

Head 197- Ministry of Skills Development and Vocational training- Auditor General's Report - year 2017

The Appropriation Account and the Reconciliation Statements under the Head and the Subject Code mentioned in the First and Third Schedules of the Appropriation Act No.24 of 2016 amended by the Appropriation (Amended) Act No. 32 of 2017 had been presented to audit by the Ministry of Petroleum Resources Development under the Head 197. The Audit of the Financial and Physical performance reflected by the said Accounts and Reconciliation Statements was carried out in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka.

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

According to the Financial Regulation 124 of the Financial Regulation of the Democratic Socialist Republic of Sri Lanka, Generating of State Revenue and Collecting of Sums Receivable to the Government and the General Check on the Supervision of all activities of the State Funds were assigned to the Minister of Finance. As per the Financial Regulation 124 (2), Chief Accounting Officers were appointed by the Minister of Finance to accomplish the said responsibility. In accordance with the Financial Regulation (125) (1) (a), the Head of the Department is the Accounting Officer of the all money transactions of his Department and Revenue Accounting Officer had been appointed by the Treasury. This responsibility is included planning, implementing and conducting the internal controls relating to maintain, prepare and fair presentation of Accounts and Reconciliation Statements presented after performing their duties within the limitations enacted by the Parliament in accordance with article 148,149,150 and 152 of the Constitution of the Democratic Socialist Republic of Sri Lanka, other Statutory Regulations, Government Financial Regulations and Administration Regulations.

1.3 Scope of Audit

The audit of the Ministry of Skills Development and Vocational training Head 197 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 to the Ministry 17 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 test of samples of transactions. The scope and extent of such review and tests were such as to enable as wide 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 Ministry of Ministry of Skills Development and Vocational training 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 2.16 of this report. It was observed that accountability as the Chief Accounting Officer had been satisfactorily executed to ensure the adequacy of the Financial administration subject to the following summarized audit observation revealed in the execution of the provisions of the Financial regulation 127 of the Financial Regulations of the Democratic Socialist Republic Of Sri Lanka.

Financial Regulation 127 Accountability of Chief Accounting Officer	Non -compliance with the Direction of the Chief Accounting Officer	Reference to the paragraphs of the report of which the observation included
127(1) (a). All financial work should be planned as to be confirmed the correctness and the financial priority (Departmental activities should be carried out not merely comply with financial and departmental directions but according to the higher standard of the integrity expected in carrying out duties.)	1. Implementation of procurement process	2.4.1
	2. Registers and books not being maintained.	2.13
	3. Deficiencies in internal control	
127(1) (b). Providing a methodology for allowing sufficient control for collecting state revenue and expenditure	1. Non-compliance	2.14
	2. Deficiencies of human resources management	2.16

127 (3)	Preparing a methodology that all cases of doubt or difficulty are referred to him as to bring his own administrative experience and judgment. Examined in the Ministry from the points of view of economy and efficiency.	1. Deficiencies in vehicle utilization 2. Improper utilization of assets which were not being transferred.	2.5 (a) 2.5 (f)
127 (4)	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.	1. Entering in to commitments exceeding the annual budgeted limit 2. Deficiencies in General Deposits Accounts	2.6 2.12
127 (5)	Important variations between departmental estimates and expenditure receive critical examination at the Ministry.	Non utilization of provisions made	2.9 (i)
127 (6)	Collection of revenue or other government dues for which Accounting Officers are responsible is closely watched and examined by the Ministry	1. Deficiencies of Advance to Public Officers account	2.11
127 (7)	Procedure laid down in Financial Regulations 103 to 108 is followed by the Accounting Officers, in case of losses caused to Government by the delays, negligence, fault	1. Transactions in nature of irregularity	2.7

or fraud on the part of officers/employees responsible for such losses, in terms of F.R156 (1). It's also a duty of the Chief Accounting Officer to appear before the Committee on Public Accounts and to assist it along with his Accounting Officer in explaining and justifying the accounts of the departments for which he is responsible.

2. Material and Significant Audit observation

2.1 Key functions of the Ministry of Skills Development and Vocational Training

- a) Formulation, evaluation and follow-ups of policies, programmes and projects relating to the skills development and vocational training sector.
- b) Formulation of policies and facilitate as possible as to expand opportunities for industrial and vocational education based on the effective job opportunities for students who had completed school education and had not qualified to enter to universities.
- c) Modernization of industrial, technical and vocational education and training in order to create skillful labor corps to be matched with the requirements of the changes of the job market.
- d) Taking actions for promotion of opportunities for apprentice training.
- e) Formulation and implementation of strategies to promote the trend for the vocational education.
- f) Supervision and follow-ups of activities relating to all subjects assigned to Statutory Institutions.
- g) Improve the private and public relationship.
- h) Development of entrepreneurs' skills.

2.2 Performance

2.2.1 Functions not being full filed

The following observations are made in connection with the performance of 367 Centers implemented throughout the Island which had been affiliated to 7 Institutions under the Ministry of Skills Development and Vocational Training.

- a) The quality of the vocational training courses not being improved.

Out of the 4,147 number of courses conducted in training centers under the Ministry, 1513 courses had not been accreditation according to the Tertiary and Vocational Education Act No.20 of 1990 . The opportunity in giving qualitative courses to students was minimized due to the facts that training equipment and infrastructure facilities which should be needed for courses not being developed and laboratories not being prepared properly.

- b) Quantitative decrease of participation of students for training courses

It was observed that there were 118 courses of which the number of students were less than 5 and 273 courses of which the number of students were 6 to 10 and there were 612 courses the number of students less than 15. It was observed that even though all resources and facilities had been provided for recruiting more students, those resources had not been utilized efficiently and effectively.

- c) Minimizing vacancies of academic staff and training of instructors

Although actions should be taken to recruit academic staff as possible as to improve the quality of vocational training programmes and to allow the opportunity to participate to sufficient training programmes relating to the field as possible as to improve the quality of teaching, it was observed that actions had not been taken accordingly in respect of courses conducted in 367 training centers. Accordingly even though 109,632 students had been recruited approximately in the year 2017 (excluding National Institute of Business Management and National Business Management Collage), actions had not been taken to recruit necessary trainers for training those students and it was observed that there was a deficiency of 752 lecturers in the approved cadre in certain centers.

- d) Get aware of the community about vocational training programmes

Preparing and implementing strategies for improving the trend for vocational education is a function of the Ministry. A proper programme had not been implemented to get attraction of the students towards the courses.

- e) Follow-up actions not being taken in connection with the students who had completed the courses.

Follow - up programmes had not been implemented by most of centers implementing under the Ministry for employment of students who had completed the vocational training. However the opportunity had not been created to make necessary modifications for the courses conducted at present after evaluating the relevancy to the job environment due to non-availability of data base relating to the employment of students. Further attention of the Ministry had not been paid to prepare proper programme for coordinating vocational training centers and foreign job market, to identify opportunities of public private partnership and get employed students and to pay the contribution for self-employment.

2.3 Implemented foreign aid projects

The following observations are made

A provision of Rs. 2733.49 Million had been made by the Ministry during the year under review for 2 projects and out of that a sum of Rs. 1564.76 had been utilized. Accordingly a provision of Rs. 1168.73 Million represents 42.7 per cent had been saved. Details are given below.

Type of the Project	Project Name	Expected objectives of the Project	Provision Made	Utilization	Savings
			Rs. Million	Rs. Million	Rs. Million
Foreign	Project for construction of Vocational Training Center Colombo and improvement of Technical Collage Gampaha	Construction of 2 Vocational Training Centers in Colombo and Gampaha, Development, Technical Exchange, Countenance of industrial development with the assistance of Korean specialists in economic development and Carrying out a major role in human resources development.	Rs.620.0 Million	Rs.285.16 Million	Rs.334.84 Million

Foreign	Skills Sector Development Section	Improvement of access ,relevance ,quality and social marketing in the field of industrial vocational education and training in the country with the policy and structural reconstruction	2,113.49	1,279.60	833.89
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2.4 Obtaining supplies and Services through the procurement process

Provision of Rs. 861.4 Million had been made by the Ministry for obtaining supplies and services through the Government Procurement Guidelines and out of that a sum of Rs. 325.59 Million had been utilized.

2.4.1 Implementing of Procurement Process

Supply of Cafeteria Security and Cleaning Services

- a) A sum of Rs. 160,080 had been incurred in May 2016 for publishing procurement notice in 3 language for the procurement of supply of cafeteria security and cleaning services for the year 2016/2017 and as per the decision of the Technical Evaluation Committee dated 22 June 2016, a suitable institute could not be selected for supplying of above mentioned security and cleaning services among the bidders presented. Hence it had been decided to call new quotations again within 03 months. However information had not been presented to audit relating to the procurement committee decision of calling quotation mentioned above and to confirm whether the evaluation had been carried out relating to the bids received for supply of cafeteria service.
- b) Quotations had been called again incurring a sum of Rs. 115,500 in October 2016 in connection with the year 2017. In that instance bids received for the supply of cafeteria service had been rejected as per the decision of the Technical Evaluation Committee due to the fact that conditions of bids not being full filed. However it had been decided again by the procurement committee on 30 January 2017 to be called quotations within 3 months and to be increased the lease rent of cafeteria up to Rs. 50,000. Nevertheless actions had not been taken according to the abovementioned decision and information had not been presented to audit to confirm whether the evaluation of bids had been carried out relating to the bids received for supply of security and cleaning services. However the Ministry had failed to full fill the expected objective by publishing procurement notices in 2 instances above.

- c) Calling quotation had not been done within 3 months as per the procurement committee decision and quotations had been called in November 2017 to select suitable service suppliers for the 2 years 2018/2019. A sum of Rs. 137,252 had been incurred for publishing procurement notice and by that, suppliers had been selected for the supply of security and cleaning service and the procurement committee had decided not to award the procurement to the selected supplier for the cafeteria hence he was an employee of the Ministry and to allow the service to be conducted to the institution which was carrying out the service currently after calling quotations until select a qualified supplier. However the Ministry had failed to select a supplier for the cafeteria even up to the end of the year.

2.5 Asset Management

The following observations were made in the sample audit test carried out in connection with the assets of the Ministry.

a) Vehicle Utilization

There were 47 vehicles belonged to the Ministry of Skills Development and Vocational training as at the end of the year under review and the following observations are made in connection with utilization of those vehicles.

- (i) It was observed that contrary to the provisions of the Government Procurement Guideline quotations received for repairing vehicles had been opened by the subject clerk and referred to the technical officer without submitting to a procurement committee. Suppliers had been selected on the recommendation of technical officer and approval had been obtained in this regard. Accordingly it was observed that a poor internal control in the Ministry over the vehicle repairing.
- (ii) On the request made for repairing the vehicle used by the Media Secretary to the Honorable Minister, an estimate of Rs. 755,052 had been presented by the local agent. However the facts resulted to such repair had not been presented to audit. Accordingly the vehicle had been handed over to the repair on 07 November 2013 and the repair had been completed. Nevertheless the bill relating to the repair above had not been settled up to now. The vehicle had been handed over to the above mentioned institute on 04 August 2014 as the vehicle was out of order on 20 January 2014 and an estimate of Rs. 620,789 had been presented for the repair. However those repairs had not been done and the vehicle had been parked in the above mentioned institute since the year 2014 without being repaired. It was observed that the vehicle manufactured in the year 2008 and valued at Rs. 4.9 Million was remained idle for 04 years and actions had not been taken to repair or bring back the vehicle up to now.

(iii) Fuel Consumption not being tested

According to the Section 3.1 of Public Administration Circular No. 30/16 dated 29 December 2016, fuel consumption had not been tested for 47 vehicles of the Ministry.

b) According to the Public Administration Circular No.02/2017 dated 17 February 2017 the charges relating to the vehicles which had used the highway can be reimbursed if the prior approval of the Chief Accounting Officer had been obtained only. However a prior approval had not been obtained in connection with a sum of Rs. 81,150 reimbursed during the year under review for using highway for official of the Minister of Skills Development and Vocational training.

c) Utilization of Assigned Vehicles and Pool vehicles

The following observations are made

(i) According to the Presidents Circular No. CA/1/17/1 dated 14 May 2010, the maximum amount of official vehicles which can be reserved for use and security purpose of Ministers and Deputy Ministers was 03 (Motor Car/ Jeep/Double Cab). However 04 vehicles had been reserved for the Deputy Minister of Skills Development and Vocational training.

(ii) According to the conditions for purchasing a vehicle valued at Rs.39, 283,600 for the State Minister on 24 March 2017 the motor vehicle then used by the State Minister should be returned to the Ministry of Finance. However actions had not been taken accordingly. Further those 2 vehicles had been brought to another Ministry when the Minister was transferred and actions had not been taken in connection with the above mentioned vehicles which were in the name of the Ministry.

(iii) According to the Budget Circular No. 146 dated 29 April 2010, all the vehicles given to the staff of all Ministers /Deputy Ministers of the Ministry should be handed over to the relevant Ministry before the appointment of new Cabinet. However after the revision of the Cabinet made in May 2017, four vehicles given to the staff of Ministers had not been handed over to the Ministry up to now.

d) Disposal of Vehicles

According to the Section 07 of National Budget Circular of Secretary to the Treasury No. 2/2015 dated 31 March 2015, actions should be taken to appoint a Board of Survey and to identify vehicles suitable for dispose in connection with 06 vehicles belonged to the Ministry which were remained without using and in a situation of requirement of repairs as per the Financial Regulation 756 (4). However actions had not been taken accordingly even up to 20 April 2018 the date of audit. Actions had not been taken in accordance with Management of non-financial assets of the Government Circular of the Ministry of Finance and Mass media No. 01/2018 dated 19 March 2018.

e) According to the Public Administration Circular No.02/2015 dated 31 March 2015, vehicle obtained under the financial lease should not be transferred to other institutions without obtaining the prior approval of the Department of National Budget. However 3 vehicles obtained under the financial lease had been brought to the new Ministries by the Ministers and the Deputy Ministers after the revision of the Cabinet without obtaining such approval.

f) Improper Using of Assets not transferred

Actions had not been taken to transfer 04 vehicles used by the Ministry since the years 1996 - 2012 but owned by other various institutions. Actions had not been taken up to now to transfer 08 vehicles belonged to 2 Ministries which had been brought by the Deputy Minister appointed in the year 2017.

g) Assets released to external parties

Twenty vehicles belonged to the Ministry had been released to external parties improperly.

2.6 Commitments and Liabilities

Contrary to the Section 94 (i) of the Financial Regulation, a total sum of Rs. 2,327,004 had been incurred exceeding the provision relating to 13 expenditure items as a result of entering in to liabilities exceeding the approved provision.

2.7 Transactions in nature of Financial Irregularities

A sum of Rs.5, 228,398 had been incurred for vehicle repairs by the Ministry during the year under review. However a qualified supplier should be selected in a competition of the procurement process of work and services as per the paragraph 3.4 of the National Procurement Guideline No.08 dated 25 January 2006 and the paragraph 2.14.1 of the Procurement Manual. Nevertheless it was observed that actions had not been taken accordingly in connection with the repairs of the vehicles of the Ministry. In further examinations carried out by audit relating to a sample of high valued repairs it had been confirmed to audit that 02 institutions had not presented their quotations for the procurement even though quotations in the name of them had been used for the procurement process. Accordingly it was observed that procurement valued at Rs. 1,124,199 had been made in 05 instances through quotations using the letter heads prepared as the letter heads of those institutions.

The vehicle attached to the Media Secretary to the Deputy Minister had met with an accident on 10 August 2017 and the estimated sum of the agency for the repair was Rs. 5,076,860. However the insurance company had not agreed with the said amount and information had been included in the file that quotations had been called from 04 institutions. It was revealed in audit that one of

those institutions was the institution connected to the institution of which the vehicle had been handed over to the repair and it was further observed in audit that quotations received from other 2 institutions were fraudulently made quotations. However the repair of the vehicle had been awarded to a sum of Rs. 1,388,225 and it was observed that the procurement not being made in a competitive process was an action contrary to the procurement guideline 2006. Accordingly the Ministry had failed to allow the fair equal and maximum opportunity to the qualified parties for the procurement in order to obtain maximum economic benefits throughout the procurement. As a result, the objectives of the procurement had not been achieved and it was observed in audit that such irregularities had been taken place due to non-availability of proper internal control over the repairs of vehicles.

2.8 Achieving Sustainable Development Goals

Even though all State Institutions should act according to the letter of the Secretary to the Ministry of National Policy on Sustainable Development and Economic Affairs No.NP/SP/SDG/17 dated 14 August 2017 and the year 2030 Agenda of the United Nation the Ministry had not taken actions to identify targets, and milestones to be achieved those targets with respect of activities under there purview and indicators to measure the achievements. Although the Ministry had identified “ Giving opportunity for all to learn throughout the life” as a sustainable development goal assuring a qualitative education with combination and equalization, projects had not been planned as to be full filled the said objective.

2.9 Utilization of Provisions made by the Parliament to accomplish Duties

Details relating to the provisions made to the Ministry, utilization and savings for the period of 5 years ended 31 December 2017 and the audit observations in this regard are given below.

Year	Expenditure Category	Net Provision	Utilization	Savings	Savings as a percentage of Net Provision
		Rs.Million	Rs. Million	Rs. Million	%
2013	Recurrent	2,887.83	2719.57	159.26	5.53
	Capital	4,343.70	2059.45	2284.25	52.59
	Total	7,222.53	4779.02	2443.51	33.83
2014	Recurrent	3801.12	3769.19	31.93	0.84
	Capital	4737.30	3772.40	964.90	20.37
	Total	8538.42	7541.59	996.83	11.67
2015	Recurrent	2889.49	2849.06	40.43	1.40
	Capital	5909.22	3559.08	2310.14	39.09
	Total	8798.71	6448.14	2350.57	26.71

2016	Recurrent	3678.25	3412.71	265.54	7.22
	Capital	7421.85	4526.32	2895.53	39.01
	Total	11100.10	7939.03	3161.07	28.48
2017	Recurrent	4570.51	3926.66	643.85	14.09
	Capital	3910.53	2298.41	6112.12	41.23
	Total	8481.04	6225.07	2255.97	26.60

a) Appropriation Account

Provision made not being utilized

- a. The total net provision or the year under review was Rs. 8,481,043,600 and out of that a sum of Rs. 6,225,071,146 had been incurred during the year. Accordingly the savings of the net provision was 27 per cent and the saving of the capital provision of 41 per cent had mainly affected to that saving.
- b. Although a provision of Rs. 200,000,000 had been made by Supplementary Estimates under the Expenditure Code 197-02-03-37-2104 for improvement of German training school and hotel school Mathara under the budget proposal for the year 2017, approval of the cabinet had been granted in September 2017 to utilize the said provision for construction of a hostel of the Sri Lanka German Technical Institute after the Cabinet Revision. However the construction had not been done during the year and the total provision had been saved.
- c. Out of the provision made under 2 expenditure items aggregating Rs. 300,250,000 more than 70 per cent had been saved from the provision of Rs. 250,000 made for purchasing machinery and equipment. Out of the provision of Rs. 300 Million made under the budget proposal for the year 2017 by supplementary estimates for the payment of allowances for students who were training in apparel, health insurance hospitality management and constructions fields a sum of Rs.26.8 Million had only been spent. Accordingly the Ministry had failed to utilize Rs. 273.2 Million represents 91 per cent for the said purpose.

2.10 Out of the capital provision of Rs. 820 Million made under the expenditure code 2014 a sum of Rs. 535 Million represents 65 per cent had not been utilized.

2.11 Advances to Public Officers Account

Limitations imposed by the Parliament

Limitations imposed by the Parliament for the Advances to Public Officers Account under the Subject Code 19701 relating to the Ministry and the actual values are given below.

Expenditure		Receiving		Debit Balance	
Maximum Limit	Actual	Minimum Limit	Actual	Maximum Limit	Actual
Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
28.0	22.9	10.0	15.6	80.0	52.5

a) Non - recovery of outstanding loan balances

According to the reconciliation statement presented to audit, the total of outstanding balances as at that date was Rs.415,750 and even though those outstanding balances had been brought forward more than a period of 5 years the Ministry had failed to recover those outstanding balances.

2.12 General Deposit Account

The total of the balances of 2 general deposit accounts under the Ministry as at 31 December 2017 was Rs. 38.9 Million. Actions had not been taken as per the Financial Regulations 571 in respect of 36 deposits totaling Rs. 23.66 Million which had been exceeded 2 years out of the said value.

2.13 Registers and Books not being maintained

It was observed in sample audit tests that the following registers had not been maintained by the Ministry and certain registers had not been maintained properly and up to date.

Type of Register	Relevant Regulation	Observation
Records of Losses	Financial Regulation 110	not maintained
Vehicle Log Book	Financial Regulation 1645 (a)	not maintained up to date
Leave Register	1.7 of Chapter XII of the Establishment Code	not maintained up to date
Running Charts	Financial Regulation 1645	not maintained properly
Notes relating to vehicles	Paragraph 3.3 of the Public Administration Circular 30/2016 dated 29 December 2016	not maintained

2.14 Non Compliance

2.14.1 Non Compliance with laws rules and regulations

Instances of non-compliances with laws rules and regulations observed in audit are analyzed below.

Reference to laws Rules and regulations	Amount Rs.	Non Compliance
a) Financial Regulations of the Democratic Socialist Republic of Sri Lanka Financial Regulation 104 (3)		The preliminary report should be sent immediately if a delay of more than 7 days is envisaged for making a full report in respect of loss occurred to a public property. However it was observed that the Ministry had not acted accordingly in 04 instances of the years 2016 and 2017.
b) Public Administration Circulars Public Administration Circular No. 22/99 (XXXIII) dated 07 November 2017		Vehicles used for group transport should be parked at night in the places which were directed by the Head of the Department.

However it was revealed in sample test that 2 vehicles used for group transport had not been parked at the premises of the Ministry from 2 days to 16 days in 04 instances. However the prior approval for parking those vehicles in other place had not been obtained even up to 30 August 2017 the date of audit. Your attention is directed to the Financial Regulation 128 (1) (e) in this regard.

President Office Circular No.
CA/1/17/1 dated 14 May 2010

Contrary to the Circular four telephone had been given to the former Minister. Accordingly an additional cost had to be incurred by the Ministry for 3 permanent telephone as monthly rental and permanent charges exceeding the limits of the Circular.

2.14.2 Non - Compliance with Tax requirement

Examination of PAYE tax

The following observations are made

- (i) According to the Department of Inland Revenue Circular No. SEC/2015/04 dated 06 July 2015 PAYE tax recovered monthly from officers should be remitted to the Department of Inland Revenue before 15th of the next month. However actions had not been taken accordingly.
- (ii) According to the above Circular, transport allowance up to 50,000 can be released from the PAYE tax from the officers who were entitled to transport allowances and all other allowances are entitled to pay tax. However telephone allowances and fuel allowances had not been taken to calculate PAYE tax by the Ministry.

2.15 Internal Audit

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- 1. According to the approved audit plan for the year under review, even though the audit had been planned to be carried out under 22 audit fields identified relating to 10 institutions, 12 internal audit reports had only been issued including 5 special investigations during the year under review.

2. A sufficient internal audit had not been carried out as covering the fields as achieving targets of the Ministry and institutions under the Ministry and evaluating internal control in the financial and operational sections. Further internal audit could not be used as an effective instrument of management control.

2.16 Human Resources Management

2.16.1 Approved Cadre, actual Cadre and expenses for personal emoluments

Details relating to the approved cadre, actual cadre, vacancies and surplus of the staff as at 31 December 2017 for performing functions mentioned in paragraph 2.1 above are given below. A sum of Rs. 255 Million had been incurred by the Ministry for the expenditure code of personal emoluments for the year under review. Accordingly expenditure per head was Rs.578, 896.

Employees Category	Approve cadre	Actual Cadre	Vacancies	Sumplus
(i) Senior Level	26	20	06	-
(ii) Tertiary Level	03	02	01	-
(iii) Secondary Level	435	374	61	-
(iv) Other Level	44	43	01	-
(v) Temporary	04	01	03	-
Total	<u>512</u>	<u>440</u>	<u>72</u>	<u>01</u>

The following observations are made in this regard

Approved cadre not being recruited

- a) There were 72 vacancies in the Ministry of Skills Development and Vocational training as at the end of the year under review including 06 vacancies in senior level, 01 vacancy in tertiary level, 61 vacancies in secondary level and 04 vacancies in other and temporary level because it was unable to maintain realistic service level and unable to carry out timely review of the number of employees.
- b) Human Resources released to other parties
- (i) Seven officers including one development officer and 06 officers of the combined service had been released to the staff of the Deputy Minister since 02 June 2017. Accordingly a sum of Rs. 1,427,210 had been incurred by the Ministry as salaries and wages of said officers.
- (ii) An officer of the National Apprentice and Industrial Training Authority had been released to the staff of the Deputy Minister since 11 September 2017 and a sum of Rs. 144,634 had been incurred by the said institute as salaries and wages of the said officer