

Head 8 - Report of the Auditor General on the National Police Commission – 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 National Police Commission. 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 for the Financial Management and Accountability

The Minister of 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 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 National Police Commission – Head 8 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 Secretary of the Commission on 20 August 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 Observation

The audit observations of the National Police Commission 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 appear in paragraph 2.1 to 2.5 of this report. It was observed that the accountability as the Chief Accounting Officer had been satisfactorily executed, to ensure the adequacy of the financial administration subjected to the following summarized audit observations revealed in the execution of the provisions of the Financial Regulation 127 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka.

Accountability of the Chief Accounting Officer in terms of Financial Regulation 127	Non-compliance with that Provision by the Chief Accounting Officer	Reference to the Paragraph of the report which included the Observation
-----	-----	-----
127(1)(a) That all financial work is planned with correctness and financial propriety (the business must be transacted in accordance not merely with the financial and departmental orders but also with the high standards of integrity expected in the transaction of public business),	Overprovision	2.3
127(1)(b) That a system which provides adequate control over expenditure and the collection of revenues,	1. Failure to establish Audit and Management Committee. 2. Weaknesses in Human Resource Management.	2.4 2.5
127(2) That existing items of expenditure, as well as proposals for new or increased expenditure in the departments under his control, are closely examined in the Ministry from the points of view of economy and efficiency,	1. Failure to obtain the expected output. 2. Weaknesses in the performance of Establishment and Disciplinary Control	2.1.4 2.1.3

127(3)	That all cases of doubt or difficulty are referred to him so that he may bring his own administrative experience and judgement to bear on them,	1. Delays in the investigations of public complaints 2. Failure to complete the Boards of Survey	2.1.1 2.2
127(4)	That Appropriation Accounts are duly rendered by each of his Accounting Officers, and examined at the Ministry before he signs them, and that important differences in the estimates and the actual expenditure are critically investigated by him.	Failure to submit the Annual Performance Report.	2.1.5

2. Material and Significant Audit Observations

2.1 Performance

2.1.1 Delays in the Investigation of Public Complaints

Investigation of public complaints to provide redress was one of the key functions among the powers vested in the National Police Commission by the Nineteenth Amendment to the Constitution made in October 2015. The Commission had established a separate Public Complaints Investigation Unit to perform the said function. A review on the investigations carried out by that Unit in the years 2016 and 2017 appear below.

Nature of Complaint	2016		2017		Percentage of resolving Complaints
	Number of Complaints Received	Number of Complaints Resolved	Number of Complaints Received	Number of Complaints Resolved	
Failure to take action by the Police	737	Not classified as per the Nature of Complaint	480	249	52
Assault	46		33	13	39

Inflicting torture	18	04	-	-
Misuse of power	486	377	220	58
Oppression of women and children	09	08	03	38
Illegal detention	51	45	37	82
Bribery and corruption	10	13	01	7
Partiality	257	256	112	44
False charges	112	91	42	46
Deaths in the custody of Police	03	03	-	-
Other	<u>150</u>	<u>156</u>	<u>79</u>	<u>51</u>
Total	<u>1,879</u>	<u>971</u>	<u>756</u>	<u>51</u>

The following observations are made.

- (a) Most of the public complaints had been the complaints on failure to take action by the Police and misuse of power while the number of such complaints had dropped as compared to the preceding year. However, the number of public complaints on partiality had been similar to those in the preceding year.
- (b) Out of the total number of complaints amounting to 1,466 received in the year under review, 416 complaints had been received to the Western Province Office while only 119 complaints had been resolved. The percentage of resolving complaints had been at a low level representing 28 per cent.

2.1.2 Unresolved Appeals on Disciplinary Actions and Vacation of Post

The number of unresolved appeals on disciplinary actions and vacation of post as at the end of the year under review stood at 1,766 and out of that, 346 appeals had not been solved over a period of 2 years. The age analysis on appeals is given below.

Category of Appeals	Over 01 Year	Between 1 – 2 Years	Over 02 Years	Total
Disciplinary Action	621	75	133	829
Vacation of Post	613	144	213	970
	1234	219	346	1799

2.1.3 Establishment and Disciplinary Control

Six and 105 Schemes of Recruitment and Promotion pertaining to the uniformed staff and assistant staff respectively of the Sri Lanka Police had been submitted to the Commission. Nevertheless, 01 Scheme of Recruitment and Promotion of the uniformed staff and 09 Schemes of Recruitment and Promotion of the assistant staff had not been approved even by 30 June 2018.

2.1.4 Failure in obtaining the expected Output

The following observations are made.

- According to the Agreement signed on 30 October 2017 regarding the Catalytic Support to Peace Building Project being implemented and financed under the United Nations Development Programme, it had been planned to conduct 3 sessions of seeking public opinions. Nevertheless, only one session had been conducted by the end of the year under review.
- Additional provision of Rs.1,100,000 had been obtained for the said Project on 08 December 2017 from the Treasury and out of that, only Rs.143,526 or 13 per cent had been spent while a sum of Rs.956,474 had been credited to the Treasury Deposit Account.

2.1.5 Annual Performance Report

Even though the Performance Report of the year under review should be tabled by the Commission in Parliament within 150 days after the close of the year of accounts in terms of the Public Finance Circular No.402 of 12 September 2002, the said report had not been tabled in Parliament even by 31 July 2018.

2.2 Assets Management

Conduct of Annual Boards of Survey

Even though the Annual Board of Survey of the year 2017 should be conducted and presented the reports thereon to the Auditor General before 31 March 2018 in terms of Paragraph 3.1.6 of the Public Finance Circular No.05/2016 of 31 March 2016, those reports had not been presented to Audit even by 31 July 2018. Even though Boards of Survey had been appointed on 23 January 2018, the survey activities had not been completed.

2.3 Utilization of Provisions authorized by Parliament to Perform Functions

Information on the utilization and savings of provision made for the Commission during the 05 years ended as at 31 December 2017 is given below.

Year	Category of Expenditure	Net Provision	Utilization	Savings	Savings as a percentage of net provision
		Rs.million	Rs.million	Rs.million	
2013	Recurrent	40.0	39.7	0.3	0.8
	Capital	5.3	5.2	0.1	1.9
	Total	45.3	44.9	0.4	0.9
2014	Recurrent	43.9	42.3	1.6	3.6
	Capital	0.9	0.7	0.2	22.2
	Total	44.8	43.0	1.8	4.0
2015	Recurrent	45.7	40.4	5.3	11.6
	Capital	1.4	0.8	0.6	42.9
	Total	47.1	41.2	5.9	12.5
2016	Recurrent	85.8	82.6	3.2	3.7
	Capital	3.1	2.7	0.4	12.9
	Total	88.9	85.3	3.6	4.0
2017	Recurrent	97.2	94.7	2.5	2.6
	Capital	3.9	2.5	1.4	35.8
	Total	101.1	97.2	3.9	3.9

The following observation is made.

The entire net provision of Rs.230, 000 made for 02 Capital Objects in the year under review had been saved.

2.4 Audit and Management Committee

The Audit and Management Committee had not been established by the Commission in terms of provisions in the Management Audit Circular No.DMA/2009(1) of 09 June 2009 amended by the Management Audit Circular No.DMA/2009(1)(i) of 28 January 2016.

2.5 Human Resources Management

Approved Cadre, Actual Cadre and Expenditure on Personal Emoluments

The particulars relating to the approved cadre, actual cadre and vacancies to perform the function of the Commission as at 31 December 2017 are given below. The Commission had spent a sum of Rs.50.75 million on the category of Personal Emoluments.

	Category of Employees	Approved Cadre	Actual Cadre	Number of Vacancies
	-----	-----	-----	-----
(i)	Senior Level	29	28	01
(ii)	Tertiary Level	05	04	01
(iii)	Level	63	51	12
(iv)	Primary Level	16	16	-
		----	----	----
	Total	113	99	14
		====	==	==

The following observations are made.

- (a) Fourteen vacancies existed as at the end of the year under review and action had not been taken to identify the officers required to perform the functions of the Commission without any impediment and to fill those vacancies.

(b) Approval had been granted to recruit 101 employees on permanent basis and 12 employees on contract basis in respect of the approved cadre. Nevertheless, 55 employees on permanent basis and 44 employees on contract basis had been recruited in the actual cadre as at 31 December 2017. As such, 32 employees to be recruited on permanent basis had been recruited on contract basis.