



MEDIA RELEASE

Office of the Auditor General Solomon Islands Government

Performance Audit Report Management of the Government Motor Vehicle Fleet

The Office of the Auditor General (OAG) has conducted a performance audit of the management by the government of its motor vehicle fleet. Although this is the first audit specifically focused on motor vehicles, in the past OAG reports have highlighted waste and dubious practices surrounding government vehicles. These reports have shown a consistent disregard for the rules regarding the acquisition, use and disposal of vehicles and highlighted the importance of addressing these issues.

The performance audit disclosed many significant issues in the manner in which ministries operated their motor vehicles. The lack of adequate systems and processes, as well as documentation to evidence and support key management activities was a major concern. The audit findings included:

- OAG fieldwork identified an extensive misuse of government vehicles for private purposes by government employees, in contravention of the requirements of the Public Service Vehicle Rules.
- Auditee ministries do not develop soundly argued and rigorous business cases for new vehicle acquisition and supplier selection, and there was inadequate documentation held in support of these processes.
- OAG identified a common practice whereby officers retain their vehicles after leaving a government post, despite the cessation of their entitlement to the vehicle.
- There exists a wide practice in ministries of home garaging government vehicles by employees, a significant component of which is in breach of the Public Service Vehicle Rules.
- The government vehicle fleet does not comply with the vehicle standardisation policy as it comprises a wide range of vehicle types outside those approved by Cabinet.
- The Ministry of Infrastructure Development (MID) no longer has a central vehicle management policy that details the overall objectives and priorities for the vehicle fleet. This is needed to provide guidance for ministries in managing, monitoring and operating an efficient fleet.
- In 2009 MID incurred expenditure of \$978,000 on vehicle hire. Long term vehicle hire is expensive and is currently used to satisfy the shortfall in vehicle requirements for permanent secretaries and constitutional post holders.
- Ministries complained of a loss of MID workshop technical capability and significant delays in MID approving and servicing ministry vehicles. Ministries noted that maintenance funding was inadequate and that their fleets contained a large number of vehicles that were in poor condition.
- Most ministries operated their vehicle fleets with an almost complete lack of useful management information eg. maintenance records were poor or nonexistent and data on vehicle usage was not captured. The absence of readily available information on the condition, maintenance and use of vehicles adversely impacts on the ability of ministries to properly manage and control their fleets.

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