FOURTH SESSION OF THE TWELFTH REPUBLICAN PARLIAMENT

EIGHTEENTH

REPORT FROM

THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE

EXAMINATION OF

the Audited Accounts, Balance Sheets and other Financial Statements of the VMCOTT for the financial years 2015 and 2016 and follow-up on the implementation of the recommendations in the Committee's Second Report, 12th Parliament

Office of the Parliament
Parliamentary Complex
Cabildo Building
St. Vincent Street Port of Spain
Republic of Trinidad and Tobago

PARLIAMENT
REPUBLIC OF TRINIDAD AND TOBAGO

Public Accounts (Enterprises) Committee

The Public Accounts (Enterprises) Committee (P.A.(E).C) established under Section 119(5) of the Constitution of the Republic of Trinidad and Tobago is mandated to consider and report to the House of Representatives accordingly on:

"(a) the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by or on behalf of the state; and

(b) the Auditor General's Report on any such accounts, balance sheets and other financial statements."

Current membership

Mr. Wade Mark	Chairman
Mr. Rushton Paray, MP	Vice-Chairman
Ms. Amrita Deonarine	Member
Mrs. Renuka Sagramsingh-Sooklal	Member
Mr. Fitzgerald Hinds, MP	Member
Mrs. Laurel Lezama-Lee Sing	Member
Mr. Keith Scotland, MP	Member
Mr. Stephen Mc Clashie, MP	Member

Committee Staff

The current staff members serving the Committee are:

Ms. Hema Bhagaloo	Secretary
Mr. Darien Buckmire	Assistant Secretary
Ms. Rachel Nunes	Research Specialist
Ms. Anesha James	Administrative Assistant
Ms. Natoya O'Neil	Clerk Typist I

Publication

An electronic copy of this report can be found on the Parliament website: www.ttparliament.org

Contacts

All correspondence should be addressed to:
The Secretary
Public Accounts (Enterprises) Committee
Office of the Parliament
Parliamentary Complex
Cabildo Building
St Vincent Street, Port of Spain, Trinidad and Tobago
Tel: (868) 624-7275; Fax: (868) 625-4672

Email: paec@ttparliament.org

Table of Contents

Members of the Public Accounts (Enterprises) Committee **4**

Executive Summary **5**

Introduction **8**

Establishment 8

Mandate 8

Ministerial Response 8

State Enterprises Performance Standards 8

Election of the Chairman and Vice-Chairman 9

Establishment of Quorum 9

Change in Membership 9

Determination of Date and Time of Regular meetings 10

Methodology **11**

Determination of the Committee's Work Programme Third Session 11

The Inquiry Process 12

Company Profile **14**

History 14

Core values 14

Board of Directors 15

Line Ministry - Ministry of Works and Transport 15

Issues and Recommendations **16**

Conclusion **26**

Appendix 1 ..... **28**

Appendix 2: Meeting Minutes **29**

Appendix 3: Verbatim Notes **45**

MEMBERS OF THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE

Mr. Wade Mark
Chairman

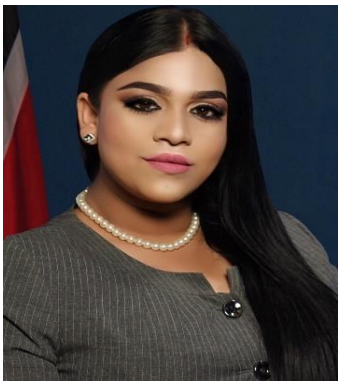
Mr. Rushton Paray
Vice-Chairman

Mrs. Hazel Thompson-Ahye
Member

Mr. Keith Scotland
Member

Mrs. Laurel Lezama-Lee Sing
Member

Mr. Stephen Mc Clashie
Member



Mrs. Renuka Sagramsingh-Sooklal
Member

Mr. Fitzgerald Hinds
Member

EXECUTIVE SUMMARY

The Public Accounts (Enterprises) Committee (PA(E)C) is the Parliamentary Financial Oversight Committee tasked with the responsibility of examining the audited accounts of all State Enterprises that are owned or controlled by the state. The Committee conducted **an examination of the Audited Accounts, Balance Sheets and other Financial Statements of the VMCOTT for the financial years 2015 and 2016 and follow-up on the implementation of the recommendations in the Committee's Second Report, 12th Parliament** and produced this report. This report details the issues, endorsements and recommendations made by the Committee to improve VMCOTT's performance.

The Report focuses on the following issues:

1. **Late submission of Audited Financial Statements**
2. **Status of the Outstanding Debt Owed**
3. **Diversification of VMCOTT's Services**
4. **The non-patronage of VMCOTT's services by Ministries and Departments**
5. **Status of the High Staff Turnover and Low Staff Retention**
6. **Status of the High Staff Turnover and Low Staff Retention**
7. **On-hand Inventory of outdated Spare Parts**

In light of the Committee's findings, the following recommendations were made:

- ***VMCOTT should submit a status update to the Parliament by November 29, 2024 regarding:***
    - ***i. The completion of the Audited Financial Statements for the period 2016/2017 through 2020/2021;***
    - ***ii. the commencement of the audit of the outstanding Financial Statements for the periods 2021/2022, 2022/2023 and 2023/2024 ; and***
    - ***iii. the measures taken to overcome the challenges faced.***
- ***VMCOTT should conduct a meeting with its line Ministry, the Ministry of Works and Transport and the Ministry of Finance to discuss the possibility of recovering the arrears owed to the company from Ministries and Departments where legal action cannot be pursued. VMCOTT should submit the findings of this meeting to Parliament by November 29, 2024;***

- ***VMCOTT should engage its Audit Committee of the Board to monitor the company's systems of internal controls regarding finance, accounting, legal, compliance and ethics that management and the Board have established to improve the company's auditing, accounting and financial reporting processes as a way of clearing the company's audit backlog. VMCOTT should provide an update to Parliament on the implementation of this initiative by November 29, 2024;***
- ***VMCOTT should provide an update to the Parliament by November 29, 2024 on the following:***
    - ***i. The companies that have committed to settle its debts and the sum of each;***
    - ***ii. The measures implemented to recover the debt owed since appearing before the Committee;***
    - ***iii. The measures undertaken to settle VMCOTT's debt owed to its creditors; and***
    - ***iv. The findings of the Central Audit Committee audit of the debt owed by the TTPS.***
- ***VMCOTT should consider the use of private debt collection agencies where legal avenues are restricted due to state-to-state enterprise limitations. These agencies could manage communication and collection in a non-litigious way and provide an update to Parliament by November 29, 2024;***
- ***To support innovation and growth, VMCOTT should form strategic alliances with private sector companies and international fleet management providers, to introduce new technologies and innovations, reduce costs, and improve service delivery to its potential private clientele and provide an update to Parliament by November 29, 2024;***
- ***Based on Cabinet Minute No. 481 of March 5, 2009 and in the effort to monitor and improve its efficiency and delivery of services, VMCOTT should undertake the following and submit an update to Parliament by November 29, 2024:***
    - ***i. Collaborate with the MOWT and approach Cabinet to determine a way forward regarding entities that fail to adhere to the Cabinet Minute No. 481;***

ii. ***Continue to explore all available mechanisms such as written communication, meetings and advertisements to all MDA's to increase compliance; and***

iii. ***Develop strategies to monitor and increase the use of the fifteen (15) selected garages by the TTPS.***

- ***The MOWT should provide a status update to Parliament by November 29, 2024 on:***

iv. ***the steps taken to treat with the concerns expressed by VMCOTT through with the MTI.***

v. ***the correspondence sent to the MOWT by VMCOTT's Board of Directors in January 2024.***

- ***VMCOTT should provide a status update on the review of the company's employee job descriptions, tasks and responsibilities to the Parliament on the by November 29, 2024;***
- ***VMCOTT should schedule a meeting with the CPO to review and determine a more competitive salary structure. VMCOTT should report to the Parliament on the implementation of this recommendation by November 29, 2024; and***
- ***VMCOTT should also conduct a comprehensive audit of their inventory to determine the value of the outdated spare parts and submit an update to Parliament by November 29, 2024;***
- ***VMCOTT via its Disposal Committee should compile a list of all its 'obsolete' inventory and conduct a Public/Spot Sale or Public Auction for members of the public as a method of disposal and report to the Parliament on the feasibility of this initiative by November 29, 2024; and***
- ***VMCOTT should mandate its Disposal Committee to develop a Disposal Plan and Strategy to manage future occurrences and submit an update to Parliament by November 29, 2024.***

INTRODUCTION

Establishment

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

Mandate

The Constitution of the Republic of Trinidad and Tobago mandates that the Committee shall consider and report to the House on the audited accounts, balance sheets and other financial statements of all enterprises that are owned or controlled by, or on behalf of the State.

In addition to the Committee's powers entrenched in the Constitution, the Standing Orders of the House of Representatives and Senate also empower the Committee (but not limited) to:

a. send for persons, papers and records;
b. have meetings whether or not the House is sitting;
c. meet in various locations;
d. report from time to time; and
e. communicate with any other Committee on matters of common interest.

Ministerial Response

The Standing Orders[1] provide for the Minister responsible for the Ministry or Body under review to submit within sixty (60) days a paper to the House responding to any recommendations or comments contained in the Report which are addressed to it.

State Enterprises Performance Standards

The (PA(E)C used the State Enterprises Performance Monitoring Manual as a benchmark to examine the performance of State Enterprises. The manual outlines the framework for compliance with official policy and the monitoring mechanisms to be used in assessing such compliance. The Government of Trinidad and Tobago monitors the performance of State

1 Standing Order 110 (6) in the House of Representatives and 100(6) of the Senate.

Enterprises to ensure that these enterprises successfully execute their mandates and maximize value for money for the national stakeholders and shareholders.[2]

Election of the Chairman and Vice-Chairman

In accordance with section 119(6) of the Constitution, the Chairman must be a Member of the Opposition in the Senate. At the first meeting held virtually on Wednesday November 18, 2020, Mr. Wade Mark was elected Chairman and Mr. Rushton Paray was elected Vice-Chairman of the Committee.

Establishment of Quorum

The Committee is required by the Standing Orders[3] to have a quorum in order to exercise the powers granted to it by the House. A quorum of three (3) Members, inclusive of the Chair or Vice-Chairman), with representatives from both Houses was agreed to by the Committee at its First Meeting held on November 17, 2020.

Change in Membership

- By resolution of the House of Representatives at a sitting held on June 13, 2022, Mr. Stephen Mc Clashie, MP was appointed a Member of the Committee in lieu of Dr. Nyan Gadsby Dolly.
    - Senator Amrita Deonarine ceased being a Member of the Committee when her appointment as a Senator was revoked on September 11, 2023.
    - By resolution of the Senate at a sitting held on October 24, 2023, Senator Hazel Thompson-Ahye was appointed a Member of the Committee in lieu of Senator Amrita Deonarine.

[2] State Enterprise Performance Monitoring Manual – Ministry of Finance Website accessed on March 30, 2022 https://www.finance.gov.tt/2017/05/19/state-enterprise-performance-monitoring-manual-2011/

[3] Standing Order 87(2) of the Senate and 97(2) of the House of Representatives

Determination of Date and Time of Regular meetings

The Committee is required by the Standing Orders[4] to sit notwithstanding any adjournment of the House. At its Second Meeting, the Committee agreed to meet on the First and Third Wednesday of each month at 9:30 a.m.

[4] Standing Order 101(b) of the Senate and 111(b) of the House of Representatives

METHODOLOGY

Determination of the Committee's Work Programme Third Session

At the Committee's Twelfth meeting held on Wednesday November 15, 2023, the Committee identified the following entities for examination during the Fourth Session of the 12th Parliament:

- Urban Development Corporation of Trinidad and Tobago Limited;
- Vehicle Management Corporation of Trinidad and Tobago Limited Trinidad and Tobago;
- National Export Facilitation Organisation of Trinidad and Tobago;
- National Petroleum Marketing Company Limited;
- Trinidad Petroleum Holdings Limited;
- National Flour Mills Limited; and
- Trinidad and Tobago Mortgage Finance Company Limited.

The Inquiry Process

The Inquiry Process outlines the steps taken by the Committee to conduct the inquiry into the operations of VMCOTT. The following steps outline the Inquiry Process agreed to by the PA(E)C:

I. The Committee conducted a review of the responses provided to the Second Report of the PA(E)C from the Eleventh Parliament. Based on the responses provided, the Committee wrote to the entity for a status of the implementation of the recommendations.

II. The Committee also conducted a review of VMCOTT's Audited Financial Statements for the Financial Years ended September 30, 2015 and 2016. Based on an analysis of the financial statements, issues were identified and questions for written response were generated.

III. Questions for written response were forwarded to VMCOTT on October 23, 2023. VMCOTT's responses were received on November 21, 2023.

IV. Preparation of an Issues Paper, which identified and summarised matters of concern in the responses provided by the VMCOTT. Based on the responses received and the issues identified, the Committee agreed to have a public hearing.

V. A public hearing was held on January 17, 2024. Representatives from VMCOTT, the MOWT and MOF-ID were invited.

VI. Questions were sent for additional information to the VMCOTT after the public hearing on January 26, 2024. The VMCOTT's responses were received on February 6, 2024.

VII. Report the Committee's findings and recommendations to Parliament upon conclusion of the inquiry. The Report will be transmitted to the MOWT as the Minister with oversight of the VMCOTT for written response within sixty (60) days in accordance with Standing Order 110(6) of the House of Representatives and 100(6) of the Senate.

VIII. Carry out follow-up to monitor progress in the implementation of recommendations.

COMPANY PROFILE[5]

History

Then in April 2005, the GORTT recognized a further need for a comprehensive system that manages its various vehicle fleets across Trinidad and Tobago. Consequently, the strategic direction of VMCOTT was changed from 'vehicle maintenance' to that of 'fleet management'; giving rise to a name change – The Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT).

The Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT) is a wholly state-owned agency with a mandate from the Government of the Republic of Trinidad and Tobago [GORTT] to be "a central controlling agency to provide fleet management services to the public sector as a whole…..and to private sector interests." In August 2000, born out of a need, a 'system wide' solution to the collapse in the maintenance of State vehicles, the Government of the Republic of Trinidad and Tobago (GORTT) established The Vehicle Maintenance Corporation of Trinidad and Tobago Limited (VMCOTT).

VMCOTT has been in the business of vehicle fleet care for over nineteen (19) years and have recently re-launched its services, to provide a guaranteed a customer oriented organization, working diligently to satisfy every customer, whether in the Public or Private Sector.[6]

Core values

The company's core values are divided into four main areas:

- **Professionalism**

  Maintaining undaunted integrity through the provision of on time, high-quality service and adherence to the highest ethical standards.

[5] The Vehicle Management Corporation of Trinidad and Tobago website accessed on April 22, 2024: https://www.vmcott.com/about-company/

[6] The Vehicle Management Corporation of Trinidad and Tobago website accessed on April 22, 2024: https://www.vmcott.com/about-company/

- **Dependability**

  Maintaining reliable fleets and vehicles for our customers and stakeholders to achieve dependability. (We commit to use quality replacement parts – original or OEM, unless otherwise requested – to meet original equipment manufacturer's specifications).

- **Efficiency**

  Providing cost effective, timely customer solutions by ensuring the efficient use of resources through optimized workflows and processes. (We commit to provide professional service and expert advice, as a fleet specialist)

- **Customer Service Excellence**

  Promoting high levels of engagement and service delivery to exceed the expectations of our customers and stakeholders. (We commit to timely, friendly service from an honest team of automotive professionals)

Board of Directors[7]

- Lt Col. Neil Bennett - Chairman
- Mr. Roddy Batchasingh - Deputy Chairman
- Ms. Melissa Boodoo - Director
- Mark Lee Son - Director
- Nigel Floyd - Corporate Secretary
- Ms. Natasha Prince - Chief Executive Officer

Line Ministry - Ministry of Works and Transport[8]

- **Minister of Works and Transport-** Senator the Honourable Rohan Sinanan
- **Permanent Secretary** - Mrs. Sonia Francis-Yearwood
- **Deputy Permanent Secretaries** - Ms. Dhanmattee Ramdath
  - Mr. Stephen A. Abhiraj

[7] The Vehicle Management Corporation of Trinidad and Tobago website accessed on April 23, 2024: https://www.vmcott.com/about-company/

[8] Ministry of Works and Transport website accessed on August 21, 2024 https://www.mowt.gov.tt/Who-We-Are/Executive-Leadership

ISSUES AND RECOMMENDATIONS

In the Committee's examination of exporTT, the following issues were identified and the corresponding recommendations were proposed:

1. Late submission of Audited Financial Statements

The Second Report of the PAEC of the First Session of the Twelfth Parliament, the untimely submission of unaudited financial statements of VMCOTT was identified as an ongoing issue as at fiscal 2021. For a number of years, VMCOTT has been in breach of Section 3.2.5 of the State Enterprise Performance Monitoring Manual (SEPMM), which states that "*State Enterprises are required to submit the following:*

> *(a) Audited Financial Statements (2 originals and 120 copies) to the Minister of Finance within four (4) months of their financial year-end. These reports are to be laid in Parliament and subsequently submitted to the Public Accounts and Enterprises Committee for consideration;*
>
> *(b) Copies of their Management letters issued by Statutory Auditors."*

In a written response dated November 21, 2023, VMCOTT provided the following status update on its audited financial statements:

- Audited Financial Statements 2016/2017 – 98% complete. Currently awaiting finalisation from the Audit Firm (PKF Limited).
- Audited Financial Statements 2017/2018 – 85% complete. Currently being reviewed by PKF Limited.
- Audited Financial Statements 2018/2019 – Scheduled to commence on March 2024.
- Audited Financial Statements 2019/2020 – Scheduled to commence on May 2024.
- Audited Financial Statements 2020/2021 – Scheduled to commence on July 2024.
- Audited Financial Statements 2021/2022, 2022/2023 and 2023/2024 will be scheduled for commencement and completion in the financial period 2024/2025 as the initial aim to have all audited financial statements updated within the specified financial period.

At the public hearing held on January 17, 2024 the Committee sought an update on the non-submission of the audited financials for the period 2018 - 2022. The Committee was informed that the present Board had inherited incomplete audits for the period 2011 – 2015, therefore the Board could only complete one audit per year. The appointed Board sought permission from the Corporation Sole to audit more than two years at a time. With approval, the company was

subsequently able to conduct two audits per annum. The company also made a commitment to fulfill the above schedule for its outstanding audits by fiscal 2024/2025.

Additional information received on March 4, 2024, VMCOTT explained that while it was committed to commencing and completing its financial year audits to submit all its outstanding audited financial statements, the company indicated that it had been experiencing the following challenges:

i. Retrieving source documents on outstanding balances for both receivables and payables for the 2015-2016 fiscal period.
ii. Retrieving all outstanding receivables from clients - communication with clients and reconciling information posed a challenge as some clients (Public and Private) took a lengthy time to respond.
iii. Payables were also being updated and payment plans have been established for outstanding balances to suppliers and creditors.
iv. Balance sheet items such as bank reconciliations, fixed assets, etc. were being updated.

Recommendations:

- ***VMCOTT should submit a status update to Parliament by November 29, 2024 regarding:***
    - ***iv. The completion of the Audited Financial Statements for the period 2016/2017 through 2020/2021;***
    - ***v. the commencement of the audit of the outstanding Financial Statements for the periods 2021/2022, 2022/2023 and 2023/2024; and***
    - ***vi. the measures taken to overcome the challenges faced.***
- ***VMCOTT should engage its Audit Committee of the Board[9] to monitor and provide recommendations on the company's systems of internal controls regarding finance, accounting, legal, compliance and ethics that management and the Board have established to improve the company's auditing, accounting and financial reporting processes as a way of clearing the company's audit backlog. VMCOTT should***

[9] Section 2.2.6.3 of the State Enterprises Performance Monitoring Manual states: Every State Enterprise is required to appoint an Audit Committee. It shall be composed of a minimum of two (2) non-executive directors and other independent Company professionals. The Minister of Finance may appoint other independent professionals to the Committee.

provide an update to Parliament on the implementation of this initiative by November 29, 2024.

2. Status of the Outstanding Debt Owed

A reoccurring factor, which contributed to the VMCOTT's current financial status, was the company's inability to turn its receivables into cash. The issue of late payments, bad-debts or non-payment by its customers stemmed from Ministries and Departments (M&Ds) and State-Owned-Enterprises (SOEs) that utilise VMCOTT's operations. This issue also arose in the Committee's examination on February 3, 2021. Officials from VMCOTT indicated that as at the date of the public hearing, January 17, 2024, the accumulated debt owed to VMCOTT amounted to $37.4 million. Subsequent information dated February 8, 2024, revealed that the total sum owed had fallen to $34.8 million. VMCOTT informed the Committee that although this was a financial challenge, the company could not engage in legal proceedings for its outstanding debts as its sole debtors were other state agencies. As a result, the company was heavily reliant on the intervention of its line Ministry. When, the Committee, questioned this matter, VMCOTT stated that as per its mandate the Ministry of Finance as the Corporation Sole, instructed the company not to. This stance was in alignment with Section 3.1.16 of the SEPMM, which states that:

'State Enterprises are to utilise avenues other than the courts for resolution of disputes. Under no circumstances should legal action be initiated by one State Enterprise against another without prior approval of the Minister of Finance.'

The Committee questioned the ways in which VMCOTT would recover the debt owed. VMCOTT stated that its Finance Department engaged in monthly phone calls or written correspondence to its debtors of the debts owed. Furthermore, questions were asked whether VMCOTT got its debtors to acknowledge the debts older than four years given that Section 3 (1) of the Limitation of Certain Actions Chap. 7:09, stated:

'The following actions shall not be brought after the expiry of four years from the date on which the cause of action accrued, that is to say:

(c) actions to recover any sum recoverable by virtue of any enactment.'

VMCOTT indicated that it was not aware of this. The company also indicated that the retirement of employees privy to those past transactions posed another significant challenge. As such, the company revamped its document processing system by sending its debtors regular statements

and communicating the need for the submission of the supporting documentation when necessitated. Thus far, VMCOTT has been receiving small payments amidst ongoing negotiations and receiving commitments to pay. Regarding the collection of longstanding debt owed by its clients, the company indicated that a recovery exercise was ongoing.

The Committee inquired about the monies owed by the Trinidad and Tobago Police Service (TTPS) and Public Transport Service Corporation (PTSC). In that regard, the Committee was informed that the VMCOTT was currently conducting an exercise to recover the debt owed. It was also stated that the MOWT was mediating between PTSC and VMCOTT to resolve the debt, which at the time of the public hearing resulted in VMCOTT collecting $6.5 million of the debt owed. Additional information received on February 6, 2024, indicated that the PTSC would have settled its debt in full. However, regarding the debt owed by the TTPS, the Committee was informed that the Central Audit Committee of the Ministry of Finance had recently audited the account. The Committee later learnt that VMCOTT had received verbal communication that the matter would be subject to a revised audit, which would commence in this financial period 2023/2024.

It was also stated that VMCOTT had an outstanding debt to its suppliers in the sum of $8.6 million that was accumulated during the period 2015 to present. The Committee questioned whether consideration was given to offset the debt between VMCOTT and clients it owed. Officials from VMCOTT indicated that such arrangements had been made. The example given involved the Trinidad and Tobago Postal Corporation (TTPOST), where VMCOTT approached TTPOST to maintain its fleet as a strategy to offset the debt VMCOTT owed TTPOST.

Recommendations:

- ***VMCOTT should conduct a meeting with its line Ministry, the Ministry of Works and Transport and the Ministry of Finance (Corporation Sole) to discuss the possibility of recovering the arrears owed to the company from Ministries and Departments where legal action cannot be pursued. VMCOTT should submit an update of the findings of this meeting to Parliament by November 29, 2024; and***
- ***VMCOTT should provide an update to the Parliament by November 29, 2024 on the following:***
    1. ***The companies that have committed to settle its debts and the sum of each;***

ii. ***The measures implemented to recover the debt owed since appearing before the Committee;***

iii. ***The measures undertaken to settle VMCOTT's debt owed to its creditors; and***

iv. ***The findings of the Central Audit Committee audit of the debt owed by the TTPS.***

- ***VMCOTT should consider the use of private debt collection agencies where legal avenues are restricted due to state-to-state enterprise limitations. These agencies could manage communication and collection in a non-litigious way and provide an update to Parliament by November 29, 2024.***

3. Diversification of VMCOTT's Services

VMCOTT offers its public and private sector customers a full suite of fleet management services referred to as 'Whole Fleet Management Model'. This model was a proposed approach for management of commercially owned/operated fleets and was aimed at providing best value for money services to customers. Under the tenets of this model, VMCOTT provided a wide range of fleet management services, which included:

1. Fleet/Vehicle Procurement/Replacement Services.
2. Fleet/Vehicle Maintenance Services.
3. Collision Repairs Services.
4. Vehicle Inspection Services.
5. Automated Carwash Services.
6. Fleet/Vehicles Disposal Services.

Even though VMCOTT is mandated to provide fleet management services to the public sector, not all M&Ds and SOEs patron the company. As a result, VMCOTT has been operating at a loss and heavily dependent on its subvention to sustain its operations. For fiscal year 2024, VMCOTT's subvention was an estimated $10 million. Due to the lack of patronage, VMCOTT indicated its intentions to diversify its portfolio. In the Ministerial Response submitted to the Committee, it was stated that focus was placed on increasing the company's market share by advertising VMCOTT's three brands:

1. VMCOTT (Public Sector);

2. Auto Shop (Private Sector); and
3. Auto Sure (New Technologies, including CNG Conversions, Hybrid and Electrification)

Officials informed the Committee that the occurrence of the COVID-19 pandemic reduced VMCOTT's efforts to pursue these brands. Nonetheless, VMCOTT indicated that via its Auto Shop brand the corporate private sector was targeted. Companies such as Peake Technologies, Lifestyle Motors, Guardian General and Smith Robinson and Co. Ltd were some of the clients secured. Under its Auto Sure brand VMCOTT indicated the following:

- CNG Conversions was not brought to fruition as the land tenure issue for the Beetham Facility was with the MOWT for finalisation.
- Technicians underwent the necessary training to repair and maintain hybrid vehicles. Hybrid services were now offered.
- Electrification was the initial stages although staff were previously exposed to the technology; VMCOTT was attempting to secure funds for further training.

It was also stated that VMCOTT was in the process of procuring the necessary equipment to begin offering Hybrid and Electrification services.

Recommendation:

- ***To support innovation and growth, VMCOTT should form strategic alliances with private sector companies and international fleet management providers, to introduce new technologies and innovations, reduce costs, and improve service delivery to its potential private clientele and provide an update to Parliament by November 29, 2024.***

4. The non-patronage of VMCOTT's services by Ministries and Departments

During the PAEC's last examination into VMCOTT on February 3, 2021, it was revealed that the lack of patronage from M&Ds and SOEs resulted in the "over capitalization of its operations and underutilization of VMCOTT's facilities." The Cabinet of Trinidad and Tobago approved VMCOTT as a "*Central Controlling Agency providing full Fleet Management services to the Public Sector as a whole" via (Cabinet Minute No. 481 of March 5, 2009).*Despite Cabinet mandating that VMCOTT be the Central Controlling Agency providing full Fleet Management services to M&Ds and SOEs, VMCOTT in its written submission dated November 21, 2023 stated that

most M&Ds and SOEs preferred to not adhere to the aforementioned Cabinet Minute No. 481 of March 5, 2009.

In an effort to ensure VMCOTT's mandate was achieved, VMCOTT and its line Ministry the MOWT, reached out to state agencies via written communication, meetings and advertisements. As a result, forty-one (41) state agencies commenced utilisation of VMCOTT's suite of fleet management services. VMCOTT also stated that there were efforts through Cabinet Minutes to reiterate the role and function of the company. However, there was still pushback whereby managers of respective agencies continued to patron other companies without the authorisation of Cabinet being adhered too. In an attempt to meet the needs of one of its biggest clients i.e. the TTPS, VMCOTT was mandated in 2012 to authorise garages on behalf of the TTPS to repair its fleet. Fifteen (15) garages were selected, however, none were utilised. In 2021, VMCOTT attempted to revamp this initiative but was challenged given that payments from the TTPS were not made in a timely manner.

Recommendations:

- ***Based on Cabinet Minute No. 481 of March 5, 2009 and in the effort to monitor and improve its efficiency and delivery of services, VMCOTT should undertake the following and submit an update to Parliament by November 29, 2024:***
    - ***i. Collaborate with the MOWT and approach Cabinet to determine a way forward regarding entities that fail to adhere to the Cabinet Minute No. 481;***
    - ***ii. Continue to explore all available mechanisms such as written communication, meetings and advertisements to all MDA's to increase compliance; and***
    - ***iii. Develop strategies to monitor and increase the use of the fifteen (15) selected garages by the TTPS.***
- ***VMCOTT should launch a public relations campaign targeting all Ministries, Departments and State Agencies to build awareness of the benefits of using VMCOTT services, with testimonials or case studies highlighting the cost savings and efficiencies gained by agencies that patronize VMCOTT and provide an update to Parliament by November 29, 2024.***

5. Resolution of Beetham Compound Land Tenure Issues

The Second Report of the PAEC of the First Session of the Twelfth Parliament, the issue of land tenure ship at the Beetham compound, owned by Evolving Technologies and Enterprise Development Company Limited (eTecK) arose. In 2021, VMCOTT was unable to regularize the occupation of these lands. This hindered VMCOTT's ability to obtain its CNG Service Licence from the Ministry of Energy and Energy Industries, which the company needs in order to carry out CNG conversions and services. VMCOTT continues to await a response from the MOWT as it pertains to its communications with the Ministry of Trade and Industry (MTI), the line Ministry for eTecK. In June 2021, eTecK offered VMCOTT a Peppercorn Lease arrangement. However, concerns were conveyed by VMCOTT through its Line Ministry, MOWT in July 2021, to the MTI. These concerns were:

- The boundaries of the Leased property
- The Premium Amount – Quantum
- The Premium Amount – Accuracy of the Calculations
- The Payment of Service Charges – Relevance to the Circumstances
- The Rights to Sublet/Assign – How the proposed clauses affect VMCOTT's proposals for expansion

Subsequently, VMCOTT indicated that the MOWT had verbally communicated to the company that the MOWT had yet to respond to the VMCOTT concerns with the lease agreement. Therefore, a request for an official update on this matter was forwarded to the Minister of Works and Transport via the Chairman – Board of Directors in January 2024. The company continues to await the response from the MOWT.

Recommendations:

- ***The MOWT should provide a status update to Parliament by November 29, 2024 on:***
    - ***i. the steps taken to treat with the concerns expressed by VMCOTT through with the MTI.***
    - ***ii. the correspondence sent to the MOWT by VMCOTT's Board of Directors in January 2024.***

6. Status of the High Staff Turnover and Low Staff Retention

During the Committee's deliberations, the pervasive issue of high staff turnover and low staff retention was discussed. This was an issue in 2015 and 2018 with the company experiencing 52% and 55% of staff resignations, respectively. These resignations were due mainly to uncertainties surrounding job security. At the public hearing held on January 17, 2024, the Committee enquired into the status of this issue. Officials indicated that its staff turnover had reduced to 25% in 2023 and the company was undertaking a progressive process of recruitment to recruit employees for its organisation. VMCOTT indicated that because the company was primarily performance based, there were instances of non-renewal of contracts, terminations and job abandonment for personal reasons by some personnel. Officials stated that VMCOTT was enforcing its performance policies and once they were not adhered to, or standards not met, personnel will be addressed accordingly.

The Committee was told that the average career length of an employee at the company was 24 years as the bulk of VMCOTT's staff were longstanding. The high turnover comes from the temporary staff and persons employed less than 10 years.

Another cause for the high staff turnover was the menial wages offered. Officials stated that the company did not have any salary increase since 2009. Additionally when VMCOTT through YTEPP Limited provides training to its employees in the fundamental of mechanics, private sector businesses such as Massy Motors or Toyota Trinidad would then recruit these employees offering higher wages given rise to retention issues caused by poaching. The Human Resource Manager was directed by the CEO to review the staff's job description, with the intention of approaching the Chief Personnel Officer (CPO) to engage in discussions through its line Ministry for a salary review.

Recommendations:

- ***VMCOTT should provide a status update on the review of the company's employee job descriptions, tasks and responsibilities to Parliament by November 29, 2024;***
- ***VMCOTT should schedule a meeting with the CPO to review and determine a more competitive salary structure. VMCOTT should report to Parliament on the implementation of this recommendation by November 29, 2024; and***

- ***VMCOTT should establish a performance-based bonus system tied to the achievement of specific organisational goals to motivate and retain high-performing staff and provide a status update to Parliament on the implementation of the recommendation by November 29, 2024.***

7. On-hand Inventory of outdated Spare Parts

The Public Procurement and Disposal of Public Property Act, 2015[10] states ""*disposal of public property*" *includes the transfer without value, sale, lease, concession, or other alienation of property that is owned by a public body*". VMCOTT audited financial statements for 2015 showed that VMCOTT's inventories at year end totalled $3.7Mn. The Committee queried whether the inventory was written off. VMCOTT explained that these inventories were not written off, but instead classified as obsolete, and considered 'dead money'. VMCOTT explained that a Disposal Committee was developed to treat with this inventory. Given that the company's main customer was the TTPS, the company would have restocked the necessary parts based on urgency and the specific make and model of TTPS vehicles. Spare parts for PTSC were also stocked, both at a cost to VMCOTT. Given the financial losses that came with this, VMCOTT discontinued the bulk purchasing and stocking of spare parts. VMCOTT's spare parts stocking policy involved only purchasing spare parts from dealers and suppliers on a needs basis to ensure cost savings. However, VMCOTT still maintained stocked inventories of oil and air filters, spark plugs and brakes given how fast moving and consumable those items were.

Recommendations:

- ***VMCOTT should also conduct a comprehensive audit of their inventory to determine the value of the outdated spare parts and submit an update to Parliament by November 29, 2024.***
- ***VMCOTT via its Disposal Committee should compile a list of all its 'obsolete' inventory and conduct a Public/Spot Sale or Public Auction for members of the public as a method of disposal and report to the Parliament on the feasibility of this initiative by November 29, 2024.***

[10] Office of the Parliament website, accessed on September 10, 2024: The Public Procurement and Disposal of Public Property Act, 2015 (ttparliament.org)

- ***VMCOTT should mandate its Disposal Committee to develop a Disposal Plan and Strategy to manage future occurrences and submit an update to Parliament by November 29, 2024.***

CONCLUSION

In light of the above, the Committee notes that VMCOTT is committed towards the completion of its Audited Financial Statements and the updating of its accounting records. The Committee understands the change in Board and Chief Executive Officer and the pre-existing problems that were met. Nonetheless, more proactive and stringent are necessary to ensure the company becomes more organised self-sustainable in the pursuit of the diversification of its services.

The Committee is optimistic that the company will continue to enforce its mandate as the central controlling agency to provide fleet management services to the public sector as a whole, and to private sector interests, in accordance with Cabinet Minute No. 481 of March 5, 2009), and to Private sector interests" (Cabinet Minute No. 1030 of April 21, 2005).

The Committee therefore awaits the responses of the Minister of Works and Transport to the recommendations proposed above, in accordance with Standing Orders 100(6) and 110(6) of the Senate and the House of Representatives respectively which states inter alia that –

> *"The Minister responsible for the Ministry or Body under review shall, not later than sixty (60) days after a report from a Standing Committee relating to the Ministry or Body, has been laid upon the Table, present a paper to the House responding to any recommendations or comments contained in the report which are addressed to it…."*

The Public Accounts (Enterprises) Committee respectfully submits this Report for the consideration of the Parliament.

Sgd.
Mr. Wade Mark
Chairman

Sgd.
Mr. Rushton Paray, MP
Vice-Chairman

Sgd.
Mrs. Hazel Thompson-Ahye
Member

Sgd.
Mrs. Renuka Sagramsingh-Sooklal
Member

Sgd.
Mr. Fitzgerald Hinds, MP
Member

Sgd.
Mrs. Laurel Lezama-Lee Sing
Member

Sgd.
Mr. Keith Scotland, MP
Member

Sgd.
Mr. Stephen Mc Clashie, MP
Member

APPENDIX 1

The Vehicle Management Corporation of Trinidad and Tobago Limited

State Enterprises Owing VMCOTT inclusive of Sum Owed

as at 8th February 2024

PETROLEUM COMPANY OF TRINIDAD & TOBAGO	2,240.49
PORT OF SPAIN CITY CORPORATION	51,001.28
PUBLIC SERVICE APPEAL BOARD	300.00
RIO CLARO REGIONAL CORPORATION	6,493.32
SAN FERNANDO CITY CORPORATION	28,389.32
San Juan Laventille Regional Corporation	300.00
SANGRE GRANDE REGIONAL CORPORATION	69,979.84
SECRETARY PUBLIC SERVICE APPEAL BOARD	236.25
SERVICE COMMISSIONS DEPARTMENT	63,814.64
South West Regional Health Authority	65,270.34
STATUTORY AUTHORITIES ~ SERVICE COMMISSION DEPARTMENT	2,403.74
SWMCOL	2,615.63
T & T Bureau Of Standards	162,000.00
T & TEC	211,503.74
T&T RED CROSS SOCIETY	24,673.29
T&T REGIMENT	46,334.75
TOBAGO AGRIBUSINESS DEVELOPMENT COMPANY (TADCO)	6,293.26
TOBAGO EMERGENCY AGENCY	22,094.84
TOBAGO EMERGENCY MANAGEMENT AGENCY (TEMA)	6,430.07
Tobago Regional Health Authority	582,816.05
Transit Police	364,967.20
Trinidad & Tobago Fire Services	114,025.73
Trinidad & Tobago Police Service	19,549,533.20
TRINIDAD & TOBAGO RED CROSS SOCIETY	13,673.60
Trinidad & Tobago Regiment	85,986.64
Trinidad and Tobago Defence Force	102,476.35
TRINIDAD& TOBAGO SECURITIES EXCHANGE COMMISSION	2,098.14
TUNAPUNA REGIONAL CORPORATION	9,884.16
Unemployment Relief Programme	9,092.09
University of Trinidad & Tobago	12,769.59
YTEPP	374.28
	34,858,714.99

APPENDIX 2: MEETING MINUTES

**THE PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE –
FOURTH SESSION, TWELFTH PARLIAMENT
MINUTES OF THE NINETEENTH MEETING HELD ON
WEDNESDAY, JANUARY 17, 2024 AT 9:42 A.M. IN THE J. HAMILTON MAURICE MEETING ROOM, GROUND FLOOR, CABILDO BUILDING, PARLIAMENTARY COMPLEX, ST. VINCENT STREET, PORT OF SPAIN**

Present were:

Mr. Wade Mark	-	Chairman
Mr. Keith Scotland	-	Member
Mrs. Renuka Sagramsingh-Sooklal	-	Member
Mrs. Laurel Lezama-Lee Sing	-	Member
Mrs. Hazel Thompson-Ahye	-	Member
Ms. Keiba Jacob Mottley	-	Secretary
Mr. Darien Buckmire	-	Research Specialist
Ms. Rachel Nunes	-	Research Specialist

Excused were:

Mr. Stephen Mc Clashie	-	Member
Mr. Rushton Paray	-	Member

Absent was:

Mr. Fitzgerald Hinds	-	Member

CALL TO ORDER

1.1 At 9:42 a.m., the Chairman called the meeting to order and welcomed those present.

INTRODUCTION OF THE NEW COMMITTEE MEMBER

2.1 The Chairman announced that Mrs. Hazel Thompson-Ahye replaced Ms. Amrita Deonarine with effect from October 24, 2023.

2.2 The Chairman welcomed the new Member to the Committee and thanked the former Member for her service.

THE EXAMINATION OF THE MINUTES OF THE EIGHTEENTH MEETING

3.1 The Committee examined the Minutes of the Eighteenth (18th) Meeting held on November 15, 2023.

3.2 The following corrections were made:

- Item 2.1, page 1, line 1, insert the word "have" before the word "replaced".
- Item 5.2, page 2, line 3, remove the full stop (.) after the word "Secretariat" and insert a comma (,) after the word "Friday".
- Appendix I, page 7, Q31 (a), move the word "projects" before the word "in".

3.3 There being no further omissions or corrections, the Minutes were confirmed on a motion moved by Mrs. Renuka Sagramsingh-Sooklal and seconded by Mr. Keith Scotland.

MATTERS ARISING FROM THE MINUTES OF THE EIGHTEENTH MEETING

4.1 With reference to item 4.3, page 2, the Chairman informed Members that the Committee's Tenth, Eleventh and Twelfth Reports were presented in the House of Representatives on December 13, 2023.

4.2 With reference to item 5.3, page 2, the Chairman informed Members that the Committee's Thirteenth, Fourteenth and Fifteenth Reports were presented in the Senate on November 24, 2023 and in the House of Representatives on December 13, 2023.

4.3 With reference to item 10.2, page 5, the Chairman informed Members that questions for additional information were sent to the Urban Development Corporation of Trinidad and Tobago Limited (UDeCOTT) on November 28, 2023 with a deadline of December 13, 2023. A request for extension was made and granted on December 14, 2023 to January 5, 2024. A further request was made on January 12, 2024 to January 19, 2024.

OTHER BUSINESS

5.1 The Chairman invited Members to raise any other matters related to the Committee's work.

PRE-HEARING DISCUSSION RE: VEHICLE MANAGEMENT CORPORATION OF TRINIDAD AND TOBAGO (VMCOTT)

6.1 The Chairman reminded Members that the purpose of the public hearing was to conduct an examination of the Audited Accounts, Balance Sheet and other Financial Statements of the Vehicle Management Corporation of Trinidad and Tobago for the financial years

2015 and 2016 and follow-up on the implementation of the recommendations in the Committee's Second Report, 12th Parliament.

6.2 Members discussed the areas of concern and the general approach for the public hearing.

SUSPENSION

7.1 There being no further business for discussion in camera, the Chairman suspended the meeting at 10:11 a.m. to reconvene in public.

AN EXAMINATION OF THE AUDITED ACCOUNTS, BALANCE SHEET AND OTHER FINANCIAL STATEMENTS OF THE VEHICLE MANAGEMENT CORPORATION OF TRINIDAD AND TOBAGO FOR THE FINANCIAL YEARS 2015 AND 2016 AND FOLLOW-UP ON THE IMPLEMENTATION OF THE RECOMMENDATIONS IN THE COMMITTEE'S SECOND REPORT, 12TH PARLIAMENT.

8.1 The Chairman called the public meeting to order at 10:17 a.m.

8.2 The following officials joined the meeting:

Vehicle Management Corporation of Trinidad and Tobago Limited (VMCOTT)

Ms. Natasha Prince	-	Chief Executive Officer
Lt. Col Neil Bennett (Ret'd)	-	Chairman
Mr. Brian Aliendre	-	Finance Manager
Mr. Analdo Russell	-	Human Resource Manager
Mr. Learie Cummings	-	Internal Auditor
Mr. Mark Lee Son	-	Director

Ministry of Works and Transport

Ms. Dhanmattee Ramdath	-	Deputy Permanent Secretary
Mr. Deryck Legier	-	Project Analyst I

Ministry of Finance – Investments Division (MoF-ID)

Mrs. Sharon Mohammed	-	Director, Agro-based, Manufacturing & Services Sector
Ms. Kimberlene Pascall	-	Business Analyst (Ag.)

8.3 **Key Issues Discussed**:

1. VMCOTT's outstanding payables and receivables and the methods used recover those outstanding monies;
2. VMCOTT's challenges faced in recovering receivables in a timely manner at its inability to take legal action against its debtors;

3. The challenges experienced given the non-submission of audited financial statements for the period 2017 - 2022;
4. The recommendations of the internal auditor to VMCOTT and the remedial actions implemented as a result of the internal auditor's recommendations;
5. The details of the fleet management service provided by VMCOTT;
6. The absence of a fleet manager at VMCOTT;
7. The failures and successes of VMCOTT's poor management;
8. The details of the procurement of the incorrect vehicles for the Trinidad and Tobago Postal Service (TTPOST) and the actions taken to correct this issue;
9. VMCOTT's Board of Director's grade level;
10. The reason(s) for the increase in the purchase of inventories during the period 2015 and 2016 versus the revenue earned;
11. The issues faced with the procurement and stocking of spare vehicle parts in previous years and the steps undertaken to resolve those stocking issues;
12. The status of the $3.7Mn in spare parts inventory in fiscal 2015 as at January 2024;
13. The system in place to dispose of VMCOTT's outdated stock and its attempt to sell the outdated vehicle parts to the citizenry and private sector;
14. The challenges that were met by the current Board in 2023 that contributed to the non-submission of VMCOTT's financial statements for the period 2017-2022;
15. The inefficient financial systems in place at VMCOTT prior to 2015;
16. The consideration of the settling of VMCOTT's payables against its receivables;
17. The issue of state entities seeking the services offered by VMCOTT elsewhere, without the receipt of proper authorization and the steps being taken to address this issue;
18. The payment plan arrangements being introduced to debtors by VMCOTT;
19. The details surrounding the high staff turnover at VMCOTT and the average employment tenure of a VMCOTT employee;
20. The salary review being undertaken by Human Resource to be submitted to the Chief Personnel Officer;
21. VMCOTT's partnership with the MIC Institute of Technology, Civilian Conservation Corps and the Ministry of Sport and Community Development to train youths in the fundamentals of auto mechanics;
22. The oversight role by the Ministry of Finance over VMCOTT;
23. The details regarding VMCOTT's outstanding statutory deductions and the payment plan arrangements made with the National Insurance Board and Board of Inland Revenue to settle arrears;
24. The steps being undertaken to address VMCOTT's weaknesses and deficiencies in its accounting practices as highlighted by its external auditors, PKF Chartered Accountants;
25. The pursuit of approval from Corporation Sole to conduct two audits per year to reduce the backlog of audits from 2011 onward;

26. The details of the audit to be conducted on the arrears to VMCOTT by the Trinidad and Tobago Police Service (TTPS);
27. The status of VMCOTT's diversification and innovation efforts as well as the marketing initiatives undertaken to promote its the new services;
28. The number of court cases before the Industrial Court;
29. The status VMCOTT's internal Fraud Policy and its commitment to approve same by March 31, 2024;
30. VMCOTT's ability to become sustainable and independent and its plans to become solvent;
31. VMCOTT partnering with the TTPS to standardize its fleet;
32. The details of the authorization and management of particular garages by VMCOTT on behalf of the TTPS; and
33. The arrears owed to TTPost.

Please see the Verbatim Notes for the detailed oral submission by the witnesses.

9.1 The Chairman thanked the officials for attending the meeting and they were Excused.

9.2 The Committee agreed that additional questions would be sent to VMCOTT. [**Please see Appendix 1**]

SUSPENSION

10.1 At 12:36 p.m., the Chairman suspended the public meeting to resume in-camera for a post-mortem discussion with Members only. A discussion ensued.

10.2 There being no other business, the Chairman thanked Members for their attendance. The Committee agreed that the next meeting of the Committee will be held on **February 21, 2024 at 9:30 a.m.** at which time the Committee will conduct an examination of the Audited Accounts, Balance Sheet and other Financial Statements of the National Export Facilitation Organisation of Trinidad and Tobago; (exporTT) for the financial years 2017 to 2018 and follow-up on the implementation of the recommendations in the Committee's Twenty-Eighth Report from the 11th Parliament.

ADJOURNMENT

11.1 The adjournment was taken at 12:44 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

JANAURY 17, 2024

Appendix 1

ADDITIONAL INFORMATION

ADDITIONAL QUESTIONS ARISING FROM MEETING OF THE PUBLIC ACCOUNTS [ENTERPRISES] COMMITTEE

Provide the following in writing:

1. The number of matters currently before the Industrial Court;
2. The classification level of VMCOTT's Board of Directors; and
3. A copy of VMCOTT is 2020-2025 Strategic Plan.

Late submission of Audited Financial Statements

Rec. 1.1

Based on response to Question 4 Page 1

Questions:

1. State the State Enterprises that owe VMCOTT and the sum owed by each State Enterprise.
2. Who is the most delinquent client as at December 1, 2023? Provide details.

Based on response to Question 9 Page 2

1. How did VMCOTT measure the success of the intensification of the monitoring of its financial accounts?
2. Explain the challenges experienced in the updating of all reconciliations such as receivables, payables and other Balance sheet items.
3. How often does the Finance Manager and Internal Auditor evaluate the initiatives implemented to ensure intensification of the monitoring of financial accounts to ensure prompt closure of books?

Based on response to Question 16 Pages 3-4

Questions:

1. What are the reasons for VMCOTT's inability to recover its receivables?
2. Which supplier relationships have been jeopardized?
3. Has the line Ministry been informed of these risks?
    a. What were the steps taken to eliminate this?

Based on response to Question 18 Page 4

1. When was the last follow-up on the amounts owed to the VMCOTT conducted?
    a. What were the findings?
    b. How would this issue be resolved?
2. Have there been any instances in the past where data was inaccurately inputted?
    a. Provide details and state the actions taken to resolve this situation.

b. How soon after data was inputted, was it checked for its accuracy?
c. How often were checks undertaken and by whom?

VMCOTT'S Continued Viability

Rec 2.1

Based on response to Question 1 Page 6

Questions:

1. What is the average amount of earnings received from repeat private customers from the public?
2. Given the issues regarding the inability of VMCOTT to collect its receivables, is this challenge experienced with these private customers? Explain.
3. What is the status of the land tenure issue at the Beetham Facility with the Ministry of Works and Transport for finalization?
4. State whether VMCOTT resumed its efforts in the key aspects of diversification, innovation and increased market share. Provide details.
5. As at December 1, 2023, what progress has been made regarding the increasing of its market share and advertising for VMCOTT's three brands:
    i. VMCOTT (Public Sector)
    ii. Auto Shop (Private Sector)
    iii. Auto Sure (New Technologies)
6. Provide an update on the attempts being made to secure funds for further training in electrification.
7. How successful have the hybrid services now being offered been thus far?

Based on response to Question 4 Page 7

Questions:

1. What mechanisms/avenues were explored to ensure that the mandate of VMCOTT, according to Cabinet Minute No. 481 dated March 5, 2009, was enforced?

Based on the response to Question 6 Page 8

Questions:

1. When was the last written communication or meetings held with state agencies?
    a. Who was in attendance?
    b. What were the positive and negative outcomes?

Based on the response to Question 9 Page 9

Questions:

1. What was the outcome of the initial approach to the Ministry of Works and Transport?

Rec 2.2

Based on the response to Question 3 Page 10

Questions:

1. When will the implementation plan template for Corporations expected to be developed?

Rec 2.3

Based on response to Question 3 Page 10

Questions:

1. What resources were required for the development and submission of KPI's for the MOWT?
2. When will VMCOTT be expected to obtain the resources necessary to develop the KPI's?

Land Tenure Issue

Rec 3.1

Based on response to Question 2 Page 11

Questions:

1. When was the information submitted to MOWT?
2. When was the drafted Cabinet Note shared with the Ministry of Trade and Industry?
3. When does the MOWT anticipate a response from the Ministry of Trade and Industry regarding this matter?
4. Has the MOWT followed up on this?
5. What is the sum of monies lost on a daily basis as a result of VMCOTT's inability to undertake the necessary infrastructural works to attain the CNG license?

Non-payment of Statutory Salary Deductions

Rec 4.1

Based on response to Question 1 Page 11

Questions:

1. How was the matter of non-payment of statutory salary deductions by VMCOTT been resolved?

Rec 4.3

Based on response to Question 1 Page 11

Questions:

1. What are VMCOTT's plans to settle the arrears for the statutory payments NIB and VAT?

Recovery of Monies Owed by Other State Agencies

Rec 5.1

Based on response to Question 1 Page 12

Questions:

1. What is the timeline for the revised audit scheduled to commence in financial 2023/2024?

Rec 5.2

Based on response to Question 1 Page 12

Questions:

1. Provide further details on the recovery exercise that is currently ongoing regarding clients with long outstanding debts.

Rec 5.3

Based on response to Question 1 Page 12

Questions:

1. Which clients are currently settling debts?
    a. What is the timeline for the settlement of debts owed?
2. When will the impairment review commence?

Rec 5.4

Based on response to Question 1 Page 13

Questions:

1. What were the reasons for no outcome in the discussions between the MOWT and the MOF?

QUESTIONS FROM VMCOTT'S RESPONSES TO 2016 AUDITED FINANCIAL STATEMENTS

Accounts Receivables and Prepayments

Based on response to Question 2 Page 15

Questions:

1. It was stated that as at July 2020 the total sum of $297,768.74 has been collected. What period does this figure cover and from how many clients?
2. When this initiative was first implemented?
3. How often does VMCOTT communicate with its debtors?
4. Describe the payment plans implemented for outstanding clients?
5. Was an assessment conducted on the initiative implemented to determine its effectiveness?
6. It was stated that as at July 2020 the total sum of $297,768.74 has been collected. What period does this figure cover and from how many clients?

Based on response to Question 4 Page 15

Questions:

1. What positive outcomes have arisen since the implementation of regular reconciliations?
2. In light of the debts owed by clients in the sum of $28.7Mn (stated on page 14), state whether the clients that are in arrears and seek VMCOTT's service on a continuous basis up to date with the expenses incurred presently i.e. 2023?

Based on response to Question 14 Page 33

Questions:

1. What was the outcome of the twenty-two (22) charges against the Manager?
2. What security measures were implemented since the violations by the Manager was discovered to eliminate its reoccurrence?

Inventories

Based on response to Question 2 Page 15

Questions:

1. Are stock counts completed on time and as scheduled?
2. Are there any challenges experienced in the undertaking of stock counts?
    a. If yes, please explain.

Based on the response to Question 5 Page 17

Questions:

1. Why is the current management unable to respond?
2. Was there no documentation of the tender process by previous management?
    a. If no, why not?

Based on response to Question 6 Page 17

Questions:

1. Were the persons who oversaw the process held accountable for the error made?
    a. If yes, provide further details.

Cost of Goods Sold

Based on response to Question 1b. Page 18

Questions:

1. What is the composition of the Disposal Committee?

Based on response to Question 4 Page 18

Question:

1. What was the basis for the loss of contracts with PTSC and the Ministry of Health?

Based on response to Question 7 Page 21

Question:

1. Provide details on the "over six (6) winning court matters for Automotive Dealerships as well as with Consumer Affairs".

Based on response to Question 10 Page 22

Questions:

1. Was this decision communicated with the client before implementing it? What was the client's view?
2. How does this decision affect the day to day operations of the client given the nature of the service it provides?
3. Since the resumption of payments, how were payments received?

Administrative Expenses

Based on response to Question 2. Page 24

Questions:

1. Has there been any instances where the Finance Manager or CEO did not approve an expense?
   a. If yes, how was this treated?

Salaries and Staff Benefits

Based on response to Question 6e Page 27

Questions:

1. What is the reasons for the decrease in permanent to contract employees during the years 2020-2023?

Based on response to Question 8 Page 28

Questions:

1. What were the reasons for the company's increase in its staff turnover for the years 2021-2023?
2. In the response to question 9 identifying details on the number of employees that have left the company over the period 2021-2023, a total of 24 employees resigned. Was a reason for their resignation provided? Provide further details.

Based on response to Question 16a. Page 36

To manage the insufficient manpower, VMCOTT cross trains its staff at all levels.

Questions:

1. Are staff fairly compensated when they're required to perform extra duties i.e. duties outside their job description? Provide further details.
2. Has this approach improved the day- to - day operations of VMCOTT?
   a. If not, how will this be rectified?
   b. If yes, in what ways?

Based on the response to Question 17. Page 36

Questions:

1. What plans are there in the new financial year to provide continuous training on older and newer systems such as hybrid electric systems?

2. What steps will be taken to recruit staff with the experience and qualifications on older and newer systems such as hybrid electric systems?
3. What is VMCOTT's training schedule for 2024?

Based on the response to Question 18. Page 37

Questions:

1. How does management treat instances where an employee has not grasped the training given and effectively implemented in the respective field assigned?

VAT Liability

Based on the response to Question 1 Pages 37-38

Questions:

1. What is the outstanding balance on the VAT Liability of $3,651,098 as at January 1, 2024?
2. Why was no payments made towards this liability for eight (8) years?
3. What arrangements will be made in the financial year 2023-2024?
4. When will the meeting with the Board of Inland Revenue be held?
5. What challenges were being experienced that after ten (10) years there was no consideration to revising its payment plan?

QUESTIONS BASED ON VMCOTT'S RESPONSES TO MANAGEMENT LETTERS TO THE 2016 AUDITED FINANCIAL STATEMENTS

A. CASH AT BANK.

Based on response to Question 1 Page 40

Al). Delay in the preparation/review of bank reconciliations.

Questions:

1. What systems were implemented to ensure that the bank reconciliations were completed in the stipulated five (5) days at the end of the month?

Based on response to Question 3b. Page 40

Questions:

1. Is the Finance Department adequately staffed?
    a. If no, what is being done to rectify this?
2. When will the review of the organisational structure be completed?
3. What were the expected outcomes from the review of the organisational structure?

B. Fixed Assets

B1) Fixed Asset Register Deficiencies

Based on response to Question 1 Page 41

Questions:

1. What is the cost to establish the Fixed Assets Database?
2. What challenges were faced with the sourcing of funding for this database?

Based on response to Question 2, 2a, 3 Page 42
Questions:

1. Provide details on the work in progress regarding the following:
    a. the Review of VMCOTT's Fixed Asset Register by its Internal Audit Department for the implementation of the external auditor's recommendations;
    b. the implementation and completion of each of the external auditor's recommendations; and
    c. the physical inspection to reliably identify, verify and value all the fixed assets currently listed on VMCOTT's present register.

Based on response to Question 4 Page 42
Questions:

1. Were requests made to the line Ministry to provide the necessary funding to begin the exercise?
    a. What was the outcome?

C. Accounts Receivable
C 1) Difference between the general ledger and the subsidiary ledger
Based on response to Question 3 Page 43
Questions:

1. How will VMCOTT determine the "possible loss of information" from the Peachtree Accounting System Crash?

Based on response to Question 8 Page 44
Questions:

1. What is the timeline for the establishment of the Disaster Recovery Plan?

Based on response to Question 4a Page 45
Questions:

1. What is the timeline for the development and implementation of the Standard Operating Procedures?

C 3) Vat Reconciliations
Based on response to Question 2 Page 44
Questions:

1. What is the reason for the non-filing of VAT returns since 2009?
    a. Was the line Ministry aware of this?
    b. If yes, what actions were taken?

C 4) Non-payment of Value Added Tax (VAT)

Based on response to Question 1 Page 45

Questions:

1. What solutions has been derived in response to VMCOTT's inability to make the initial down payment of $2Mn, a stipulation in the agreed upon payment plan?
2. When was this sum due?
3. What decisions will be made regarding this issue going forward?

D. Accounts Payable

D3) Missing Receipts for Statutory Deductions

Based on response to Question 1a-b Page 47

Questions:

1. Given the response provided, how did VMCOTT treat with the non- discovery of the National Insurance Scheme (MS) Contributions - October 2015 to June 2016 and August and September 2016 and the Pay as You Earn (PAYE) and Health Surcharge - November 2015 and August 2016?

Based on response to Question 2 Page 47

Questions:

1. When will management's decisions be made?

D4) Document General Ledger Accounts

Based on response to Question 1 Page 47

Questions:

1. What is the delay in the investigation?
2. When will the investigation be completed in 2023/2024?

E. General

E3) Internal Fraud Policy

Based on response to Question 1 Page 48

Questions:

1. When will the Board approve the Fraud Policy?

Questions based on VMCOTT's response

Land Tenure Issue

Rec 3.1

Based on the response to Question 2 Page 10 which initially asked 'Has the MOWT assisted VMCOTT with respect to the 'one time' lease payment of $694,250.00 to eTecK?' VMCOTT stated: *VMCOTT submitted the information to MOWT and the Ministry has*

drafted a Cabinet Note which it has shared with the Ministry of Trade and Industry prior to comment.

Questions:

1. When was the drafted Cabinet Note shared with the Ministry of Trade and Industry?
2. When does the MOWT anticipate a response from the Ministry of Trade and Industry regarding this matter?
3. Has the MOWT followed up on this?

APPENDIX 3: VERBATIM NOTES

VERBATIM NOTES OF THE NINETEENTH MEETING OF THE PUBLIC ACCOUNTS (ENTERPRISE) COMMITTEE HELD (IN PUBLIC) IN THE J. HAMILTON MAURICE MEETING ROOM, GROUND FLOOR, CABILDO BUILDING, PARLIAMENTARY COMPLEX, OFFICE OF THE PARLIAMENT, ST. VINCENT STREET, PORT OF SPAIN, ON WEDNESDAY, JANUARY 17, 2024, AT 10.16 A.M.

PRESENT

Mr. Wade Mark	Chairman
Mrs. Renuka Sagramsingh-Sooklal	Member
Mrs. Laurel Lezama-Lee Singh	Member
Mrs. Hazel Thompson-Ahye	Member
Mr. Keith Scotland	Member
Ms. Keiba Jacob Mottley	Secretary
Ms. Hema Bhagaloo	Assistant Secretary
Mr. Darien Buckmire	Research Specialist
Ms. Rachel Nunes	Research Specialist

ABSENT

Mr. Rushton Paray	Vice-Chairman
Mr. Fitzgerald Hinds	Member
Mr. Stephen Mc Clashie	Member

VEHICLE MANAGEMENT CORPORATION OF TRINIDAD AND TOBAGO (VMCOTT)

Ms. Natasha Prince	Chief Executive Officer
Lt. Col. Neil Bennett (Ret'd)	Chairman
Mr. Brian Aliendre	Finance Manager
Mr. Analdo Russell	Human Resource Manager
Mr. Learie Cummings	Internal Auditor
Mr. Mark Lee Son	Director

MINISTRY OF FINANCE – INVESTMENT DIVISION

Mrs. Sharon Mohammed	Director, Agro-based, Manufacturing & Services Sector
Ms. Kimberlene Pascall	Business Analyst (Ag.)

MINISTRY OF WORKS AND TRANSPORT

Ms. Dhanmattee Ramdath	Deputy Permanent Secretary
Mr. Deryck Legier	Project Analyst I

Mr. Chairman: Good morning to all the officials that are here with us and welcome to the meeting of the Public Accounts (Enterprises) Committee. Let me especially welcome officials from the Ministry of Finance, Investments Division; of course, the Ministry of Works and Transport; as well as the Vehicle Management Corporation of Trinidad and Tobago (VMCOTT). My name is Wade Mark and I am the Chairman of the Public Accounts (Enterprises) Committee.

Now, our Committee, which is the Public Accounts (Enterprises) Committee, has a mandate to consider and report to the House of Representatives on the following:

- The audited accounts, balance sheets, and other financial statements of all enterprises that are owned or controlled by, or on behalf of the State;
- The Auditor General's report on any such accounts, balance sheets, and other financial statements; and
- Whether policy is carried out efficiently, effectively, and economically, and whether expenditure conforms to the authority which governs it.

Now, the purpose of our meeting this morning is to conduct the following:

- An examination of the audited accounts, balance sheets and other financial statements of the Vehicle Management Corporation of Trinidad and Tobago for the financial years 2015 and 2016; and
- Follow up on the implementation of recommendations in the Committee's Second Report, Twelfth Parliament.

The Committee is also desirous of hearing the challenges being faced by the key stakeholders at VMCOTT in an attempt to determine some of the possible solutions to these challenges and, of course, the role of our committee is to help VMCOTT improve its delivery of services in an efficient, effective and economic manner.

Now, may I advise that the meeting that we are conducting is being held in public and is being broadcast live on the Parliament's Channel 11, on Radio 105.5 FM and the Parliament's

YouTube Channel, *ParlView*. Viewers and listeners can send their comments related to today's topic via email, that is, parl101@ttparliament.org, facebook.com/ttparliament, Twitter or X @ttparliament; so that is for the public.

Now I would like to call on the members of our committee to introduce themselves, starting from my immediate right. So I call on my colleague to just introduce yourself.

[*Introductions made*]

Mr. Chairman: We have Mr. Scotland who will join us in a short while. May I ask members, or officials I may say, to introduce themselves, starting with the Ministry of Finance?

[*Introductions made*]

Mr. Chairman: Thank you. I now ask my colleagues from the Ministry of Works and Transport to introduce themselves.

[*Introductions made*]

Mr. Chairman: Those are the two persons, right, from the Ministry? Okay. I now call on the officials representing the Vehicle Management Corporation of Trinidad and Tobago to introduce themselves.

[*Introductions made*]

Mr. Chairman: Anyone else or that is it? Okay. Well, let me just ask the following officials to make a brief intervention through an opening statement for no more than a minute each—no more than two minutes, I should say. So I will call on the Deputy Permanent Secretary in the Ministry of Works and Transport to be followed by the— You are the—what is your post?

Mrs. Mohammed: Director.

Mr. Chairman: Director. We will call on the Director thereafter and then we will then ask the Chairman or the CEO from VMCOTT to make a brief opening statement. So, may I ask the Deputy Permanent Secretary to say a few words?

Mrs. Ramdath: Thank you, Chair. Good morning, everyone, members of the Public Accounts (Enterprises) Committee, my colleagues from Ministry of Finance, members of the media and the viewing public. The Ministry of Works and Transport will make every effort this morning to respond accurately and provide clarification to the best of our ability to the enquiry this morning of this Committee on the examination of the audited accounts, balance sheets and other financial statements of the Vehicle Management Corporation of Trinidad and Tobago for the financial years 2015 and 2016 and the follow-up on the implementation of the recommendations outlined by this Committee in its Second Report. Thank you, Chair and Members.

Mr. Chairman: Thank you. Can I ask the Director to say a few words at this time?

Mrs. Mohammed: Yes. Good morning, once again. The Investments Division of the Ministry of Finance is responsible for executing the investment policy as prescribed by the Cabinet. Accordingly, the mandate of the division includes oversight, monitoring and, where necessary, the rationalization of Government's equity holdings in commercial enterprises. The Vehicle Management Corporation of Trinidad and Tobago Limited is one such enterprise. Additionally, the division acts on behalf of the Minister of Finance, Corporation Sole, and carries out the corporate function. This includes representation of the Minister at shareholders meetings, establishment of new state enterprises and divestment of state enterprises, when it becomes feasible to do so. We look forward to today's discussions.

Mr. Chairman: Thank you. And then I will ask either Mr. Bennett or the CEO to say a few words. Which one?

Mr. Bennett: Chair, if you would allow me?

Mr. Chairman: Yes.

Lt. Col. Bennett (Ret.): Good day, everyone. VMCOTT is pleased to be before the Committee today to assess its financial standing. We avail ourselves to take any questions and to follow up on any recommendations made by the Public Accounts (Enterprises) Committee and we thank you for this opportunity.

Mr. Chairman: Well, once again, on behalf of the Public Accounts (Enterprises) Committee, may I warmly welcome again all of the officials from the three entities that are before us today. I also want to welcome my colleague, Mr. Keith Scotland, who has joined us, as I did indicate to you that he was here and he has just joined us.

Now, I would like to begin by getting some clarification from the officials who are here from VMCOTT and the first area I would like to ask for clarification on deals with the challenges being experienced by VMCOTT regarding the unavailability of funds to conduct the outstanding annual audits as well as the recovery of receivables from Government and state enterprises in a timely manner. That is the first area I would like to have clarified because as you know we are only able to conduct this enquiry based on the 2015 and 2016 financial audited accounts. So we have 2017 outstanding, 2018 outstanding, 2019 outstanding, 2020, 2021, 2022 and, of course, 2023 and 2024 to come. So, who would like to provide this Committee with an understanding as to why the company experiencing challenges in locating funds? And, I must let you know, based on my figures before me, between 2017 to 2022, VMCOTT would have spent close to $80 million.

So you have spent money and no audited accounts have been submitted by VMCOTT and one of the challenges that you advanced partially for not satisfying that submission or those submissions is the unavailability of funds. So can you clarify for us what are the challenges in that area as well as to tell us the challenges concerning the recovery of receivables on a timely manner? Who will answer that from VMCOTT?

10.30 a.m.

Lt. Col. Bennett (Ret.): Chair, respectfully, as the Chairman of the Board of Directors at VMCOTT, I will take the opportunity to answer that or to offer an answer. With regard to the inability to satisfy the requirement for the audited accounts, the challenge that was met by my board was one where, when we assumed office in 2016, it was rather a challenging time with VMCOTT not being able to engage in moneys collected from debts owed to VMCOTT. So the receivables were in excess of $30 million. Additionally, VMCOTT then, and prior to 2016, had a situation where they were taking parts from a number of suppliers and were heavily indebted to these suppliers, and one of the things that came about was the question of litigation by the private sector, who in fact were supplying the parts where it is abundantly necessary for VMCOTT to do the work that they are designed to do.

We had to take a decision to engage in payments which were arranged between those who we owed and ourselves using the subvention that we had at the time, and the same time, to continue with the purpose of being a fleet management provider to the public sector, Ministries. And in particular, at that time, it was the Trinidad and Tobago Police Service, as well as PTSC, and before that we had a mandate where we would engage with the public. So the citizens, companies outside, we were placing emphasis on attracting more clientele, because it is one of the situations where VMCOTT, although having a financial challenge, cannot take a Ministry to court or bring about litigation for moneys owed to it. We were heavily dependent on our line Ministry in that regard. We—

Mr. Scotland: Chairman, may I?

Mr. Chairman: Yes. Go ahead.

Mr. Scotland: I am not understanding because it brings me to my next question, piggybacking. VMCOTT is receiving moneys but persons are owing—entities are owing VMCOTT money, correct?

Lt. Col. Bennett (Ret.): Correct.

Mr. Scotland: Stick a pin there and just tell the Chair, through you, Chair: how much money is

outstanding to VMCOTT as of now?

Lt. Col. Bennett (Ret.): I will refer that question—with your permission, Chair, I would like to respond to the member through my Finance Manager in that regard.

Mr. Chairman: Thank you. Finance Manager.

Mr. Aliendre: Good morning everyone, again. In terms of the outstanding information based on the outstanding debts, as to date, we have a total of outstanding payables of the amount of—to be the exact figure as I read, $8.6 million.

Mr. Scotland: So $8.6 million is owed to VMCOTT by various agencies?

Mr. Aliendre: $8.6 million is what we owe.

Mr. Scotland: No. How much money is owed to VMCOTT?

Mr. Chairman: Yes. Yes.

Mr. Aliendre: The amount we owed?

Mr. Scotland: I thought you said payables; I want receivables.

Mr. Chairman: Yeah, receivables. Yeah.

Mr. Aliendre: Receivables?

Mr. Chairman: Yeah.

Mr. Aliendre: All right. In terms of the total amount of receivables up to date, we have close to $37.4 million.

Mr. Scotland: Right. Chair, through you—

Mr. Chairman: Yes.

Mr. Scotland:—what is VMCOTT doing to get its money?

Mr. Chairman: Yes. Who will answer?

Lt. Col. Bennett (Ret.): I will answer.

Mr. Chairman: Yes.

Lt. Col. Bennett (Ret.): Because VMCOTT has embarked on a programme where our Finance Department is making every effort on a monthly basis to call directly, to write these people and let them know that they are indebted to us to recover our receivables that are outstanding.

Mr. Scotland: Chair, when I interrupted or when I intervened, I heard the Chairman say that VMCOTT has issues in taking persons to court to get back its money. Did I hear it correct?

Lt. Col. Bennett (Ret.): Yes, hon. Member, it is correct.

Mr. Scotland: You cannot?

Lt. Col. Bennett (Ret.): I cannot.

Mr. Scotland: Why can you not?

Lt. Col. Bennett (Ret.): Because this is a mandate coming out of the Ministry of Finance as the corporation sole and we have guidelines that instruct us not to do that.

Mr. Scotland: Chairman—

Mrs. Sagramsingh-Sooklal: I am sorry. Chair, can I just piggyback out of a question asked?

Mr. Chairman: Yes.

Mrs. Sagramsingh-Sooklal: So you would have identified what the current debts are, the current receivables, $8.6 million is what VMCOTT is owing and $37.4 million is what is being owed. This $37.4 million that is being owed to VMCOTT, can you just clarify for me what is the period of time that this money, this debt that is being owed to you, it was accumulated over what period of time?

Mr. Aliendre: Yes, I can. This was for a period as far back as 2012 to present.

Mr. Scotland: Okay.

Mrs. Sagramsingh-Sooklal: So moneys owed—just to place on the public record and of course to the benefit of the public—this $37.4 million that is being owed to your entity was accrued for the period 2012, you have said, to the current period, 2012 to present.

Mr. Aliendre: That is correct.

Mrs. Sagramsingh-Sooklal: Yeah. Okay. And the debt—the moneys now that are owed to—so that is money that is owed to us—moneys that VMCOTT owes to other entities, that $8.6 million, can you clarify the period in time in which you would have accrued that debt?

Mr. Aliendre: Based on our current exercise, that is for the period from 2015 to present.

Mrs. Sagramsingh-Sooklal: 2015 to present. And I would imagine it is—I mean, I do not want to speculate, but it could very well be that debt that would have accrued to the entity, from 2016 to current, could very well be as a result of the moneys that you are still waiting for that was accrued for the period 2012 to current.

Mr. Aliendre: That is correct.

Mrs. Sagramsingh-Sooklal: I just wanted that clarification. Thank you.

Mr. Scotland: Chairman—

Mrs. Thompson-Ahye: Excuse me, Chair—

Mr. Scotland: Sorry. Sorry, Madam, after you; always after you.

Mr. Chairman: Go ahead. No. No.

Mrs. Thompson-Ahye: No.

Mr. Chairman: I think you were—[*Inaudible*]

Mr. Scotland: Would the amounts from 2012 to now, not—have you kept the debt alive, meaning—I do not want to lawyer here but I must. Have you gotten the creditors to acknowledge that debt within the last four-year period, whatever quantum is owing before 2020?—because we are in 2024, and you do have a two-year with an 18-month extension due to COVID to file a claim, but, you know, that a debt owing, it is statute barred after four years. VMCOTT is aware of that?

Lt. Col. Bennett (Ret.): Chair, may I respond to the member?

Mr. Chairman: Yes.

Lt. Col. Bennett (Ret.): No. VMCOTT is not aware of a debt owing being statute barred, however, in response to your concern, I will say that we have kept that debt alive and we continue to collect. In one instance, the Trinidad and Tobago Police Service has owed VMCOTT moneys from inception, from as far back as 2004, and we are conducting an exercise right now. We have received some payments from them and we are still pursuing the collection of that outstanding amount. In addition, within recent time the Ministry of Works and Transport has been the mediator in resolving a debt owed to VMCOTT by the Public Transport Service Corporation where we collected in excess of $6 million. I think it was $6.5 million, of course, which was utilized to reduce the moneys that we owed to our debtors.

Mr. Scotland: Okay.

Mr. Chairman: Mrs. Thompson-Ahye.

Mrs. Thompson-Ahye: Thank you, Mr. Chairman, and good morning. When I look at your response, your report to us, No. 18, "What recommendations have VMCOTT's Internal Auditors proposed in relation to the risks VMCOTT is most susceptible to?", and I see things like:

- "A need to follow up…"

—this is page 4 of your report:

- "A need to follow up on the amounts owed to VMCOTT in a timely manner.
- The need to engage credit customers in ongoing reconciliation exercises,
- The need to exercise due care and diligence in inputting information into the computer system"—that is—"(data entry) to ensure debtors' statements are accurate.
- The need to undertake due care and diligence in the filing of source documents to allow for ease of retrieval at any time in the future."

So these are the comments that the internal auditors are making to you. These are the

recommendations so these things are lacking. It seems to me to point to an attitude of nonchalance, you know, that you have been generous, that you are not really concerned or worried about this money that is outstanding in a company that needs money and yet you are found to be wanting, in even inputting information. You have staff there who are charged with this responsibility and there is no due care and diligence. It is as though, you know, people believe that money owed to Government is, you know, should not be recovered. I think these are very serious statements made and serious indictment against your attitude towards these outstanding moneys in a time when we need the money. What is your response?

Mr. Chairman: Mr. Chairman.

Lt. Col. Bennett (Ret.): Chair, permit me.

Mr. Chairman: Yes.

Lt. Col. Bennett (Ret.): Member, if I may address the concern that you have—

Mrs. Thompson-Ahye: The Internal Auditor—

Lt. Col. Bennett (Ret.): The Internal Auditor—

Mrs. Thompson-Ahye: The Internal Auditor's—

Lt. Col. Bennett (Ret.): Yes. The Internal Auditor made these based on his assessment of what was going on at VMCOTT at that time. We have had a number of changes of staff. We have had miscreants who would come there and work for VMCOTT and representing erroneous information being passed. For example, I would tell you my personal experience, when I became the Chairman of the board of directors in 2016, the prior management never brought certain things to the attention of the board, and that is where when we queried the Internal Auditor's processes and his assessment of the processes, and that sort of thing, this was brought out. We are, at present, remedying that.

We have made attempts in the past to engage persons because the critical areas in VMCOTT are finance and HR, and we have had people employed there and people come into an organization like VMCOTT thinking that it is a government service and they do not have to work diligently and continuously in doing what is required. However, with these points that were brought to the attention of the board and the management of VMCOTT by the Internal Auditor, we have tightened up on the processes, and I would tell you that our present Finance Manager is working diligently in ensuring that we have competent staff to do the job and that we adhere to the concerns expressed by the Internal Auditor in recovering our moneys and clearing out our debts.

I also want to take this opportunity to say that the CEO herself, upon appointment as acting CEO, made the organization be in a better standing, because for some strange reason, being a woman, she was able to manage the finances in a more prudent manner to get things done and to pay all those people who were challenging us with regard to taking us to court for the moneys owed to them. So we have gone into a number of situations where, first of all, we are fixing the internal processes. We have had situations with regard to data entry, input and output is reliant on the person doing it, so junk in is junk out. We have had situations with regard to our operating systems and software crashing, we have been remedying that. We had to change our software programme because we were heavily dependent on a system that was originally installed that came out of the UK, one named Tranman, that did not give us the process from input, throughput, output, and the establishment of invoicing in a timely fashion.

We have now gone on to a new operating system that is called Fuse5 which is much more user-friendly for the purpose of generating these invoices and billing in a timely fashion. So we have been making every effort based on the recommendations by the said Committee that we are at here today, and with the Internal Auditor's involvement to remedy that situation.

Mrs. Thompson-Ahye: Thank you. I cannot say I understand the gender point, but be careful, remember you are a man, you want to remain in your position.

Lt. Col. Bennett (Ret.): With regard to that, I am in touch with my feminine side, and the gender point is, I think that because of being a householder, somebody involved in a household, they tend to make better decisions than men do, because I have had some male finance managers, I have had some female finance managers and there is a clear distinction, Ma'am.

Mr. Chairman: Okay, Mr. Bennett, I do not think we want to get into that. We do not want to get into that. May I just follow up on this issue, you said in your opening statement about "fleet management provider". Can you tell this Committee whether VMCOTT, as we speak, has a fleet management unit, and do you have a fleet manager running that unit on behalf of VMCOTT? Can you clarify for this Committee?

Lt. Col. Bennett (Ret.): Chair, when I refer to VMCOTT as a fleet management organization, VMCOTT is empowered to provide services from purchase to disposal. In other words, we have the capacity to procure vehicles.

Mr. Chairman: Mr. Bennett, I asked a direct question, give me a direct response. Does VMCOTT, as we speak, have on its establishment a fleet manager? It is either yes or no, or you are seeking to acquire one. Can you answer the question directly as put to you?

Lt. Col. Bennett (Ret.): The direct answer is, yes, Sir.

Mr. Chairman: You have a fleet manager?

Lt. Col. Bennett (Ret.): Yes, Sir.

Mr. Chairman: What is the name of that fleet manager? When was that fleet manager employed? Can you tell this Committee?

Lt. Col. Bennett (Ret.): The CEO performs the act as the fleet manager because she is the Chief Executive Officer of the organization.

Mr. Chairman: No. No. No. No. No. No. Wait. Wait. Wait. Wait. Wait. The CEO has specific functions—

Lt. Col. Bennett (Ret.): Correct.

Mr. Chairman:—in the law, we are talking about a company that has responsibility for fleet management; that is your mandate that was given to you by the Cabinet in 2005. So from to 2005 to 2023, you want to tell this Committee that the CEO that has specific functions is your acting? Look, this is not a dolly house or Mickey Mouse enquiry, you know. We have a constitutional mandate to report and I want you particularly to take this Committee seriously. When we ask questions, we want straight answers because we have to report to our principals, the House of Representatives.

So what we are asking you—and you have to be truthful, because if you are found not telling the truth, there are consequences. I want you to know that. So can you tell this Committee, Mr. Bennett, one, do you have on your organizational chart or staff establishment a post called "Fleet Manager"? This is the third time I am asking that question. Can you tell us directly if you have a fleet manager.

Lt. Col. Bennett (Ret.): No.

Mr. Chairman: Okay.

Mr. Scotland: Chairman, may I just—

Mr. Chairman: Yeah.

Mr. Scotland: So the Chair has asked you two questions and the tone you are getting just represents the seriousness of the issue, so I just want you to focus on the question; there are two questions. In the organizational structure, is there a position called fleet manager?

Lt. Col. Bennett (Ret.): In the response to that, the answer is, no. In the organizational structure, there is no position of fleet manager.

Mr. Scotland: So the CEO—so you must clarify yourself—so the CEO acts as the fleet manager,

correct?

Lt. Col. Bennett (Ret.): That is correct.

Mr. Scotland: Do you not think it prudent, Sir, seeing that VMCOTT is involved with fleets, notwithstanding that there is no position in the structure that you ought to have, appoint a fleet manager—in keeping with the first question by the Chair—so that the CEO could concentrate on the CEO's mandate? Do you not think that that may be sagacious?

Lt. Col. Bennett (Ret.): In response to that, the Chair asked that question and I think, if I am permitted, Chair—should I go on?

Mr. Chairman: Yes, Sir. Go ahead.

Lt. Col. Bennett (Ret.): VMCOTT is a fleet management service provider—

Mr. Scotland: Yes.

Lt. Col. Bennett (Ret.):—VMCOTT does not require to have a fleet manager because VMCOTT's fleet is five vehicles.

Mr. Scotland: So then answer it like that, Sir. Okay. So, in other words, so the CEO can properly act and manage five vehicles, yes?

Lt. Col. Bennett (Ret.): That is VMCOTT's fleet, however, if the TTPS has a fleet of 1,050 vehicles, VMCOTT can manage that on behalf of the fleet, of TTPS.

Mr. Scotland: On behalf of the PTSC?

Lt. Col. Bennett (Ret.): Yes.

Mr. Scotland: And who would be that—would that be the CEO or is that someone who is designated?

Lt. Col. Bennett (Ret.): That is the organization made up of the CEO and respective appointed personnel that complement the staff in the org structure.

Mr. Scotland: Thank you, Chairman, for that clarification. Thank you.

Lt. Col. Bennett (Ret.): You are very welcome, member.

Mr. Chairman: Yes. May I continue?

Mr. Scotland: Yes, Chairman.

Mr. Chairman: Yeah. I want to ask you to go to page 20 of the PKF financial statements, dated September 30, 2016. You would see a note to the accounts—it is page 20—2-0, PKF—

Mr. Scotland: Got it.

Mr. Chairman: Right. Mr. Bennett, I would like the CEO to speak at times, eh. Mr. Bennett, I would like the CEO to speak at times because she is the CEO. All right. I would like you to

clarify for us the following. We are told on page 20 of this financial statement that the Trinidad and Tobago Postal Corporation sought the help of VMCOTT in acquiring 10 panel vans for its use at a cost of $2.9 million. We understand from the note that the vehicles that were acquired by VMCOTT on behalf of TTPOST did not meet the specifications outlined in the invitation to bid issued by the TTPOST and therefore were not accepted, and VMCOTT has agreed to refund 50 per cent deposit paid by TTPOST for the said vehicles. Could you explain because I am trying to wrap this thing around my mind?

Can you explain to this Committee, how can a professional company or corporation that understands or ought to understand fleet management concepts, so that you are being asked to acquire vehicles for TTPOST and they have sent to you specific, or a set of specifications that you ought to follow?—and yet still we are being told on page 20 that you brought the wrong vehicles, because that is what we are being told in layman's language, that you bought the wrong vehicles. And therefore, TTPOST could not have accepted those vehicles and VMCOTT had to resell those vehicles at a loss, we understand, of close to three hundred and something-thousand dollars. I think $374,000, according to my figures.

So again, Ms. CEO, Madam CEO, could you explain to this Committee as the person in charge of the company, because I do not think—Mr. Bennett, are you a full-time Executive Chairman or are you a non-full-time Chairman?

Lt. Col. Bennett (Ret.): Non-full-time Chairman.

Mr. Chairman: Okay. Thank you. So I am asking the CEO now, because the CEO is in charge of the company—okay?—Madam CEO, how long have you been working at VMCOTT?

Ms. Prince: Yes, Chair, good morning again. I have been employed at VMCOTT since 2004, so it is 20 years. I have moved up to six positions and now the CEO, so I have seen the shortcomings and failures of the past management, and that is exactly what happened during that period. Back then they procured the wrong vehicles. I was the Purchasing Coordinator then and when I was given that appointment, the purchase and arrangement was already made, however, from my recollection back then, I think the board's approval to try and sell the vehicles to offset outstanding debts owed to suppliers back then which was a lot of money.

So some of the suppliers that were owing us in excess of $1 million and so on, they used the vans to offset it. TTPOST refused to accept the vehicles because, one, they did not ask for a dual fuel, which is CNG. Where the tank was placed was in the back of the tailgate so it would have made it difficult for them doing their deliveries to stack their mails, and so on. They also

complained about they wanted a high top and it was a low top, so the storage area was of course less than what they bargained for.

Mr. Chairman: Would you say that, for instance, that experience would have taught you that we had square pegs in round holes at that time?

Ms. Prince: Yes, Chair. Chair, I will agree. I will agree back then, yes, they had square pegs in round holes.

Mr. Chairman: And would you say that from your experience, working in the organization and being elevated upward to the post of CEO, would you tell us, or share with us whether you have gained the necessary experiences to avoid such pitfalls in the future given the fact that you have reached that post of CEO, given the past experiences?

11.00 a.m.

Ms. Prince: Well, yes, Chair, I have seen the shortcomings and failures of the past management and CEO. Hence the reason because of our recent mandate in 2009 to go to the public, it is a different ball game, so we try to try and find the best suitable professionals to do the job.

When it comes to specs—because I come from a background of mechanics. When it comes to procuring for specs and so on, we seek guidance from our line Ministry, our DPS and PS in terms of the process, and because of my experience as well with the technical team that we have on board right now, we are able to procure exactly what the client wants. So, thus far, we have not had that problem as occurred back then.

We were able to successfully procure for the Ministry of Works and Transport, Licensing Division, thus far and we did a recent tender for the TTPS. We did one last year as well for them where we procured 104 vehicles for their operations thus far. So I have learned from past experiences and I know exactly how to do a proper procurement in compliance with what the client requires.

Mr. Chairman: Well, that is very good. May I ask the Ministry of Finance, Investments Division, could you share with us—and tell me if I am right on this on—there are various grades of boards or levels, whether it is an A-class board or B? Can you tell this Committee, in the case of VMCOTT, what grade is VMCOTT on the pecking order? Anybody from the Ministry of Finance? Is it an A-class board, a B-class board, a C-class board, a D-class board? Could you tell us?

Ms. Mohammed: We will have to get back to you but it is not an A-class board. We can confirm. We just need to confirm whether it is a B or a C.

Mr. Chairman: Because the reason why I am asking that, I want to know what are the entitlements or terms and conditions that directors, including the Chairman, enjoy, whether, for instance, you get a flat salary of X dollars, they get a cell phone, they get a laptop, do they get a car on a permanent basis if you are not an Executive Chairman. These are things we would like to clarify.

Ms. Mohamed: Okay. But at least I can tell you that all the boards—A, B and C—they are entitled to a director's fee—it has a chairman's fee, it has a director's fee, a travel allowance. They are not entitled to a motor vehicle. They may have access to a laptop. It is a company-owned laptop in accordance with the manual but the fees are final. There are no other allowances for the Board of Directors. We can get back to you—

Mr. Chairman: Yeah. Because I want to get some clarification on that, right?

Ms. Mohammed:—on the exact fees, yes.

Mr. Chairman: Yeah, because I have some questions. But before I ask Mr. Bennett those questions, I want to make sure that I have all the facts on this matter. But let me go on to something called "inventories". All right? Because I would like to get some clarification on that particular matter.

Now, I saw somewhere in the statement that I have before me—and tell me if I am wrong. I am going to page 6 of the report on 2016 PKF that is, you know, dealing with the accounts, not the notes, and I am seeing something called "Net change in inventories". And I am seeing where in 2015, there was a minus $3.7 million and then when we looked at 2016, we saw 2.9 to almost $3 million in inventories being purchased for use by VMCOTT. Can you provide this Committee with a breakdown of this $3 million, in terms of what inventories would have been acquired during that period? And could your accountant or Finance Manager explain to this Committee why this boost or increase in the allocation for inventories for VMCOTT is not reflected in the bottom line in terms of the revenues generated by the company? Because the revenue appears to flatlined but yet still we have a huge of inventory of $3 million in 2016, yet revenue is stagnated. Can somebody explain that for this Committee? What has happened with the inventory of $3 million in 2016 or—can anybody clarify that for us?

Ms. Prince: Chair, may I?

Mr. Chairman: Yes.

Ms. Prince: Back then we were doing police vehicles, right? And what we will do, we will stock inventory because when they come in, we do not have time to run out and get parts, so we will

have a huge inventory. Yes, we know to carry inventory is a cost but it was required back then. So we will pay—we will run up debts to get inventory for the TTPS and, of course, they will not pay in a timely manner. So, for example, back then in 2015/2016, they started to pay—make some payments on the invoices in 2020, and that is the challenge that we are having. So that is why the inventory was so high back then.

We still have inventory right now as we speak and the inventory is for outdated makes and models of vehicles that are on the road that the TTPS no longer owns, like the Kia Sorento, the Suzuki Liana, all those vehicles. And back then we also had inventory from since 2004, when they owned the Vauxhall Astra and the Jeep Cherokee, and those different makes and models that the TTPS will somewhat utilize other garages—although we have an inventory of parts for them—to conduct the repairs and we are stuck with the inventory, so hence the reason the value of the inventory is so high.

To date, we still have that inventory, we just moved it to an obsolete section. Why? Because those makes and models of vehicles are no longer on the market. We try to attract the private customers to purchase but still it is limited because, of course, we are seeing the makes and models now are more modern as opposed to the makes and models back then owned by the TTPS and the private citizens.

Mr. Chairman: Tell me something. Can you tell us the $3.773 million in inventories at the end of the 2015 financial year—I see a minus figure. Can you explain whether this—let us round it off to $4 million—has this been written off? Is this dead inventory? What is going on with this $4 million at the end of 2015 in inventories? Can you tell this Committee, based on what you have just said with the changing of fleets, models and so on, those spare parts that we would have purchased—when I say "we", the taxpayers, and you representing them as the CEO at that material time or at some other level. Would you want to tell this Committee whether this $4 million is dead money, in terms of spare parts, and as such written off? Can you clarify for this Committee? Because I would like to know—

Ms. Prince: Yes, Chair.

Mr. Chairman:—and the members would like to know.

Ms. Prince: Yes, Chair, it is dead money and it has not been written off, it is still in our inventory. We just have it in a different area called "obsolete" where we can account for it and it is secure—

Mr. Chairman: So can you—

Ms. Prince:—but it is dead money, Chair.

Mr. Chairman: Is there any way of auctioning? Because I know procurement was recently proclaimed, right?

Ms. Prince: Yes.

Mr. Chairman: But before that, right, I am just asking you what advice has been given to the company by your finance people as to how we treat with this dead stock? Do we seek to get finance to advise you on the procurement? And as my friend mentioned, that is Mrs. Sagramsingh-Sooklal, she indicated about procurement, do you have any system in place consistent with the new procurement legislation to dispose of the dead stock?

Ms. Prince: Yes. We have a disposal committee that has been set up to deal with that aspect of the stock.

Mr. Chairman: Okay.

Ms. Prince: We have that set up.

Mr. Chairman: All right. Well, I will pause for a moment. I will ask Mrs. Sagramsingh-Sookal—but before Mrs. Sagramsingh-Sooklal comes in, I think you wanted to raise a point and then I will go to Mrs. Sagramsingh-Sooklal.

Mrs. Thompson-Ahye: Yes, Mr. Chairman, through you, I was just wondering if over the years if VMCOTT has been advertising to the general public that there are these parts available for sale, advertising, you know, out there so that people would know what is available? Because people always looking for spare parts, you know. You will be surprised that there are still a number of people with old vehicles and all of them are going the Bamboo, so maybe you could have been giving the Bamboo some competition.

Mr. Chairman: Yes, I think Mrs. Sagramsingh-Sooklal wanted to raise—

Mrs. Sagramsingh-Sooklal: Chair, thanks for the opportunity and, of course, I am not spring boarding off—well, a bit off of member Thompson-Ahye's question. I would imagine you would not have been able to do that, of course, because of the incarnation of the procurement legislation at that point in time. And I must commend you all for having already in place a disposal of public assets structure in your organization because now, of course, this dead asset does not necessarily have to be a dead asset. You can use the legislation that, of course, was passed and proclaimed by the current administration to the benefit of the entity and, of course, you know, see what you can recover from that asset.

But there are some questions that I have on my own because, of course, we as members of the Committee have the benefit of reading submissions—a lot of submissions, mind you, but,

of course, the public looking on would not have had that benefit. You know, we started off with Mr. Bennett, of course. Honourable Chairman, you would have identified very clearly the challenges that you would have faced and correct me if I am wrong, you took chairmanship of VMCOTT in 2016—

Lt. Col. Bennett (Ret.): Correct.

Mrs. Sagramsingh-Sooklal:—correct? And again, correct me if I am wrong, but I would have made notes based on some of the challenges you would have identified as a new Chairman of this existing entity that you would have encountered, right? And some challenges you would have placed on the record here today, of course, would have been things such as, receivables owed to VMCOTT in excess of $30 million, and from your Finance Manager we got the exact figure which was $37.4 million.

You would have indicated to Committee that another challenge the board would have encountered, of course, would have been the debts that would have been accrued by the entity, which is in the amount of $6.8 million. You would have also identified that when you took chairmanship of VMCOTT, your new board had to make serious decisions in order—in my words now—to clean up what you would have inherited. Your CEO would have jumped into the dance and made a statement of poor management that she would have inherited, your honourable office would have inherited from a previous management team and I would imagine that would have posed significant challenges as well now sitting as the new CEO in the entity. You would have identified that—so, yes. So, generally, those were some of the challenges that you would have placed on the record that you would have faced.

I want to now go to your Finance Manager. So you would have placed on the record what the challenges were, and through you, Chair, if I can ask some questions to the Finance Manager—the director of finance. You know, time and time again, entities like yourself come before this Committee and they are usually a newly appointed board that has to take licks for things that existed predating their existence. In the report, in your submissions—your late submissions of audited financial statements, in response to recommendation 1.1, which is actually question 8, which is at page 2 of your late submissions, you were asked to identify—the entity was asked to identify a clear timeline—if I may read for the benefit of the public you were asked:

> "Provide in detail the expected timeline for the audit of all Annual Financial Statements to be conducted in a timely manner and submitted within the statutory timeframe of four months after the financial year end?

Right? And:

"VMCOTT's financial statements…"

And your response to that was, your response to that question was:

"VMCOTT's financial statements are currently being audited by the audit firm, PKF Limited (Trinidad). These are the current status of the various years…"

And you would have gone on to provide this Committee—which of course the member of the listening public does not have the benefit to read but I want to read it into the record because I believe to be fair to the entity it should not—the impression that the public should not go away with is that this board have not been doing things to put their house in order. And I want to be fair to you all because this is what I am reading before me, which the members of the public do not have the benefit of reading. And what you have indicated to us is that:

"• Audited Financial Statements 2016/2017…"—is—"…98 per cent complete.

• Audited Financial Statements 2017/2018…"—is—"…85 per cent complete.

• Audited Financial Statements 2018 to 2019 - Scheduled to commence on March 2024.

• Audited Financial Statements 2019/2020 - Scheduled to commence on May 2024.

• Audited Financial Statements 2020/2021 - Scheduled to commence on July 2024

• Audited Financial Statements 2021/2022/2023 and 2023/2024 will be scheduled for commencement and completion in the financial period 2024/2025 as the initial aim is to have all audited financial statements updated within the specified period and financial period."

So you have, in your report to us, given us timelines as to when you intend to really have a clean bill of health as it relates to your financial health of the entity.

Now, tell me then—so you—no doubt, Chairman, I would have started with you. You would have placed on the record the challenges you would have inherited when you took chairmanship. CEO, you would have identified the challenges you would have encountered when you took over as CEO.

To the Financial Manager now, we are in 2023 and you are still at a stage where you are 98 per cent complete in your financial statements for 2016/2017. Would you say at all that the challenges encountered for the period predating 2016 is what accounted for you not being able to have that clean bill of health that I am referring to as it relates to the entity having its financial statements in order?

Mr. Aliendre: Yes, that is correct.

Mrs. Sagramsingh-Sooklal: And can you therefore identify, for the benefit of this Committee and of course the members of the listening public, what were those challenges you all would have encountered that would have prevented you from being here in 2023 and having your financial statements where it ought to be?

Mr. Aliendre: All right. Through the Chair, I will respond. Well, basically the challenges since being appointed of July 2023, we have to go through all the relevant reconciliations, all right, past information, as what was previously mentioned by the Chairman and the CEO, of some of the outstanding debts and the receivables. So we had to focus on exercises enabled to retrieve the relevant funds as well as to ensure all the previous arrangements, in terms of all the internal controls, are met by advice by the internal auditor and make sure all the relevant controls and systems are set up to go forward to trap all the information for the preparation of the financial statements.

Mrs. Sagramsingh-Sooklal: And I think that is clear and that has to be clear to the members of the public who are listening on and again, it is just to be fair to the entity. Because again, I would reiterate a point that I made earlier on. Sometimes entities come in 2023 and they have to take licks because, unfortunately, they are now sitting—heavy is the head that wears the crown, but it is because of, as the CEO would have put, perhaps mismanagement that would have occurred a period predating the current board's existence.

Now, in your late submissions—at paragraph 9 of your late submissions, at page 51, the entity was asked:

> "When did the implementation of initiatives to ensure intensification of the monitoring of financial accounts to ensure prompt closure in books commence?"

The answer that VMCOTT gave to this question was:

> "This commenced…"—in—"…2015/2016…"

Before I ask a question, Chair, I want to commend you then because it means that you took chairmanship in 2016, correct? And in 2016 was when an effort was made to—at least based on the response that you all would have given here, it is clear to me that that was when initiatives to ensure the intensification of monitoring financial accounts to ensure prompt closure of books began, under your chairmanship. So therefore, what happened prior to 2015? Was it—I mean, that is my question. So if it is only in 2016 that intense efforts were made to manage and intensify how this entity ran its business, prior to 2015, what happened? What were the systems in place? Would you be able to answer that question, Financial Manager?

Mr. Aliendre: No, I would not be able to.

Mrs. Sagramsingh-Sooklal: But what—but based on occupying the office, is there any member of the entity—especially Madam CEO because you have been at the entity for very long and I know that you did place on the record that you encountered poor management. Was it that it was a parlour or shop that was being run where nobody was accountable prior to 2016 and that everybody was just doing what they wanted? I mean, I do not want to speculate and I do not want to put words in your mouth, but that is concerning to me because this is a long existing entity and if you are telling me that only in 2016 structures were being put into place to intensify the monitoring of financial accounts, then what happened in 2015, what happened in 2014, what happened in 2013, what happened in 2012, beyond that? What happened?

Being in the organization for a period of time, would you be able to give us some kind of—and, of course, I do not want to move away too much from what the purpose of this interrogation is because we are looking at a financial period of 2015 to '16, but again we have an obligation to the country to be able to say to them, "This is how your money is being spent." And if only in 2016, under your chairmanship, Mr. Bennett, that systems are being put into place, then surely we must be able to say to the public, what happened prior to 2015. I am not sure if you may be able to explain what you would have encountered upon taking control of the board.

Lt. Col. Bennett (Ret.): I will elaborate after the CEO responds to you—

Mrs. Sagramsingh-Sooklal: Thank you.

Lt. Col. Bennett (Ret.):—respectfully through the Chair.

Ms. Prince: Through you, Chair, I would like to address the honourable member's concern. Back then I can say, it was garbage in, garbage out, yeah? I was not in that capacity to actually see but I would have seen the final product and I am seeing it to date. Because they did not update their systems properly—we had a fleet management system called "Tranman" which was pretty complicated back then and you need proper fleet management software to capture data and that was the issue back then with that software.

The cost to upgrade that software was something like in excess of $1 million annually and we were at the lowest version. We were at version 4 back then and back then version 15 was already out, so we were not getting the updates necessary to run the business and to capture the data.

Also, the software was not integrated with the invoicing, so it was not compatible with the finance software so it had to be done manually by staff. So now that we are checking back

records and looking in the back office, you cannot find some things, information is being missed out and so on. So when this board took over and I was appointed to act, because I know the experience I experienced back then with the past software, we made a recommendation and we got a fleet management software that is now integrated with the financial software as well. So it is—all the back offices are linked from inception when a vehicle comes in to capture the data, straight up to the purchasing of the parts required to the actual invoicing to the customer. So we are able to fix it back then. But back then I really did—I was not in that capacity to really look and see exactly what were the issues. It is just the end of it—at the end of it I was able to realize that, of course, it was poor management and we did not have the tools back then as well to do the job.

Mrs. Sagramsingh-Sooklal: Chair, I know you said you would—

Lt. Col. Bennett (Ret.): If I may add to that, there was little or no effort on the part of the management and board at that time—previous boards and management to retrieve moneys owed by enforcing the accounting unit of the entity to get and collect the quantum of receivables.

When we came on board, we came with a reduced staffing of the board because the board was nine at that time and we recognized that there was a need to improve software programmes and other things, and we were looking for the right fit of staffing to make sure that all of the processes in recovering moneys owed to VMCOTT were met and that is a challenge we still encounter today.

Mrs. Sagramsingh-Sooklal: And you know, of course, my senior and I being attorneys, I think that is why hon. member Scotland would have basically, you know, asked the question, what steps VMCOTT has taken to keep the debt alive, to ensure that it really does not become statute barred. Because that is—the real challenge of moneys due and owing is that, of course, it is the debt can become statute-barred and then, of course, the entity does not have an opportunity, through the courts, to make a claim. So I am particularly happy that upon your chairmanship, attempts are being made to keep what we term in law "revived or alive" those debts, so that it really does not become statute-barred. And you are doing this for the benefit of the listening public by engaging, if I understand well, in negotiations through the Ministry of Works and Transport, through negotiations with the debtors, those persons who are in debt to you, negotiations with them, maybe as it relates to payment plan—that is what I am getting—you know, some sort of arrangement—if I do not want to refer to it as a payment plan but arrangements to ensure that the debts are serviced. So, of course, like my colleagues, I mean,

especially in the times that we exist, 37 point something million owed is a significant amount of money that, of course, if you are able to claim back, it will assist your organization tremendously. Now—

Mr. Chairman: All right.

Mrs. Sagramsingh-Sooklal: Yes? Sorry.

Mr. Chairman: Your partner wants to raise some questions here.

Mrs. Sagramsingh-Sooklal: Of course, Chair. Of course.

Mr. Scotland: Chairman, through you, I want to ask a related question and then another issue. Would VMCOTT consider some of your receivables may be linked to an entity that has payables? So you may be owing but the same entity may be owing VMCOTT. Have you ever considered the concept of setting off in order to reduce what you have payable? So there is one entity what is owing you and the same entity, you are owing them. Have you considered setting off? It is a tried and proven concept. That is the first question. And secondly—well, Chairman, could maybe the Finance Manager answer that, or the CEO, and then I will move on to my question about staffing?

Mr. Chairman: Could someone answer?

Lt. Col. Bennett (Ret.): Yes, with respect to the first question, Chair, may I answer? We have engaged in a number of arrangements. For example, we have engaged TTPost to maintain their fleet for them and offset some of the moneys we owe them. That has not come to fruition because a number of these entities choose to go elsewhere and have services provided. And we have an arrangement where we have a payment plan with them to offset the moneys we owe to them on a monthly basis. So that is one instance.

11.30 a.m.

Mr. Scotland: All right. Chairman, having said that, can I turn our attention, members, to page 7, item 3 of the submissions and what are the challenges. Question 3:

> "What challenges have been experienced during VMCOTT's pursuit of its strategic objective?"

Chairman, do you see the answer that is there, members?

> "Government Ministries and State agencies in most instances not adhere to the mandate…"—that they—"…to subscribe their vehicles"—at—"VMCOTT services. In the rare instance that they do subscribe, payments are either made in an untimely manner or not at all."

Is that the state of affairs as we speak?

Mr. Chairman: Chairman or CEO?

Ms. Prince: Yes. May I answer through you, Chair? Yes, member. Yes that is the current state.

Mr. Scotland: And what is being done to arrest this situation by VMCOTT?

Ms. Prince: So what we do on a monthly basis, the challenge we have with that right now is the fact that the entities that are owing us from back then, most of the persons that are aware of the transaction and so on, they would have either retired by now. So what we are doing, we are revamping the system by sending them statements, documentation that they require, and so far we are getting some small payments. We are still in a lot of negotiations with them because they are still looking for their documentation and we are in meetings and dialogues, but most of them, like the corporations and so on, they have already agreed to payment. Once the documentation meets their satisfaction and they get the approval, they have already made commitments to pay.

Mr. Scotland: Mr. Chair, Madam CEO, through the Chair, the first line in the response is that "State Agencies do not adhere to the mandate to subscribe their vehicles..." What is being done to deal with that? That is—

Lt. Col. Bennett (Ret.): Chair, if I may—

Mr. Scotland:—it is almost counterintuitive.

Lt. Col. Bennett (Ret.): Chair, if I may be allowed to the member?

Mr. Scotland: Yes, please.

Lt. Col. Bennett (Ret.): At this level as Chairman, I interact directly with Ministers at the level where in particular my line Minister, I keep him in the loop and allow him to know what is happening. We work alongside the TTPS and with the Investments Division at the Ministry of Finance—

Mr. Scotland: Yes.

Lt. Col. Bennett (Ret.):—we put in directly to the Corporation Sole. And there has been a number of efforts through Cabinet Minutes to reiterate the role and function of VMCOTT, still there is pushback, because in a number of instances the fleet managers of the respective agencies do their own thing without the authorization of Cabinet being adhered to.

Mr. Scotland: Chairman, you heard that? Members, have you heard that response. That is a remarkable response relative to the state of affairs. Chairman, I think that we as a Committee ought to make a recommendation in this regard having regard to page 7, item 3, this is very

concerning, and what you have told us there, Chairman of VMCOTT, is even more concerning. So you are saying that agencies of the State do not adhere to the mandate given to them by the State? That is what you have just told us?

Lt. Col. Bennett (Ret.): I humbly and respectfully submit that I have just said that.

Mr. Scotland: Wow. As it relates to the human resource—Chairman, this is directed to the Human Resource Manager and the human resource department. Is there still a high level of staff turnover at VMCOTT? And if so, what is being done to address that state of affairs?

Mr. Russell: Chairman, through you, may I respond?

Mr. Chairman: Yes.

Mr. Russell: The staff turnover, it has been arrested. However, what we are doing is currently engaging in a progressive process of recruitment of best fit persons into the organization.

Mr. Scotland: And what would you say is the percentage of turnover now—because I saw one of the concerns was a high turnover of staff. But what would you say now is the percentage of turnover?

Mr. Russell: As of 2022, we gave a response of probably 25 per cent for the past three years; 2021, 8 per cent; 2022, 35 per cent and as of 2023, 25 per cent.

Mr. Scotland: Chairman, thank you.

Mr. Chairman: What is causing that essentially to take place? Can you explain? Why are people—are they unhappy? Are their packages poor? What are the fundamental reasons for the high staff turnover?

Mr. Russell: Well, as stated by the Chairman and the CEO, we have had issues with personnel. We have had non-renewal of contracts. It is primarily performance based. We have had terminations and some job abandonment. The current state of affairs where persons believe that they do not need to stay within the company for their own personal reasons, but primarily persons have their various reasons and we are performance based. So, VMCOTT is pursuing the enforcement of its performance policies, and once persons do not adhere to those or do not meet those standards, we address it accordingly.

Ms. Prince: Chair, may I? May I elaborate on that?

Mr. Chairman: Yes. Go ahead.

Ms. Prince: Because we are mandated to go out to the public, we have to operate like the private sector. And if we do not operate like the private sector, the private sector will have no confidence in bringing their vehicles to VMCOTT. So, we have to make sure and practise and provide a

service or in terms of diagnostic, customer service, management as well, just like the private sector, and that was the challenge that we had back then. Even the public sector, most of them now are coming back to VMCOTT. In the past they would left and never returned, now most of the Ministries are actually engaging our services now as we speak because the service, of course, it has improved drastically compared to the years gone by.

Lt. Col. Bennett (Ret.): Chair, if I may also add with your permission?

Mr. Chairman: Yes, Sir. Go ahead.

Lt. Col. Bennett (Ret.): One of the causes of the high rate of the turnover of staff at VMCOTT is also the menial wages which they get. We have not had a salary increase since 2009, but with the present situation, the HR manager through the CEO has been directed to review the staff JDs with the intention of approaching the CPO in the not-too-distant future to engage in discussions through the Ministry of Works and Transport to look at the salary review. So this is being conducted. But a number of persons who come into VMCOTT, because we operate at such a professional level, they are attracted by the other mechanical providers and other—for example, off the top.

We have had a working relationship with YTEPP. We introduced them to the fundamentals of mechanics, and the trainees who are successful are hired and recruited by Massy and Toyota, and that augurs well for VMCOTT because it reflects on the professionalism that comes out of VMCOTT. And it is in their interest where they could go to Massy and make a salary that is much bigger than our top technician. Our technicians are ranked Tech I, Tech II and Tech III. So that is one of the reasons why there is high rate of turnover as well.

Mr. Scotland: But, Chairman, is that not making road for others to run? If you train these people and they are at such a high level, would it not be just of consonance so have them retain in the organization? In other words, you train them so well and then you say, go and make others look good. Would it not be—now, if it is a matter of salary, why can VMCOTT not make as a matter of urgency, address the issue of bringing the salary up to an attractive level so you keep the best personnel who, mind you, you have trained.

Ms. Prince: Chair, may I?

Mr. Chairman: Yes.

Ms. Prince: Just to answer your question, hon. member. We have no control over that. The private sector pays more than the public sector right now and when you bring in a technician and he is trained and he has perfected the art, because at VMCOTT it is not just one make and

model of vehicle you fix. You fix any make and model of vehicle that is on the road of Trinidad and Tobago. A technician is not subjected to just mechanical. You learn wheel alignment, AC repairs—

Mr. Scotland: Wow.

Ms. Prince: It is a combination of what is required in the entire industry that you learn. So once they get an offer out there because we have technicians that have left and taken up supervisory positions at dealerships, and all how we try to convince them to stay—

Mr. Scotland: They are not staying.

Ms. Prince:—they will not. Also, we have had technicians that have left and have gone to the States now working at one of the dealers in Miami as well, the Ford dealers in Miami and, of course, he left, but he got the experience required and he left.

Mr. Scotland: Chairman, may I suggest this, and I am trying to give you some free advice here. There may be, you know, like if you get a government scholarship, you have a period where you come back and serve. Right? Would VMCOTT consider a permutation of that arrangement so that you do not train your personnel and lose the cream of the crop? So it may even be a hybrid. You know, the people on scholarship, they are obliged to come back and give something back to the country. There is no need to reinvent the wheel, you just need to tweak it. Why VMCOTT does not think of tweaking it so that, you know, the persons who you train, at least, give you six months service or an eight months service so that VMCOTT could reap the benefit of the input of these persons in the investment in their human resource? Have you all considered that?

Ms. Prince: Yes, Chair. Through you, actually once we train them they are obligated to stay at the organization for a period of three years. After that three years they still leave.

Mr. Scotland: Wow.

Ms. Prince: Not just six months, three years.

Mr. Scotland: I—

Ms. Prince: But what we are doing, what I want to add is that, we have partnered with CCC, partnered with MIC, Ministry of Sport and Community Development where we have introduced young people, the youths to the fundamental of auto mechanics where they do both theoretical and practical programmes at our facility. And right now we have three young people, one from MIC and three of—was four of them from CCC, two have left before the end of their internship because, I think, they have learnt enough and, of course, they went over to the private sector where they are getting, of course—

Mr. Scotland: Wow.

Ms. Prince:—more money, but we have so far three of them—

Mr. Scotland: Chairman—

Ms. Prince:—undergoing the internship as we speak.

Mr. Scotland: —I am in your hands. I have no other useful suggestions other than we must find a way to keep the persons who we have invested so much in, at least, but make it attractive, be fair on both sides.

Mr. Chairman: Yeah. May I ask the Ministry of Finance as it relates to—do you receive monthly reports from the board of directors of that company called VMCOTT? Do you get regular reports like how the state enterprise manually requires them to submit regular reports to you? Can you advise?

Ms. Mohammed: Yes. We can confirm that we receive all the reports from VMCOTT on a timely basis.

Mr. Chairman: Now, what kind of oversight role do you conduct when you have challenges faced by this company? Well, the reason I am saying so, I have a management letter attached to Natasha Prince from PKF and they have some very, very, very serious observations, bank reconciliation, impairment as examples. And a matter I want to get clear today, statutory deductions, NIB, health surcharge, PAYE, VAT, Green Fund Levy, business levy, can you give this Committee an update on what is the state of play, because when you were here in '21, VMCOTT was deducting moneys from workers' salaries and wages and not remitting same to the NIB including health surcharge and PAYE. Can you tell this Committee whether you have any outstanding moneys for the NIB, for the Board of Inland Revenue, for the VAT office? What is the state of play with statutory deductions? Who can answer that, CEO or Mr. Bennett?

Ms. Prince: I will answer that, Chair.

Mr. Chairman: Yes.

Ms. Prince: Back then I know that was a big issue. We have rectified that thus far. NIB we are paying up to current right now. The only challenge we have between 2016 and 2017, there were some arrears which we have entered into a payment plan that we pay NIB every month. We have arranged to pay $25,000, on some months we pay $50,000. Anything. We are trying with whatever cash we get to tliquidate that debt. So we are current, up to date, as well as health surcharge. PAYE as well, we pay that every month.

We just have some issues with the VAT back then that we are working on currently. We

are liaising with the VAT office to give us the actual figure as to how much is being owed, for which period and, of course, to make arrangement to start to make payments. So, we are still awaiting that information for the VAT office, but we have reached out to them in writing. So, we are making changes, positive changes and we are addressing these things moving forward. So, we should not have a backlog again because every month we make sure and generate the revenue that we could pay our statutory deductions on time.

Mr. Chairman: Do you have a fixed-asset register?

Ms. Prince: Yes. We have a fixed-asset register.

Mr. Chairman: Do you have that at the moment?

Ms. Prince: Yes.

Mr. Chairman: You have that? Okay. I just want to ask the Ministry of Finance here, can the Ministry indicate whether there was a recent central audit conducted by the Ministry of Finance into the operation of VMCOTT? And if that is so, can this Committee be made aware of that report?

Ms. Mohammed: Well, the Investments Division is aware the Central Audit Committee did conduct an audit, but I believe it was with regard to the debt owed by the TTPS. However, the Committee is advised to seek in writing from the Ministry of Finance as the Central Audit Committee no longer falls within the purview of the Investments Division.

Mr. Chairman: Okay. All right. The other thing I wanted to—it is page 5 of the management letter of PKF. There is something entitled on that page, the heading is difference between the general ledger and the subsidiary ledger. But before I go there, we saw in this report many internal control deficiencies plaguing this organization. Can you tell this Committee whether the various internal controls deficiencies outlined in the PKF report to you dated the 28th September, 2023, can you tell us what is the current status of this PKF report as it relates to making sure that that company called VMCOTT is on an even keel insofar as maintaining international financial standards in your operations? Can you share with this Committee what has happened?

Lt. Col. Bennett (Ret.): Chair, if you will permit me, I will take the opportunity to invite the internal auditor and the Finance Manager who are working very closely with each other to remedy the processes that were flawed and to bring it up to current international standards.

Mr. Cummings: Special good morning to you, Chair. Permit me to start by saying that, it was quite easy for me to be able to convince this present management, led by this CEO, to be able to

action the recommendations coming out of the internal audit department, as this management has recognized and understood clearly that poor business processes across the organization will lead to inaccurate information and will impact negatively on the organization on a whole.

This management also notes the fact that to make any process efficient and effective it must be adequately supported by the use of information technology. As a result, in 2019 they aggressively pursued some of the recommendations where they introduced the Fuse5 computer system that linked the front office back office, links the stores inventory, purchasing and sales, invoicing and information, at the end of the day is pushed directly into the QuickBooks financial system.

Mr. Chairman: What is your name, Sir?

Mr. Cummings: I beg your pardon?

Mr. Chairman: What is your name?

Mr. Cummings: Learie Cummings.

Mr. Chairman: Mr. Learie Cummings. Mr. Learie Cummings, I am referring to PKF document dated the 28th of September, 2023. Do you have a copy of that? I am not dealing with 2019, you know.

Mr. Cummings: Yeah, but I am aware of some of the—

Mr. Chairman: I am asking the question, what is the company VMCOTT doing to address—

Mr. Cummings: Permit me to get to that, Sir.

Mr. Chairman:—these businesses and deficiencies in your accounting practices?

Mr. Cummings: I am getting to that, Sir. Currently at this time—

Mr. Chairman: That is what I want to find out.

Mr. Cummings: Currently as we speak, we are aggressively following up on our receivables. Reconciliations are being undertaken. As we speak at this moment, they are moving out documents and looking at it to be able to support the evidence on amounts owed. This is something which we had inherited from previous management. Accounts are being settled, supplier relationships are being restored. These are some of the impacts of the recommendations which are being implemented.

Mr. Chairman: Mr. Bennett and Madam CEO, this is the second time we are giving VMCOTT the opportunity to put your house in order. My friend Renuka Sagramsingh-Sooklal mentioned your statement of commitment to bring all your financials up to date by 2025. I find that is too long. For a company, what is the size of your staff? Can I find out? What is the size of your

workforce as we speak?

Lt. Col. Bennett (Ret.): Chair, may I direct that to the General Manger, thanks.

Mr. Chairman: Yes. Can I get that information?

Mr. Russell: Chair, currently there are 89 persons.

Mr. Chairman: Eighty-nine persons.

Mr. Russell: Yes.

Mr. Chairman: You have a company of 89 persons. You have a budget of $10 million a year and you cannot have your financials up to speed after four months at the close of the financial year and you wait until 2025 to bring all your books up to date. 2017 not here, '18 not here, '19. This is the last opportunity we are giving to VMCOTT. We are not going to tolerate any further extensions. So this is a warning, put your house in order. You are spending taxpayers' money, up to $80 million, I have checked so far and you cannot put your house in order. So, I am asking you to do so, and these deadlines that we are reluctantly agreeing to, you will keep them and have all your books, all your audited accounts submitted to the Minister of Finance, to the line Ministry and therefore, we can get those in time to conduct the proper enquiry that we are demanded and mandated and commanded by law and the Constitution to conduct. So, I want VMCOTT to take this seriously and put your house in order.

Now, we have to get certain things right and I am putting this question to Mr. Bennett. You are not a full-time executive chairman. You are part-time chairman. Can you tell this Committee if you are in possession of a company vehicle? And whether you drive that vehicle on a daily basis? That is what we would like to find out. If you are in possession of a company vehicle, and I want to make it very clear, do not mislead this Committee. There are consequences.

Mrs. Lezama-Lee Sing: Chair—

Mr. Chairman: Be frank. Let us know what is the situation, because the only way—this is taxpayers' moneys that we are dealing with here, and we want to make sure in accordance with our mandate that whatever expenditure that is issued by the Parliament is being spent in conformance with the law to bring about efficiency, to bring about effectiveness and to bring about economy. We need to ensure that taxpayers' dollars are properly spent, so that is why I am asking these questions to ensure that at VMCOTT we can help you to put your house in order if you have challenges. So can you share with this Committee whether this question that I have put to you has any relevance or if it is untrue?

Mrs. Lezama-Lee Sing: Chair, can I ask a question before we proceed please?

Mr. Chairman: Yes.

Mrs. Lezama-Lee Sing: I would like to make an intervention based on what the Committee has been called here to discuss, which is the 2015 financial statement. So before we get to current circumstances, I would like to know if I could get an opportunity to intervene on some questions?

Mr. Chairman: Yes, of course. You are going to get that in a short while, Mrs. Lezama-Lee Sing. After my colleague answers, Mrs. Lezama-Lee Sing will have the floor. Can I ask you to answer that question?

Lt. Col. Bennett (Ret.): Chair, I am not in possession of such. All vehicles belonging to VMCOTT are, in fact, marked, branded with VMCOTT on it, and I respectfully submit that that is irrelevant at this time.

Mr. Chairman: No. You cannot tell this Committee—Mr. Bennett, you are not in the army, you know. You are retired from that. You are before a Committee that has a constitutional mandate to protect the taxpayers' dollars. If you are Chairman of VMCOTT and you are telling this Committee under oath, well not under oath, because you are telling this Committee that you are not driving a company vehicle, this is on record.

Mrs. Sagramsingh-Sooklal: Chair, respectfully—

Mr. Chairman: So all—please I am on the floor. Please. I am just asking Mr. Bennett, are you putting on the record of this Committee that that issue is irrelevant? I just want to find out, before I ask Mrs. Laurel Lezama-Lee Sing to take the floor.

Lt. Col. Bennett (Ret.): Chair, you asked me a question and I answered you.

Mr. Chairman: Okay. So, you do not drive a company vehicle. That is a fact?

Lt. Col. Bennett (Ret.): That is correct.

Mr. Chairman: Thank you. Mrs. Laurel Lezama-Lee Sing, the floor is yours.

Mrs. Lezama-Lee Sing: Chairman, thank you very kindly. Members, welcome, good morning. I thank you for answering these questions. I know this enquiry is based on a period prior to the ascension to office for most of you. I do have a few questions coming out of the statements that you have made and I have some questions coming out of your late submission documents as well. So, I will just start with some pre-questions from things that you have stated. Your $4 million inventory for overstocking for 2015, 2016, I think that is what you have said. Can I ask you, what was the process then for the overstocking? Is it that you bought parts or the company then bought parts? Was there a process for accessing these items for the inventory?

12.00 p.m.

Ms. Prince: Yes, it was based on the repairs that we conducted for the client, which was the TTPS.

Mrs. Lezama-Lee Sing: Yes.

Ms. Prince: So, depends on the makes and models and the urgency because of the type of client, we will stock inventory. And I note to carry the inventory as a cost but we have to stock the inventory that we repair the vehicles in at a timely manner.

Mrs. Lezama-Lee Sing: Okay, is there—.

Lt. Bennett: Chair, if I may add, we did also stock some PTCS inventory which were very expensive as well.

Mrs. Lezama-Lee Sing: Okay.

Lt. Col. Bennett (Ret.) : And they no longer come to us for service.

Mrs. Lezama-Lee Sing: Okay, so that explains a lot. So, can I ask then therefore, is there any change to the practice for stocking inventories, as we have proceeded to 2023, so that we can minimize a recurrence of such incidences?

Ms. Prince: Yes, there is a change. We are not stocking inventory anymore, at least that vast amount of inventory. We stock like fast moving items, what we call "consumables" for quick service, oil filters, air filters, spark plugs, brakes. Even suspension parts we do not stock because, of course, that is costly for cradles and so on. So, what we do basically, we have vehicles that we know that we purchased for the police recently, and we have dealers that would have the parts. So we do not stock the inventory the supplier will stock the inventory and we just request it on a need basis.

Mrs. Lezama-Lee Sing: So, that in effect can be considered somewhat of a cost savings?

Ms. Prince: Yes, yes.

Mrs. Lezama-Lee Sing: Okay, good I am very, very happy to hear that. Thank you very kindly; that is one. The second thing is, Member Scotland, referenced the high employee turnover, the human resource turnover. Can I ask you on average what is the lifespan of an employee in VMCOTT?

Ms. Prince: Twenty-four years. So far we have people employed there for 24 years and they retire at the age of 60.

Mrs. Lezama-Lee Sing: So, the bulk of your staff is long-standing?

Ms. Prince: Long-standing.

Mrs. Lezama-Lee Sing: So the high turnover comes from?

Ms. Prince: The temporary staff.

Mrs. Lezama-Lee Sing: Just the temporary staff?

Ms. Prince: Those that just have been employed about 10-years and under.

Mrs. Lezama-Lee Sing: Okay, and so out the majority of your employees who have been long standing, were those employees or this might be speculative, but were those employees participants, active participants, in what I would have considered a "lethargical" approach in the past of the management of the company?

Lt. Col. Bennett (Ret.): Let me answer that, respectfully. Management has a different role and function—

Mrs. Lezama-Lee Sing: Right.

Lt. Col. Bennett (Ret.): —than the staff who has been there for 24-years. They have gotten to the point of the supervisory level, but the management was culpable in the responsibility for smooth and efficient functioning of the entity at the time.

Mrs. Lezama-Lee Sing: So, you would consider now that they are fairly stable? VMCOTT is fairly stable now? Fairly? Yes?

Lt. Col. Bennett (Ret.): Yes.

Mrs. Lezama-Lee Sing: Okay. I want to ask you about the audits very quickly and then I will get to this. Is there any particular reason why—I may have missed it—but I know there is a huge backlog and which is very disappointing honestly, but is there a reason why the audits are outstanding, and why you have been unable to process audits for 2016 and upward or '17 and upward?

Lt. Bennett: Yes, in 2016, upon being appointed, we inherited a number of audits that were not completed. I think it would have been '11, '12, '13, '14, '15. What happened is at that time we were restricted to having the annual audit completed one year at a time. When the board was appointed we sought permission from the Corporation Sole, through the AGM, to get permission to do more than two-years at one time.

That also required payment in advance to the auditing firm, and subsequently we got confirmation of that in 2019/'20 so we could have conducted two audits per annum and we have placed the schedule on record that we will complete by 2024/'25, all of the outstanding audits.

Mrs. Lezama-Lee Sing: I appreciate that. I find it passing strange that you are not the only entity that has appeared before this Committee that has encountered a similar problem of a backlog prior to ascension to a board, and the new management, and I wish you well, and I do

look forward to receiving the new updated audits from you within the timelines prescribe, or that you have offered actually.

I want to ask you very quickly now about diversification. I know you talked about VMCOTT. This is in your late submission now, and I am on page 6 of page 51, and you talked about diversification, innovation, and increased market share, and I just wanted an update insofar as how your diversification efforts. I know the company has shifted or reshaped within the past few years. So I just wanted to ask you what are the updates, what updates can you provide for us, insofar as your thrust towards diversification and innovation? I appreciate what you have said about the internship, for want of a better word, with the persons coming on to become mechanics, et cetera, but if you could tell me a little more about that. I know you identified three things, the three aspects of the VMCOTT brands, which is VMCOTT public sector, the Auto Stop for the private sector, and Auto Sure which would be the new technologies including CNG conversions. So can we just get a little update on the please?

Ms. Prince: Sure. Through you, Chair, another member in 2018, what we decided to do, I approached the board to launch two additional brands onto the VMCOTT brand. the VMCOTT corporate remained. We introduced VMCOTT Auto Stop, which is tailored to the private customers, which we have a mandate in 2009 to pursue where we are open to the general public. And, of course, VMCOTT Auto Sure, which is tailored to the new technology we have with the hybrid, CNG, and, of course, we are in the era of electrification which is electric vehicles.

Basically, what we did with those brands back then is try to get the general public aware of what VMCOTT has to offer, because a lot of people have difficulties to date in spite of our previous advertising, our social media platforms, different platforms that we use to market our services out there, people still having challenges saying "where is VMCOTT, what VMCOTT provide"?

So, what we have done, we have reached out—because it is within our core function. We reach out to like the automobile sports, in terms of drifting and so on, and car displays and car shows. So what we do we attract the general public to come to VMCOTT, where of course, we will introduce them to our goods and services offered as well with an objective to get them interactive into VMCOTT. So they will get videos with different things in terms of mechanical questions, and so on and send it to us and, of course, we provide, of course, the answers and so on.

In addition to that, what we have done as well, is that through the Consumer Affairs, we

have been able now to partner with the dealership. So, the local private dealership now is aware of VMCOTT, they utilize our services in terms of where we will do evaluations for them. Also the private law firms, as well, when they have clients that have issues with their mechanics in terms of their repairs and, of course, it ends up in court, they will use VMCOTT, as an external party to, of course, do an assessment, provide a report, provide evidence that will stand up in court. Thus far, we won six cases. So, that is some of the things we more or less.

Mrs. Lezama-Lee Sing: Thank you. Chair, I just had three very brief questions.

Mr. Chairman: Before—

Mrs. Lezama-Lee Singh: Sure.

Mr. Chairman:—my colleague was asking how many cases?

Ms. Prince: Six cases.

Mr. Chairman: No, out of how many in the court?

Ms. Prince: Well, it is only six thus far that has come to VMCOTT that has reached in court.

Members: [*Interruption*]

Mr. Chairman: Wait. Wait. Wait.

Mrs. Lezama-Lee Sing: Those are the industrials relations?

Mr. Chairman: Could you tell this Committee, how many matters are before the Industrial Court?

Ms. Prince: Oh, Industrial Court.

Mr. Chairman: Yes, in the Industrial Court, who are dealing with VMCOTT, can you give us that answer?

Ms. Prince: Can I let my HR manager answer that, Chair?

Mr. Chairman: Yes. I am coming back to Mrs. Laurel, I just want to clarify that. HR?

Mr. Russell: Chair, I can give you an approximate. We approximately four to five matters before the Industrial Court. However, I can give you a more detailed response in writing.

Mr. Chairman: And what about the High Court?

Mr. Russell: Same response, I can give you that in writing.

Mr. Chairman: In writing, okay. Laurel, sorry about that.

Ms. Lezama-Lee Sing: That is al right, Chairman, thank you very kindly. Now we are talking about recovery about moneys, this is on page 12, of your late submissions. PTSC's debts have been settled in full. The Ministry of National Security, on behalf of its agency TTPS, is still ongoing, and I see here that there have been no agreed options. Could we get a little information

on that, please?

Lt. Col. Bennett (Ret.): Chair, if I may respond to the hon. Member?

Mr. Chair: Yes.

Lt. Col. Bennett (Ret.): There are interventions on behalf of VMCOTT, by my line Minister, hon. Rohan Sinanan, Minister of National Security, hon. MP, Fitzgerald Hinds, and of course, the Corporation Sole and Minister of Finance, hon. MP, Colm Imbert. They have determined that a further audit would be conducted, hence the reason why we have directed HR to pull out all of the documents, research, everything, confirm the amounts, and every effort is being made by the Cabinet to emphasize to the Ministries to utilize VMCOTT.

Mrs. Lezama-Lee Sing: I just wanted to make sure that something was happening on that level. I am very happy and satisfied to hear that.

Now we move to page19, you said in this document, No. 4, it says:

"What were the reasons for the approximately $5.1 million decrease in Purchases…"—from—" 2015 and 2016?"

You said you lost the contracts, and in it, it speaks to the high inventory cost. Are there any other contracts that were lost or any new contracts that have been gained?

I know you were saying that the Cabinet, you have just said that the Cabinet has instructed that the Ministries and agencies use VMCOTT, but was there any particular reason back then why those contracts were lost? It just says here that:

"VMCOTT lost contracts…which led to a reduction in the purchasing inventory"—because there is a $5.1 million decrease.

Ms. Prince: Sure, Chair, through you may I answer the hon. Member?

Mr. Chairman: Yeah.

Ms. Prince: Back then there was a decrease as well in our main customer, which was the TTPS where they would not utilize our service, they would take it elsewhere. We were not purchasing and replenishing the inventory back then because once we realized that there was a drop in productivity in terms of the bringing of the vehicles to get them repaired we decided to cut back, back then, although I was not in that capacity, but I was in the purchasing department. So we were instructed by the then management to cut back on our purchases in terms of stocking inventory at our location for primary customers.

Mrs. Lezama-Lee Sing: Okay, I understand now. Thank you and my final question, Chairman, we go to page 21, and you said that:

What new services were added to VMCOTT's operations during the past three-years?" And in "the impact of the new services…"

So, I know you just spoke about the different things but can you just give a little detail on the impact because the answer here does not actually give too much details here. So can I ask you?

Ms. Prince: Through you, Chair, may I?

Mr. Chairman: Yes.

Ms. Prince: Of course. What we have done for the past three-years, we have gotten funding through PSIP from our line Ministry to purchase updated and new equipment, so we could expand our services. We have the upgraded transmission machines where we could repair high-end vehicles, because that require, you have to pump out the oil and pump it in and so on. It is a special equipment that cost money.

We also got funding to purchase some updated lifts, Rotary lifts as well, so, we have more lifts where we could do more services. We also have a NitroFill machine as well as a rotor disk-cutting machine, which is making a lot of revenue for us. Instead of we having downtime to take out a rotor disk, send it to the machine shop, we have a machine where we just disconnects the calipers and it measures and polishes the rotors there on the spot. So that again is instant revenue as well.

We have also have state-of-the-art scan tools, which is the latest launch that goes into the most high-end vehicles where we could reprogramme the system, reprogramme keys, check diagnostics codes, and so on. So we are doing other innovative things as well. In terms of hybrid, we send our staff for training as well, so they are now qualified in hybrid as well and of course A/C.

We have a new machine where it pulls the gas, stores it, it does the repair, it identifies the leaks, the technical staff repair the leak and they put back in the gas as stipulated by the manufacturer. So we have gotten a lot of new products by the aid of our line Ministry, to purchase these equipment so now we can expand the services to both the state entity and private sector as well.

Mrs. Lezama-Lee Sing: Thank you Madam CEO. Chairman, thank you, and I am very happy to have had the opportunity to hear this from VMCOTT, and I am sure the listening public as well, must be very happy and perhaps, maybe you could go on a stronger campaign, promotional campaign, so people would know of the services of VMCOTT, thank you.

Mr. Chairman: Yes, thank you. I recognize Mr. Scotland.

Mrs. Thompson-Ahye: We both [*Inaudible*]

Mr. Scotland: Chairman, I cede. I cede to my senior. I cede.

Mr. Chairman: Okay, sorry. My apologies. [*Inaudible*] and then after Mr. Scotland.

2.15 p.m.

Mrs. Thompson-Ahye: Not at all. Not at all, Mr. Chairman. We are actually an ad idem in this, you know, both Member Scotland and myself, we agree, and this is a rare occurrence, [*Laughter*] that we must commend VMCOTT for the internal fraud policy. I know that the very kind Chairman will say that it is because you put a woman in the seat, however I really think it is a tremendous initiative that you have put something in place dealing with issues:

- "Possibility of external incentives/pressure to commit fraud;
- Opportunities created for fraud to be perpetrated;
- The potential for an organizational culture to develop which justifies fraud;
- Any potential that may exist or which may inadvertently be created for management to override controls;
- Areas or functions, particularly susceptibility to fraud;
- Procedure for identifying the risks of fraud;
- Avenues for fraud to be reported; and
- Anonymity of the reporter, i.e. freedom from fear of victimization; and

Procedure for responding to allegations of fraud?"

So I thank you for this, but I have one question; you said also that the new draft policy, which is considering all of these issues, that it is awaiting board approval, and my question is: When was it submitted to the board, because you have the Chairman right next to you, and he is, of course, very pleased with you?

Ms. Prince: [*Inaudible*]

Mrs. Thompson-Ahye: No, no, you are to answer, not the Chairman.

Ms. Prince: My apologies. Chair, through you?

Mr. Chairman: Yes.

Ms. Prince: These policies, well, it was brought to my attention first—the managers, we will meet and debate on the policy first, and then it was brought to the board in a draft form. The board debated on it, is it last year? I think last year September, around that time, and of course they sent it back to add some additional information through our audit department. Our Auditor

is supposed to look at the policies and see wherever flaws and so on, to tighten the process before it is then submitted to the board. So we are in the month of January, so hopefully at our next board meeting in February because we had a board meeting already for the month of January, it will be submitted after the Internal Auditor makes his recommendations.

Mrs. Thompson-Ahye: Thank you very much. But the Chairman is right there and he is listening, and I am sure you will get the required response as early as possible. Mr. Chairman you are not smiling.

Mr. Chairman: All right, I recognize Mr. Keith Scotland.

Mr. Scotland: Chairman, this, through you, this question is directed to the Deputy Permanent Secretary, Ministry of Works, which is Ms. Dhanmattee Ramdath and Ms. Kimberlene Pascall, which is from the Ministry of Finance. Do you see there being a feasible role, feasible meaning a role where VMCOTT is independent? Because I cannot see an organization dealing with vehicle management not being able to sustain itself. Do you see the sustainability and feasibility of VMCOTT materializing itself in the near future, meaning where VMCOTT could stand on its own, generate its own business and its own profit dealing with vehicles? I am asking that relative to the Ministry of Works and Transport, the Deputy Permanent Secretary and the person in charge, the Business Analyst from the Ministry of Finance, and I will ask the Chairman of VMCOTT that too, because that must be your vision.

Ms. Ramdath: So I could say I would lead, right? Chair, through you. Thank you Member, for that question. And I do not know if the Chair would remember, in 2021 I did tell Chair—I did make a statement that by 2025 VMCOTT would become viable and sustainable, and I stand by my words. And as you would have noted, the entire Committee would have noted, that there has been a tremendous improvement in terms of VMCOTT's operations, their processes, and we continue to improve, and that is why I do always like this forum, because we do take your recommendations to be able to work on and to implement. Because when you are inside, many of times you may not have the external view, and being at these forums you learn about yourself and about your entities and what the external views are. So Member Scotland, to answer your question, once we overcome the challenges and we have established policies, yes, we can become sustainable.

Mr. Scotland: Ms. Pascall, do you share the optimism of your colleague from the Ministry of Works and Transport?

Ms. Pascall: Chairman, through you, yes, I share the optimism, however I believe that if the

customers are to pay VMCOTT, VMCOTT operations would be better managed, because that is one of their main challenges that they have outstanding payments. So, yes, once they receive those payments, yes, VMCOTT can be viable and be able to manage their operations much better.

Mr. Scotland: Chairman, may I then ask the C—does the Chairman of VMCOTT or the C—does management of VMCOTT see itself becoming viable, becoming sustainable, self-sustaining by 2025, because that is the time frame set by Ms. Ramdath?

Lt. Col. Bennett (Ret.): Chairman, may I respond?

Mr. Chairman: Yes.

Lt. Col. Bennett (Ret.): It was both the goal and objective to become solvent by 2021. With the impending pandemic we were stymied a bit. VMCOTT can stand on its own. The vision of the board is to make VMCOTT solvent. I have made a commitment to my line Minister to make it happen, and I have made every effort as the Chair of the board to select the right members of staff to take VMCOTT as a vehicle management organization into the next dimension of the automotive industry. Because we had to move away from ICE engines, you know, the internal combustion engines. We have to go to what is the new and latest technology, and we always have to stay ahead of it. So, yes, VMCOTT can, and it is my commitment, once I am the Chairman of the board, to ensure that happens.

Mr. Scotland: Through you again, Chairman.

Mr. Chairman: Yes.

Mr. Scotland: Have you synergized that plan with your members, and with your board, and with your staff, because it is okay, if you know one of the theories of management, that management as high ideals, but the ideals are not bought into by the staff, beginning with your board, of course, and then your management, and then of course the persons who execute it on a day-to-day level. Have you had buy-in from everyone to ensure that in 2025 VMCOTT will stand on its own?

Lt. Col. Bennett (Ret.): Yes, we do. And we have had the board working assiduously to achieve that through our strategic objectives. We selected the management team and empowered her to make sure that she has the right support and consistent support in achieving that, and as well as the staff. Through the CEO the staff is kept up-to-date on everything that is happening. So it is a very cohesive unit.

Mr. Scotland: Do you have a strategic plan that identifies this goal of 2025 that you can present to this Committee?

Lt. Col. Bennett (Ret.): Yes, we do.

Mr. Scotland: Chairman, and have you presented it as yet?

Lt. Col. Bennett (Ret.): If I am not mistaken that has been presented through the Ministry of Works and Transport.

Mr. Scotland: I have not seen it, but if it is an oversight could you have it presented to us please so we can have it as per our records?

Lt. Col. Bennett (Ret.): Certainly, that would be furnished.

Mrs. Thompson-Ahye: I do not know which one of you will take this question. But there was a disturbing report some time ago about a number of—well, they call it the graveyard of police vehicles, and to me that represents a lot of money. Is there a way where you could partner with the police service to try to repair and retrieve those vehicles and sell them off? Because there are so many—to me areas where government agencies can make money and nothing seems to be happening. Is there any thought being given to this? You know, I have pictures, I think I still have that newspaper clipping home with all of these vehicles lying there and somehow the, maybe also something with the police being—and the ability to drive, that some partnership, some kind of service, because you seem to have a lot of expertise within your organization, and there are a number of areas out there where you can actually add for your generation of income, which you so dearly need because you have all of these debts to pay. So have you been giving thought to that? Is it at all possible? Is it feasible or is it a pie-in-the-sky idea?

Ms. Prince: Chair, through you, may I answer? Well, basically we need to set up a disposal committee and it has to be in agreeance with the clear interest, which is the TTPS. I just want to recap back then with these vehicles in the graveyard. These vehicles are parked there, the TTPS would more or less use the vehicles until they come to a halt instead of doing the maintenance, and then it will park in one area, and then, of course, it goes to another graveyard in terms for auction. The problem there is the fact that we should not allow it to reach that stage. So let us say we have a period of five years, five years you now look at the existing fleet, you put them up for disposal of public auction where at least you could get some capital from it, as opposed to it parked up and a rotten down shell which you would not get anything for it.

Not only that, the length of time as well. But VMCOTT's role in that, and I have made recommendations, to avoid that is, one: we have to standardize the fleet. You cannot buy every make and model of vehicle on the road of Trinidad and Tobago and use it for policing. You either have one or two makes and models where you have the skill set to do the repairs, you could get

the inventory as well, so you can, of course, have the parts in the inventory to fix it. But when you buy all different makes and models and the expertise is not here, you have challenges getting parts, the vehicles not coming to VMCOTT, they are going all over, we have no way and means of managing how the private providers are doing it, hence the reason in 2012 we got a mandate where we could authorize the garages on behalf of the TTPS. That process was done in 2012. Out of 15 garages three were selected, the TTPS never utilized the garage. VMCOTT again made an attempt in 20—

Lt. Col. Bennett (Ret.): '21.

Ms. Prince:—21 to then revamp it. Now, one of the issues with the existing garages is the fact that of course they are experiencing the same problem where they are not getting payment in a timely fashion. So, they wanted VMCOTT of course to handle that affair.

So what we did basically, we did the administrative work. We set criteria as we did back then in 2012, we just upgraded it. We went to the bidders who bid to have the private garages on behalf of the TTPS, they met the criteria, and, of course, we just never kicked it off because payment is an issue from these bidders. They want to know that their payment is in a timely manner. What VMCOTT would have done is manage these fleets—manage these garages efficiently. When I say manage, let us say it has 20 authorized garages by VMCOTT throughout, nationwide, Trinidad and Tobago, the TTPS could use any in their area, wherever. If they encounter difficulties, a south vehicle in Port of Spain, they go to any of those authorised garages and get it done. It is the management of those garages. VMCOTT has to keep an eye on those garages, make sure that the repairs that they claimed that are being done on these units, are done, it is done in a timely manner.

Also we need to inspect to ensure that that parts as well that they claimed that they put on the vehicles are either genuine or quality after-market parts, and that is one of the issues why 95 per cent of those vehicles are now in the graveyard there rotting. So they need proper management, VMCOTT was developed for that. We have the capacity, we have the know-all as well to implement, and save the TTPS so they could now function on their mandate, and, of course we could exercise ours further in terms of providing them full and complete fleet management services for their fleet.

Mrs. Thompson-Ahye: Maybe now is the time, you know. It is said that if you want something said ask a man, if you want something done ask a woman, and you have a female commissioner.

Mr. Scotland: Chairman, you see what you have now engendered. You have led us down a road

and nobody wants to take us back, but I may tend to agree with you. Chairman, through you, have you resolved the issue of the inventory as relates to spare parts? Has it been resolved? I know PKF referred to it. Have you resolved that issue so is it now a proper inventory and account for your spare parts, because it is very easy, you would agree with me, to lose spare parts, that affects your bottom line?

Ms. Prince: Yes. Through you, Chair, yes we have rectified that thus far. As I mentioned earlier on, we have blanket orders with suppliers, so no need to stock physical inventory. We know the suppliers and the availability of the stock. When we need it by a needs basis they, of course, will—

Mr. Scotland: So you will not have like a spare parts stock, you will on a need-to-use basis you have it, correct?

Ms. Prince: Just consumables which is fast moving items like filters and air filters and so on, brakes, basic parts.

Mr. Scotland: Chairman, through you, I would really want to say to VMCOTT that we were very happy to have them here based on their report. And, Chairman, based on your stern warning, I am sanguine relative to your continued existence, but I want to thank you all for coming today, it was enlightened. It was an enlightening event. Thank you, Chairman.

Mr. Chairman: Okay, thank you very much. Now, before we bring the proceedings to a close I would like to appeal to VMCOTT to effect, as you have committed to effecting, a final fraud policy. Because I cannot understand if it was drafted—a draft policy was drafted and approved by the board since 2015, that we have had to now redraft something that was drafted in 2015, and you have a company as important as VMCOTT without a final fraud policy being approved by the board. And even PKF had to indicate that at the time when they conducted their audit there was no policy document on fraud. So I would like to, on behalf of the Committee, to take the CEO's word that by the end of, did you say by March or is it April?

Lt. Col. Bennett (Ret.): By March.

Mr. Chairman: By March, right?

Ms. Prince: Yes.

Mr. Chairman: We are holding you to that particular deadline so that we will be writing you to ensure that policy is approved by the board and operationalized. So that is extremely important. The other—

Mrs. Thompson-Ahye: Excuse me, Chairman—

Mr. Chairman: Yes.

Mrs. Thompson-Ahye:—you are asking her to ensure that the policy is approved by the board?

Mr. Chairman: No, well, approved by the board, because remember it has to be drafted by the management and then they will send it to the board.

Mrs. Thompson-Ahye: Yes, but how can the CEO ensure that the board approves it?

Mr. Chairman: No, well, maybe my language is inappropriate here.

Mrs. Thompson-Ahye: I know about the timeline position.

Mr. Chairman: So what we would like to ensure is that the final policy is approved by the board. That is the point I am making.

Mrs. Thompson-Ahye: So it is to the Chairman then?

Mr. Chairman: No, no. The Chairman has a responsibility to ensure that. Mr. Chairman you are going to give us that undertaking that by the end of March of 2024, a fraud policy for VMCOTT will be approved by your board.

Lt. Col. Bennett (Ret.): Duly noted, Chair.

Mr. Chairman: I "eh" want you to note it, you know. I want you to give us an undertaking that you are going to have that approved so that VMCOTT needs that policy, because it has been in existence since 2000.

Lt. Col. Bennett (Ret.): Chair, if you will allow me to explain myself please?

Mr. Chairman: Yes.

Lt. Col. Bennett (Ret.): The 2015 draft fraud policy was never brought to the attention of this present board.

Mr. Chairman: Okay.

Lt. Col. Bennett (Ret.): And it was an indication of the miscommunication by previous management. Having been brought to the attention of this board we reviewed it and we sent it back to the Internal Auditor, through the CEO, for finalization. He was inundated with work as it relates to the new procurement regulations which he had to crystalize for us so that we would be in compliance with the procurement regulations.

Mr. Chairman: Right.

Lt. Col. Bennett (Ret.): And I crave your indulgence and I will make every effort to commit that on the 31st of March, 2024, you will have it.

Mr. Chairman: And the last point I would like to raise is, how much money is still owed to TTPOST by VMCOTT given that $2.9 million that was spent on the 10 panel vans? How much

money is owed to TTPOST?

Mr. Aliendre: All right. Currently with the arrangements we are making monthly payments towards the account. We have a balance of $1,049,105.

Mr. Chairman: Okay, thank you. Thank you. Okay, listen, we would like to—I would like on behalf of the Public Accounts (Enterprises) Committee and my colleagues who are here with us, to extend to the officials of the Ministry of Works and Transport, VMCOTT, as well as the Ministry of Finance Investments Division, for being here with us. There are many, many, many more questions that we will be sending to you in writing for your responses, but at this stage we cannot pursue those at this meeting. So we would like to thank all of you for coming here, and being here with us at this meeting. At this time we would like to suspend our meeting to allow our officials to be excused and we shall remain for a few moments to wrap up. So Members, officials, thank you, thank you. Thank you very much. Happy Carnival.

Ms. Prince: Thank you, Chair.

12.37 p.m.: *Meeting suspended.*