

The Government Minute

On the Report of the Standing Public Accounts Committee on the
Special Report of the Auditor General on the
Scrap Metal Tender and Contract with Matrix International

By the Honourable Minister for Finance, Tourism & Development
W. McKeever Bush, OBE, JP

INTRODUCTION

Madam Speaker, in accordance with the requirements of Section 77(7) of the Legislative Assembly Standing Orders (1997 Revision), the Government Minute on the **Scrap Metal Tender and Contract with Matrix International Inc.** is hereby being presented to the Legislative Assembly.

The Government Minute constitutes the Government's response to the Report of the Public Accounts Committee (PAC) on the Special Report of the Auditor General on the **Scrap Metal Tender and Contract with Matrix International Inc.** That PAC Report was laid on the Table of this House on **25th March 2010.**

Madam Speaker, the statements contained herein should be regarded as that of the Government, and are based on the views and information gleaned by the respective Chief Officers, Heads of Departments and Managing Directors within the Cayman Islands Public Service.

THE GOVERNMENT MINUTE

Madam Speaker, although, the Ministry of District Administration, Works and Gender Affairs (DAW&GA) was not responsible for the Department of Environmental Health (DEH) during the time that Matrix International Inc was contracted to remove scrap metals, the Ministry broadly accepts the findings and recommendations of both the Special Report of the Auditor General (dated August 2008) and the 2009 Session of the Legislative Assembly Report of the Standing Accounts Committee on the Auditors General's report.

The Ministry of DAW&GA has a policy to ensure that all of the tenders issued by its departments, including the DEH meet full compliance with the Central Tenders Committee (CTC) requirements and regulations. The evaluation and weighting criteria are included with all tender documents and properly enforced during evaluation of the established criteria, as referred in section 1.08 of the Special Report of the Auditor General.

Madam Speaker, regarding section 1.09 of the Special Report of the Auditor General, although the DEH was in compliance with the law regarding advertising times, the DEH last year advertised subsequent tenders for at least three or more weeks, locally and internationally. This extended advertising process incurs more expenses and time; however, it was also implemented recently with a scrap metal tender being awarded to a locally incorporated company in partnership with an overseas company.

The Ministry of DAW&GA already has in place all of the relevant recommendations of the Special Reports with regards to the CTC tendering and evaluation process. The CTC scrutinizes all appropriate tender documents prior to publication and adheres to the evaluation protocols as required by law. All departments that falls under the Ministry of DAW&GA must be in compliance.

The issue of better communication between the expectations of the Ministry of DAW&GA and the Legal Department has been established. Appropriate discussions and disclosures as to the intent and purpose of the overall project are clearly discussed between the agencies in an effort to obtain best value for the government.

In the Report of the Standing Public Accounts Committee, the Ministry of DAW&GA supports the statement of the Director of the DEH in section 5.2 concerning the main objective now is to get rid of the scrap metals currently at the landfill site and to establish a structured program in the future. To this end, the Ministry of DAW&GA and the DEH facilitated a tender through the CTC and awarded a successful contract for the removal of 6,000 tons of scrap metals from the landfill for a value of CI\$300,000.

It is anticipated that future tenders and contracts will be appropriately published and awarded through the CTC for the continued processing, sale and removal of scrap metals from the Cayman Islands and all will be in full compliance with the relevant laws and regulations.

ACKNOWLEDGEMENT

In closing, Madam Speaker, the Government wishes to express its thanks to the Chief Officer and staff of the Ministry of DAW & GA for their assistance with the compilation of this Government Minute and for their support in the implementation of the initiatives contained within.

Thank you.