

Head 42: Ministry of Rural Development and Local Government

A summary of the Ministry's Expenditure, Divisions and Projects
Financial Scrutiny Unit, Parliament of the Republic of Trinidad and
Tobago

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About this Guide

This guide provides a summary of expenditure for the Ministry of Rural Development and Local Government for the period 2012-2018. It provides the Members of Parliament and stakeholders with an overview of the Ministry's responsibilities. The primary purpose of this guide is to consolidate the information contained within the various Budget Documents pertaining to the Ministry of Rural Development and Local Government and provide readers with an analysis of same. This guide is based primarily on the Draft Estimates of Recurrent Expenditure, the Estimates of Development Programme, the Public Sector Investment Programme and the Auditor General's Report on the Public Accounts of the Republic of Trinidad and Tobago for the fiscal year 2016.

Head 42: Ministry of Rural Development and Local Government

Ministry Overview

The Ministry of Rural Development and Local Government plays a pivotal role in securing the functional cooperation necessary for national initiatives. In the execution of the Ministry's functions, Municipal Corporations and Special Purpose Enterprises assist communities by pooling resources in targeted areas which include among others Infrastructure Development, Disaster Management, Public Health and Sanitation.

By virtue of its remit, Local Government has a more direct and constant connection to citizens than Central Government. This makes Local Government critical to the democratic process and a major catalyst in the execution of any citizen-centered national initiative.¹

Mission

The Ministry of Rural Development and Local Government is committed to facilitating, coordinating, monitoring and ensuring accountability of Municipal Corporations in the effective and efficient delivery of quality services through meaningful decentralised systems, structures, procedures, practices and the provision of specialized support services.²

Vision

¹ Ministry of Rural Development and Local Government website; accessed on September 29, 2017;
<http://www.rdlg.gov.tt/en/About%20the%20Ministry/Overview.aspx#.Wc67BPOGPct>

² Ministry of Rural Development and Local Government website; accessed on September 29, 2017;
<http://www.rdlg.gov.tt/About%20the%20Ministry/Our%20Mission.aspx#.Wc66nvOGPcs>

Fully transformed and modernised Local Government system that empowers and enhances quality of life through service excellence.³

Minister: Senator the Honourable Kazim Hosein

Permanent Secretary: Ms. Desdra Bascombe

The Local Government System encompasses a number of interconnected actors which include:

The Ministry of Rural Development and Local Government (central coordinating agency)

Fourteen Municipal Corporations:

- 2 City Corporations
 - Port-of-Spain City Corporation
 - San Fernando City Corporation
- 3 Borough Corporations
 - Arima Borough Corporation
 - Chaguanas Borough Corporation
 - Point Fortin Borough Corporation
- 9 Regional Corporations
 - Couva/Tabaquite/Talparo Regional Corporation
 - Diego Martin Regional Corporation
 - Mayaro/Rio Claro Regional Corporation
 - Penal/Debe Regional Corporation

³ Ministry of Rural Development and Local Government website; accessed on September 29, 2017; <http://www.rdlg.gov.tt/About%20the%20Ministry/Vision.aspx#.Wc67JfOGPcs>

- Princes Town Regional Corporation
- San Juan/Laventille Regional Corporation
- Sangre Grande Regional Corporation
- Siparia Regional Corporation
- Tunapuna/Piarco Regional Corporation

Entities Falling Under the Ministry's Purview

Entities Falling Under Their Purview

Palo Seco Agricultural Enterprises Ltd (PSAEL)⁴

Rural Development Company of Trinidad & Tobago (RDC)⁵

Community Environment Enhancement and Protection Programme (CEPEP)⁶

⁴ Palo Seco Agricultural Enterprises Ltd website, accessed on September 26, 2017: <http://www.psael.co.tt/site/>

⁵ Rural Development Company of Trinidad & Tobago website, accessed on September 26, 2017: <http://ruraldev.co.tt/>

⁶ Community Environment Enhancement and Protection Programme website, accessed on September 26, 2017: <https://www.cepep.gov.tt/>

Key Statements from 2016 Standing Finance Committee Debate

During the Standing Finance Committee debate of 2016, the following statement was made by the Minister of Rural Development and Local Government, Senator the Honourable Franklin Khan, in relation to the emphasis of the Ministry of Rural Development and Local Government for fiscal year 2016/2017⁷:

“I think it is important to put into context where we are in the Ministry of Rural Development and Local Government. You will recall that during the 2015 election campaign, the People’s National Movement articulated two key policy areas of fundamental policy shifts; one, local government reform, in particular the devolution of power and authority to regional corporations and in addition to the new responsibilities for the regional corporations, in particular social service delivery; and two, the creation and operationalization of a Ministry of Rural Development to focus on rural infrastructure and improving rural amenities and the basic lifestyle of rural people.

With regard to rural development, we will focus on improved rural infrastructure by budgeting for a myriad of small rural infrastructure projects with one mega project carded under the Ministry of Rural Development, which is the Moruga fishing port and related facility. Bearing in mind other major rural projects, while they do not fall directly under the Ministry of Rural Development, the Ministry of Rural Development has input into its formulation. I speak particularly here to the new arterial road from Valencia to Toco and the ferry service from Toco to Tobago.”

⁷ Standing Finance Committee Hansard of Ministry of Rural Development and Local Government 19 Oct16, Accessed September 29, 2017

Where the Ministry Spends Its Money

2017-2018 Estimates of Expenditure

The budget allocation of **\$2,253,938,022.00** for the Ministry of Rural Development and Local Government is comprised of:

- The Draft Estimates of Recurrent Expenditure in the sum of **\$2,099,371,110.00**;
- The Draft Estimates of Development Programme in the sum of **\$282,300,000.00**
 - Consolidated Fund in the sum of **\$231,300,000.00**; and
 - Infrastructure Development Fund⁸ in the sum of **\$51,000,000.00**.

The Estimates of Recurrent Expenditure include:

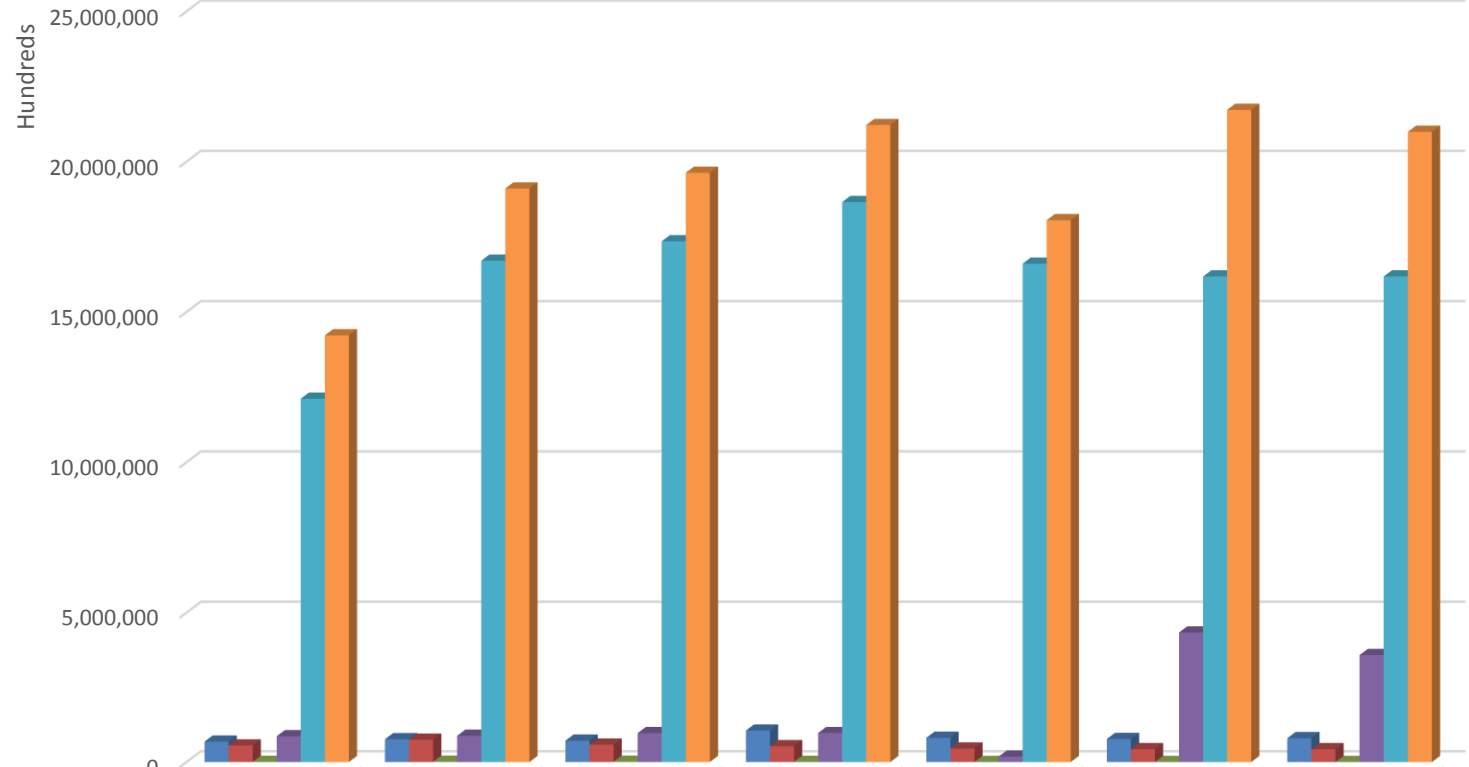
- | | |
|---|--|
| • 01 Personnel Expenditure - \$79,930,000.00 | • 04 Current Transfers and Subsidies - \$358,248,000.00 |
| • 02 Goods and Services - \$42,976,500.00 | • 06 Current Transfers to State Boards & Similar Bodies - |
| • 03 Minor Equipment Purchases - \$85,000.00 | \$1,618,131,610.00 |

The Ministry of Rural Development and Local Government's:

- Recurrent Expenditure as a percentage of the total Recurrent Expenditure budget is 4%;
- Consolidated Fund allocation as a percentage of the total Consolidated Fund allocation is 9.45%; and
- Infrastructure Development Fund allocation as a percentage of the total Infrastructure Development Fund is 1.91%.

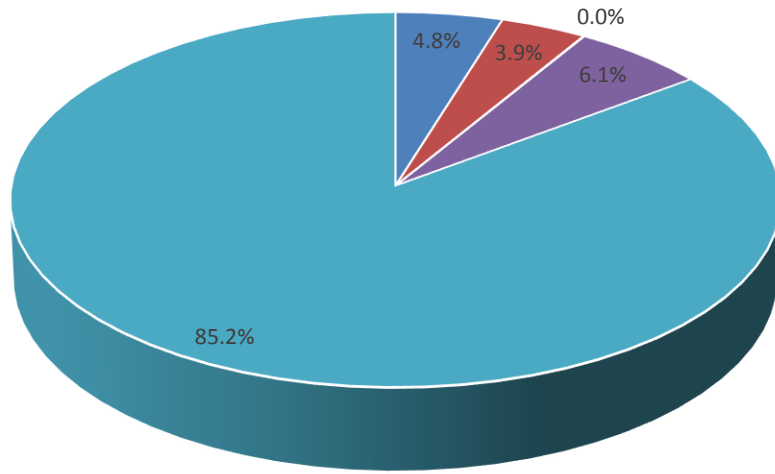
⁸ Head 18 -Ministry of Finance, Sub-Head 04 - Current Transfers and Subsidies, Sub-Item 11- Infrastructure Development Fund (IDF) (Infrastructure Development Fund allocation is part of the Ministry of Finance allocation for the financial year. *Therefore, the total recurrent expenditure for the Ministry of Rural Development and Local Government does not include the IDF funding.*

Summary of Recurrent Expenditure for the period 2012-2018



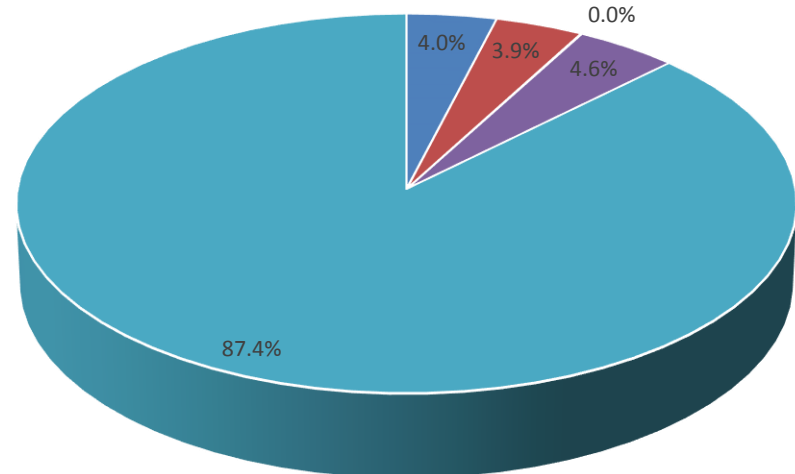
	Actual	Actual	Actual	Actual	Actual	Revised Estimate	Estimate
	2012	2013	2014	2015	2016	2017	2018
■ 01 Personnel Expenditure	68,494,878	76,491,032	71,559,854	105,504,112	81,311,502	77,255,900	79,930,000
■ 02 Goods and Services	55,405,209	75,030,170	58,348,995	53,054,662	45,066,974	43,162,000	42,976,500
■ 03 Minor Equipment Purchases	560,319	859,170	1,025,996	649,177	172,378	110,200	85,000
■ 04 Current Transfer and Subsidies	86,386,184	88,018,810	96,821,952	97,042,375	18,315,874	433,750,800	358,248,000
■ 06 Current Transfers to Stat. Brds. and Similar Bodies	1,211,520,667	1,670,426,121	1,735,327,781	1,865,715,291	1,660,610,700	1,618,131,610	1,618,131,610
■ Total	1,422,367,257.00	1,910,825,303	1963084578.00	2,121,965,617	1,805,477,428.00	2,172,410,510.00	2,099,371,110.00

2012 Actual



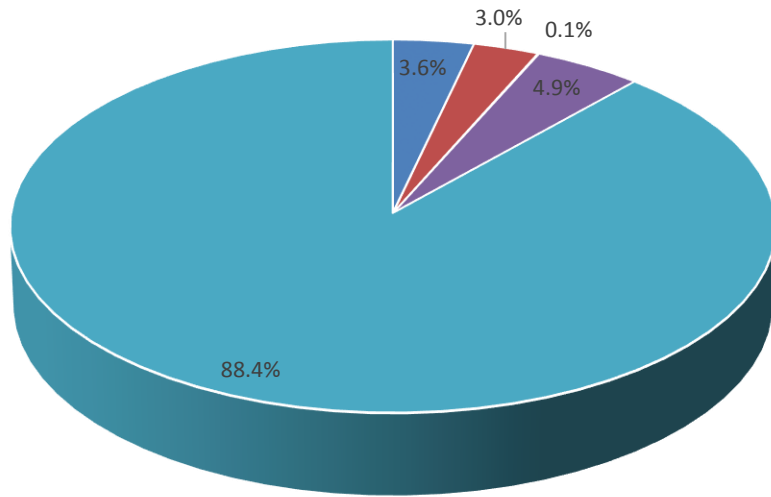
- 01 Personnel Expenditure
- 02 Goods and Services
- 03 Minor Equipment
- 04 Current Transfers and Subsidies
- 06 Current Transfers to Stat.Brds.&Similar Bodies

2013 Actual



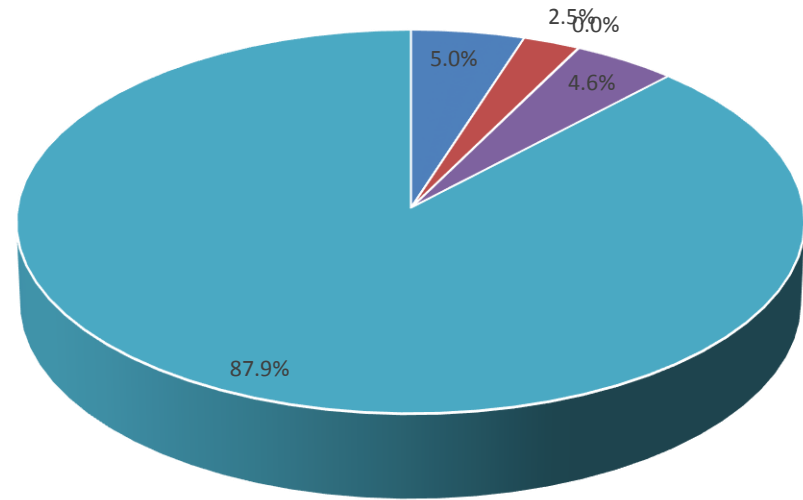
- 01 Personnel Expenditure
- 02 Goods and Services
- 03 Minor Equipment
- 04 Current Transfers and Subsidies
- 06 Current Transfers to Stat.Brds.&Similar Bodies

2014 Actual



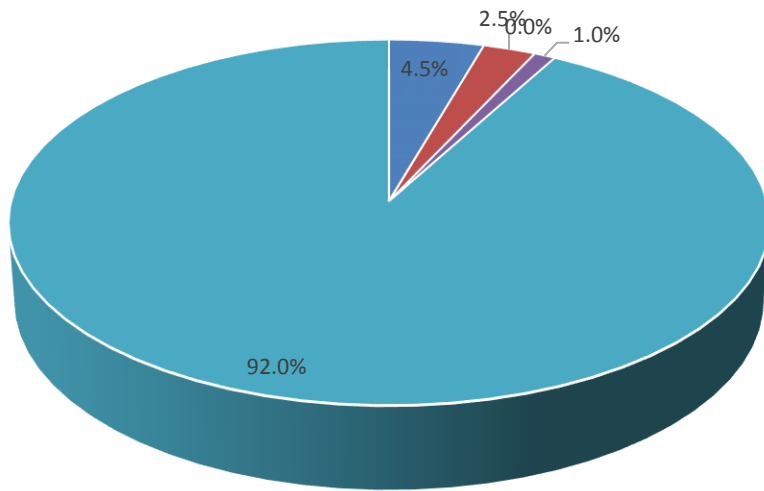
- 01 Personnel Expenditure
- 02 Goods and Services
- 03 Minor Equipment
- 04 Current Transfers and Subsidies
- 06 Current Transfers to Stat.Brds.&Similar Bodies

2015 Actual



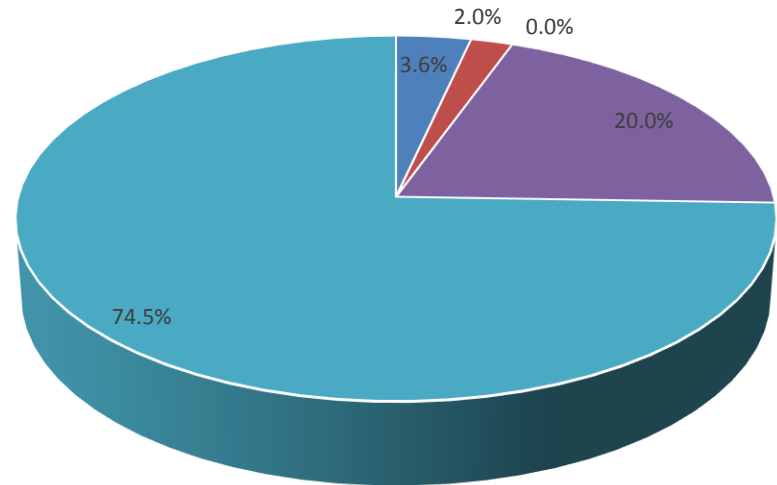
- 01 Personnel Expenditure
- 02 Goods and Services
- 03 Minor Equipment
- 04 Current Transfers and Subsidies
- 06 Current Transfers to Stat.Brds.&Similar Bodies

2016 Actual



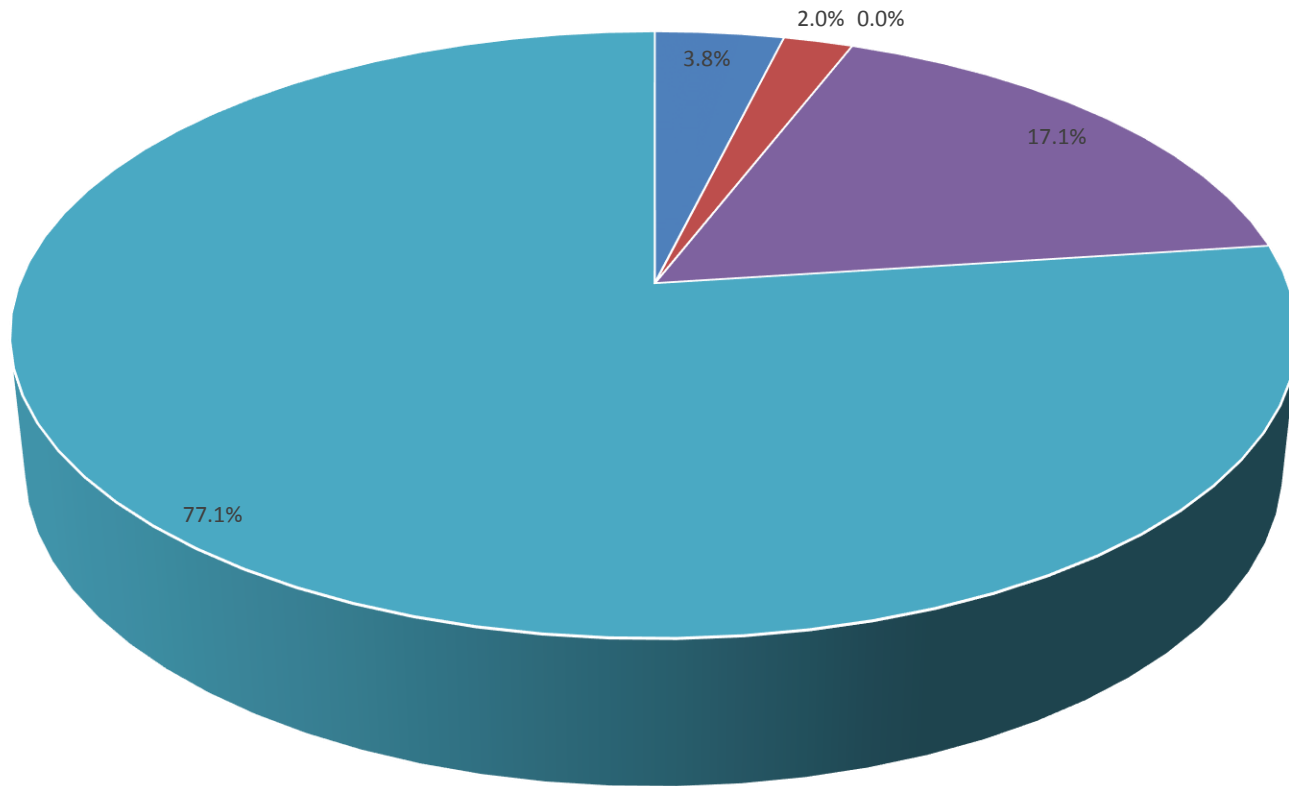
- 01 Personnel Expenditure
- 02 Goods and Services
- 03 Minor Equipment
- 04 Current Transfers and Subsidies
- 06 Current Transfers to Stat.Brds.&Similar Bodies

2017 Revised Estimate



- 01 Personnel Expenditure
- 02 Goods and Services
- 03 Minor Equipment
- 04 Current Transfers and Subsidies
- 06 Current Transfers to Stat.Brds.&Similar Bodies

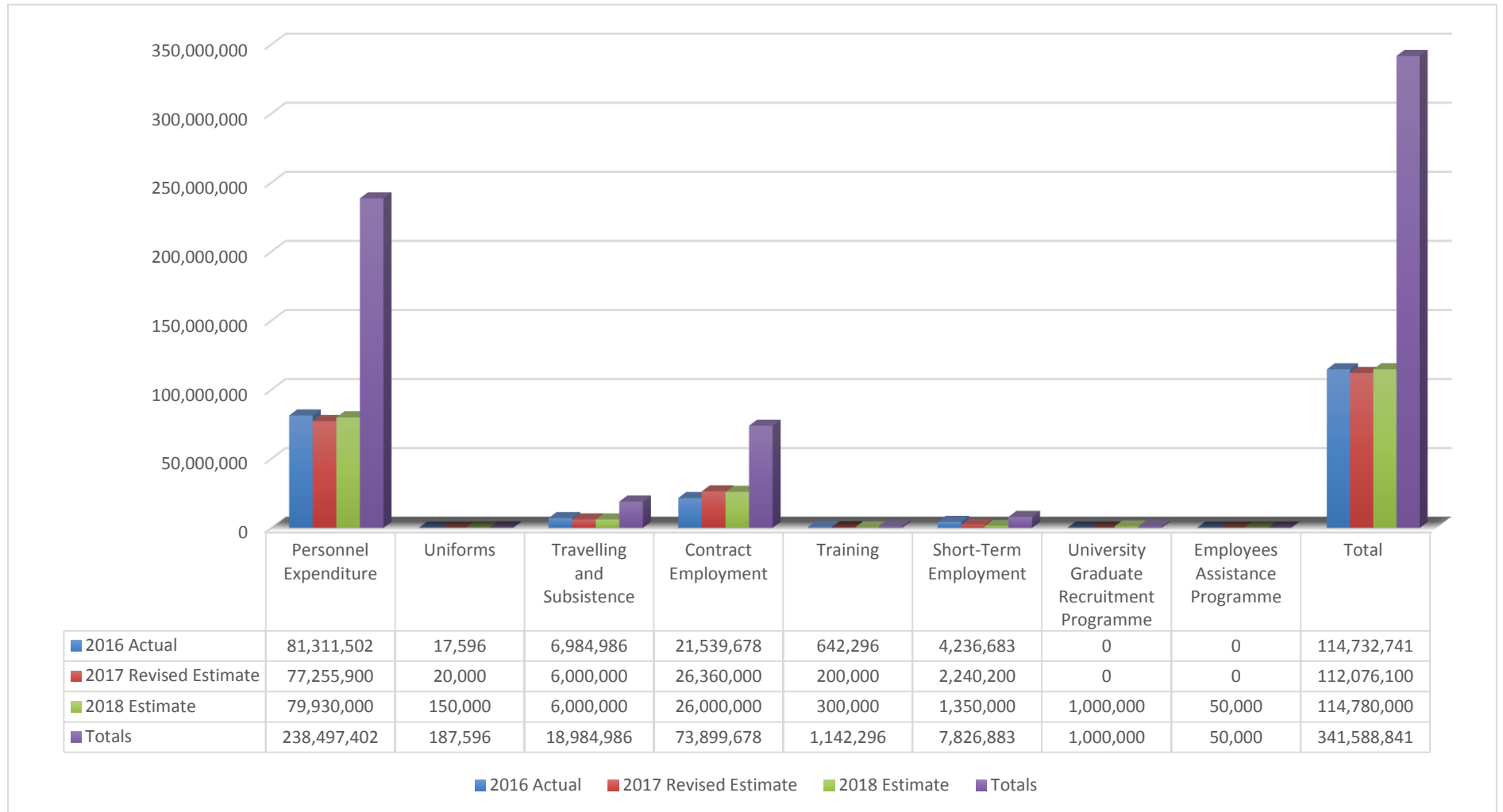
2018 Estimate



- 01 Personnel Expenditure
- 02 Goods and Services
- 03 Minor Equipment
- 04 Current Transfers and Subsidies
- 06 Current Transfers to Stat.Brds.&Similar Bodies

Staff and Pay

The allocation of staff expenditure for the fiscal year 2018 was \$341,588,841.00 which represents an increase of approximately 2% from the last fiscal year 2017. The following table provides a breakdown of all expenditure related to staff from 2016-2018.



Analysis of Summary of Expenditure

Recurrent Expenditure refers to the payments for expenses which are incurred for the day-to-day operations of the Ministry including Personnel Expenditure, Goods and Services, Minor Equipment Purchases, Current Transfers and Subsidies and Current Transfers to Statutory Boards and Similar Bodies.

- Recurrent Expenditure for Fiscal year 2017/2018 was estimated at \$2,099,371,110.00. This represents 4% of the total Estimated Recurrent Expenditure for the financial year 2017/2018.
- Recurrent Expenditure for Fiscal Year 2016/2017 was estimated at \$2,172,410,510.00 (Revised). Comparing this with the allocation in Fiscal Year 2017/2018, there is a decrease of 3.4%.
- The larger portion of the allocation has consistently gone to Current Transfer and Subsidies for the years 2012-2018. This figure has been fluctuating at an average of 85% of the total allocation.
- In 2018, Personnel Expenditure will account for 3.8% of the Ministry's total recurrent expenditure.
- Minor Equipment Purchases consistently received the lowest portion of the Ministry's allocation for the period 2012 to 2018.
- The actual/estimated Recurrent Expenditure for the five (5) sub heads has fluctuated over the seven (7) year period. On average, the Ministry received approximately \$1.9 billion over the same period.

Summary of Development Programme Expenditure for the period 2012-2018

Development Programme is capital expenditure aimed at improving and enhancing development in different areas of Trinidad and Tobago which includes; human resources, economic and social development.

The Public Sector Investment Programme (PSIP), which represents the capital expenditure component of the National Budget, is the instrument used by Government to effect its vision and policies. It is a budgeting and strategic planning tool made up of projects and programmes, designed to realise the goals set out in the Government's overarching policy.

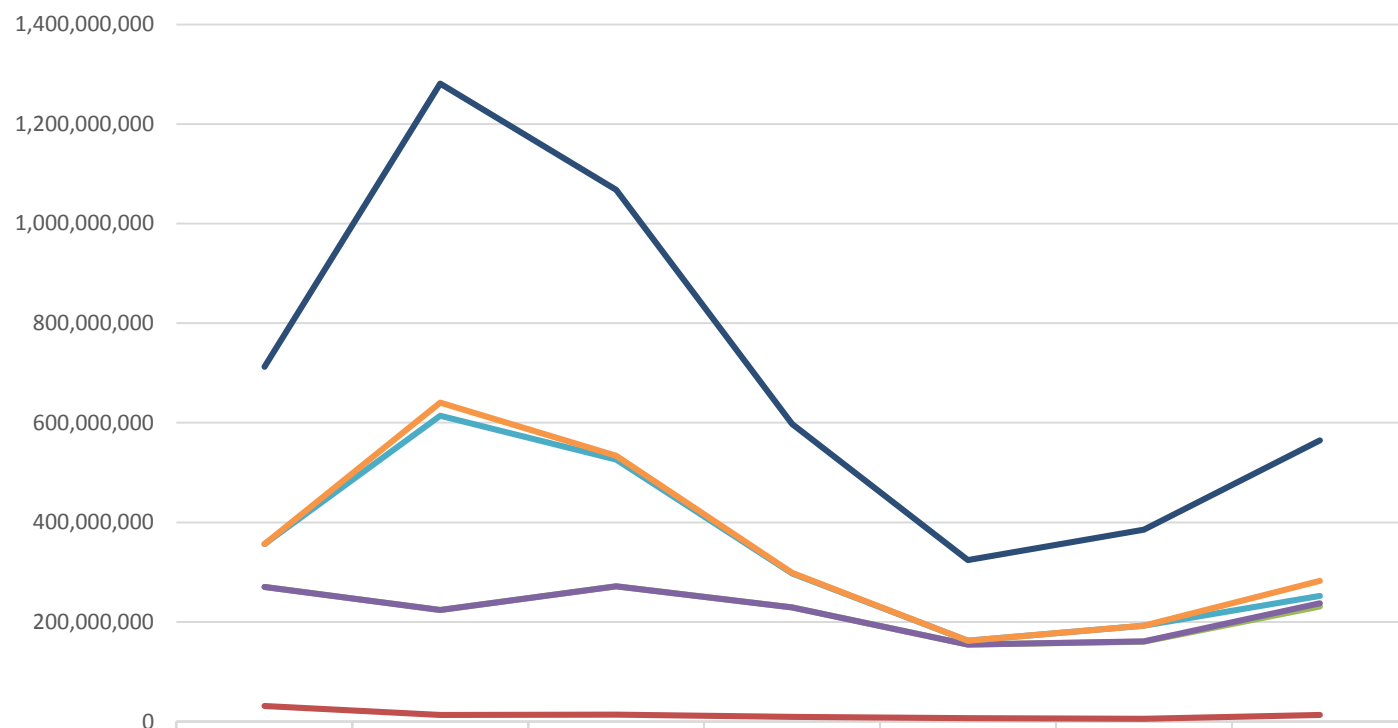
The PSIP budget document provides a detailed description of the programmes and projects and includes a review of the implementation of projects and programmes in the previous financial year and highlights the major projects and programmes to be implemented in the upcoming financial year.

- The Public Sector Investment Programme is intended to achieve:
 - the country's social and economic development goals; and
 - enhance the quality of life of all citizens.

The estimates for the development programme are presented in two parts as follows:

- Funds appropriated by Parliament and disbursed directly from the Consolidated Fund; and
- Funds disbursed from the Infrastructure Development Fund.

Summary of Development Programme Expenditure for the Period 2012-2018



	Actual 2012	Actual 2013	Actual 2014	Actual 2015	Actual 2016	Revised Estimates 2017	Estimates 2018
Total	356,285,976	640,641,747	533,931,074	298,565,562	162,067,941	192,797,179	282,300,000
005 Multi-Sectoral and Other Services - Infrastructure Development Fund	0	26,756,796	8,141,959	1,179,375	0	0	30,000,000
004 Social Infrastructure - Infrastructure Development Fund	86,284,857	389,959,937	254,391,302	67,916,944	7,501,029	31,605,629	15,000,000
003 Economic Infrastructure - Infrastructure Development Fund	0	0	0	0	0	978,700	6,000,000
005 Multi-Sectoral and Other Services - Consolidated Fund	238,451,621	210,859,871	257,448,703	220,287,309	147,687,270	154,676,550	218,300,000
003 Economic Infrastructure - Consolidated Fund	31,549,498	13,065,143	13,949,110	9,181,934	6,879,642	5,536,300	13,000,000

The Ministry's total allocation as a percentage of the National Budget for the period 2012 to 2018.

Year ⁹	Total Allocation ¹⁰	National Budget ¹¹	Percentage of National Budget
2012	\$1,692,368,376	\$ 55,718,271,573.00	3.04%
2013	\$2,134,750,317	\$ 59,174,226,196.00	3.61
2014	\$2,006,725,594	\$ 65,020,886,424.00	3.09%
2015	\$2,351,434,860	\$ 61,966,922,675.00	3.79%
2016	\$1,960,044,340.00	\$56,573,913,053.00	3.46%
2017	\$2,332,623,360.00	\$55,598,436,912.00	4.20%
2018	\$2,330,671,110.00	\$54,955,041,591.00	4.24%

- Total allocation to the Ministry as a percentage of the national budget decreased by 0.1% between the period 2016/2017 and 2017/2018.

⁹ For the Fiscal Years 2012-2016, actual figures were used to calculate the total allocation. However, estimates were used to calculate the total allocation for the Fiscal Years 2017 and 2018.

¹⁰ Total Allocation for the Ministry of Rural Development and Local Government = Recurrent Expenditure + Consolidated Fund Expenditure

¹¹ The National Budget = Recurrent Expenditure + Development Programme Consolidated Fund

Auditor General Report Findings for the Fiscal year 2016

Ref: Auditor General's Report¹²

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Expenditure Control

Cabinet approvals were not produced for two rented properties with rental payments totalling \$830,675.00 as at July, 2016.

Documents not Produced

Memoranda of Understanding were not produced between the Ministry of Rural Development and Local Government and the two Special Purpose State Enterprises (SPSE). This was in respect of Palo Seco Agricultural Enterprise Limited and the Rural Development Company of Trinidad and Tobago, for executing works under the Infrastructure Development Fund for a total of \$7,501,028.68.

¹² Report of the Auditor General on the Public Accounts of the Republic of Trinidad and Tobago for the Financial Year ended September 30, 2016, pgs 38, 64
http://www.auditorgeneral.gov.tt/sites/default/files/Auditor%20General%27s%20Report%20on%20the%20Public%20Accounts%202016_0.pdf

Noteworthy Development Programme Estimates in 2016-2018

The table below lists the projects that have experienced irregular variances in estimates for funding received under the Ministry of Finance:¹³

Development Programme 2018	PROJECTS	2016 Actual	2017 Estimate	2017 Revised Estimate	2018 Estimate
003-15-D-003	Restoration of Local Bridges	16,543	3,000,000	-	3,000,000
003-15-D-010	Restoration of Landslips	63,998	3,000,000	-	2,000,000
005-06-A-028	Implementation of the Dog Control Act, 2013 and the Dog Control (Amendment) Act, 2014	835,998	3,000,000	-	3,000,000
005-09-L-148	Construction of Markets and Abattoirs	259,461	2,000,000	-	3,600,000
005-09-N-386	Eradication of Latrines	499,962	1,000,000	999,300	-

¹³ Estimates of Development Programme 2018, accessed on October 3, 2017: <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Development-Programme-2018.pdf>

Status of New Projects for the Financial Year 2016-2017

The following new projects that received funding in the 2016/2017 financial year¹⁴:

Development Programme 2018	PROJECTS	2017 Estimate	2017 Revised Estimate	2018 Estimate
005-09-T-263	Local Government Public Convenience Programme	500,000	-	-
005-09-T-289	Environment Enhancement and Preservation	500,000	-	500,000
005-09-U-370	Local Government Tourism Programme	500,000	-	-
005-09-U-375	Latrine Eradication Programme	250,000	250,000	200,000
005-09-U-376	Construction of Public Conveniences	100,000	100,000	300,000
005-09-W-315	Construction of Public Conveniences	300,000	-	300,000
IDF-003-11-N-001	Construction of Integrated Fishing Port and Facilities at Gran Chemin, Moruga	45,000,000	\$978,700	6,000,000

¹⁴ Estimates of Development Programme 2018, accessed on October 3, 2017: <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Development-Programme-2018.pdf>

New Projects for the Financial Year 2017-2018

The following new projects that received funding in the 2017/2018 financial year¹⁵:

Development Programme 2018	PROJECTS	2018 Estimate
003-15-D-015	Restoration of Local Drains	2,000,000
005-06-A-038	Development of West Park	5,000,000
005-09-M-375	Municipal Police Equipment	800,000
005-09-N-389	Recycling Facility	500,000
005-09-P-390	Municipal Police Equipment	900,000
005-09-P-392	Environment Enhancement and Preservation	300,000
005-09-V-320	Construction of Performance Arts and Culture Building	500,000
005-09-X-411	Construction of Public Conveniences	300,000
IDF-005-06-F-060	Construction of Administrative Complexes	30,000,000

¹⁵ Estimates of Development Programme 2018, accessed on October 3, 2017: <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Development-Programme-2018.pdf>

Major Programmes and Development for the Period 2016 to 2018

The following table shows a list of the significant expenditure items, based on the proportion of the budgetary allocation assigned.¹⁶

Development Programme 2017	PROJECTS	2016 Actual	2017 Revised Estimate	2018 Estimate
IDF-004-14-A-003	Development of Rural Communities	5,259,141	30,000,000	15,000,000

¹⁶ Estimates of Development Programme 2018, accessed on October 3, 2017: <http://www.finance.gov.tt/wp-content/uploads/2017/10/Numbered-Draft-Estimates-Development-Programme-2018.pdf>

General Useful Information

- The Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food, MEXICO: <http://thereddesk.org/countries/actors/ministry-agriculture-livestock-rural-development-fisheries-and-food-mexico>
- The Ministry of Agriculture, Rural development and Environment, CYPRUS : http://www.moa.gov.cy/moa/agriculture.nsf/page11_en/page11_en?OpenDocument
- Department for Communities and Local Government, UK: <https://www.gov.uk/government/organisations/department-for-communities-and-local-government>
- The local government system in Canada: http://www.clgf.org.uk/default/assets/File/Country_profiles/Canada.pdf
- Ministry of Panchayati Raj, India: <http://www.panchayat.gov.in/about-mopr>