



# AUDIT REPORT on COVID-19 Transportation Stimulus Initiative



Office of the Auditor General  
Road Town, Tortola  
Virgin Islands  
21 June 2024

### **Special Report of the Auditor General**

This report has been prepared under section 20 of the Audit Act 2003 which prescribes that:

- 20. (1)** The Auditor General may at any time prepare and submit a special report to the Governor if she is satisfied that there is a matter that should be brought to the attention of the Governor.
  
- (2)** The Governor shall, within three months of the receipt of the special report, cause the report to be laid before the Legislative Council.
  
- (3)** The Auditor General shall at the same time as submitting the special report to the Governor submit a copy of the special report to the Minister and the Financial Secretary.

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## Introduction

1. On 28 May 2020 the then Premier, Andrew Fahie, announced that the Government had allocated \$1M of a Social Security Grant to (among other things) engage local licensed taxi operators to provide the Park & Ride shuttle service in Road Town, as well as to transport returning nationals and residents to Government quarantine facilities.
2. The details of the initiative included quarantine transportation programmes on the sister islands and the transformation of the traffic routes in Road Town.

### Audit Mandate

3. This audit was undertaken under the Audit Act 2003, which requires the Auditor General to examine transactions, books and accounts, and other financial records of Ministries and Governments departments. The Auditor General shall monitor compliance with the requirements of any Act governing the management and control of public money and public resources.
- 3.1 The audit was also carried out on Recommendation B13 of the Report on the British Virgin Islands Commission of Inquiry.

### Objective

- 3.2 The purpose of the audit is to provide transparency on the spending activity that occurred under this programme.

### Audit Scope and Methodology

- 3.3 The examination included a review of promulgated public policy with respect to the programme, documents and files obtained from the Ministry of Finance, Cabinet Office and verification of payment activity through the Treasury System. Interviews were performed with key persons in the Ministry of Transportation and the Police Force either in person or via questionnaires. The expenditure and payments quoted in this report are as at 22 June 2022

### Authorisation and Administration

4. The Premier's announcement was supported by Cabinet's May 27<sup>th</sup> decision which approved \$900,000 for the City Transportation Programme Initiative. Cabinet memo No. 175/2020 stated that initiative was to cover costs related to:
  - a. The redirecting of traffic in Road Town;
  - b. Shuttle service from the festival grounds (Park & Ride programme);
  - c. Quarantine bus service for returning Nationals and Residents;
  - d. Transportation initiatives on the sister islands of Virgin Gorda, Anegada and Jost Van Dyke;
  - e. Hiring personnel for the programmes; and
  - f. Purchasing two electric shuttle buses (\$90,000);

5. The COVID-19 Transportation Programme was administered by a coordinating committee (The Committee) that included the Permanent Secretaries in the Premier's Office and Ministry of Transportation and Works, the Director of Trade, Investment Promotions and Consumer Affairs and the Director of Tourism (or any person designated on their behalf). It also included the Chairman of the Taxi and Livery Commission.
6. There were essentially four programmes covered by this initiative. These were the:
  - a. Park & Ride City Shuttle programme in Road Town,
  - b. Quarantine Transportation service (including boat charters to Sister Islands),
  - c. Traffic Warden programme, and
  - d. Electric Vehicle Purchase.
7. The Committee established guidelines for the administration of the Park & Ride City Shuttle and Quarantine Bus and Transportation Services. Two Assistant Secretaries in the Ministry of Transportation and Works supervised the administration of these programmes. The Traffic Warden programme was managed by the Police Department.
8. The COVID-19 transportation stimulus initiative was different to the other stimulus programmes in that the payments made under this initiative were not grants, rather the participants were paid only for services provided. Fixed rates were adopted for each programme, except for the boat charter service which was based on going industry rates. Payments were processed from the Premier's Office. Below is a summary of the expenses.

Payment Summary	
Description	\$ Amount
Park & Ride Taxi Programme	344,652.80
Quarantine Transportation Service	895,035.82
Traffic Warden Programme	31,305.00
Purchase of Electric Vehicles	81,504.00
<b>Total</b>	<b>1,352,497.62</b>

## Park & Ride Taxi Shuttle Programme

9. The Park & Ride shuttle programme was adapted from a December 2019 test pilot and incorporated into the COVID-19 Economic Response plan. Its dual purpose was to reduce vehicle congestion in central Road Town and provide employment for taxi operators affected by the border closures. The programme operated from Monday to Friday, 6:00 a.m. to 6:00 p.m., offering a free hop-on-hop-off service between Slaney roundabout and Port Purcell roundabout.

10. Taxi operators were paid at a rate of \$150 per day, which translated to \$750 per week. The dispatchers kept daily records of the participating operators and their hours which were used to authorize payment. The Treasury records indicate that 103 taxi operators (including dispatchers) received payments varying from \$450 to \$5,700 for a total of \$302,194. One hundred and one (101) of the taxi operators participating were verified as licensed in the Trade Department's records.
11. Other costs related to the Park & Ride programme included tent rental, provision of drinking water, rental of portable toilets and promotional services (such as billboards and signage) indicated below.

<b>Park &amp; Ride</b>	
Taxi Operators	302,193.75
Tent Rentals	12,800.00
Drinking Water	7,059.05
Portable Rest Rooms	11,200.00
Promotional	11,400.00
	<u>344,652.80</u>

12. Ten taxi drivers were assigned each day. Spreadsheets were provided for the audit, indicating that a total of 155 passengers a day (average) were transported. The numbers varied from an average of 115 passengers per day during the week of 12-15 October 2020 to a daily average of 209 in the week of 15-19 February 2021. This suggests that each taxi transported an average of 11-20 passengers a day. We were unable to verify the authenticity of the passenger numbers submitted.
13. During this period, the Government purchased two electric vehicles for long-term use in the city transportation Park & Ride shuttle programme for a total cost of \$81,504. These vehicles were later supplemented with four additional ones in 2022 when the programme was officially adopted and launched.
14. Of the four programmes under this initiative, the Park & Ride taxi programme was implemented primarily to create employment. For its second objective, relieving city congestion, no metrics were provided to assess success, and there are no indicators to determine an actual reduction in traffic within the capital. There were, undoubtedly, members of the public who benefitted from having the service available, in particular, persons living or working in or near the outskirts of the capital.

## Quarantine Bus Service

15. The Quarantine Bus Service provided transportation for returning nationals and residents from the airport to their approved destinations which could be either at their home or designated hotels. The Government equipped participating buses with drop screens to

separate the driver and passenger areas. Passengers and drivers were required to follow safety measures, including mandatory mask-wearing and physical distancing. Regular bus sanitization and limited passenger capacity were also enforced. Returnees who needed to travel on from Tortola to sister islands were also provided charter boat services.

16. Passengers received free transportation services under the quarantine bus program. The Government paid taxi drivers fixed rates of \$150 per day on Tortola and \$100 per day on sister islands. Although some cases were observed where operators on sister islands also received payments at the higher rate. Boat charter operators were compensated at their normally applied rates.
17. During the period 29 June 2020 to 26 February 2021 a total of \$642,075 was paid to 66 taxi drivers and \$244,250 to 6 quarantine boat operators.
18. The overall cost of the quarantine bus and boat charter service was \$895,036 as shown below.

<b>Quarantine Bus Service and Boat Charters</b>	
Quarantine Bus Service Tortola	385,350.00
Quarantine Bus Service Sister Islands	256,725.00
Quarantine Boat Charters	244,250.00
Taxi Drop Screens	7,345.00
Gas	1,365.82
	<u>895,035.82</u>

19. This programme accounted for 99.45% of the approved \$900,000 budget.
20. The decision to implement and fully subsidize quarantine transportation for returnees was driven by public health concerns. It sought to minimize returnees' contact with others during transit, enabled more effective tracking, and facilitated health authorities in controlling the movement of potentially infected individuals.
21. After the Phase 2 reopening in December 2020, which opened the borders to tourists and visitors, the taxi operators were required to complete a commute log with the names of each passenger, their destination and their contact details. During the Phase 1 reopening for Nationals and Residents, dispatch was performed by the Livery Commission. We did not receive the dispatch and transportation records for the Phase 1 period.

## Traffic Warden Programme

22. In June 2020, the Government made significant changes to traffic routes in Road Town. Waterfront Drive and De Castro Street became one-way traffic zones, and the flow of traffic on Main Street was reversed. Traffic wardens were deployed to enforce these changes and ensure compliance by motorists and pedestrians.

23. The wardens were compensated at a rate of \$10 per hour from 19 June to 3 August, 2020. Payments totaling \$30,705 were made to 22 traffic wardens in the programme. Individual payments for the period ranged from \$40 to \$2,980. Additional costs included providing safety vests.
24. The programme was supervised by the Traffic Division of the Royal Virgin Island Police Force. Assignment schedules were prepared and an officer conducted inspections to verify that the wardens were at their stations.
25. The total cost for this programme was \$31,305 as indicated below. The actual payments exceeded the budget of \$24,000 as wardens were on site for a period of 6 weeks as opposed to the budgeted two weeks. There were no noted discrepancies in the amounts.

<b>Traffic Wardens</b>	
Wardens	30,705.00
Safety Vests	600.00
	<u>31,305.00</u>

26. Although incorporated into the COVID-19 Transportation Initiative, the traffic warden programme was a necessary part of the traffic transformation process to ensure public safety and would nonetheless have been required during implementation of those changes.

## Other COVID-19 Assistance

27. In addition to participating in the COVID-19 Transportation Initiative, taxi operators also received assistance grants under the stimulus programmes being offered by the Government or engaged in other employment arising from the pandemic. The below schedule indicates the areas where persons benefited from assistance or employment.

<b>Type of Assistance</b>	<b>Amount</b>	<b>No Persons</b>
Farmers and Fishermen Grants	263,000.00	18
HOA Assistance Grants	70,930.48	39
SME Business Grants	240,203.00	40
	<u>574,133.48</u>	

<b>Type of Employment</b>	<b>Amount</b>	<b>No Persons</b>
Garbage Collection	28,500.00	6
Security	78,192.00	1
	<u>106,692.00</u>	



## Conclusion

28. All of the programmes under this initiative operated as intended. Payments were made for services rendered. Notwithstanding, the overall cost exceeded the approved budget of \$900,000 by \$452,498 or 50%. While the quarantine transportation and traffic warden programmes were in some measure necessary, the Park & Ride programme with taxi operators could have been limited to the three month initial period stated in the guidelines or discontinued at the beginning of Phase 2 of the border reopening.

## Recommendation

29. The government in implementing programmes should ensure that measurable outcomes are incorporated to enable adequate assessment of the programme's performance.
30. There should be greater effort to ensure that budgets are not exceeded.

Auditor General  
Government of the Virgin Islands

## Appendix

Budget  
(for a 90 day / 3 month period)

Item	Quantity	Amount	Total	Description
Traffic Flow Assistants	30	\$80/day	24,000.00	2 weeks/10 days (M-F), in the first instance
Vests High Visibility Safety (Traffic Flow Assistant)	30	\$20/vest	600.00	PPE for Temporary Traffic Flow Assistants
Tents and Water Coolers at Park & Ride Depot	2	\$500	500.00	Purchase of tent and coolers for use at Festival Grounds Bus Depot
Advertisements	1	\$5,500.00	5,500.00	Flyers, Electronic Media, Billboards Radio Online
Magnetic Decal	15	\$120.00/door	3,600.00	Park & Ride Lo o door decal
Retrofitting of Buses	25	\$740/bus	18,500.00	Retrofitting of Buses used in Quarantine Bus Service with Plexiglas barrier
Taxi Operator with Bus Tortola	10	\$150/day	135,000.00	Quarantine Bus Service on Tortola 90 days 10 buses/day 150/day
Taxi Operator with Bus Sister Islands	5	\$100/day	45,000.00	Quarantine Bus Service on Sister Islands - 90 days, 5 buses/da \$100/da
Park & Ride Bus Operator	10	\$150/day	15,000.00	Park & Ride operator with vehicle 10 vehicles per day 90 days
Taxi Operator Driver only	2	\$120/day	211600.00	Driver of Electric Bus (2) 90 days 2 buses/da \$120/days
Purchase of Electric Buses (NEW)	2	\$43,430.00/bus	86,860.00	Cost of two (2) new Moto EV Electro Transit Buddy, 15 passengers with AC and Doors
Maintenance	1	\$3,500	3,500.00	Maintenance and Repairs to Electric Buses
Cleaning of restrooms Festival Grounds	1	\$50/day	4,500.00	Festival Grounds Restrooms (90 days)
Porta-Potty	2	\$1,400/month	4,200.00	Rental (supply) and service of portable restroom; includes sink, hand sanitizer, deodorant chemicals for toilet, toilet paper and cleaning service.
Traffic Signs read - made	30	\$84/sign	3,500.00	Procurement of new Traffic Signs
Road Marking Paint (by 5 gallon bucket)	50	\$227.00/bucket	1 11340.00	Materials for application of new road markings and deletion of old road markings 50 buckets
Electricity	1	\$200/month	600.00	Cost of electricity consumption 90days
Bottled Drinking Water 160z.	40	\$10/case	400.00	Cost of drinking water for Traffic Assistants and Park & Ride Operators
			\$384,200.00	

City Transportation Programme Initiative