

NDIA challenges audit report

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- describes it as inaccurate

The National Drainage and Irrigation Authority (NDIA) has deemed a recent Audit Report which recommended the dismissal of the Chief Executive Officer Lionel Wordsworth and Senior Engineer, Aneel Chowbay, as mischievous, misleading and aimed at damaging the image of the Authority for personal gains and aspirations.

The audit on the NDIA fuel consumption and equipment operations and maintenance, was conducted between May and September. It was completed and submitted to the Chairman of the NDIA Board of Directors on September 26, and carbon copied to President Donald Ramotar.



NDIA boss Lionel Wordsworth

The report concluded that fraudulent acts were committed by Lionel Wordsworth and Senior Section Engineer (SSE) Mr. Aneel Chowbay, in breach of the Procurement Act 2003.

It speaks of conflict of interest and sole sourcing of services such as the supply of fuel and the awarding of contracts to relations of senior NDIA operatives, in breach of national procurement procedures.

But in a press statement issued late last night, the Ministry of Agriculture chose to challenge the report and attack its own Field Auditor, claiming that in his capacity as the Field Auditor, he is not performing creditably.

The NDIA described the report as unsubstantiated by a person who has a personal agenda, and accused this newspaper of not checking the facts.

“The Ministry of Agriculture’s National Drainage and Irrigation Authority (NDIA) wishes to make clear that the statements contained in the Kaieteur Newspaper article dated Sunday, October 14, 2012 titled “Audit Report recommends dismissal of NDIA boss Lionel Wordsworth and Senior Engineer Aneel Chowbay” are misleading and inaccurate and only represent the interest of someone with a personal agenda.”

According to the Auditor’s statement, NDIA sole sourced contractors for the provision of transportation for fuel and lubricants.

But the NDIA denied this, explaining that there were 10 pre-qualified contractors for the provision of transportation services arising out of a public procurement process.

“Previously, advertisements were placed in the daily newspapers on Sunday, November 27, 2011, Wednesday, November 30, 2011, Sunday, December 4, 2011, Wednesday, December 7, 2011, Sunday, December 11, 2011 and Sunday and December 18, 2011 inviting contractors to prequalify for provision of those services.

“The National Procurement and Tender Administration Board (NPTAB) granted approval of 10 prequalified contractors, whose services would be procured in especially emergency type situations. It is to be noted that during the first half of the year, Guyana was experiencing heavy rainfall and prolonged flooding whereby transportation of fuel and lubricants from GUYOIL to numerous coastal and inland locations was essential for the efficient operation of pumps to provide relief to affected areas.”

According to the Ministry of Agriculture, from January to July, 2012 when quotations were required for the transportation of fuel and lubricants, out of 10 contractors who submitted quotations, Seeram Civil Engineering and Woodworking Establishment was the lowest, had the relevant documentation from the Guyana Energy Agency (GEA) to transport fuel and lubricants along with the required truck making him the most qualified contractor to provide these services.

In July, the NDIA noted, an invitation for public bids was placed in the newspapers for the transportation of fuel and lubricants of which Seeram Civil Engineering and Woodworking Establishment was the only responsive bidder. This contract was awarded by NPTAB on August 13, 2012.

The Ministry said that the Field Auditor mischievously omitted this fact in his opinionated report.

No Breakdown of Internal Control over the Fuel System

With regard to the report stating that there was a major breakdown of internal control over the fuel system, the NDIA stated that there is an internal control mechanism in place to monitor the use of fuel at pump stations and other facilities.

This is monitored by the mechanical department of the NDIA who would collect the data and submit reports to eradicate any threat of fraudulent activity.

The Mechanical Department is mandated to compare working hours of pumps against fuel consumed to ensure there is accountability and value for money. All records are then compiled and presented for audit purposes, the NDIA stated.

But reports reaching this newspaper have indicated that in the current dry weather the fuel bill is higher than that of the rainy season.

Additionally, farmers in Region Two and the Mahaicony areas have observed that the amount of work being done by NDIA machinery is minimal in comparison to the fuel requisitioned.

Conflict of Interest Issues

With regard to the report's claim that the Senior Section Engineer, Mr. Aneel Chowbay did not declare a conflict of interest and continued to prepare contract documents and certify payments, the NDIA stated that this is totally untrue as contracts for Mr. Kaydar Persaud are prepared by the Procurement Department only and payments are certified by the Head of the Engineering Section and the Head of the Mechanical Department, those persons not being Mr. Chowbay.

Further, Mr. Kaydar Persaud's contract was awarded after public tendering was done. "It would seem that the Field Auditor's claims were based on his opinion rather than facts."

The NDIA stated that there is no need for the CEO, NDIA to relinquish his functions as he has never usurped those functions.

The Procurement Department was in fact established by the CEO, NDIA during his tenure in office for this very purpose.

<http://www.kaieteurnewsonline.com/2012/10/16/ndia-challenges-audit-report/>