

## **Head 225- Report of the Auditor General on Department of Police - 2017**

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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 Police Department. 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 Accounting Officer for the Financial Management and Accountability**

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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 Audit Scope**

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The audit of the Police Department – Head 225 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 Inspector General of Police on 19 October 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

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The audit observations of the Police Department 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 2.14 of this report. It was observed that the accountability as the 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 128 of the Financial Regulations of the Democratic Socialist Republic of Sri Lanka.

General responsibilities of the Accounting Officers in terms of Financial Regulation 128	Non-compliance of the Accounting Officer to the Provision	Reference to the Paragraph of the report Containing Observations
Financial Regulations		
128 (1) (a) The work of his department is planned and carried out with due despatch , having regard to the policy laid down by the Government and the intentions of Parliament in granting him financial provision for the activities authorised and that an endeavour is made to complete the programme of work laid down for the year and / or attain the targets specified.	<ol style="list-style-type: none"> <li>1. Failure to adequately plan the procurement activities.</li> <li>2. Deficiencies in the Internal Control.</li> <li>3. Failure to achieve the expected level of output.</li> <li>4. Failure to achieve the expected outcome.</li> <li>5. Projects without progress despite release of funds.</li> <li>6. Deficiencies in the execution of procurement procedure</li> </ol>	<p>2.2.1 (a)</p> <p>2.12</p> <p>2.1.1 (a)</p> <p>2.1.1 (b)</p> <p>2.1.1 (c)(IV)</p> <p>2.2.1 (b)</p>
128 (1) (b) The organisation for financial control and accounting in his department is effective, and provides adequately for the correct ascertainment, where	<ol style="list-style-type: none"> <li>1. Management weaknesses.</li> <li>2. Failure to conduct Audit and Management</li> </ol>	<p>2.6 (a) (b)</p> <p>2.13</p>

	necessary, of dues to Government, the systematic, complete and prompt collection of dues , and bringing to account of monies received, the authorization of commitments, on behalf of the Government, the supervision and examination of services and supplies rendered, and the prompt and correct payment therefor from public funds.	Committees Properly.	
		3. Deficiencies in Human Resource Management	2.14 (a),(b),(c),(d)
128 (1)(c)	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-compliance	2.11.1(a) (b),(c),(d)  2.9 (a),(b),(c)  2.10 (I)(II)
128 (1)(e)	Adequate and proper arrangements are made for the safe custody and preservation of money, stores, equipment, and other assets belonging to the Government, or is in its custody, and that these are verified from time to time; and, where they are disposed of , such disposal is according to prescribed Regulations and instructions.	1. Deficiencies in the conduct of Annual Board of Survey.  2. Deficiencies in the management of assets.	2.3 (a)  2.3 (a), c),(d),(e)
128 (1)(f)	Such information, statements and returns as are called for by the Chief Accounting Officer or the Treasury, are rendered correctly and promptly.	Presentation of Annual Performance Report with delays.	2.1.3
128 (1)(h)	special arrangements are made to recover outstanding dues and that the officers assigned that task report to him at least once a quarter or as otherwise directed regarding arrears and action pursued to expedite their	Recovery of outstanding loan balances of the Advances to Public Officers Account	2.8 (a), (b)

recovery

128)(i)	The activities of his department are undertaken with due regard to economy, efficiency, propriety and integrity expected in the transaction of public business	1. Failure to achieve the expected outcome.	2.6 (c) (d)
		2. Irregular Transactions	2.4
		3. Uneconomic Transactions	2.5

## **2. Material and Significant Audit Observations**

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### **2.1 Performance**

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The following observations are made.

#### **2.1.1 Failure to Discharge Functions**

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##### **(a) Failure to Discharge Functions Included in the Action Plan**

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With a view to improving capacity of the Police Department by strengthening it whilst providing state-of-the art equipment for the enforcement of law more suitably, a sum of Rs.5,000 million had been allocated to Sri Lanka Police under the proposal No.400 of the Budget 2017. Nevertheless, that provisions had not been used during the year under review.

##### **(b) Failure to Achieve Expected Level of Output**

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A sum of Rs.150 million ha been allocated for the establishment of a police information communication project. Out of that, a sum of Rs.92.50 million had been brought to account as expenditure of the year under review. Nevertheless, that money had been retained in the Bank Account of the Inspector General of Police (Current) even by October 2018 without being paid to the relevant party. Accordingly, performance had not been achieved.

##### **(c) Key Functions Executed**

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(i) It is a key function of the Police Department to ensure perevention of accidents by carrying out traffic contorl while assuring road safty. The total number of accidents reported during the years 2015, 2016 and 2017 had been 36,918, 39,199 and 37,596 respectively. Details appear below.

Nature of the Accident As at 31 December (Quantity)

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	2015	2016	2017
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Fatle	2,590	2,837	2,962
Serious ingeries	7,719	8,932	8,666
Minor ingeries	13,095	14,050	13,102
Damages	13,514	13,380	12,866
Total	<u>36,918</u>	<u>39,199</u>	<u>37,596</u>
No. of deaths	2,816	3,017	3,147

The following observations are made in this connection.

- The number of fatle accidents and the death toll had gone up during the year under review. Police Divisions of Nugegoda, Gampaha, Kurunegala, Anuradhapura and Rathnapura had been identified as the Divisions that reported the number of annual fatle accidents and the accidents with serious ingeries higer than 130 and 400 respectively.
  - Of 2,105 accidents, the suspects of which could not be identified, there observed 63 fatle accidents and 183 accidents with serous ingeries. The rest was the accidents with minor ingeries and damages. The highest number of accidnets totalling 418 of which the suspect could not be identified had been reported from the Nugegoda Division and it had included 08 fatle accidents and 11 accidents with serious ingeries.
- (ii) The prevention of use and cirdulation of dangerous drugs is another key function of the Sri Lanka Police. According to the Annual Report of the Police Narcotic Bureau, the quantity of drugs taken into custody during the year under review and the preceding year was as follows.

Institute	Heroin- Kg.		Cannbis- Kg.		Hashish – Kg.		Cocaine- Kg.	
	2016	2017	2016	2017	2016	2017	2016	2017
<b>Police Narcotic Bureau</b>	147.7	23.6	108.3	206.6	4.7	1.1	1486.3	2.1
<b>Police Stations</b>	48.7	236.8	3531.8	3876.9	35.6	3.0	1.6	218.6
<b>Special Task Force</b>	0.3	0.3	409.9	512.9	0.0	-	0.1	-
<b>Other Institutions</b>	10.2	54.2	124.5	390.6	0.0	34.0	82.8	0.0
<b>Total</b>	<b><u>207.0</u></b>	<b><u>315.0</u></b>	<b><u>4174.5</u></b>	<b><u>4987.1</u></b>	<b><u>40.3</u></b>	<b><u>38.2</u></b>	<b><u>1570.8</u></b>	<b><u>220.7</u></b>

The following observations are made.

- (a) The number of incidents reported in connection with Heroin had been 9,520 in the year 2010 and 9,461 persons had been taken into custody relating to those incidents. Whilst experiencing an annual increase, the number of reported incidents and the number of persons arrested had escalated up to 29,296 and 29,288 respectively.
- (a) The number of incidents reported in connection with Cannabis had been 20,259 in the year 2010 and 20,243 persons had been taken into custody relating to those incidents. Whilst experiencing an annual increase, the number of reported incidents and the number of persons arrested had escalated up to 51,884 and 51,788 respectively.
- (iii) One of the key indicators which reflects the progress of maintaining law and order in the country is the absolute number of crime incidents reported in the country and the comparative figure relating to the settlement of reported crime incidents. The details contained in the Annual Performance Report of the year 2017 and the preceding year are as follows.

Type of crime	2016			2017		
	Reported Nos.	Resolved Nos.	Percentage of Resolved Incidents	Reported Nos.	Resolved Nos.	Percentage of Resolved Incidents
<b>Grave Crimes</b>	36,937	26,869	72.74	35,979	28,016	77.86
<b>Minor offences against persons</b>	45,579	30,481	66.88	42,224	29,303	69.40
<b>Minor offences against properties</b>	33,349	15,969	47.88	32,881	16,664	50.68
<b>Petty Complaints</b>	1,039,350	1,038,942	99.96	1,029,087	1,029,047	99.99
<b>Crimes committed against children</b>	5,709	3,294	57.70	5,054	3,711	73.43
<b>Crimes committed against women</b>	9,042	4,986	55.14	8,444	6,100	72.24
<b>Excise Offence</b>	120,105	111,028	92.44	120,198	113,037	94.04
<b>Offences related to soporific drugs</b>	88,352	86,330	97.71	107,944	104,641	96.94
<b>Corruptions Offences</b>	1,255	1,217	96.97	1,055	1,025	97.16
<b>Statutory Offences</b>	46,171	44,177	95.68	49,013	46,857	95.60

The progress of the settlement of serious crimes, crimes against the children and the crimes against the women had exceeded 70 per cent during the year under review.

- (iv) For the increase of existing 472 police stations up to 600 stations and establishment of 50 police posts, provisions amounting to Rs.500 million had been allocated and 17 police stations only had been set up at a cost of Rs.8.05 million. According to the views of the Inspector General of Police, since police stations had been established in building obtained on rent and lease, necessity was not arisen necessity for constructing new buildings and it had attributed to the savings of provisions.
- (v) Provisions of Rs.587.31 million had been allocated for the completion of works of the Police Training Institute and a sum of Rs.11.18 million only had been spent thereon.

- (vi) Provisions of Rs.199.69 million had been allocated for the construction of buildings of the Police Training School and Rs.95.96 million had been spent thereon. Out of 6 projects including construction of hostels, auditoriums office complex and roads, the construction of hostel of the Inspector of Police Grade and the expansion of office complex had not been initiated.

## **2.1.2 Achievement of Sustainable Development Goals**

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Every Public institution should act in compliance with the Agenda 2030 of the Sustainable Development Goals adopted by the United Nations and the Sri Lanka Police had recognized 06 targets under Sustainable Development Goal 3-Good Health and Well-Being and 16 – Peace, Justice and Strong Institutions. Even though indicators were being developed using the based year as 2016, milestones required for the regulation of relevant activities in reaching the Sustainable Development Goals had not been recognized.

## **2.1.3 Annual Performance Report**

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In terms of State Finance Circular No.402 dated 12 September 2002, the Sri Lanka Police should table its Performance Report for the year under review in Parliament within 150 days form the close of the financial year, whereas that report had been tabled in Parliament on 25 June 2018.

## **2.2 Obtaining Supplies and Services through Procurement Process**

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### **2.2.1 Implementation of Procurement Process**

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The following non-compliances with provisions in the Government Procurement Guidelines were observed in obtaining supplies and services required for the discharge of functions of the Sri Lanka Police.

- (a) In terms of Guideline 4.1.1 (c) of the Government Procurement Guidelines, procurement action should not been commenced without a firm commitment of funds. Nevertheless, deviations from the Guideline were observed in connection with procurements worth Rs.116.77 million.
- (b) Procurements had been carried out relating to the purchase of 75,000 caps of the Post of Police Sergeant/ Police Constable of the Sri Lanka Police and agreement had been entered into with a local agent on 15 March 2011 through the Ministry of Defence and Urban Development. The Arbitration Process continued nearly a period of 04 years between the supplier and the Sri Lanka Police in respect of issues subsequently cropped up relating to the supply of these items ended on 21 January 2017. The Arbitration Board had issued and Arbitration Award to the effect that the Sri Lanka



Police should make the purchase of caps and incur all other relevant charges. The Ministerial Procurement Committee met on 29 September 2017 had decided to implement the Arbitration decisions.

The following matters were observed in this connection.

- (i) A decision had been reached to repurchase 75, 000 at a cost of Rs.127,540,672 and pay Rs.43,401,069 as legal charges and stores charges.
- (ii) A decision had been reached to pay a sum of Rs.1,915,814 as Arbitration Charges.
- (iii) The report of the Committee appointed under the Chairmanship of the Additional Secretary to the Ministry to look into whether any deficiency had occurred in the procurement process relating to the above purchase to issue the Arbitration Award and ascertain the responsible party and to give recommendations on the steps to be taken in this regard, had not been submitted even by July 2018.

## 2.3 Assets Management

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The following observations are made.

- (a) Audit Test Check of the Police Stores at Kotahena and Siyambalape  
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  - (i) It was observed that 8,873 units of items belonging to 05 stock items worth Rs.17,535,421 including Blue towels, riding gloves, black shoes of Police Sergeants and Constables and 12,873.38 meters of khaki uniform materials worth Rs.4,673,118 had been damaged.
  - (ii) A shortage of 27 items of stocks was observed of which there was a shortage of 103,660 units of items worth Rs.27,767,602 including white coloured vests, Peak Caps, leather belts, khaki socks and deck shoes etc. belonging to 08 main items.
  - (ii) Excess of 43 stock items were revealed and it had included 11,499 units of items such as women's white coloured vests, shoes, white coloured peak caps, Luminas Jackets belonging to 05 main items worth Rs.22,485,217 and 61,851 meters of khaki uniform material worth Rs.21,029,340.
- (b) In terms of Paragraph 3.2.6 of the State Finance Circular No.05/2016 dated 31 March 2016, the Annual Board of Survey, 2017 should be conducted and report thereof should be presented to the Auditor General before 15 June 2018. Nevertheless, the Annual Board of Survey of the Police Head Quarters had not been completed and the other Board of Survey Reports had been furnished to Audit on 24 August 2018.

- (i) Stock value amounting to Rs.12,673,126 of 6774 units belonging to 04 items and 34,083 meters of khaki uniform materials pointed out at the physical verification, 2017 had been deducted from books. Proper steps had not been taken in connection with non-reconciliation of those balances.
- (ii) A shortage of firearms, live bullets, explosives and 59,276 units of accessories of firearms had been pointed out by the Board of Survey reports as at 31 December 2016. Action in terms of Financial Regulations had not been taken regarding this matter.

(c) **Idle and Underutilized Assets**  
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The following observations are made.

- (i) A sum of Rs.411.36 million had been spent on buildings relating to 3 constructions commenced in Colombo. Nevertheless, those buildings remained under utilized owing to failure in completing the constructions over a period ranging from 10 to 12 years.
- (ii) Twenty three plots of lands containing 68 Acres 01 Roods and 03 perches in extent situated in 24 Police Divisions had remained underutilized as they had not been used for any useful purpose.
- (iii) Forty five buildings belonging to 15 Police Stations and Police Offices had remained under utilized without being used and there were 30 buildings which had not been used for more than a period of 06 years.

(d) **Use of Assets not vested**  
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Even though 411 locations situated in 24 Police Divisions had been used for Police Division offices, Police Stations, Police Units, Police Posts, barracks , circuit bungalows, Police schools and training units etc., relevant lands had not been vested in the Government.

(e) **Expenditure on the Maintenance of Offices**  
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In order to maintain police stations and offices, 242 locations relevant to 34 Division Offices situated throughout the island had been obtained on rent and sums totaling Rs.226,508,676 had been paid as rent during the year under review.

**2.4 Irregular Transactions**  
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Forty nine Land Rover Defender jeeps and 12 Toyota Land Cruiser jeeps had been granted to the Presidential Secretariat in the year 2013. By the end of the year 2017, Sri Lanka Police had paid Rs.445.3 million and Rs.74.99 million respectively as installments of lease of the Land Rover Defender jeeps and Land Cruiser jeeps which had not been used for the duty purposes by the police

## 2.5 Uneconomic Transactions

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The Sri Lanka Police had paid a sum of Rs.8,680,000 for the purchase of 620 four coloured printers (Canon 1B 470) at Rs.14,000 each on 21 April 2017. Total cost of a single set of cartridge used for the above printers amounted to Rs.15,900. According to the report of the Technical Evaluation Committee, 10,000 pages could be printed using a single set of cartridge. Nevertheless, the number of coloured papers printable using one set of cartridge stood at 1,500. Accordingly, the cost incurred for printing 01 page using this printer amounted to Rs.10.60.

## 2.6 Management Weaknesses

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The following observations are made.

- (a) A number of 56,500 pairs of Deck Shoes had been purchased at Rs.3,525.28 per single pair for the police sergeants and constables during the year under review. The following matters were observed in connection with the purchase and distribution of above shoes among the police officers.
  - (i) According to the audit test check, 2,642 pairs of shoes distributed among the police officers in 05 Divisions had been larger than the suitable size. Further, Deck Shoes had not been provided for 870 police officers of 02 Police Divisions.
  - (ii) Deck Shoes had been purchased and distributed among the police sergeants and constables during the years 2014 and 2017. Nevertheless, Deck Shoes had not been provided for 8,000 women police sergeants (WPS) and women police constables (WPC) during the above two instances.

### (b) Implementation of 21 Water Treatment Projects

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While stating that the police officers engaged in the duties in North-central and North-western provinces are more likely to be afflicted with kidney diseases owing to consuming saline water, a sum of Rs.35,479,452 had been granted on 26 September 2017 from the Police Rewards Fund for the construction of 21 water treatment plants at the police stations of those Provinces. This money had been retained in the General Deposit Account of the Division and a sum of Rs.10,654,490 had been paid to the Sri Lanka Navy as 50 per cent advances relating to carrying out constructions of 14 projects. Nevertheless, only 05 projects had been completed by June 2018.

### (c) Provision of Uniforms

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Police Divisions had granted 125,134 meters of uniform materials worth Rs.45,548,776 to the Police Families Welfare Association for sewing uniforms of the police sergeants and women police sergeants (PS/WPS) and the officers of the lower grades in the Western Province during the years 2014, 2015 and 2016. Nevertheless, uniforms had not been sewn for 3,821, 6099 and 4,673 police officers for the years 2014, 2015 and 2016 respectively even by November 2017. The value of khaki clothes unsewn for the above 14,593 officers had been Rs.28,798,102.

**(d) Failure to repair the office building**

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The old two storied building worth more than Rs.700 million and situated at No.11 on Baron Jayathilaka Mawatha had been vested in the Sri Lanka Police in June 2017. Although this building had been taken over as a remedial measure for the shortage of buildings of the Department and to minimize the rent being paid to the external institutions, action had not been taken to maintain offices in this building after carrying out the required repairs even by June 2018.

**2.7 Utilization of Provisions made by Parliament to execute Activities**

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The particulars relating to the provisions made to the Sri Lanka Police and utilisation and savings for the year ended 31 December 2017 and the preceding year along with audit observations thereon are as follows.

Year	Category of Expenditure	Net Provision	Utilization	Savings	Savings as a percentage of the net provision
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		<b>Rs.Millions</b>	<b>Rs.Millions</b>	<b>Rs.Millions</b>	
2016	Recurrent	58,549	55,803	2,746	4.69
	Capital	5,056	3,050	2,006	39.68
	<b>Total</b>	<b>63,605</b>	<b>58,853</b>	<b>4,752</b>	<b>7.47</b>
2017	Recurrent	60,657	60,031	626	1.03
	Capital	5,325	3,597	1,728	32.45
	<b>Total</b>	<b>65,982</b>	<b>63,628</b>	<b>2,354</b>	<b>3.57</b>

**Appropriation Account**

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**Making Overprovision**

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- (i) As overprovision of Rs.4,124.57 million had been made for 14 Objects, provisions totaling Rs.2,415.68 million relevant to those Objects only had been used. Accordingly, savings had ranged from 21 per cent to 99 per cent of the net provisions made.
- (iii) Supplementary provisions totaling Rs.1,170.50 million had been made for 05 Objects and provisions totaling Rs.295.54 million relevant to those Objects only had been used. Accordingly, savings had ranged from 48 per cent to 100 per cent of the net provisions made.

## 2.8 Advances to Public Officers Account

The limits authorized by Parliament for the Advances to Public Officers Account of the Sri Lanka Police under Item No.22501 and the actual amounts are given below.

<b>Expenditure</b>		<b>Receipts</b>		<b>Debit Balance</b>	
<b>Maximum Limit</b>	<b>Actual</b>	<b>Minimum Limit</b>	<b>Actual</b>	<b>Maximum Limit</b>	<b>Actual</b>
Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions	Rs.Millions
1,200	1,146	1,248	1,250	2,900	1,282

The following observations are made in this connection.

### (a) Failure to Recover the Outstanding Balances

- (i) According to the reconciliation statement presented to Audit, the outstanding balances as at that date totaled Rs.103,008,182 and those balances had remained outstanding over a period from less than 01 year to more than 03 years. Nevertheless, follow up actions taken for the recovery of those outstanding balances remained at a weak level.
- (ii) According to the Public Administration Circular No.31/2016 dated 28 December 2016, Special Advances should be entirely recovered during the respective year. Nevertheless, Special Advances totaling Rs.422,850 granted to 332 officers had not been recovered as in the above manner.

- (b) According to the Advances to Public Officers “B” Account made available to Audit, an unidentified difference of Rs.24,899,639 was observed between the Department Control Account and the individual balances prepared by the Division offices.

## 2.9 General Deposit Account

The balances of 05 Deposit Accounts as at 31 December 2017 totalled Rs.438.09 million. The following observations are made in this connection.

- (i) Action in terms of Financial Regulation 571 had not been taken in respect of 878 deposits totaling Rs.219.01 million which had exceeded 2 years.
- (ii) A sum of Rs.11,503,192 granted by India in the year 2013 to construct SAARC Terrorists and Drugs Offences Monitoring Centre had been retained in the Deposit Account without being used for the relevant purpose.

- (iii) Out of advances amounting to Rs.4,200,000 granted to Superintended of Police Offices to strengthen the activities relevant to rehabilitation of the drug addicts and prevention of the use of drugs during the year under review, a sum of Rs.1,837,052 or 44 per cent had been retained.

## 2.10 Deficiencies in Operating Bank Accounts

Balance to be adjusted

The following deficiencies were observed in examining the bank reconciliation statements presented relating to 48 bank accounts maintained in the year 2017.

- (i) Action in terms of Financial Regulation 396 (d) had not been taken in connection with 13 cheques worth Rs.130,117 which had been issued, but not presented to the bank.
- (ii) Action had not been taken to identify and account the unidentified receipts of Rs.374,242 relevant to 03 bank accounts, even by 30 June 2018.

## 2.11 Non-compliances

### 2.11.1 Non-compliances with Laws, Rules, Regulations.

Instances of non-compliance with the provisions of laws, rules and regulations observed during the course of audit test checks are analyzed below.

Reference to Laws, Rules and Regulations	Value	Non-compliance
	Rs.	
(a) Provisions 230 and 231 of Municipal Council Ordinance (Cap.252)	Rates amounting to Rs.116,008,146 assessed by the Colombo Municipal Council relating to the properties belonging to the Sri Lanka Police had not been paid to the Municipal Council.	
(b) Orders Nos. 58,64,65 and 66 made under Section 21 of the Urban Development Authority Act, No.41 of 1978.	<p>i. The directions pertaining to the use of electric elevators had not been followed in relation to the electric elevator of the IGP Stores at Kotahena.</p> <p>ii. Action had not been taken to adequately provide fire extinguishing facilities to the IGP Stores at Kotahena and properly maintain such facilities.</p>	
(c) Section 12.1 of Chapter VIII of the Establishments Code.	Although a Station Allowance at the rate of 8 per cent of the consolidated salary of an officer should be paid to every officer who serves in a station at an elevation of over 5,000 feet, the Station Allowance of Rs.2,071,905 payable to 77 officers who had received transfers from the Diagama police station	

had not been so paid in respect of the relevant period of service from September 2009 to the end of the year under review.

(d) Financial Regulations of the Democratic Socialist Republic of Sri Lanka.

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I. Financial Regulation 835 (1) (a) (b) and (c)

Without being obtained the required authority of the Secretary to the Ministry in respect of purchasing or new hiring of lands or buildings, and advances etc., 242 locations had been obtained on rent of Rs.225,549,614 relating to 34 Divisions.

II. Financial Regulation 210 (i)

Where it is possible to obtain discounts, payments must be made in time to obtain them. Nevertheless, due to failure in paying the Rates relating to the year 2017 before 30 January of that year, discounts of Rs.945,460 had been deprived.

III. Financial Regulation 154 (I) 5 (a) (i) and (iii)

Although the entitlement for obtaining necessary documents and other information in carrying out audit activities had been stated, information relating to the payment of Rates had not been furnished to the Audit in 4 instances.

IV. Financial Regulation 751,752 and 754

Attention had not been focused on the activities such as correctly keeping inventories, making entries and balancing the inventories.

V. Financial Regulation 755

Handing over and taking over of Stores had not been properly carried out at times of retirement and transfers of the Storekeepers of the Kotahena Main Stores.

**2.12 Internal Audit**

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Although the approved cadre of the Internal Audit Unit was 68, number of vacancies stood at 45 as at 31 December 2017. Action had been taken to fill 09 of the above vacancies by 30 September 2018. Existence of a large number of vacancies as indicated above had been an impediment to achieve optimum performance level of the Unit.

**2.13 Audit and Management Committees**

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The Police Department had established Audit and Management Committees and 04 meeting sessions should have been conducted at one session per quarter by the end of the year under review. Nevertheless, 02 Committee meetings and a special meeting for Ministerial Audit and Management Committees only had been conducted

## 2.14 Human Resources Management

### 2.14.1 Approved Cadre ,Actual Cadre and Expenditure on Personal Emoluments

The details on the approved cadre, actual cadre, vacancies and the staff in excess as at 31 December 2017 are as follows and the Police Department had spent Rs.44,340.53 million for the personal emolument category during the year under review.

Category of employees	Approved Cadre	Actual Cadre	Number of Vacancies	No in excess
(i) Senior Level	890	470	420	-
(ii) Tertiary Level	4,301	2,439	1,862	-
(iii) Secondary Level	88,392	74,964	13,428	-
(iv) Primary Level	2,141	3,552	117	1,528
<b>Total</b>	<b>95,724</b>	<b>81,425</b>	<b>15,827</b>	<b>1,528</b>

The following observations are made in this connection.

#### (a) Uniformed Staff

- (i) Although 1,528 persons had been employed for the Police Security Assistant Service, a scheme of recruitment and scheme of promotion had not been prepared and approval of the Department of Management Services had not been obtained thereon.
- (ii) Recruitments for the post of Assistant Superintendent of Police had not been made from the year 2015 to 2017 and information had been furnished to the Audit that there was no expectation to make recruitments for the period from the year 2018 to 2020. The approved number of posts was 314 and the vacancies stood at 91 as at 31 December 2017.
- (iii) Only 9 officers had received promotions for the post of Senior Superintendent of Police during the years 2015,2016 and 2017. Nevertheless, out of 169 approved posts as at 31 December 2017, there existed 122 or 72 per cent vacancies of the above post.
- (iv) A gradual increase could be observed relating to the vacation of service during the period from the year 2015 to 2017 as indicated below. The



increase in the trend of vacation of service amidst the existence of 9,002 vacancies in the uniformed staff had been an obstacle in ensuring law and order in this country.

Post	Number of officers vacated from their post		
	2015	2016	2017
Police Sergeant	8	11	32
Police Constable	114	185	367
Woman Police Constable	14	10	32
Police Constable- Driver	16	21	46
Other	19	22	23
<b>Total</b>	<b>201</b>	<b>249</b>	<b>500</b>

- (b) The number of vacancies of the Police Assistant Service was 6,323 and it represented 83 per cent of the approved cadre. As a result of these vacancies, it had not been possible to maintain activities of the Medical Division, Engineering Division and a large number of other technical services in an efficient manner.
- (c) There observed instances where the officers of the combined service and those who were not in the combined service were engaging in the service of the Sri Lanka Police within its civil staff over a long period. It had not been in conformity with the Rule 195 of the Chapter XVIII of the Segment 1 of the Procedural Rules of the Public Service Commission.

Continuous service in the Sri Lanka Police	Number of officers of the Combined Service	Number of officers of the other services
05-10	570	08
10-20	496	08
20-30	220	03
More than 30 years	16	01
<b>Total</b>	<b>1,302</b>	<b>20</b>

Of these officers 150 officers had served in the service of Sri Lanka Police from their first appointment.

(c) Staff Trainings

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The following observations are made.

- (i) Six local training courses on traffic control had been conducted with the participation of 312 officers during the year 2017. Out of nearly 9,000 police officers detailed in the traffic control activities throughout the country, 820 officers only had been trained during the period from the year 2015 to 2017 and it had not been an adequate number as compared with the officers deployed in the traffic control activities.
- (ii) Inadequate lecture hall facilities of the Traffic Headquarters, lack of skilled lecturers and lower capacity of the Computer Division had resulted in existing the annual trainings of traffic control at a lower position.