been carried out by the Ministry of Education to reconcile its records against the records kept by the e-ticketing service provider through its electronic fund transfer payment platform.

Similarly, the Department of Social Welfare did not reconcile funds used against the funds that have been loaded into each card including the balances available in each card.

- a) Can the Ministry of Education provide an update if there are SOPs that will be developed to help improve on the reconciliation of records kept with the Ministry of Education and the Department of Social Welfare against the e-ticketing service provider including the strict monitoring of the utilization of funds?
 - Reconciliation work is in progress and the draft SOP will be implemented once the Policy is approved and Service Agreement is signed with the service provider.
- b) Why are bus fare assistance reconciliation not carried out by Ministry of Education against the records of bus fare assistances held at Vodafone?
 - There was no standard agreement between the Ministry and the service provider, reconciliation should commence once the agreement and policy are approved.
- c) How is the reconciliation of bus fare assistance records with the E-Ticketing Service Provider being handled by the Ministry?
 - Service provider updates Ministry with available balance in cards of each students whereby ministry tops up the difference so that the cards can be used for particular period.
- d) Has this reconciliation process been incorporated into the Ministry of Education's SOPs or policy guidelines to provide guidance and mandate for its accomplishments?
 - Yes, various reconciliation processes are documented in draft policy and draft SOP and will be implemented once approved.

Theme 3 - Initial Listing of Eligible Students

There was no evidence to indicate during our audit that proper independent verification was carried out on the income of parents for students who have been assisted under the Bus Fare Assistance program either at the Ministry or school levels.

The audit recommended that the Ministry of Education should enter into an agreement with FRCS to obtain regular confirmation of parents of students assisted under the program. Following confirmation, students who do not fall within the defined category should be excluded.

Can the Ministry of Education provide an update on what actions they have taken with respect to the recommendation provided by audit on the income of parents for students being assisted?

- The Ministry is currently working on drafting a data-sharing Memorandum of Understanding with the Fiji Revenue and Customs (FRCS) to enable verification of parental/ guidance income declarations.

Theme 6: Review of the Students Bus Fare Assistance

The audit noted that the Transport Assistance Unit (TAU) was yet to take appropriate action on the findings of the Internal Audit team of the Ministry of Education for assistance provided under the Transport Assistance Program.

The audit recommended that the Ministry:

- Should ensure that recommendations in reports prepared by the Ministry of Economy's Internal Audit and Good Governance team are implemented on a timely basis; and
- Review the program to include updated or refinements as part of continuous improvement.

Can the Ministry provide an update on which recommendations provided by the internal audit team of the Ministry of Economy have been addressed?

- The Ministry is currently reviewing and drafting its Transport Assistance Policy, Standard Operating Procedures and Service Agreement with the E-Transport Service Provider. The Ministry is currently working on refining and making changes to FEMIS Transport Assistance reports and aligning to the required reporting of the draft Standard Operating Procedures. Ministry is also liaising with the E-Transport Service Provider to align and merge its data reporting structure to FEMIS reporting.

Theme 7: School Zoning

A decade after the Cabinet approval, students have been accepted and enrolled in schools outside of the 2km school zone. Funding of the program could be minimized if the Bus Fare assistance program enforces the school zoning policy requirements. More money is paid out when bus fare assistance to students are not restricted as per the school zoning policy.

The **audit recommended** that:

- The Ministry of Education should consider integrating the requirements of the school zoning policy into the Bus Fare Assistance program so that objectives of policies can be realized and the reduce expenditure incurred in funding of the program.
- The Ministry of Education should also review applications for assistance outside zoning area and remove applicants which do not meet the criteria.

a) Can the Ministry confirm if the zoning policy has been withdrawn and why was it withdrawn? What is the update on the MEHA's Zoning Policy? What was the time spent by the Ministry in developing the policy only to be withdrawn once it has been implemented?

Ministry's Policy has not been withdrawn.

b) Can the Ministry please provide an update on how they intend to ensure that the requirements of the zoning policy will be strictly adhered to in the processing of bus fare assistance for school students?

- The draft policy states under Section 4.11 that "Priority for transport assistance will be given to eligible students residing within their school's home zone as defined in the Policy on School Zoning in Fiji (for urban schools only). The Permanent Secretary has the discretion to approve transport assistance for other students residing outside their school's home zone as determined necessary".
-

a) How does the Ministry ensure that a policy once developed is not withdrawn after being implemented?

- All MEHA Policies has a review period. During this review period, MEHA policies are taken out to all relevant stakeholders for consultation. Feedbacks from these policy consultations are then considered and incorporated to ensure relevancy. Based on legislative changes and review feedbacks new policies can be introduced that may either supersede or replace an existing policy. We haven't had any cases of any one of our policies being withdrawn thus far. All work on policy matters are performed upon the approval of the Hon. Minister.

Theme 8: Student Bus Fare Assistance Application Process

There is no provision in the Policy on Transport Assistance or its accompanying form for the Transport Assistance Clerk to sign, confirm, scrutinize and vet the form before submitting it to the Head of School. Furthermore, the policy does not have any provisions for an independent or third-party confirmation of the income source declared by parents.

The **audit recommended** that the Ministry of Education should consider reviewing the Policy on Transport Assistance and application form to incorporate the following provisions:

- Transport assistance officer to sign off applications after checking and vetting them.
- The Transport Assistance Officers vetting and checks of applications to include recalculation of total income of parents and checking attachment of the required documents including the parents TIN and other sources of income.
- Confirmation of student's information is updated on FEMIS.

Can the Ministry please provide an update on the measures taken to ensure that proper assessments are done for the confirmation of the salaries declared by the parents of students that have applied for assistance under the program?

- It is a mandatory requirement that students submit pay slip, contract or statutory declaration of parents/Guidant's to be eligible for the transport assistance. It is the responsibility of the Head of School to verify and certify the documents before entering data in FEMIS. Ministry is currently working towards creating an online application process whereby income eligibility verification would be done systematically and will be closely monitored in Head Quarters.

Theme 2 - Data on Students

A detailed comparison carried out on data as of 6 February 2020 between records maintained by the e-ticketing service provider and that of the Ministry highlighted the following gaps in data governance as indicators for areas of improvements:

1. A total of 148,893 Inactive cards have balances totaling \$2,972,684.40.
2. A total of 87,294 cards with funds that were incorrectly transferred amounted to \$745,318.73. The card holders of the new cards are not same as the previous card holder.
3. Validation of correct top-up could not be established as audit was not provided with the relevant data needed to carry out this test. The data provided was incomplete. In the absence of required data, audit was unable to determine the manner in which the Ministry determined that the correct amounts were topped- up and how reconciliations are carried out. Data detailing the movement of funds within each card is not provided to MEHA. Instead the Ministry relies solely on data maintained by the e-ticketing service provider.
4. Duplicate student ID was noted on active student cards although a student should have only one subsidized card registered under their names.
5. Duplicate card numbers were also noted.
6. The audit noted incomplete & missing data since MEHA is yet to update & maintain complete data sets.
7. The audit also noted incomplete data for student details. Due to incomplete data it was not possible to carry out reconciliation for amounts topped-up as MEHA did not disclose the total amount that is supposed to be topped-up on the student cards.
8. The audit noted improper registration and incorrect ID numbers being registered on to the system. Student ID numbers were not properly recorded including instance of duplicates noted within the service provider system. E.g. one particular student ID number was recorded 214 times.
9. Proper data management is not practiced by MEHA. The annual fare estimated by MEHA is not equal to the total amount topped up by the service provider.
10. The MEHA data shows the amount to be loaded onto the cards for 2019 should have been \$11,486,032 while the total value loaded for 2019 by the e-ticketing service provider was \$4,984,000 indicating an excess amount of \$6,502,032.

The **audit recommended** that:

- The Ministry of Education and Department of Social Welfare should work with the e-ticketing service provider to cleanse data by respective parties.
- Data governance framework including expected level of data quality should be included in the agreement between the MEHA and DSW and the e-ticketing service provider.

a) Can the Ministry provide an update on how have they rectified the issues highlighted above and how have they improved on the reconciliations of records between the Ministry and the service providers?

- Recent card numbers are requested from service provider so that funds are loaded into correct and current card that the student is allocated.
- Before student's cards were registered under birth registration or parents driving license, however Transport unit emphasizes that all card should be registered under FEMIS ID and if a particular student's card is not registered under FEMIS ID, the students won't receive the funds to utilize. We have also noted that some student's birth registration matches with students FEMIS ID that's why there are duplicate cards number with different names are under one ID.
- In 2019, absenteeism for students for the previous term were deducted from their eligible payments of the following term. In 2019 also, only the days remaining for the term were loaded with funds on lost and replacement cards. Moving forward from this year, 2020, E-Transport Service Provider provides the end balance of cards which is deducted from the following terms payment. Ministry further advises Audit that all the reports needed by the Ministry for reporting and monitoring purposes would be included in the Service

agreement. This would be in line as per the requirements stated in the Standard Operating Procedures and Transport Assistance Policy.

b) How will the Ministry recover the funds lost through improper reconciliations and management of the program?

- The functionality to roll back the balance of the e-ticketing cards rests with the service provider, while the ministry periodically does request the service provider to execute this function however the service provider has indicated that this is only possible if the physical e-ticketing cards are provided, which is a big challenge as majority of the in-active cards have been lost by students.
 - Service provider needs to implement changes in its system to ensure funds for in-active cards are able to be transferred softly without the need for the physical cards to be provided.
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Thursday, February 25, 2021

Hon. Alvick Maharaj
Chairperson for the Standing Committee on Public Accounts,
Parliament of the Republic of Fiji
Constitution Avenue, PO Box 2352, Government Building
Suva, Fiji.
Phone : (679) 8925218 Mobile: (679) 8396812
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Dear Chairperson for the Standing Committee on Public Accounts, Hon. Alvick Maharaj,

RE: PAC Request Written Response: Performance Audit Report - Administrative and Management of the Bus Fare Assistance through E-Ticketing for the School Children, Disabled and the Elderly

Please find the response to your questions (Attachment 1) in relation to the PAC Request Written Response: Performance Audit Report - Administrative and Management of the Bus Fare Assistance through E-Ticketing for the School Children, Disabled and the Elderly.

Sincerely,

.....
Jennifer Poole (Ms)

Permanent Secretary, Ministry of Women, Children and Poverty Alleviation,



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Attachment 1

1.0 ADMINISTRATION OF THE PROGRAM: Theme 1 – Legal and Policy Framework

1.1 The Policy on Transport Assistance was approved by the Minister for Education in January 2015 while the review date for the policy was 20th January 2016. The Policy on Transport Assistance was not reviewed nor was any risk assessment carried out to determine the risks associated with the provision of e-ticketing services by an external service provider.

Can the Ministry please provide an update on the review of the Policy and if risks assessments has been done to incorporate the new basket of risks associated with the transfer of the bus fare assistance from the manual voucher system and into the e-ticketing system?

1.2 The Department of Social Welfare does not have any approved policy on the provision of transport assistance to the elderly and people with disabilities. This Agreement was initially between Fiji Bus Operators Association and the Prime Minister's office and was supposed to be implemented by LTA. However, the Ministry was asked to implement the program (2011) when LTA failed to meet the deadline.

Can the Department provide an update on when they will finalise a policy for transport assistance to the elderly and disabled?

The Department of Social Welfare is currently in the process of reviewing all its Social Protection programs (SPP) and this will include the Bus fare Program. These reforms will be looking at the Standing Operating Procedures for each program. However, in 2020, the Bus Fare Program was one of those programs monitored by the Ministry's Poverty Monitoring Unit. This report highlighted the risks which enabled the Ministry to work with the service provider in minimizing these risks.

Theme 2 – Standard Operating Procedures

1.1 The Ministry of Education does not have a specific SOP for student bus fare assistance program. However, the Policy on Transport Assistance is used for its standard operating procedures. The policy was prepared to play a dual role as a policy guideline while also detailing procedures for the management and operation of the bus fare assistance program.

Review of the Policy noted that it only deals with internal stakeholders and does not cover the role of the external stakeholder which is the e-ticketing services provider. This has led to the absence of reporting between the Ministry and the e-ticketing service provider as required under the Electronic Fare Ticketing Act 2014. This has resulted in differences between the records of the Ministry and the e-ticketing service provider as proper reconciliations were not done.



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a) Review of the draft Standard Operating Procedures for the Department of Social Welfare indicated that the draft is yet to be finalised and endorsed.

b) Although the Electronic Fare Ticketing Act 2014 enables the Ministry/Department to request for other reports in addition to those provided by the e-ticketing service provider, these provisions have not been applied.

Department of Social Welfare

1. How soon can the Department of Social Welfare finalise their SOPs and if so, have you engaged the service provider to provide detailed reports as required under the Act.

The draft SOP is yet to be finalized, however with reforms on the Social Protection Programs happening very soon, it has been recommended that all current SOPs including draft documents be part of these reforms. However, with the current Agreement monthly reports have been provided by the Service Provider as these is a requirement before funds could be released for payment every month.

2. Has the Dept. reviewed and signed an agreement with the external service provider?

In September 2020, the Ministry reviewed the Agreement and has signed it with the Service provider. As part of the Agreement, the Ministry has been able to request the Service Provider for additional Reports.

Theme 4 – E-ticketing Agreement for the Department of Social Welfare

The Permanent Secretary for Women, Children and Poverty Alleviation signed the agreement with the Chief Operating Officer and the Company Secretary of the external e-ticketing service provider to enable the provision of bus fare assistance through e-ticketing to the elderlies and persons with disabilities.

Review of the agreement noted that it does not specify the date on which the agreement was signed by the two parties. Instead the agreement specified the commencement month as October 2018 for a period of 12 months with no date clearly identified. As at the date of the audit²⁷, it was noted that the agreement has not been renewed after expiring in October 2019. Even though the contract has provision in clause 3.1 for the Ministry to request and be provided reports in the manner it requires for its monitoring and evaluations, the Ministry has not submitted its request on reports for monitoring and evaluations each month.

The audit recommended that: DSW should review the agreement to ensure that any gaps noted in the agreement are addressed, vetted for legal compliance and renewed. Monthly reports should be obtained for monitoring and evaluation.



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a) Can the Department provide an update on this?

The Agreements were reviewed annually and before it is signed between both parties it is first vetted by SG's office. Any changes that is required is factored in the new agreement and forward to SG's office for vetting. Included in this Agreement is the provision for the Service Provider to furnish the Ministry with payment records and reports that maybe requested by the Ministry.

b) How many versions of the agreement are there?

There has been 3 versions for the last 3 years. It commenced since the beginning of e-ticketing.

c) What date does the latest agreement have?

Commencement date is 31st October, 2020 for an initial term of 12 months.

Theme 5 – Management of Feedback and Complaints

Although complaints are recorded by the Units within MEHA and DSW, there is no procedure on how to deal with the complainant up to providing feedback to complainants. Although the policy by the Ministry of Education has dedicated two paragraphs on complaints, outline of the procedures on how to process each complaint has not been documented. Therefore, it is not clear as to what role each player plays from head of schools to District Education Officer before moving the issue through the TAU Unit. There is no feedback or survey done to assess how the Unit had performed with respect to handing complaints from its users.

DSW maintains a book for recording of any issues or complaints with respect to any feature of the program that the general public wishes to raise. However, there was no evidence to indicate that actions were taken on the compliant and feedback was provided to the complainants. We were also not able to determine if any survey was carried out to determine the efficiency and effectiveness of the complaints system. DSW also indicated that most complaints are made through telephone calls or they show up at their office.

The **audit had recommended** that:

☐ MEHA and DSW should improve their engagement with customers in handling of complaints and providing timely feedbacks at the same time addressing any operational issues identified through the complaints.



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□ MEHA and DSW should consider automating its complaint management system and other critical operations which are carried out manually.

a) Can the Ministry of Education and the Department of Social Welfare provide an update on audit recommendations mentioned above?

Department of Social Welfare has been updating its register with the feedback provided to the complainants. Operational issues are also addressed accordingly.

Department is currently facing challenges with centralizing and/or automating all its social protection programs. With the assistance from the donor partner DFAT, Ministry is working on reviewing all SPP policies and procedures and prioritizing automation of few critical programs like Social Pension Scheme, Poverty Benefit Scheme, Care & Protection and Disability allowance Scheme. Grievance process would be one of the models to be considered. Depending on the available funding, the other programs such as the busfare assistance and food voucher are to be considered. The programs are planned to be automated in phases.

b) Provide an update on the Complaint Feedback Survey Procedure.

M&E on programs are conducted by the Poverty Monitoring Unit. They have conducted and provided a report on the bus fare program in 2020.

c) Since the Transport Assistance Policy has outlined policy guideline on complaints why was no operating procedure in place to guide the processes and responsibilities?

Department is working on policy and currently using the draft operating procedure.

d) What are the actions taken to address complaints raised by elderly and disabled? Does the absence of documented feedback mean that actions were not taken on the complaints raised by the recipients?

The complaints are referred to relevant district offices or agencies for a response and a feedback is provided to the complainant. The Department also liaise with the Service Provider when complaints are highlighted especially when funds are not loaded on time or when those not entitled were discovered to be using the cards.

e) Will the two ministries undertake surveys to establish the effectiveness and efficiency of the processes surrounding the management of complaints received and the feed backs?

The Poverty Monitoring Unit Report on the Monitoring and Evaluation of the Bus Fare has looked at the impact and the performance of the Program. This will be an ongoing exercise that will be facilitated by the Poverty Monitoring Unit.

f) Has Department of Social Welfare budgeted for an IT system for handling of complaints rather than the current manual system?



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As explained in a) above, the budget for an IT system is provided by the donor partner DFAT to carry out the reforms and automate the system in phases.

g) When will the draft revised transport assistance policy and standard operating procedure be approved and implemented by the Ministry of Education?

Theme 6 - Conflict of Interests

6.1 The audit did not find any documentary evidence to confirm that officers of both the Ministry of Education and Department of Social Welfare that are engaged in the delivery of the program had declared any conflict of interest that may exist or which can compromise the public service values and their roles and responsibilities when providing services to the targeted beneficiaries.

Can the Department of Social Welfare provide an update on the policies and processes have been developed for the declaration of conflict of interest by officers involved in the assessment of the assistance?

Even though the policies are yet to be finalized, the criteria for the Bus fare program is age targeted for the (elderly) whereby a Birth Certificate must be provided before any application can be processed and likewise for the Disable person (a letter of validation or medical report) is part of the requirements. These are not poverty targeted programs, unlike the Children's Bus Fare Program, therefore assessment should be straight forward as long as the relevant documents are provided.

6.2 In the absence of conflict of interest forms, the DSW revealed that the ethical element is captured, transferred to each of its officer and acknowledged when he or she signs his or her contract.

a) To what extent is this monitored in terms of assessing ethical requirements on a case by case basis for individual officers when handling the bus fare assistance programs?

There are certain steps in the processing of the application that needs to be followed before it is finally approved. This is designed to safeguard and provide check and balances to avoid individual's single handling application from start to finish. Thus, an applications is received by an officer who ensures that the relevant documents are provided and then it is submitted to another level whereby the approval is done.

b) Has the Department of Social Welfare considered making awareness to teachers and staff of DSW to enlighten them on Conflict of interest and its repercussions?

Department of Social Welfare in its in-house induction package specifies on Code of Conduct which highlights on disclosing any conflict of interest.



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Staff are also nominated to attend courses provided by the ministry of Civil Service on Performance Management Framework, Ethical and anti-bribery training, investigation officer training, Supervisor & Manager Disciplinary training. All these training do highlight on the Code of Conduct.

2.0 MANAGEMENT OF THE PERFORMANCE OF THE PROGRAM:

Theme 1 – Reports from the E-Ticketing Service Provider

Review of reports received by Transport Assistance Unit (TAU) on 11 December 2019 revealed that the e-ticketing service provider did not provide any exception reports on the actual use of blue student cards to indicate travel behaviour patterns and of each eligible student. MEHA also did not request for any such report.

Review of reports provided by DSW indicated that only the amount loaded into each card for that particular month was shown. The report did not indicate the amount used; the amount redeemed and the balance available for each card throughout the 23 months since the commencement of the e-ticketing mode of assistance.

The *audit recommended* that:

- ☐ The Ministry of Education and Department of Social Welfare should sign a service level agreement which includes reporting requirements with the e-ticketing service provider.
- ☐ The Ministry of Education and Department of Social Welfare should obtain the required reports and ensure that procedures are in place on how to use the information in the reports and when exception reports should be obtained.

a) Can the Department of Social Welfare provide an update on the audit recommendation?

The department has requested for a more detailed report from the service provider. It will continue to review the report and request for additional information as per need.

b) Has Department of Social Welfare received reports from the service provider?

Yes, the Service Provider provides a monthly update before funds could be release for the monthly payments. Other reports can also be requested as per provision of the Agreement when needed.

c) What actions are taken when reports are received?

The Department analysis the data to ensure that duplicate cards are not topped up but removed from the list, that recipients have been endorsed by the Department and in their master list and those that have been reported to have deceased are removed from the list.=



d) How many children have been assisted before onset of COVID-19?

-

e) How many children have been assisted after onset of COVID-19?

-

Theme 5 - Review of Transport Assistance Implementation for Senior Citizens and People with Disability

As part of its annual action to improve the implementation of the program, the Department of Social Welfare produced a report prepared by its Monitoring and Evaluation Team in 2018. The report made eight recommendations as follows:

(i) After comparing the two data sets, it has been noted that both sets are not reconciling, there seems to be more cases registered with DSW as compared to the payment list submitted by the e-ticketing service provider, a difference of 17,412 cases. This is quite a significant number so attempts must be made to find out the reason for these inactive cases because these numbers will continue to distort the figures, not giving the accurate picture of those actually assisted under this program. (ii) On the same note strategies must be developed and reviews conducted to identify those recipients that have passed away so that cases can be closed in the system. (iii) In regards to the different ID cards used in the issuance of the electronic bus fare cards, the only valid ID card to be used is the one issued by the Department, which is a photo ID with yellow colour for elderly and red for disabled persons. The e-ticketing service provider must ensure that their entire staffs issuing the electronic cards are made aware of this requirement. (iv) For ease of reconciliation, the e-ticketing service provider to provide the Department of Social Welfare with the monthly top up list, however, prior to that they must ensure that the data is updated and cleaned before submission.

(v) Beneficiaries should produce their Social Welfare Bus Fare ID cards when using the bus services. This will need to be discussed with the relevant stakeholders. (vi) In regards to the information relayed by LTA on the abuse of the system, there is a need for the Committee to be setup to look into this. This will comprise of relevant stakeholders to monitor the progress of this programme likewise to develop strategies to minimize the abuse of the system. Committee to include MWCPA, Fiji Bus Operators Association, LTA & e-ticketing service provider. The committee to meet on a monthly basis and then phase out into a quarterly meeting. The committee to have a Terms of Reference (TOR) for better management and validation of processes. (vii) Due to the volume of information that needs to be reconciled, a dedicated officer is required to be appointed to carry out these monthly data reconciliations. (viii) Cards need to have expiry date and photo identification

Audit has assessed that the Department has so far addressed only one (recommendation number 3) out of the eight recommendations.



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Can the Department provide an update on when the remaining seven recommendations will be addressed?

The discrepancies in numbers can be due to several reasons, applications could have been registered with the Department but applicants may have not activated their cards with the Service Provider thus they will not appear as active cases. Some may have activated their cards but are not topping it up, and there were those that have come from the rural and maritime islands to the urban centers and have registered but have returned to their village but their names still appear in the system.

With the lack of a centralized system to cross check the movements and demise of beneficiaries across programs, the Department rely on several strategies to remove those that have been identified to have deceased. The Department rely on family and relatives to provide that information, however, it also has an agreement with BDM where it can cross check on records of cases of those that have passed away. The Department uses information from the other Social Protection Programs especially if beneficiaries were recipients of both, to remove and close cases when information is received. There were also the whistleblowers who will report to the Department of those whom they know that have passed away. Recently (2020), the Department has conducted a recertification exercise and reviews have been done annually to identify and update any new information regarding the beneficiaries.

The Report did highlight the different types of ID Cards used in obtaining the M-Paisa card from the Service Provider, however, once identified it has been dealt with and the service provider has adhered to the request from the Department.

ID cards on color codes (yellow for old persons and red for disability) are the only ones issued by the Department. The Service Provider has been able to provide the monthly Reports and other reports when requested by the Department

However, the policing of DSW ID cards to be presented during time of travel has been highlighted with LTA and the Bus Companies. Cards have been seized and assistance stopped once this has been brought to our notice that somebody else which is not entitled is caught using the cards.

A committee made up of the relevant stakeholders was appointed to look at these issues, this is chaired by LTA. The Committee has met several times but this needs to be strengthened and meetings more frequent.

Currently, Bus fare clerks are engaged at District Level and there is an officer at DSW Headquarters that focus solely on the Bus Fare Program.

At the moment there is no expiry date on the ID card but recipients are validated monthly when they come to top up their cards. The report from the service provider is able to identify the active cases and those that not been active for months.



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3.0 DATA ANALYTICS:

Theme 1 – Data on Elderly and Fijians with Disability

Scrutiny of the data on Bus Fare Assistance Program revealed the following observations that can be summarized as follows: 1. Other forms of ID were being accepted by the e-ticketing service provider apart from the normal ID issued by the DSW. We noted use of incorrect ID Type for registration of card users. Concession & exempt card holders should be registered using Social Welfare ID. However, during the audit we noted the use of birth certificates, drivers license and many other IDs for registration purpose. 2. There was more than one user for one active ID. There was more than one card assigned to the same ID. 3. In some cases, Monthly loading on Exempt and Concession Cards was more than the monthly approved limit of \$40. 4. We also noted instances where funds were being incorrectly transferred to incorrect cards.

The audit recommended that:

☐ The DSW should carry out monthly reconciliation on the amounts loaded onto the cards of Welfare recipients against the amount used. ☐ The DSW should work with the e-ticketing service provider to identify incorrectly registered recipients and rectify the issue. ☐ The DSW should identify the cards that need to be blocked. It must constantly make sure that no recipient has more than one active cards registered to their name. Responsible party as per the agreement should be made accountable for amount(s) that have been incorrectly loaded these amounts should be refunded back to the correct party.

Can the Department provide an update on how have they addressed the recommendations provided by the OAG?

This has been addressed, cards that been highlighted as using other ID's have been identified and closed, including multiple card holders. Those that has been seized by LTA officials because somebody else was using the card has also been closed.