

Abstract

The Contract Awards Practice in Local Government

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Government spends in excess of six hundred million dollars every year through Local Government (Estimates of the Revenue and Expenditure of the Statutory Boards and similar bodies and of the Tobago House of Assembly for the Financial year 2002, prepared by the Ministry of Finance). These funds are used to carry out the many duties that Local Government is legally bound to perform in harmony with the Municipal Corporation Act 1990; Central Tenders Board Ordinance 1961, and Exchequer and Audit Act.

Inadequate human, equipment and financial resources and expediency have necessitated the contracting out of a sizeable percentage of the services rendered by Local Government. The contracting out of these services however, has been done under a cloud of accusations of incompetence, nepotism, cronyism and corruption.

With more than half a billion dollars being allocated to local government it is crucial that the awarding of contracts by this arm of government be carried out in an impartial, efficient and lawful way. Contracts must be granted in a manner that not only meets the legal requirements but also ensures that the burgesses, citizens and taxpayers as a whole do receive maximum benefit from monies invested in Local Government.

And so it is against this background that we must now critique the contract awards practice in local government.

To appreciate what is taking place today we will first review the early days of local government in Trinidad and Tobago. Then, we must examine the legal framework which governs the awarding of contracts within local government (See Appendix 1). This will require an examination of the role of the Central Tenders Board, the Local Contracts Committee and the authority of the Chief Executive Officer.

Upon understanding the rudiments of contract law and the regulations that hold sway (which inadvertently will include various codes of conduct and regulations on ethics) we must find out first hand how contracts are awarded at these Municipal Corporations.

Our goal is to find out whether there is fair play and integrity and a general adherence to the regulations that govern the awarding of contracts in local government. To determine whether all relevant regulations are strictly adhered to, extensive use of the Auditor General's Report will be made.

It was observed that there is a blatant disregard for the legal framework that governs the awarding of contracts. While there are a number of pieces of legislations, regulations and codes of conduct that demand that public officers maintain high ethical standards these are almost never enforced. There are also regulations that serve as a muzzle and prevent officers from disclosing information that can help stem the tide of corruption.