

Head 217 – Report of the Auditor General on the Department of Probation and Child Care Services - Year 2017

The Appropriation Account and the Reconciliation Statement under Head and Item Number stated in the First Schedule and Third Schedule of the Appropriation Act, No. 24 of 2016 as amended by the Appropriation (Amendment) Act, No. 32 of 2017 were presented to Audit by the Department of Probation and Child Care Services. The financial and physical performance reflected by those accounts and the reconciliation statements were audited in terms of Article 154 (1) of the constitution of the Democratic Socialist Republic of Sri Lanka.

1.2 Responsibility of the Chief Accounting Officer and the Accounting Officer on the Financial Management and Accountability

The Minister of the Finance is charged with the raising of Revenue and the collection of other Government monies as well as with the general oversight of all the financial operations of Government in terms of Financial Regulation 124 of the Democratic Socialist Republic of Sri Lanka. The Chief Accounting Officers have been appointed by the Minister of the Finance to discharge the above responsibility in terms of Financial Regulation 124(2). The Head of the Department will be the Accounting Officer in respect of all the financial transactions of his Department in terms of Financial Regulation 125(1)(a) and the Revenue Accounting Officer has been appointed by the Treasury. This responsibility includes designing, implementing and maintaining internal controls relevant to the maintenance, preparation and fair presentation of Accounts and Reconciliation Statements presented within the limitations imposed by parliament in accordance with the provisions in Articles 148, 149, 150 and 152 of the constitution of the Democratic Socialist Republic of Sri Lanka, other Statutory provisions, Government Financial Regulations and Administrative Regulations.

1.3 Scope of Audit

The audit of Department of Probation and Child Care Services - Head 217 for the year ended 31 December 2017 was carried out in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka in respect of designing of financial and physical performance, Government expenditure, Government revenue, management of human and physical resources, apply of internal control systems, compliance with laws, rules and regulations and maintenance of books, registers, records and reconciliation statements in an updated manner, preparation and presentation of accounts in timely manner, issuance of performance reports to respective parties based on the performance indicators. The Management Audit Report for the year under review was issued to the Commissioner of the Department on 31 July 2018. The audit observations, comments and findings on the

accounts and the reconciliation statements were based on a review of the plans, accounts, reconciliation statements and performance reports presented to Audit and tests of samples of transactions. The scope and extent of such review and tests were such as to enable as wide an audit coverage as possible within the limitations of staff, other resources and time available to me.

1.4 Audit Observations

The audit observations of the Department of Probation and Child Care Services for the year ended 31 December 2017 revealed in audit appear in Management Audit Report in detail, mentioned in paragraph 1.3 above. The material and significant audit observations out of the audit observations included in the Management Audit Report appear in paragraph 2.1 to 2.9 of this report. It was observed that, the accountability as the Chief Accounting Officer and Accounting Officer had been satisfactorily executed, to ensure the adequacy of the financial control satisfactorily subjected to the following summarized audit observations revealed in the execution of the provisions of the Financial Regulations 128 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka.

Accountability of the Accounting Officer in terms of Financial Regulation 128(i)	Non-compliance with that provision by the Accounting Officer	Reference to the paragraph of the report which included the observation
128(1)(a) Financial Regulations The work of his Department is planned and carried out with due dispatch having regard to the policy laid down by the government and the intention of parliament in granting him financial provision for the activities authorized and that an endeavour is made to complete the programme of work laid down for the year and / or to attain the targets specified.	<ol style="list-style-type: none"> 1. Non planning of procurement activities / non planning sufficiently 2. Activities contrary to main activities 3. Non obtain of expected output level 	<p>2.3 (a)</p> <p>2.2.1</p> <p>2.2.2</p>

		4. Deficiencies in 2.3 (b) implementing procurement procedure	
		5. Un-economical 2.6 transaction	
128(1)(c) Financial Regulations	The financial regulations and other supplementary instructions of the government are adhered to in his Department and that they are supplemented by Departmental instructions where necessary.	non-updating of 2.8 fixed assets register	

2. Material and Significant Audit Observations

2.1 Key Activities of the Department

- (a) Safeguarding the rights and rehabilitating the children in conflict with law, orphaned, abandoned and destitute.
- (b) Taking actions for the promotion and ensuring the child rights.
- (c) Providing necessary technical assistance and legal advices to the department of provincial probation and child care services.
- (d) Amending the laws pertaining to the child rights according to the national /international standards.
- (e) Training a proper staff to ensure whether the child rights are efficiently safeguarded and improving the existing internal assets and management methods.

2.2 Performance

2.2.1 Deviation from the Functions of main objectives

The observations relating to the Annual Budget Estimate, Action plan and the Progress of the Department of the year 2017 are as follows.

The mission of the Department is to act as a national mechanism by coordinating the activities such as formulation, implementation, follow up actions, evaluation of policies to ensure opportunities while safeguarding the rights, complete development and the security of children who are turned destitute abandoned and helpless and other children confronted with legal issues in the social background in Sri Lanka in accordance with the international standards. Even though 60 years had lapsed since the commencement of the department in 1956, preparation of a national policy and formulation of laws in accordance with the Global charter relating to protection of children rights had not been carried out even by the year 2017.

2.2.2 Key Functions not executed adequately

The following observations are made.

- (a) Provisions amounting to Rs. 893,000 had been provided for 23 District Secretariats to provide assistance for 227 twins. However according to the written evidence provided by the Divisional Secretariats only assistance amounting to Rs. 537,500 had been provided for 126 twins. There fore it was unable to confirm the accuracy of the targets which was stated in the performance reports.
- (b) Performance reports had stated that Rs. 1.13 million had been distributed for 229 beneficiaries as medical assistance and emergency assistance. However according to the information sent by the divisional secretariats Rs. 0.618 million had been provided only for 109 beneficiaries.
- (c) Provisions of Rs. 96.22 million had been provided for social protection of children project, Department had been prepared an action plan including 25 activities to implement this project. Following observations are made in the examination of its progress.
 - (i) The following 04 activities out of the activities included in the Action Plan, for which a provision amounting to Rs. 5.5 million provided, had not been implemented during the year under review.
 - Conducting an orientation workshop for District Secretaries and assistant divisional secretaries.
 - Taking special actions to enable the active participation of children with disabilities in the child societies/child clubs.
 - Conducting an annual National Research Symposium, identification of victims of trafficking in detention and care facilities in Sri Lanka.
 - Coordinating and organizing activities
 - (ii) Provisions of Rs. 3.720 million had been made for two activities such as training of all caregivers working with children and conduct capacity develop

programmes for officers. The progress of those are less percentage of 20 per cent and 15 per cent respectively.

- (iii) The registered number of children's clubs by the end of the year under review stood at 4,445. Department had spent Rs. 1.67 million for National children's programmes and Rs. 8.1 million for 25 district secretariats for establishment of children councils, conducting programmes for children's clubs. However, introduction of suitable programmes prepared in a manner in respect of the going concern of the children's clubs and directing the officers in its function had not been carried out.
- (d) In the year under review 12,093 complains regarding child abuse had been received to the department. Out of that full term resolutions had been made for only 6,232 complains. Short term resolutions had been made for 3,569 complains and 2,268 complains had been referred to other institutions for resolutions. Resolutions had not been made for 24 complains, nevertheless follow up actions had not been taken in respect of the resolutions made for the complains.
- (e) A provision of Rs. 5 million had been made under the expenditure code of supervision of children homes. According to the action plan Rs. 4.969 million had been provided for supervision of 140 children homes. However by spending the total provision only 16 children homes had been supervised during the year under review.
- (f) A provision of Rs. 5 million had been made for rehabilitation of 13 children homes. The performance report stated that 7 children homes had been rehabilitated by spending Rs. 4.923 million during the year under review. However it was observed in audit only 4 children homes had been rehabilitated by spending Rs. 4.689 million.
- (g) A provision of Rs. 610,000 had been made for production of 5 media and publications for strengthening of the community based child care in the year under review. Out of that provision Rs. 562,000 had been utilized for creation of the web side of the department.
- (h) A provision of Rs. 01 million had been provided for conduct 200 programmes regarding child rights in estate sector, by spending Rs. 0.859 million only 32 programmes had been conducted.
- (i) A sum of Rs. 361,000 had been made for 3 programmes for the purpose of improvement of resources pool of the department under the development of the human resources. By utilizing the total provision only one programme had been conducted.
- (j) A provision of Rs. 200,000 had been provided for 08 capacity development programmes with the purpose of the improvement of the health and nutrition of the street children's and their guardians by conducting clinics. Even though performance reports shows 5 programmes had been conducted by spending Rs. 157,000, only 04 programmes had been conducted. Contrary to the objective school equipment had been given to 15 children out of the provision Rs. 30,000 which was sent to the

Monaragala District secretariat. The expenditure reports that the programmes were conducted and reports on the progress of another District had not been received.

2.3 Obtaining supplies and services through the procurement procedure

Department had been provided of Rs. 5.034 million to obtain supplies and services. through the government procurement procedure, By utilizing Rs. 4.495 million the following services had been obtained.

Object code	Description of Object code supplies	Net provision made	Utilization	Savings
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		Rs. million	Rs. million	Rs. million
1201	Stationary and office requisites	2.3	2.2	0.1
1203	food and uniforms	1.3	0.967	0.333
1204	Medical supplies	0.034	0.028	0.006
A				
	Acquisition of Capital Assets			
2102	Furniture and office Equipment	1.4	1.3	0.1
	Total	5.034	4.495	0.539
		=====	=====	=====

The following observations are made

(a) Planning of procurement and Initial stage

- (i) A master procurement plan had not been prepared in terms of the Government procurement guideline 4.2.1 (a).
- (ii) Procurement time table had not been prepared in terms of the 4.2.2 (a), (b) of the guideline.
- (iii) A descriptive procurement plan had not been prepared for procurement activities.
- (iv) The prepared procurement plan had not been aline with the annual budget.

(b) Implementation of the procurement procedure

- i. A sum of Rs. 1.81 million had been spent to produce 4 videos regarding the child rights. In terms of 5.3.1.(d) of the procurement guide lines the deficiencies such as bidding documents not being examined and being approved by the Technical Evaluation Committee and by the procurement committee, the bidders not furnishing a bidding security as per the prescribed formats, not considering the minimum period of furnishing a bids, not having records on the opening of bids in the prescribed formats were observed.
- ii. In terms of the 2.6 (a) (ii) of the procurement guide lines. Specifications had not been reviewed and approved by the technical evaluation committee under the procurement of fixing a camera system valued at Rs. 1.19 million to the child training counseling center in Paratta.
- iii. With out calling bids in terms of the procurement guide lines 1.2.1(d), By spending Rs. 100,000 an auditorium had been reserved.

2.4 Utilization of Vehicles

Department had 5 vehicles by the end of the year under review as follows, Out of these vehicles 75,537 kilometers had been driven. A total sum of Rs. 2,322,800 had been spent Rs. 620,408 for fuel and lubricants, Rs. 237,740 for service of vehicles, Rs. 1,153,716 for repair of vehicles Rs. 310,936 for insurance of vehicles. Excluding drivers salaries and allowances department had spent Rs. 30 per kilometer for running of vehicles.

Class of the vehicle	Number of vehicle	Value Rs.	Other expenses excluding drivers salaries and allowances Rs.	Number of kilometers driven	Expenditure per kilometers driven Rs.
Cab	01	Information not available	562,238	20211	19.92
Car	01	3,058,323	628,062	22890	27.31
Van	02	10,550,000	589,214	30491	34.86
Jeep	01	Information not available	543,286	1945	109.86

2.5 Non-checking of the fuel consumption

Consumption of the fuel of vehicles which was owned to the department had not been re-tested in the year under review, in terms of the section 3.1 of the public administration circular No 30/2016 dated 29 December 2016.

2.6 Uneconomical Transactions

A sum of Rs. 1.81 million had been spent during the year under review for the creation of 4 videos under 4 themes with the objective of making an awareness on the children's rights to children for securing children's rights. Even though those videos had not been used for any training activity by the end of the year 25 June 2018.

2.7 Unresolved Audit Paragraphs

References to the audit paragraphs relating to the department included in the reports of the Auditor General on which corrective action had not been taken is given below.

Reference to the Report of the Auditor General

Year	Paragraph No.	Subject
2016	4(iv)	A sum of Rs. 4.9 million had spent for 3 researches, recommendations and conclusions obtained from the reports of the said researches had not been deployed for the achievement of the mission.
	4(a)	Since the commencement of the department in 1956, preparation of a national policy and formulation of laws in accordance with the Global charter relating to the protection of the children rights had not been prepared.

2.8 Assets Management

Even though the information regarding the assets had been sent to the office of Comptroller General under the purview of the Ministry of Finance and Mass Media in terms of the Management Circular No. 01/2017 of 28 June 2017, due to not updating the Register of Fixed Assets as such the accuracy of the sent Reports could not be confirm.

2.9 Human Resources Management

Achieve of the activities stated in the above paragraph 2.1 details of the position of the approved actual vacancies and excess cadre position is as follows. Department had been spent Rs. 15,564,918 for salaries and wages during the year under review. There fore expenditure per person was Rs. 34,820.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies	Excess Cadre
(i)	Senior level	06	03	03	-
(ii)	Tertiary level	238	236	02	-
(iii)	Secondary level	228	193	35	-
(iv)	Primary level	17	14	03	-
(v)	Casual / Contact	-	01	-	01
		489	447	43	01

The following observation is made in this regard.

Forty three vacancies existed in the approved cadre by the end of the year under review and out of them, 3 posts in senior level were vacant. As such, preparation of plans and supervision had not been properly carried out and deficiencies in implementation of plans as well had been observed due to vacancies in 35 posts in Secondary Level.