

Summary of Proceedings Public Hearing

Joint Select Committee on Social Services and Public Administration Held on Wednesday November 01, 2017 [10:31 a.m. to 12:31 p.m.]

Inquiry: An inquiry into the management of the Targeted Conditional Cash Transfer Programme (TCCTP)

Objectives of the inquiry

The objectives of the inquiry are:

- **1.** To assess the effectiveness of the programme since its inception, with reference to poverty reduction;
- 2. To examine the efficiency of the management systems in place for ensuring the effectiveness of the TCCTP;
- **3.** To examine the effectiveness of the TCCTP organizational structure to support/execute its activities;
- 4. To examine the financial status of the TCCTP and the procedures /policies in place to ensure transparency, accountability, and value for money in the management of the programme; and
- 5. To access the systems in place to monitor and evaluate the success and impact of the TCCTP.

Venue: The J. Hamilton Maurice Room, Mezzanine Floor, Office of the Parliament, Tower D, the Port of Spain International Waterfront Centre, 1A Wrightson Road, Port of Spain.

Joint Select Committee on Social Services and Public Administration (Including Education, Health, Gender, Tourism, Public Administration, Labour, Culture, Community Development and other Social Services)

Committee members

The following committee members were present:

- 1. Dr. Dhanayshar Mahabir Chairman
- 2. Mr. Esmond Forde, MP
- 3. Brig. Gen. (Ret.) Ancil Antoine, MP
- 4. Mrs. Christine Newallo-Hosein, MP
- 5. Mrs. Glenda Jennings-Smith, MP
- 6. Mr. Rohan Sinanan
- 7. Ms. Khadijah Ameen

Witnesses who appeared

The following officials of the Ministry of Social Development and Family Services appeared before the Committee:

Ministry of Social Development and Family Services

- i. Mrs. Jacinta Bailey-Sobers Permanent Secretary
- ii. Ms. Natasha Barrow Permanent Secretary (Ag.)
- iii. Mr. Asif Ali Deputy Permanent Secretary
- iv. Mr. Vijay Gangerparsad Chief Technical Officer (Ag.)
- v. Ms. Taramati Samaroo Director, Human Resource (Ag.)
- vi. Mrs. Cheryl Layne-Pereira Director (Ag.), Social Welfare Division
- vii. Ms. Carla Mckie Auditor II

Key Issues Discussed

The following are the key subject areas/issues discussed during the hearing:

- i. The strategic direction of the Ministry of Social Services and Family Services (MoSDFS);
- ii. The operational restructuring of the Ministry;

- iii. The MoSDFS is the lead Ministry charged with the responsibility of providing social protection to the most vulnerable and combating the scourge of poverty in Trinidad and Tobago;
- The preparation of the National Social Mitigation Plan 2017-2022 by the MoSDFS, in collaboration with the Health and Economics Unit of the University of the West Indies, St. Augustus Campus;
- v. The reassignment of the Targeted Conditional Cash Transfer Programme (TCCTP) to the Social Welfare Division, MoSDFS;
- vi. The TCCTP as a potentially effective approach to food security and alleviating poverty, whereby the Programme was identified as a means to address food insecurity via cash transfer while facilitating rehabilitative and developmental activities through another module which is currently under review;
- vii. Over 30,000 households access the Programme monthly;
- viii. The challenges faced by the Ministry in preventing State programmes from enforcing a dependency syndrome;
- ix. The Objectives of the TCCTP, which includes providing recipients with training in specific areas, such as:
 - Budgetary Planning;
 - Family Planning;
 - Career Guidance; and
 - Life Skills.
- x. The rebranding of the Rights of Individuals to Social and Economic Security, Universal Prosperity (RISE-UP) programme to a new name, Social Transformation and Empowerment Programme - Uplifting People (STEP-UP);
- xi. The three dispensations of temporary and permanent "Food Cards" are as follows:
 - 1 to 3 person per household \$410.00
 - 4 to 5 person per households \$550.00
 - 6 and over per household \$700.00

- xii. The programme seeks to provide an urgent response to families experiencing poverty and social and economic hardship, as well as, to victims of natural disasters who are considered vulnerable. Temporary food cards are issued to victims of disasters as a matter of urgency. It was noted that only 5 cards were distributed to families affected by recent flooding;
- As part of the process of application for a "Food Card", representatives of the Social Welfare Division, MoSDFS visit the homes of applicants to determine their eligibility for the card via a Means Test. It was noted that persons who receive other forms of public assistance may be eligible;
- xiv. Individuals may not be able to access the Programme if another person in their household is a beneficiary;
- xv. The Ministry's interpretation of "family" and "household" and the implications for the accessibility of the TCCTP to individuals living with beneficiaries;
- xvi. The reduction of permanent and temporary card holders from approximately 65,000 in 2014 to 27,000 in 2017;
- xvii. One of the consequences of a re-evaluation exercise in the fiscal year 2016 was that 13,000 persons did not reapply for the programme and were subsequently removed. It was noted that the Ministry has saved approximately \$110 M since this reconciliation. In addition, 480 persons were placed onto the system after reapplying and having been certified as at July 2017;
- xviii. It was noted that in the last two years, there was a reduction in the distribution of cards by 38,000;
- xix. The short-term arrangement that was made in 2016 for 4,000 persons who applied to become recipients programme in 2013 and didn't receive any benefits are now in receipt of cheques in lieu of the electronic card;
- xx. The Ministry's inability to monitor the types of items purchased by recipients especially those who receive cheques. A list of approved food items for purchase was provided to all participating merchants at the commencement of the "Food Card" programme. However, the programme devolved over years of operation and the list was not honoured;

- xxi. Suggestion that efforts be made to encourage the purchase of locally produced goods by "Food card" recipients;
- xxii. The system to process Food Cards has become obsolete owing to outdated technology which has rendered the cards useless.
- xxiii. A new card processing system to be fully implemented by the end of the first quarter of the fiscal year 2018 and facilitated through First Citizens Bank. The new card processing system will cost the Ministry approximately \$1 million annually to maintain;
- xxiv. The MoSDFS is working in collaboration with Banks to introduce an updated system to process Smart Card transactions;
- xxv. The abandonment of the proposed Biometric Card System in 2015 and the challenges faced prior;
- xxvi. Overall expenditure associated with certain social support systems:
 - Capital expenditure of the biometric system \$30,975,000.00;
 - Capital expenditure of the financial platform development \$3,800,000.00;
 - Recurrent expenditure for the biometric platform \$2,800,000.00 annually;
 - Recurrent expenditure on the financial platform including a SMS text messaging model and bank charges \$29,000,000.00 annually.
- xxvii. The failure of the MoSDFS to conduct a Cost/Benefit analysis of the TCCTP. The Ministry formerly expended \$2.8 million every month to provide \$1.7 million worth of cards to 3,100 beneficiaries. \$1 Million was being spent on bank charges annually;
- xxviii. The total cost of the programme from 2006 to 2016 was \$1.98 billion. Furthermore, for fiscal 2016, a total of \$260 million was spent on the programme;
- xxix. The following are two (2) new areas to be evaluated and addressed through the TCCTP:
 - 1. Issues of values and attitude behaviour; and
 - 2. Issues of psycho-social development;
- xxx. The need for quicker access to the pool of beneficiaries;

- xxxi. Instances of discrimination against socially displaced persons seeking assistance under the programme at the various Food Support Offices;
- xxxii. A MOU was signed with the Registrar General with a view to eliminating the use Life Certificates by January 2018;
- xxxiii. A MOU has been proposed between the Immigration Division and the MoSDFS to provide the Ministry with access to information on recipients;
- xxxiv. The Staff of the MoSDFS to undergo internal Client Care training to improve services rendered to clients. The content of the training was approved by the Public Service Academy;
- xxxv. 91 contract positions under the discontinued Food Card programme were not renewed.However, some persons were retained under the Social Welfare Division;
- xxxvi. \$10,000 being offered to victims of recent flooding as part of the Government's allocation of \$35,000,000.00 to provide assistance to persons affected; and
- xxxvii. The need for improvement in the system that manages the programme.

Recommendations proffered during the Public Hearing

The following recommendations emanated from the discussions:

- i. Commercial banks should update their system to accommodate the new card technology platform;
- As part of the implementation of the new card system for fiscal 2018, consideration should be given to the inclusion of locally produced goods as part of the list of approved goods to be purchased and consumed by recipients. Furthermore, that participating merchants be required to make locally produced goods reasonably available;
- iii. Decentralizing the approval process;
- iv. That arrangements be made with merchants/groceries to allow cheques or vouchers to be distributed through them to ensure that persons use the cards to purchase food items;

- v. That sensitization sessions be offered to staff assigned to Food Support Offices to reduce instances of poor customer service. Furthermore, that the Ministry export the outsourcing of the sensitization training;
- vi. That the Client Care training programme offered to MoSDFS staff be re-evaluate;
- vii. That consideration be given to the reintroduction of the biometric system;
- viii. That the Ministry pursue the signing of a MOU with the Elections and Boundaries Commission (EBC) to acquire specific information on households throughout Trinidad and Tobago;
- ix. That the Ministry pursue the signing of a MOU with the National Insurance Board (NIB) which will allow the Ministry to access specific information on recipients;
- x. That the Ministry engage all relevant state agencies to implement a biometric ID card system which will seek to harmonize information on citizens of Trinidad and Tobago;
- xi. A review of what recipients are allowed to purchase with the card as a necessity besides food and nutrition items.

View the Hearing

The hearing can be viewed on our YouTube channel via the following link:

https://youtu.be/nkix_-1rn9Y

Contact the Committee's Secretary

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<u>Committees Unit</u> <u>November 06, 2017</u>