



Report on the Examination of Public Contracts Issued To
Claude Skelton Cline (dba Grace Consulting & Grace Center)
From 25 March 2019 to 17 September 2021



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. In February 2019 the Virgin Islands Party (VIP) regained control of the Government of the Virgin Islands after being in opposition for two consecutive terms. Their Manifesto outlined a comprehensive list of priorities and objectives to be accomplished in the short and long term. These included (but were not limited to) tourism enhancement, food security, agri-tourism, small business development, job creation, youth support and development, environment and energy, digital future and continuous economic research, planning and market reform.
2. The new Government was sworn in on 26 February 2019. A month later on 27 March 2019, Claude Skelton Cline (Cline, the Consultant) was engaged on the first of three consecutive contracts.
3. Claude Skelton Cline is a familiar persona in the political landscape in the Virgin Islands and is known to alternate his affiliation with the two major political parties in the BVI. He was first engaged by the Government in October 2008 by instruction of the then Minister of Education Andrew Fahie (VIP), under a contractual arrangement to spearhead a youth development programme which was not completed.
4. Under the National Democratic Party, he was an unsuccessful candidate in the 2011 General Elections. The party, however, gained control of the Government and Cline was engaged as a consultant on cruise port development and other matters. He was contractually appointed to the position of Managing Director at the BVI Ports Authority from 1 December 2012 – 30 November 2015. The arrangement ended when Cabinet decided not to approve renewal of the contract.
5. Cline served as a leading spokesperson on the VIP's campaign trail leading up to the February 2019 General Elections.
6. This report presents the results from examining contracts issued to Claude Skelton Cline dba Grace Consulting and Grace Center from 2019 to 2021.

Audit Mandate and Objective

Audit Mandate

7. This audit was undertaken under the Audit Act 2003 which require the Auditor General to examine transactions, books and accounts, and other financial records of Ministries and Government departments. The Auditor General is mandated to monitor compliance with the requirements of any Act governing the management and control of public money and public resources.

8. This audit is also carried out on Recommendation B22 of the 4 April 2022 Report on the British Virgin Islands Commission of Inquiry. The Commissioner recommended that a full audit of these contracts should be performed by the Auditor General or some other independent person or body instructed by her and a report on that audit be presented to the Governor.

Audit Objectives

9. The purpose of this investigation is to provide independent information and advice on whether efficiency, economy and effectiveness were achieved from the award and payment of contracts engaging Claude Skelton Cline.

10. The Report on the Commission of Inquiry stated terms of the exercise should include consideration of: (i) the evidenced work done by Cline under these contracts; (ii) the contractual obligations of Cline under these contracts, and any mismatch between those obligations and the work done; (iii) to the extent that he was not performing his contractual obligations, the circumstances in which Cline was paid out of the public purse; and (iv) whether the contracts provided value for money.

Audit Scope and Methodology

11. This examination included a review of relevant contracts issued by the BVI Government for various initiatives, programmes and projects.

12. Revision of contracts, regulations governing the award of contracts, policies, source of financing and analysis of payments recorded on the Government's accounting system were performed.

13. The Ministries' files maintaining correspondences, reports, invoices and other relevant documents were examined. Review of responses to interview questionnaires by key personnel within ministries, departments, statutory agencies, and the private sector was conducted.

14. Review of submissions and statements by the Consultant respective of the three contracts was performed.

Audit Limitations

15. Feedback was not received from some third parties mentioned in the Consultant's reports. These included My Justice Law, Miller Thomson and TerrAscend on matters relating to Medicinal Marijuana; LIFELabs.io on Fintech; and Caribbean Telecommunications Union on matters relating to Telecommunications.

Contractual Obligations

16. The contractual arrangement was initiated by Claude Skelton Cline's submission of a proposal to provide services. No efforts were expended to ascertain his qualifications to perform the proposed services or to obtain alternative submissions via a competitive process.

The Proposal

17. On 8 March 2019 (a week after the 2019 elections concluded) Claude Skelton Cline emailed a two-page proposal (the Proposal) to the Premier's Office offering his services as Chief Strategic Advisor (CSA) "to assist the office of the Premier throughout the strategic planning and execution of key initiatives." The Purpose of the consultancy was articulated in the Proposal thus:

The new government of the BVI has a very robust mandate defined in its manifesto. There are key components contained in that manifesto which require a particular skillset in order to maximize the potential of successes. In addition, critical time constraints exist which require the appointment of the CSA to be done expeditiously.

18. The Proposal outlined three specific areas of focus. These were:
- i. Climate Change: Advise on projects linked to climate resilience.
 - ii. 1000 Jobs in 1000 Days: Monitor the planning and execution that would ensure the delivery of 1000 jobs in 1000 days including assistance on small business development.
 - iii. Youth empowerment: Advise on the development and implementation of initiatives designed to empower youth including training.
19. It also proposed a list of duties and responsibilities for the Chief Strategic Advisor. These were:
- a. Formalizing and leading the strategic planning process, focusing on short- and long-term initiatives.
 - b. Translating strategies into actionable and quantitative plans.
 - c. Facilitating the execution of the strategy by working collaboratively with ministerial leadership, special committees, private sector, regional and international bodies, and consultants to support execution of key initiatives.
 - d. Monitoring the execution of the strategic plan.
 - e. Ensuring that strategic actions are completed at various levels to achieve desired results.

- f. Ensuring that appropriate metrics are in place to measure performance and progress towards strategic goals.
 - g. Acting as a key advisor to the Premier on critical changes in the political and external business environment that might impact current and future initiatives.
 - h. Establishing and reviewing key strategic priorities and translating them into a comprehensive strategic plan.
20. The Proposal was accompanied with a draft agreement which stated that the Chief Strategic Advisor would “on a non-exclusive basis” provide the following services:
- a. Consult and assist the Government, specifically the office of the Premier in identifying, evaluating, developing, communicating, executing and sustaining key strategic initiatives to meet the mandate of the office of the Premier.
 - b. Make himself reasonably available, at the Government’s request, to attend meetings or for conversations to discuss the business of the Government with other stakeholders and/or strategic partners in the British Virgin Islands, regionally and internationally as it relates to key initiatives identified by the Premier.
 - c. At the Government’s request, review proposals, plans, strategies, mission statements, proposed transactions and other plans for the purpose of advising the Government on the most viable avenues for growth and economic development in the British Virgin Islands.
 - d. At the Government’s request, be responsible for assessing whether strategic initiatives are in line with the Premier’s standards and objectives and advise the Premier of the problems and the progress of all major initiatives.
 - e. Advise the Government as requested in any other area where the Advisor may be able in order to help the Government execute its mandate, especially as it relates to key initiatives outlined in the 2019 manifesto.
21. The document included a proposed contractual period of 4 years at \$196,000 per annum (\$16,330.00 monthly). A remuneration that would place the Consultant’s pay above that of Cabinet Ministers and the Premier.
22. Both the Proposal and the draft agreement submitted by Cline placed the Consultant in an “advisory” role with no obligation or commitment to produce results and no requirement to demonstrate improvements or added value to the Public Service.

The Engagement – Initial Contract

23. *The Government engaged the Consultant without measurable deliverables. There was therefore no system or mechanisms for the Ministry to assess whether the service resulted in added value.*

24. Claude Skelton Cline (dba Grace Consulting) was engaged by the Premier's Office as a "Strategic Advisor" via petty contract PMO/005P/2019 two and a half weeks after submitting his Proposal. The contract stipulated a term of 6 months from 25 March 2019 and remuneration of \$16,330.00 per month with 5% end of contract gratuity.

25. The agreement named five specific areas of focus. Three that were submitted in Cline's Proposal and two additions as shown below.

- (i) Climate Change and renewable energy
 - Creation of a climate resilience and renewable energy unit
 - Advise on projects linked to climate resilience
- (ii) Jobs Program - 1000 Jobs in 1000 Days
 - Monitor the planning and execution that would ensure the delivery of 1000 jobs in 1000 days including assistance on small business development.
- (iii) Youth empowerment
 - Advise and the development and implementation of initiatives designed to empower youth including training
- (iv) Telecommunications
 - Lead on the negotiations with Telecoms providers for new terms of service provided to the Territory;
- (v) Prospect Reef.

26. The Prospect Reef deliverable was added without any accompanying detail as to the role the Consultant was being contracted to undertake. The contract took the form of an employment agreement which, among other things, allowed for leave days, recovery of expenses, and an end of contract gratuity.

27. Four of the five deliverables were left open with no definition of what would constitute satisfactory completion. The fifth, required the "Creation of a Climate Resilience and Energy Unit" suggesting that the Consultant was to present a proposal and comprehensive recommendations sufficiently progressed to allow the ministry to pursue approval with Cabinet and implementation thereafter.

Subsequent Contractual Engagements

28. *The Consultant's engagement was extended under two successive contracts with stipulated financial deliverables.*

29. The consultancy continued with major contracts, PMO/006M/2019 at \$12,000.00 per month and PMO/004M/2020 at \$9,000.00 per month. Each was for a period of one year.

30. The second contract which was signed on 2 December 2019, provided employment from 18 September 2019 to 17 September 2020. The Consultant's new assignment was to assist the Government in identifying and developing a portfolio of revenue generating initiatives. Under this contract the Consultant was responsible for developing and delivering a minimum of three initiatives that would generate a minimum of five million dollars in revenue to the Government.

31. The Consultant was to report directly to the Financial Secretary and indirectly to the Premier and Minister of Finance. The contract stipulated monthly reporting obligations as well as weekly progress updates.

32. Attempts by the Consultant to re-negotiate this second contract into a three-year term and higher monthly remuneration than the \$12,000.00 offered were not successful.

33. The third contract awarded to the Consultant on 26 November 2020 covered the period 18 September 2020 to 17 September 2021. This echoed the objectives of Contract 2 (to deliver 3 revenue initiatives generating income of \$5.0 million per year) and the basis of the assignment and services were unchanged. The remuneration was however reduced to \$9,000.00 per month and the submission of reports (including progress updates) was changed to quarterly.

34. The Financial Secretary in his comment to Cabinet advised that a tender should have been sought as the contractual values were above the petty contract threshold. He further cautioned that *"the reason for the waiver must be justified to ensure transparency, accountability and value for money are achieved. The established practice is to provide evidence that a shortlisting of established providers for comparison was sought, and that the contractor has provided similar goods and services in the past or that experts have deemed that the contractor a proven track record of delivery"*.

35. Nothing was however presented in the Cabinet Papers submitted by the Premier's to show that alternatives were sought or that the Consultant was qualified or equipped to satisfy the terms of these engagements.

Deliverables

36. *The Consultant's reports included a number of focus areas which were mentioned but not developed or advanced by the consultancy.*

Reporting Obligations

37. Clause 6 of each contract stipulated the deliverables required of the Consultant. This was supplemented by the "Terms and Responsibilities" provided in Appendix A.

- i. Contract 1 – Clause 6 of the first contract required the Consultant to *"deliver to the Government statements, strategic advice, reports, briefings, and other documents as particularized in Appendix A."* No reporting period is defined in either the contract or the appendix.
- ii. Contract 2 – The second contract stipulated that the Consultant was to deliver monthly reports to the Financial Secretary and Premier and other documents as particularized in Appendix A. The referenced appendix also required "Concise and insightful weekly updates and written reports" to the Premier and his Permanent Secretary.
- iii. Contract 3 – Under contract three the Consultant was to provide "Concise and insightful quarterly reports" to the Financial Secretary, the Premier and his Permanent Secretary.

38. During the term of the three contracts the Consultant submitted nine status reports. One at the end of the first contract, four during the period of the second contract, and four during the third contract.

39. A review was performed on the status of the assigned focus areas and the contribution made by the Consultant in advancing the same.

40. The audit verification exercise revealed significant discrepancies in the information submitted by the Consultant and the feedback received from stakeholders.

Virgin Islands Party's 2019 Manifesto Initiatives and Mandate

41. The Proposal submitted by Cline on 8 March 2019 directly linked his services to assisting the Premier's Office in meeting its agenda as set out in the Virgin Islands Party's 2019 Manifesto. The document presents the Mandate for the Party and a comprehensive list of objectives and initiatives that the new Government was to pursue. Cline's services and delivery are benchmarked against these as they provide detail to the summary objectives provided in the Contract. The Ministry has not provided any detail or direction on how the Consultant's services were otherwise assessed.

I. Climate Change and Renewable Energy

42. The Virgin Islands Party's 2019 Manifesto, which Cline used to present his services, made a pledge to, among other things, strengthen the protection of the environment and provide lasting solutions to major environmental problems affecting marine and land.

43. The document articulated 41 initiatives through which its agenda would be achieved. The five areas (below) were included in the Consultant's report to support his deliverables.

- i. Enhancing environmental tools for mitigation measures;
- ii. Using climate change adaptation measures and systems to reduce impact;
- iii. Encourage and support community and local NGOs for tree planting mangrove re-planting and other re-greening initiatives;
- iv. Supporting the Climate Change Trust Fund;
- v. Protecting the local mangroves around the territory and giving them careful restoration and conservation priority.

Creation of a climate resilience and renewable energy unit

Status: Not Advanced

44. Legislation for a Climate Change Trust Fund Board (the Trust) was passed in 2015 and Board members were appointed on 17 July 2017 in accordance with the requirements of the Act.

45. The objective of the Trust is to provide the mechanism and accountability structure through which the territory could source local and international funding to support national climate change investment strategies. The Trust would function as the implementing body for the Virgin Islands while also serving as a catalyst to attract investments.

46. The functions of the Trust are extensive, covering financing and support for all manner of projects related to climate change resiliency, risks mitigation and disaster response, recovery and rehabilitation.

47. The legislation also provides for an operational unit "Secretariat" led by a Chief Executive Officer with staffing to carry out the mandate of the Trust. This was never implemented. On 24 April 2019 the newly elected Premier summarily dismissed the entire board of the Trust which, at the time of writing, had not been replaced.

48. One of the Consultant's obligations under the first contract was to create a Climate Resilience and Renewable Energy Unit. Based on his report, this 'Unit' was interpreted to mean establishing the Secretariat as provided in section 22 of the Climate Change Trust Fund Act.

49. Performance of this objective meant taking the project to the point where the responsible ministry could pursue implementation. This would potentially require a policy statement, unit structure, requirements for human and capital resources and a possible timeline for implementation that could support a Cabinet submission for establishing the unit.

50. Upon completion of the first contract the Consultant reported that he had “met with staff at the Department of Natural Resources” and “reviewed existing documentation re: policies”.

51. The recommendation in his report stated “The stakeholders deemed the existing framework for the Climate Change Trust Fund Board and Climate Change Unit to be appropriate for achieving government’s objectives. What is required is for Cabinet to appoint the Board.”

52. The Consultant then identified three follow-up actions for this deliverable.

- i. Cabinet must make a decision and recommendation on the re-establishment of the Climate Change Trust Fund Board.
- ii. The Climate Change Unit will then proceed to be established accordingly.
- iii. Director of the Climate Change Unit must be selected and appointed.

53. Through the audit verification process, the Ministry of Natural Resources and Labour indicated that no meeting occurred between its staff and the Consultant. The Ministry confirmed that they received a request from the Consultant for a Climate Change Report on 5th September 2019 (two weeks before expiration of the contract) and the Consultant was sent two presentations and a fact sheet for familiarization purposes. He was also advised to avail himself to the Climate Change Trust Fund Act (2015). No further communication was received by the Ministry regarding this objective.

54. Despite the existence and availability of information, legislation and structure, the Consultant failed to develop these into a comprehensive product that would facilitate re-institution of the Climate Change Board and implementation of the Climate Change Unit. The matter was not progressed during the period of the consultancy which contributed nothing towards advancing this deliverable.

Advise on projects linked to climate resilience

Status: Not Advanced

55. This deliverable (to advise on projects linked to climate resilience) was presented by the Consultant in his Proposal and adopted by the Premier’s Office in the first contract.

56. The Territory’s vulnerability to climate change has been demonstrated in recent years with increases in the frequency and severity of flooding incidences and major hurricanes

impacting the islands. Given the topicality and importance of the subject matter, the scope for impact was significant.

Habitat Restoration

Restoration of Mangroves Throughout the Territory & Restoration of the Watershed in Cane Garden Bay

57. In his first report, Cline recounted having meetings with two local experts on restoration of the watershed in Cane Garden Bay and the mangroves “since these were identified as two suitable projects to urgently undertake for the protection of the BVI’s sensitive natural environment.”

58. His recommendation was that the two projects were deemed suitable for further investigation and that project outlines needed to be developed so that proposals could be sought. At that time both projects had already undergone extensive research and substantial work had been performed by subject experts.

Mangrove Restoration

59. The mangrove reforestation programme was introduced by the National Parks Trust (NPT) in 1999 (in conjunction with the Conservation and Fisheries Department). The Trust has since been the lead agency on this initiative which includes replanting of mangroves around the territory and protecting areas of growth. The project gained increased interest and involvement from the private and public sectors after the hurricanes of 2017 devastated the territory’s mangroves.

60. The Trust also participated in the Darwin Plus 085 project entitled “Post disaster restoration of mangroves” from 2019 to 2022 which occurred during the period of Cline’s consultancy. This was directed by the International Union for Conservation of Nature (IUCN) in partnership with the Ministry of Natural Resources (MNRL).

61. Cline was not a part of any of the planning, development or substantive work in relation to this project.

The Cane Garden Bay Watershed Programme

62. The Cane Garden Bay Watershed programme is part of the North Shore Integrated Coastal and Watershed Stabilization Project which was launched in 2015. The project was intended to address issues of flooding, sediment pollution and beach erosion in Cane Garden Bay and Brewer’s Bay. Work on this project commenced in March 2016 by a team of professionals from the Smith Warner International company and the Horsley Witten Group. The subject expert mentioned in Cline’s report had been hired by the team as the local consultant. She advised that the assignment was originally going to undertake four projects, two in Cane Garden Bay and two in Brewers Bay. The required research was completed in mid-2016 with the submission of comprehensive reports on

findings and recommendations for implementation. This was followed by the completion of one project in Cane Garden Bay. Although the funding was available the other three projects were inexplicably not commenced.

63. The North Shore Integrated Coastal and Watershed Stabilization Project was funded by the European Union's Global Climate Change Alliance Project on Climate Change Adaptation (CCA) and Sustainable Land Management (SLM). The project was being undertaken in the Eastern Caribbean and managed regionally by the Organization of Eastern Caribbean States (OECS) and locally by the Ministry of Natural Resources and Labour.

64. For both projects (mangrove restoration and watershed solution) the information, research and implementation data were available and could have been used to prepare proposals for Cabinet to add resources, funding and other support where needed.

65. The environmental experts named in Cline's report were contacted through the audit verification exercise. Both advised that the consultation meetings that were referenced in his reports never occurred. They had neither been invited to, nor had they participated in, any meetings with the Consultant. They did however confirm having brief informal conversations with the Consultant where minimal information might have been shared on the subjects.

66. One of the mentioned experts was a former member of the Climate Change Trust Fund Board and involved in the process of developing the legislation. She had initiated various projects and proposals on climate change and environmental management both in a private capacity and during a 12-year period where she was employed with the Conservation and Fisheries Department.

67. The other expert was the Director of the National Parks Trust (NPT), with prior engagements with the Government in performing environmental assessments and prior employment with the Conservation and Fisheries Department.

68. The failure to capitalize on the expertise of these individuals represented an important opportunity lost by the Consultant to obtain pertinent information that could have been used to push the projects forward.

Renewable Energy (Solar Farm Anegada)

69. The territory imports all its fuel needs and has not made any significant progress towards sustainable energy alternatives. The impact of this is felt by citizens at the gas pump but more acutely in the monthly electricity bills where the fuel surcharge component can be as much as 40% of a non-commercial electricity bill. The BVI Electricity Corporation has been actively researching and pursuing alternatives to fossil fuels.

70. The VIP Government in its 2019 Manifesto committed to making use of renewable energy, on a significant scale throughout the territory, a reality. It outlined 15 initiatives that would be pursued to achieve this. A solar farm on Anegada was not one of them.

71. The Anegada renewable energy project has been under consideration by the BVI Electricity Corporation for some time. The BVI Energy Policy tabled in the House of Assembly in 2016 noted that BVIEC had carried out preliminary assessments on the Anegada renewable energy project feasibility. The 2018 British Virgin Islands Resilient National Energy Transition Strategy report, also discussed the project, commenting that *“as part of this process, detailed evaluation will ensure the suitability of the proposed site in Anegada, and include requirements in the tender process to remove risks where possible in the construction and operation of the new resources.”* The information suggests that BVIEC was pursuing steps to transition the island of Anegada to renewable energy and would do so via a tender process.

72. In his status report dated 13 September 2019, Cline mentioned concluding discussions with the entity Power 52, which he said he had sourced for the purpose of establishing a solar farm on Anegada. This, he said, would follow a training programme at the H. Lavity Stoutt Community College (HLSCC) on Solar Panel Installation to equip BVI Islanders with the necessary skills for the industry.

73. The Consultant advised that the solar panel training curriculum had been submitted to the Ministry of Education for approval. He also recommended that BVIEC should review and sign a power purchasing agreement with Power 52.

74. Confirmation of these events was sought from the Power 52, BVI Electricity Corporation, HLSCC and the Ministry of Education & Culture. The parties responded unanimously that Cline played no role in the Power 52 renewable energy initiative.

75. Power 52 CEO Rob Wallace advised that:

- i. The Consultant was not responsible for sourcing Power52 with respect to a proposal for the establishment of a solar farm on Anegada in the BVI.
- ii. The Consultant did not facilitate and conclude discussions on a proposal for the establishment of a solar farm in Anegada, BVI. Nor did the Consultant facilitate and conclude discussions on job creation and training opportunities in solar panels and clean energy.
- iii. The Consultant was not involved in initiating and continuing this relationship and progressing the proposal.
- iv. Power52 did not provide a draft solar panel training curriculum to the Consultant.
- v. The Consultant was not actively involved in organizing the solar panel installation training program at the local college in collaboration with Power52.

76. In addition, both HLSCC and BVIEC advised that the programme was not in any way facilitated by the Consultant. The Permanent Secretary in the Ministry of Education stated that the Ministry has no record of receiving a draft curriculum from Cline.

77. During the period January to May 2021 HLSCC ran the Solar Technician Training Programme (STTP) for installation of solar photovoltaic systems. Accredited trainers for the course were provided by Power52 Energy Solutions through an agreement and memorandum of understanding. Financial support was primarily sourced through a grant from a non-profit foundation.

78. The information received from the Consultant does not provide any evidence to support his statements of involvement in the above activities and events.

79. The matter of climate change resurfaced at the end of the Consultant's third contract with fleeting discussions on the reconstitution of the Board.

II. 1000 Jobs in 1000 Days

Jobs Programme

Status: Progressed. Registration, training and some placements provided. Goal not achieved.

80. Unemployment among the territory's youth has been a national problem that the Labour Department and prior administrations have grappled with addressing. Feedback from prospective employers creates a picture of unprepared and unskilled youths who often have issues adjusting to the workplace. Ongoing unemployment impacts self-esteem and creates opportunities for involvement in antisocial activities.

81. The jobs programme initiative referred to as "1000 Jobs in 1000 Days" was included in the first contract PMO/005P/2019 and was the most publicized contractual obligation for the Consultant. This was also one of the VI Party's campaign and Manifesto promises.

82. The project objective as stated in the Consultant's report was "Creating opportunities and facilitating the placement of at least 1,000 Virgin Islanders in meaningful, non-permit jobs over the period of 1,000 days."

83. The contract required the Consultant to monitor planning and execution to ensure the delivery of 1000 Jobs in 1000 Days. In his first report Cline stated that he had:

- i. Worked with the implementation team to plan and launch the programme and continue registration of participants and businesses;

- ii. Held discussions with the energy company Power 52 on job placements and with the HLSCC for related training in respect to a proposed solar project on Anegada; and
 - iii. Obtained commitments from four major cruise lines for recruitment of Virgin Islanders aboard cruise ships.
84. The Consultant recommended that the “Programme needs to be sustained to meet the 1,000 jobs in 1,000 days target. This involves additional waves of registration of participating businesses and prospective employees.”
85. The 1000 Jobs initiative was launched on 21 August 2019 through coordinated efforts of the Premier’s Office and the Labour Department. Candidate’s registration and placement was managed by the Labour Department. The Premier’s Office was responsible for the compensation benefit component. The Ministry of Natural Resources and Labour (MNRL) confirmed that the Consultant spearheaded the creation and implementation group for the jobs programme but was not involved after the programme had been launched and the workshops completed.
86. Following the launch, a Workforce Training Boot Camp was hosted at H. Lavity Stoutt Community College from 9 to 13 September 2019 which, the Premier reported, was attended by over 200 job seekers. Attendance was mandatory for registrants of the job programme.
87. Training was also provided via the Employability Skills Training Programme in August 2021 and the previously mentioned Solar Technician Training Programme in January 2021.
88. As an incentive to prospective employers, the Ministry expanded the programme to include an employer 10% salary reimbursement benefit in November 2020. This was based on the employee’s salary over a period of at least 12 consecutive months. Employers could apply for this by completing the requisite forms, providing proof of the employment period and by demonstrating that the individual was a BVI citizen. The employer was also required to provide certificates of earnings from the Social Security Board, Inland Revenue, and National Health Insurance.
89. Neither the Premier’s Office nor the Labour Department provided any evidence of submissions by, or payments to, employers under this scheme. Additionally, monitoring employment retention was challenging as neither employers nor candidates provided employment status updates to the Labour Department.
90. At the end of the period a report was prepared by the Labour Department on the “1000 Jobs in 1000 Days” programme covering August 2019 to May 2022. This showed that there were 1,145 job seeking candidates registered and 194 placements.

Seafarers – Employment on Cruise Ships Initiative

Status: Progressed but Incomplete

91. The Employment on Cruise Ships initiative sought to create job opportunities on cruise lines for BVI Islanders and Belongers and tied to the 1000 Jobs in 1000 Days programme.

92. The Consultant reported that commitments had been expressed for recruitment and employment of locals for crew and staff from four (unnamed) cruise lines.

93. An “Update Summary” received from the Premier’s Office indicated discussions with two cruise lines. Prior to July 2019 conference calls were conducted with the first cruise line on recruitment packages, potential job offerings and an initial commitment of approximately 200 hires for entry level positions. The Update Summary indicated that a call was scheduled with a second cruise line in July 2019 but no information was provided on whether this occurred and no MOU’s were received to support the proposed commitments.

94. The initiative was pursued by a four-person working group that included representatives from the Premier’s Office, Ministry of Natural Resources, Labour & Immigration, Tortola Pier Park Ltd and the Consultant. The policy was drafted by the member from the Ministry of Natural Resources Labour & Immigration and shared with the group. Draft legislation “fueled by the Maritime Labour Convention under the ILO (International Labour Organisation)” was obtained and forwarded to the AG’s Chambers for review and modification. The VI Merchant Shipping (Maritime Labour Convention) Regulations, 2019 was passed in October 2019. The moderate progress achieved under this initiative was insufficient to generate any employment.

Power 52 Employment

Status: Not Advanced

95. This was discussed under Renewable Energy. Training was provided but no employment resulted.

Small Business Development

Status: Not Advanced

96. “Small Business, Job Creation and Entrepreneurship” was included as an area of focus in the 2019 VIP’s Manifesto intended to provide support to small businesses and facilitate their development needs. The document outlined 14 initiatives, including establishing a small business forum with website, setting up a small business Advisory Committee, and providing support to home-based businesses (with promotional fairs, a virtual marketplace, seminars and training). It also mentioned an entrepreneurship scholarship programme, Tax breaks for resale items and other potential legislative revisions. The Manifesto included a special initiative related to the development of a light manufacturing industry and related startup business hub to develop new manufacturing technologies and business ideas.

97. Small business development was appended as the last sentence in the job creation deliverable under the first contract.

98. The Consultant in his report provided the context to this deliverable as *“Develop a unique Centre for Innovation and Entrepreneurship that will inspire technological ideas, strategic, scientific and creative thinking for education, research and advancement.”* This context though taken from the Manifesto, related to the Party’s Goals for *“Information Communication Technology (ITC) – A digital Future* under the subheading *“Making ICT the backbone of Development”*. This meant that no direct focus was placed on the Party’s identified goals for small businesses support. Any overlap would be coincidental.

99. The Consultant reported his involvement in the Innovative Business Lab (IBL)’s FinTech Symposium as a contractual contribution to small business development. The IBL project had been in the works since 2016 and the Symposium had been scheduled and progressed under the prior administration. While the Consultant did not provide any strategic input, he attended meetings held by the steering committee and served as a host during the symposium that took place in December 2019. No information has been provided on what impact if any this has had on the Small Business Development.

100. Genuine opportunities to make impact on the Small Businesses Development initiative were available as the Policy Analyst in the Premier’s Office had met with the Consultant to discuss projects, strategies and policies undertaken for the development of MSMEs (Micro, Small and Medium Enterprises). No initiatives, projects or programmes were mentioned in the Consultant’s reports as arising from this meeting.

101. This was a missed opportunity to provide input and support for an industry (Small businesses) that needed it.

III. Youth Empowerment

Status: Not Advanced

102. National Youth Support and Development was pegged as the fourth priority in the VIP 2019 Manifesto which stated that *“the greatest wealth and strength of any nation is its youth.”*

103. The Manifesto outlined 10 initiatives to strengthen and empower BVI youths. These included a youth land bank, technical training and apprenticeship programme, youth membership on statutory boards, a youth payroll tax waiver, an annual national career convention, encouraging a career in policing, national aid for tertiary education, youth first home financing terms, youth pension jumpstart programme, and six youth centres.

104. The Consultant was engaged to advise on the development and implementation of initiatives designed to empower youth, including training.

105. The report submitted at the end of the first contractual period identified three tasks completed. These were the launch of the marine training programme; 1000 Jobs In 1000 Days and the Power 52 programme and associated training.

106. It has not been made clear which marine programme is being referred to in the Consultant's report as HLSCC has offered various maritime programmes and courses for more than 30 years enabling participants to obtain associate degrees and certificates of achievement.

107. In October 2019 HLSCC launched the Marine Professional Training (MPT) programme. This ensued after the college, in collaboration with industry stakeholders, underwent a post-Irma curriculum development process internally and with the assistance of external counterparts. The collaboration resulted in a programme offering high-quality career and technical training, representing a strategic shift to competency-based, employment-focused learning for the marine industry. The programme targeted BVI islanders or Beglongers new to the industry. HLSCC received grants from nonprofits and government organisations to support four cohorts of students from inception to present.

108. The feedback received from the college indicated that there was no interaction, conversations or collaboration with, or input from, the Consultant on the design or delivery of the MPT programme.

109. The other two areas identified are duplication areas previously discussed that are only incidental to this deliverable.

110. Youth empowerment agenda falls under the Department of Youth Affairs and Sports. The department pursued a host of programmes leading up to, and during, the consultancy. These included GenY Factor Singing competition, development of the Be YOUTH Center, Creative Learning Programme, youth forums, DYAS VOICE and motorbike safety. The Consultant did not contact the department in order to offer strategic input on the existing programmes or the development and implementation of future ones.

IV. Telecommunications

Status: Not Advanced

111. The territory has a history of telecommunication deficiencies which can potentially have a deleterious effect on its Financial Services industry. This was made worse with the passing of the 2017 hurricanes where much of the supporting infrastructure was damaged. The VIP's 2019 Manifesto identified Information Communication Technology (ICT) as an area requiring attention. The initiatives outlined in the Manifesto included, working with service providers to:

- i. Supply cheaper costs and more bandwidth,
- ii. Provide resilient services in the face of disasters,

- iii. Ensure that the Virgin Islands offers services to its residents comparable to anywhere.
- iv. Provide businesses with services to attract investment such as fiber optics.

112. Cline's was required to "lead on negotiations with Telecoms providers for new terms of service provided to the territory" as agreed in the March 2019 contract. The Consultant restated this in his report to – "liaising with the various service providers and identifying key impediments to achieving Government's overall objectives."

113. There were no tasks reported as completed at the end of the contractual period and there were no proposals either to or from the service providers on the desired improvements. The Consultant instead reported receiving a briefing from the Telecommunications Regulatory Commission (TRC), meetings with Caribbean Telecommunications Union (CTU) and meetings with two local providers. No details were provided on summary discussions, major takeaways or progress made from the various meetings.

114. As the independent regulator of the industry, TRC has responsibility for negotiating with service providers. TRC confirmed in October 2022 that it had recently completed unitary licenses with the assistance of an external agency that had been brought in through collaboration with its legal team.

115. In addition, the below documents were submitted to the Premier's Office from the CTU.
- i. Proposal to the Ministry of Communications & Works GVI for preparation of a National ICT Policy and Plan dated December 2016;
 - ii. Presentation on Overview of Consultancy to Develop a National ICT Policy, Strategy & Implementation Plan; and
 - iii. National ICT Policy, Strategy, and Implementation Plan May 2019 Draft 2.

116. In December 2020 the Premier's Office engaged CTU for provision of consultancy services for the review of the national e-governance legislation and to prepare a National ICT Policy Strategy and Implementation Plan.

117. This provided the Government with the level of expertise required to navigate what is a highly technical and rapidly evolving area.

V. Prospect Reef

Status: Partially Advanced

118. Prospect Reef Resort, located west on the outskirts of Road Town, was purchased by the Government in 2005 with the intention that it would be redeveloped into an upscale resort and hospitality training center. Legislation was put in place and a board appointed to guide the process and to convert the aged premises into a state of the art facility with hotel, restaurant and

conference center that would cater to business and leisure visitors while serving as a training arm for HLSCC hospitality studies.

119. The venture encountered a number of challenges, including financing. In the ensuing years the project remained in limbo while attempts were made to attract an investor to pursue the development. Minimal services were provided including the Dolphin Discovery (Swim with the Dolphins) programme which served as a popular tourist attraction. The property was destroyed by Hurricane Irma in September 2017 and has remained a disaster site since.

120. In July 2017 the former administration signed an agreement for redevelopment of the resort. This involved financing, developing and operating the facility. This arrangement did not materialise. At the time of Cline's engagement, the new Government was in dialogue with the investor/developer but to no avail.

121. The Consultant was engaged to deliver in this area but the contract did not stipulate what his role would be. Cline reported his role as assisting in developing and implementing the programme of activities for attracting and selecting a developer and liaising with the developer during the project lifecycle.

122. He reported that he had amended the Request for Expression of Interest to develop the resort which was sent to the Attorney General for review. He did not indicate what the changes comprised, whether substantial (terms of engagement) or cosmetic (changing the dates in the document).

123. The Board for the Prospect Reef Management Company was not constituted during this initial contract. Members were appointed in October 2019 and again in March 2020, for a one-year term. In June 2021 vacancy notices were advertised for the chair, deputy chair and other members of the board.

124. In his September 2021 report Cline noted that preliminary proposals were received and passed to the relevant department. Five months later in February 2022 the former Premier stated that legal issues were hampering advancement of this project.

VI. Strategic Plan

Status: Not Performed

125. The contract also required the Consultant to establish and review key strategic priorities and to translate these into a comprehensive strategic plan. This, however, was not provided.

VII. Deliver 6 Revenue Initiatives Generating \$10.0 Million

Status: Not Achieved

126. The second and third contracts issued to Cline (2 December 2019 and 26 November 2020 respectively) stipulated a single objective - identifying, developing and delivering a portfolio of at least three revenue generating initiatives valued at a minimum of five million dollars within the one year contractual term. For the two contracts this translated into not less than six initiatives generating at least \$10 million in revenue. This was tied to the new administration's focus on new revenue generating initiatives for the upcoming budget and future budget cycles (Cabinet Paper 18 September 2019). Both contracts required the Consultant to report directly to the Financial Secretary.

127. Revenue initiatives refer to sources from which the Government earns income. These can occur via taxes, duties, sales, services, improved collection processes, or can be project or programme based. In effect, the Consultant had agreed to develop new viable proposals that would add to the Government's income.

128. The reports submitted by the Consultant during this two-year period mentioned a number of projects which were presented as having revenue potential. Some of these were "unsolicited proposals" received by the Premier's Office and passed on to him for review (eg. Cultural Heritage Vision Proposal and the Cyber Security Project and others). These submissions often included presentations, reports, draft agreements, policies, and other documents.

129. The Consultant failed to provide any analysis or assessment of the proposals (regarding their desirability, viability, likely impact or revenue potential). They were submitted on the faith of the sender and recommended as revenue streams. None of these were progressed.

VIII. Ad-Hoc and Non-Contractual Assignments

Status: No Evidence of Assignment. No Evidence of Progress on Assignments

130. Outside of the stipulated contractual obligations, the Consultant also reported attending meetings on other miscellaneous assignments. None of these, however, were brought to a conclusion. The reported activity under the first contract comprised:

- i. Meeting with prospective investors on a proposed development for Brandywine Bay for a boutique resort with a hospitality training facility and programme;
- ii. Facilitating meetings with stakeholders for a proposal to construct a floating berth at the Tortola Pier Park;
- iii. Seeking out subject matter experts, professional experts and potential investors for the regularization and development of a medical marijuana industry in the BVI; and

- iv. Examining the possibility of establishing two medical schools in the territory and determining the impediments to moving forward.

131. As with the first contract, much of the consultancy under the second and third contracts consisted of miscellaneous projects that had been assigned to Cline in an ad hoc manner to meet needs or address circumstances as they arose. The projects reported included initiating, facilitating or assessing:

- i. Unsolicited proposals received by the Premier's Office for a public/private partnership on a cultural heritage vision and cyber security.
- ii. Implementation of a multi-use business hotel at the Tortola Pier Park. This was first mentioned in Cline's third report (dated March 2020) and it was thereafter included in his four subsequent reports. Steps to commence this project actually occurred on 4 October 2019 with an Expression of Interest issued by the Pier Park. This generated responses from three entities. The BVI Ports Authority subsequently took over the project and appointed a committee to move it forward. The Pier Park's business hotel was hailed by Cline as a personal accomplishment and he repeatedly reported that it was initiated at the prompting of himself and the Pier Park's Business Development Manager. When contacted, the Business Development Manager advised that the project was initiated by the Management of the Pier Park and that she had no recollection of input from the Consultant.
- iii. A proposed initiative for the Anegada Waste Management. This proposed collaborative development was projected to addresses waste, water, food management and security on Anegada. This project was first mentioned by the Consultant's in his June 2021 report. His September 2021 report repeated the same information without mention of any progress or update.
- iv. A proposed aquaculture initiative. The aquaculture project was based on Clive Petrovic's 'A Proposal to Diversify the BVI Economy through Aquaculture' dated November 2020. It was to be developed through HLSCC's Marine Center and projected direct revenue to the Government by way of a licence fee. Mr. Petrovic noted that he had met with Cline who had expressed an interest in aquaculture and that he had provided the Consultant with a copy of his proposal.

132. The Consultant also reported being involved in COVID-19 reopening initiatives (Safe haven program, Tropical Ocean Airways and PPP Tracker), as well as acting as liaison with the special committee on cruise tourism and serving on the secretariat of an Economic Advisory Council (EAC) that was established by the Premier in October 2020.

133. There was, however, insufficient information to verify his level of involvement and contribution.

134. No information has been provided by the Premier's Office regarding the addition of the above assignments. The Consultant's reports indicate that his role was primarily attending meetings and reviewing documents. None of the projects have been advanced to implementation.

135. The assignment of these ad hoc projects had the effect of an unfocused and casual arrangement not representative of the monetary investment the Government had placed in the Consultancy.

136. A list of the areas of focus reported by the Consultant are in Appendix B.

Impact on Central Government's Revenue

137. Of the strategies with links to the Consultant's work, a budget was assigned only for telecommunications licences at \$700,000, \$6.5million and \$1million respectively for 2020 to 2022. There were, however, no reported collections under this head by the Government for the years mentioned.

Adherence to Contract, Procurement and Statutory Requirements

138. *The formalities required to modify the contracts were not adhered to. The records do not provide any information on how or why significant modifications were made to the contractual deliverables and reporting obligations.*

Amendments and Modifications to the Contractual Terms

139. Clause 16.1 on all three contracts addresses changes to the contractual terms. This clause states that "no amendment or modification of this agreement shall be valid or binding on any party unless it is made in writing and signed by the parties hereto and specifies the date on which such amendment shall come into operation."

140. Additional deliverables were reported under all three contracts. The Consultant advised in correspondence to the Audit Office that these had been assigned under a catch all clause in the contract that allowed the Premier to assign "any other matters." No such clause exists in the contracts.

141. For the first contract, the Consultant provided details on eleven focus areas versus the five that were agreed. In addition, several of the added areas undertaken in Contracts 2 and 3 were not relevant to revenue generating initiatives. These modifications were not in writing and duly signed by both parties. There was no documentation approving the additional focus areas.

142. The timing for submission of reports for the second contract was also adjusted from monthly to quarterly. This amendment was not in writing and signed by both parties as required by the agreement. This was an important modification as the change limited the Ministry's ability to properly supervise the performance of the contract.

143. No reasons were provided for the changes which were made even as the initial focus areas were not progressed to satisfaction.

Tender Waiver and Approval

144. *The Consultant was engaged on two additional contracts by way of tender waivers that were not based on exceptional or emergency circumstances.*

145. Public Finance Management Regulations 170(2) require that all contracts valued above \$100,000 to be either put to public tender or exceptionally released from this obligation by way of a Cabinet waiver. The first contract issued to Cline valued at \$102,879 (\$97,980 + \$4,899 gratuity) met neither of these requirements.

146. The Public tender is an important procurement control tool that is intended to ensure that the Government gets value on its major contracts, in terms of the project cost and the qualification and ability of the contractor. It serves as a vetting tool to ensure that the best possible option is selected and to give all qualified entities a fair and equal opportunity to be engaged in a transparent manner. Tender waivers are intended to be applied only in the most exceptional circumstances.

147. Tender waivers were obtained for the second and third contracts on 22 November 2019 and 12 August 2020 respectively. The narrative provided in the November 2019 Cabinet Paper did not discuss whether the deliverables had been achieved from the first contract nor did it comment on the Consultant's performance or accomplishments. It nonetheless recommended a second engagement tied to specific financial deliverables. The paper did not present any evidence of relevant qualification (finance or economics) or relevant professional background to provide comfort that there was reasonable expectation that this deliverable would be achieved.

148. The second request for a tender waiver (submitted to Cabinet on 12 August 2020) stated that the Consultant had performed his contractual duties (under the prior two contracts) to the satisfaction of the Permanent Secretary in the Premier's Office. The paper did not divulge any details of how he had satisfied the \$5.0 million new revenue initiatives that was the basis of the second contract or in what way the deliverables under the first contract had been achieved. Cabinet approved the waiver, and the third contract to the Consultant, with the same requirement to deliver new revenue initiatives valued at \$5.0 million.

149. Contracts 2 and 3 were approved to run consecutively from 18 September 2019 to 17 September 2021, each for a twelve-month period. The respective contracted values were \$144,000 and \$108,000 and included reimbursement for approved travel and accommodation expenses but no gratuity compensation. These contracts were signed by the then Premier and Minister of Finance on 2 December 2019 and 26 November 2020 respectively.

150. In October 2019, a month before the Premier made the first waiver request on behalf of the Consultant, the former Attorney General's issued correspondence to the Cabinet Office expressing concern over use of the tender waiver. In this he advised that the tender process is the default position which is mandatory rather than the exception and that need for waivers should be strongly supported stating that:

It must be pointed out that the tender process built into our regulations is intended to ensure that contracts are awarded on a basis of objective criteria, which ensures compliance with the principles of transparency, non-discrimination and equal treatment, the last of two of which are enshrined in the Virgin Islands Constitution Order 2007.

151. This advice was disregarded. The engagement was therefore conducted through a process that lacked objectivity allowing noncompliance with principles of transparency, non-discrimination and equal treatment. There was no regard for good governance and accountability in the use of public resources.

Statutory Obligations

152. *The contracts were approved without proper vetting to ensure that the statutory obligations were met.*

153. The first contract was issued to Grace Consulting while the second and third to Grace Center. Appended to the agreements were the 2019 trade licence and certificates of good standing registered to Grace Center.

154. The trade licence (issued to Claude O. Cline dba Grace Center) was renewed on 8 March 2019 and remained valid until year end. The certificates of good standing were dated after approval dates for Contracts 1 and 2. Social Security and National Health Insurance certificates were issued on the date of approval for Contract 2.

155. The Consultant did not have a valid trade licence at the time the third contract was issued. Thus, the licence for 2020 and requisite good standing certificates were not appended to this contract. The Department of Trade confirmed on 8 September 2022 that "Claude O. Cline dba Grace Center" was in arrears for trade licence fees for 2020 through 2022. Licences are renewable by 1 January annually.

156. In addition, the audit review confirmed that as at 15 September 2022 the Consultant had not filed and settled payroll taxes for the period October 2019 to September 2021.

157. The Financial Secretary in a memorandum dated 20 February 2018 to Permanent Secretaries, Commissioner of Inland Revenue and Accountant General issued directions to address such occurrences. He advised that outstanding Government fees and taxes were to be deducted from payments made to any person or commercial entity who were not in good standing. There is no evidence that efforts were made to recover the outstanding amounts from Cline's contractual payments.

Conclusion

158. Review of the documents, information and contracts suggests that the primary purpose of this consultancy was not to add value to the Government but rather to provide employment for the Consultant.

159. The records do not show any demonstrated effort by the Consultant to actually satisfy the deliverables stipulated in the contracts. The audit confirmation exercises performed indicate that much of the work reported or claimed by the Consultant was undertaken by persons and programmes independent of the consultancy. In a number of cases his association with the programmes was either fleeting or non-existent. The information in the Consultant's periodic reports was largely duplicated without demonstrating any advancement or effort to achieve progress. As a result, very little was gained from this arrangement and the Government failed to receive value for money on these contracts.

160. After a period of two and a half years, none of the initiatives stipulated in the three contracts have been delivered. Similarly, none of the ad-hoc "non-contractual" assignments have been realized. This is with the exception with the COVID-19 related initiatives that were self-determining. Substantial reports and information were received only where the Consultant was assigned as a part of a committee or working group. These documents were usually prepared by other members of those bodies as was the case with the supporting documents for the Seafarers programme and the report issued by the Economic Advisory Council.

161. The failure of the Premier's Office to adhere to the procurement regulations for competitive submissions resulted in substantial costs incurred on this (and other similar no bid consultancy contracts). It also created a disservice to other citizens who might be more properly qualified and more able to deliver the specific initiatives contained in the contracts.

162. The Government would have been better served by establishing different thinktanks or other mechanisms to address the areas identified under the three contracts. This would have availed the process to expert input and presented actionable results.

163. The decreasing contractual remuneration in each successive engagement suggests that the administration was aware that value was not being achieved from this arrangement.

Recommendations

1. The procurement regulations are intended to protect the Government and to secure value for money on goods and services procured by the public service. It is also intended to ensure equitable consideration of all interested qualified persons and entities when fulfilling a public procurement need. The practice of using exception clauses to circumvent the intent of the regulations should cease.
2. The application of exception clauses in the procurement regulations should be supported with compelling evidence of need and endorsed by the Attorney General and Financial Secretary.
3. A review system should be developed and implemented for monitoring consultants' performance and assessing the outcomes of consultancy contracts in relation to the contracted deliverables. Such evaluations should be done by a team, rather than an individual especially where a major contract is involved.
4. Where advice has been provided by the Attorney General, Financial Secretary, senior public servants or technical experts for Cabinet's consideration and decision, clear documentation should be provided on how this advice was considered or otherwise taken into account in the Cabinet papers and Cabinet decisions.
5. All persons and entities contracting with the Government should be properly vetted to ensure that the statutory prerequisites have been fulfilled. No arrangement should be entered into until these have been appropriately satisfied.
6. Consultants and contractors are bound by the terms of the contract. This is the basis upon which they will be assessed. Any changes to the contractual arrangement should be made in conformity with the terms of the agreement.
7. The practice of using public funds to engage consultants with misleading or unrealistic contractual objectives should cease. If a genuine need exists, the service should be advertised and candidates properly vetted and engaged on qualifications, experience and ability to deliver. Permanent Secretaries or the engaging agency should ensure that remuneration is commensurate rather than extortionate.

Appendix A

Schedule of Consultant's Reports

REPORT	DATE	TITLED	ADDRESSED TO
1	13-Sep-19	Status of Assignments to Grace Consulting Ltd	Honourable Premier A. Fahie
2	22-Jan-20	Status of Assignments to Grace Consulting Ltd	Financial Secretary
3	17-Mar-20	Status of Assignments to Grace Consulting Ltd	Financial Secretary
4	24-Jun-20	Status of Assignments to Grace Consulting Ltd	Financial Secretary
5	24-Sept-20	Status of Assignments to Grace Consulting Ltd	Financial Secretary
6	16-Dec-20	Status of Assignments to Grace Consulting Ltd	Financial Secretary
7	19-Mar-21	Summary-Status of Assignments	Financial Secretary (Acting)
8	22-Jun-21	Status of Assignments to Grace Consulting Ltd	Financial Secretary (Acting)
9	22-Sep-21	Status of Assignments to Grace Consulting Ltd	Financial Secretary (Acting)

Appendix B

Introduced in Report	Projects	Mentioned In Reports	Delivered/ Implemented
	Contract 1		
1	Climate Change	1,9	No
1	1000 Jobs in 1000 days	1,2	No
1	Small Business Development	1,2	No
1	Youth Empowerment	1	No
1	Telecommunications	1	No
1	Prospect Reef	1	No
1	Shores Development at Brandywine Bay	1,2,3	No
1	Pier Extension (Global Ports Holdings)	1,2,3,4,5,6,7	No
1	Medical & Recreational Cannabis	1,2	No
1	Medical School	1	No
-	Revenue Initiatives of \$5.0 Million (Contract 2)	-	No
2	Cultural Heritage Vision	2	No
2	Cyber Security	2	No
3	Tortola Business Hotel- Global Investments	3,4,5,6,7	No
4	Safe Haven	4,5,7	COVID-19 Assignment
4	Tropical Ocean Airways	4,5,6,7	No
-	Revenue Initiatives of \$5.0 Million (Contract 3)	-	No
6	Aquaculture	6,7	No
8	PPP Task Tracker	8,9	COVID-19 Assignment
8	Reopening Marine Sector	8,9	COVID-19 Assignment
8	Anegada Waste Management	8,9	No

The Consultant also served on a Special Committee on cruise Tourism and on the Secretariat of the Economic Advisory Council.

Appendix C

Schedule of Agreements

CONTRACT FOLIO #	1	2	3	TOTAL (\$)
AGREEMENT #	PMO/005P/2019	PMO/006M/2019	PMO/004M/2020	
ISSUED TO	Grace Consulting	Grace Center	Grace Center	
CONTRACT DATE	27-Mar-19	2-Dec-19	26-Nov-20	
CABINET APPROVAL/ TENDER WAIVER		22-Nov-19	12-Aug-20	
TERM	25-Mar-2019 to 17-Sept-2019	18-Sept-2019 to 17-Sept-2020	18-Sept-2020 to 17-Sept-2021	
DATE OF 1ST PAYMENT	24-Apr-19	10-Dec-19	27-Nov-20	
RATES PER MONTH (\$)	\$16,330	\$12,000	\$9,000	
CONTRACT VALUE (\$)	\$97,980	\$144,000	\$108,000	\$349,980
ACTUAL PAYMENT (\$)	\$113,650	\$144,000	\$108,000	\$365,650

Appendix D

Schedule of Payments to Grace Center

Payment Reference	Payment Date	Payment Amount (\$)	Cheque Reference	Remark	Grace Invoice
914891	24-Apr-19	16,330.00	761043	PMO/005P/2019 First Payment	23-Apr-19
916540	2-May-19	380.00	761700	*Travel Imprest	
916963	9-May-19	1,379.24	762116	P.Off REIMBURSEMENT (4/24/19)	
916963	9-May-19	70.00	762116	P.Off REIMBURSEMENT (4/24/19)	
918516	28-May-19	411.85	763292	P.Off REIMBURSEMENT 5/7/2019	7-May-19
918516	28-May-19	851.12	763292	P.Off REIMBURSEMENT 5/7/2019	7-May-19
918516	28-May-19	60.00	763292	P.Off REIMBURSEMENT 5/7/2019	7-May-19
918516	28-May-19	1,284.40	763292	P.Off REIMBURSEMENT 5/7/2019	7-May-19
918581	31-May-19	16,330.00	763668	PMO/005P/2019 PMT for May	23-May-19
921103	4-Jul-19	16,330.00	765524	PMO/005P/2019 PMT June 2019	21-Jun-19
922208	11-Jul-19	40.00	765921	P.O REIMBURSE CHRS MTG	
922208	11-Jul-19	1,235.00	765921	P.O REIMBURSE CHRS MTG	
922208	11-Jul-19	800.28	765921	P.O REIMBURSE CHRS MTG	
922208	11-Jul-19	210.11	765921	P.O REIMBURSE CHRS MTG	
922208	11-Jul-19	375.00	765921	P.O REIMBURSE CHRS MTG	
923367	25-Jul-19	16,330.00	767305	PMO/005P/2019 PMT July 2019	22-Jul-19
925676	26-Aug-19	16,330.00	768824	PMO/005P/2019 August Payment	22-Jul-19
927975	10-Oct-19	16,330.00	771489	PMO/005P/2019 Final Payment	18-Sep-19
932205	13-Nov-19	4,899.00	773826	PO - Gratuity PMO/005P/2019	18-Sep-19
938633	10-Dec-19	36,000.00	776526	PMO/006M/2019 1st,2nd,3rd PMT	26-Nov-19/ 4-Dec-19
939413	23-Dec-19	20.00	778975	PO- Reimburse Cayman JMC	5-Jul-19
939413	23-Dec-19	1,612.00	778975	PO- Reimburse Cayman JMC	5-Jul-19
939413	23-Dec-19	2,041.82	778975	PO- Reimburse Cayman JMC	5-Jul-19
942477	29-Jan-20	12,000.00	780732	PMO-PYMT #4 PMO/006M/2019	14-Jan-20
943896	17-Feb-20	12,000.00	781600	PMO-PMO/006M/2019	11-Feb-20
947468	26-Mar-20	12,000.00	784647	PMO-PMO/006M/2019 Payment #6	17-Mar-20
949058	13-May-20	12,000.00	786261	PMO-PMO/006M/2019 Payment #7	23-Apr-20
951616	8-Jun-20	12,000.00	788002	PMO-PMO/006M/2019 Payment #8	20-May-20
954366	9-Jul-20	12,000.00	789924	PMO-PMO/006M/2019 Payment #9	25-Jun-20
956203	31-Jul-20	12,000.00	791546	PMO-PMO/006M/2019 Payment #10	7-Jul-20
958173	25-Aug-20	12,000.00	793169	PMO/006M/2019 PYMT#11	18-Aug-20
962671	8-Oct-20	12,000.00	796732	PMO-PMO/006M/2019 Final Paymnt	17-Sep-20
969309	27-Nov-20	9,000.00	802627	PMO-PMO/004M/2020	21-Oct-20
970443	2-Dec-20	9,000.00	803108	PMO-PMO/004M/2020	16-Nov-20
976380	24-Dec-20	9,000.00	807217	PMO-PMO/004M/2020 Payment #3	17-Dec-20

Payment Reference	Payment Date	Payment Amount (\$)	Cheque Reference	Remark	Grace Invoice
978172	28-Jan-21	9,000.00	809092	PMO-PMO/004M/2020 Payment #4	14-Jan-21
980903	25-Feb-21	9,000.00	810411	PMO-PMO/004M/2020 PYMT#5	16-Feb-21
983396	29-Mar-21	9,000.00	812589	PMO-PMO/004M/2020 Payment #6	19-Mar-21
985360	21-Apr-21	9,000.00	813550	PMO-PMO/004M/2020	12-Apr-21
988936	28-May-21	9,000.00	816371	PMO-PMO/004M/2020 Payment #8	19-May-21
992800	23-Jul-21	9,000.00	818862	PMO-PMO/004M/2020 PYMT#9	23-Jun-21
992801	23-Jul-21	9,000.00	818862	PMO/004M/2020 PYMT#10	12-Jul-21
995634	30-Aug-21	9,000.00	821343	PMO-INV#PMO/004M/2020	16-Aug-21
998331	1-Oct-21	9,000.00	823266	PMO-PMO/004M/2020 Final Paymnt	24-Sep-21
		\$365,649.82	<i>*payment issued to Claude Skelton Cline</i>		

Office of the Auditor General
Government of the Virgin Islands
30 December 2022