

**Report of the Public Expenditure Review  
Committee on Rationalization of  
Government Expenditure Pertaining to the  
Ministry of Public Security**

**November 2023**



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# Report of the Public Expenditure Review Committee on Rationalization of Government Expenditure Relating to the Ministry of Public Security

## 1. Introduction

### 1.1 Composition of the Public Expenditure Review Committee Relating to the Ministry of Public Security

In terms of the Cabinet Decision No. 23/0256/604/030 and dated 06.02.2023, ten (10) Public Expenditure Review Committees (PERC) were established to rationalize the expenditure of ten key Ministries and to make recommendations to the Cabinet of Ministers, as per the Terms of Reference (ToR), given in **Annexure -1**.

The PERC established accordingly in relation to the Ministry of Public Security (MoPS) consists with the following committee members.

	Name	Designation	Capacity
1	Mr. W. A. Sarath Kumara	Deputy Secretary to Treasury	Chairman, appointed by the Secretary to the Treasury
2	Mrs. M. S. P. Suriapperuma	Additional Secretary, Ministry of Public Security	Member, nominated by the Secretary of the Ministry of Public Security
3	Mr. Sajeewa Medawatte	Senior Deputy Inspector General of Police	Member, nominated by the Secretary to the President
4	Mr. Jagath Abeysirigunawardhana	Security Consultant, Munchee Group, (Retired Senior Deputy Inspector General of Police)	Member, nominated by the Secretary to the President
5	Mr. L. U. Hettiarachchi	Retired, Chief Finance Officer, Ministry of Public Security	Member, nominated by the Secretary to the President
6	Mr. Saman Senarathne	Director, Department of National Budget	Convener to the Committee, appointed by the Secretary to Treasury

A complete list of members and officials participated/assisted in PERC deliberations, on the Ministry of Public Security, is given in **Annexure 2**.

### 1.2 Methodology Adopted in PERC Review

PERC on MoPS followed the review methodology stipulated in the TOR as much as possible, when and where applicable. Special attention was paid to the mission/vision of the MoPS and the institutions come thereunder. Expenditure of Sri Lanka Police (hereinafter referred as SL Police), being the dominant expenditure head that accounts for nearly 84.2 per cent of the total budget of MoPS, was considered in great detail. Duplication of duties/activities with external agencies by the SL Police and between internal divisions of the SL Police were also considered.

Prudent cadre management options, in light of the restrictions on recruitments due to the public finance constraints were explored. Accordingly, ways through which the cadre could be mobilized to core activities while gradually withdrawing from non-core activities were looked at. To deliver the contemplated impact of expenditure rationalization, review process and recommendations of PERC were carried out focusing on cost drivers.

Further, in addition to the Committee Members, Treasury officials from Departments of National Budget, National Planning, Public Finance, Management Services and officials from the Department of Immigration and Emigrations and Department of Registration of Persons attended on invitation and contributed to the deliberations of PERC. Written clarifications/reports were called from respective agencies when the review was in progress.

Section 2 of this report sets background of the MoPS by outlining the vision, mission and institutional arrangement. Section 2.2 and 2.3 presents the highlights of the expenditure/budgetary estimates of MoPS and SL Police which dominates the budget estimates of MoPS. Cost drivers for which special attention was paid throughout the review is given in the section 3. Report presents its observations and findings in the section 4. Finally, report concludes with recommendations in section 5.

## **2. Background of the institutional arrangement of MoPS and highlights of expenditure**

### **2.1 Ministry of Public Security and institutions come under thereof**

With the vision of “making Sri Lanka the safest and secure, peaceful nation”, the MoPS is entrusted in spearheading the mission of “formulating and executing policies and strategic plans to ensure public security, through a strong multi-stakeholder mechanism, in order to create safer Sri Lanka by reducing crime, ensuring safety of public and building trust in partnership with the community.

Three highly important Departments i.e., SL Police, Department of Immigration and Emigration, Department of Registration of Persons and few other institutions i.e., Special Task Force (STF), National Police Academy, National Secretariat for Non-Government Organizations and National Dangerous Drugs Control Board have been gazzeted under the MoPS by the Extraordinary Gazettes No. 2289/43 dated 22<sup>nd</sup> July 2022 and No. 2300/24 dated 05<sup>th</sup> October. A table illustrating the Duties/Functions, Departments/Statutory Institutions coming under, and Laws/Regulations to be implemented by the MoPS is presented in Annexure 3.

### **2.2 Highlights of Budgetary Estimates of MoPS for year 2023**

#### **2.2.1 Cost center wise budgetary allocations**

Through the Annual Budget 2023, MoPS has been allocated Rs. 141.9 Bn for the year 2023 of which Rs. 121.6 Bn and Rs. 19.49 Bn have been allocated as recurrent and capital allocation, respectively. In terms of the annual budget allocations and expenditure, SL Police is the largest expenditure head under the MoPS which has been allocated Rs. 118.6 Bn for the year 2023, of

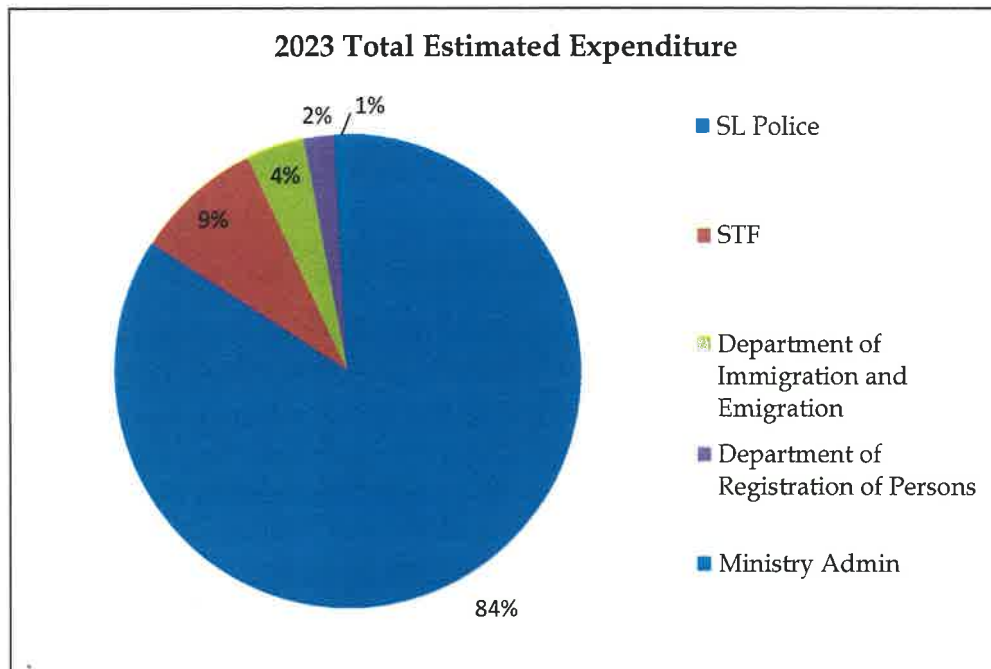


which Rs. 104.6 Bn has been allocated as recurrent and Rs. 13.96 Bn has been allocated as capital. STF, being a project under the MoPS has been allocated Rs. 11.6 Bn of recurrent and Rs. 0.94 Bn of capital allocations. The figures 1 and 2 below, presents the budgetary allocations made to the expenditure heads under the MoPS for year 2023.

**Figure 01: Cost Center wise budgetary allocations**

Cost Centre	2023 Revised Estimate		Rs.Bn
	Recurrent	Capital	Total
SL Police	104.64	13.96	118.60
STF	11.58	0.94	12.51
Department of Immigration and Emigration	2.89	2.83	5.73
Department of Registration of Persons	1.75	1.27	3.02
General Admin and Establishments Services	0.74	0.49	1.23
<b>Total</b>	<b>121.60</b>	<b>19.49</b>	<b>141.09</b>

**Figure 02: Cost Center wise total budgetary allocations**

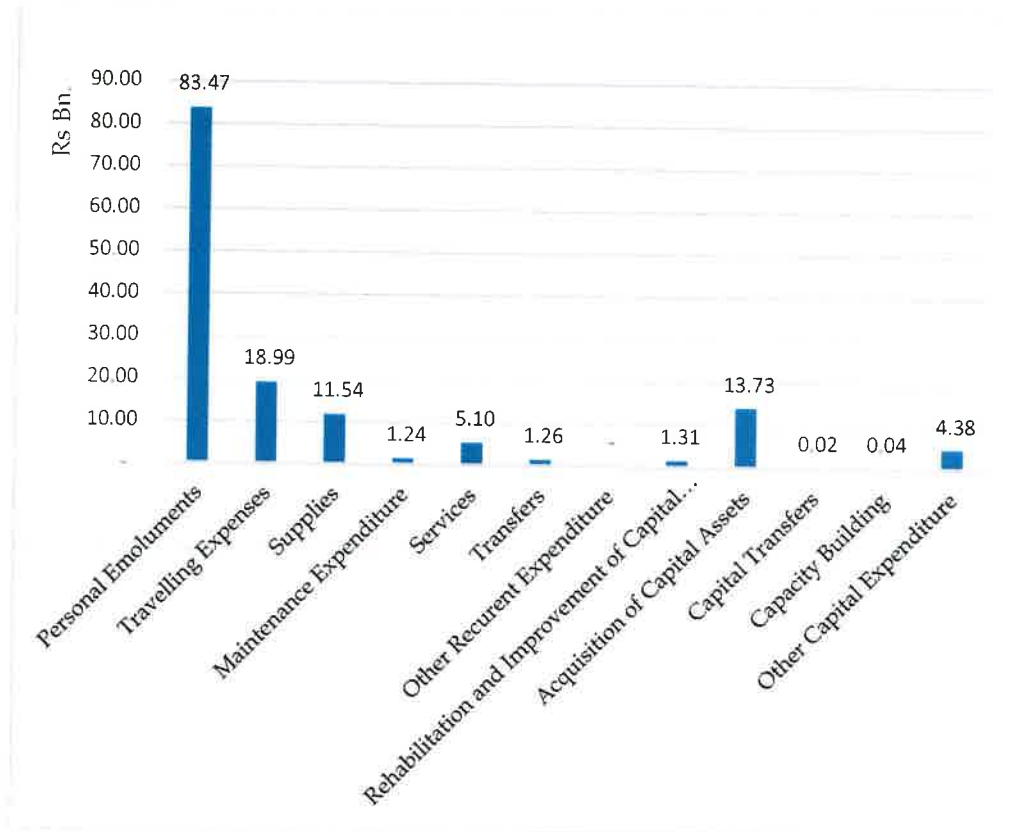


### 2.2.2 Category wise budgetary allocations

*Personal Emoluments (PE)* is the largest expenditure category of the MoPS with the value of Rs. 83.5 Bn, of which *Salaries and Wages* accounts for Rs. 43.6 Bn and *Other Allowances* Rs. 39.1 Bn as per the 2023 budget estimates. *Traveling Expenses* (Rs. 19 Bn), *Supplies* (Rs. 11.5 Bn) and

*Service* (Rs. 5 Bn) are the other major recurrent expenditure categories. From the capital expenditure side, *Acquisition of the Capital Assets* is the single largest component with the allocation of Rs. 13.7 Bn for the year 2023. The figure 03 below illustrates the allocation breakdown for year 2023, in terms of the expenditure category.

**Figure 03: Category wise revised budget estimates of MoPS for year 2023**



### 2.3 Highlights of the Budget Estimates of Sri Lanka Police for year 2023

Out of the expenditure heads under MoPS, expenditure estimates of SL Police dominates as it accounts for nearly 84.2 per cent of the total budget, 86 per cent of recurrent budget and 70 per cent of the capital budget of the MoPS. When allocations made to SL Police and the STF are considered together, total allocation of Rs. 131 Bn accounts for nearly 93 per cent of the total budget of MoPS. Combined recurrent expenditure allocation of Rs. 118 Bn made to the SL Police and STF accounts for nearly 97 per cent of the total recurrent budget while combined capital budget of these two institutions represents 76 per cent of the capital budget of MoPS. This dominance is mainly due to the higher number of existing cadre. Therefore, expenditure pertaining to *Personal Emoluments* (Rs. 73.4 Bn), *Traveling Expenses* (Rs. 17.3 Bn) and *Supplies* (Rs. 9.6 Bn) categories under the recurrent expenditure of SL Police and thereby the same categories of recurrent expenditure of the MoPS are considerably high.

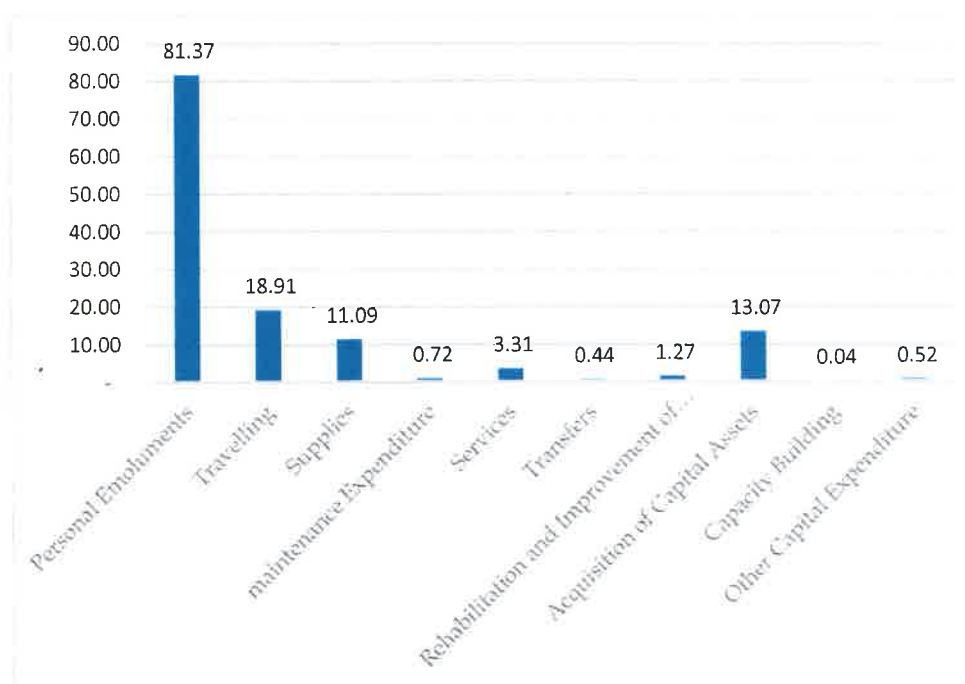
The figure 04 below tabulates the cadre of MoPS and the figure 05 illustrates the budget estimates of SL Police in category wise for year 2023.

**Figure 04: Cadre details of Ministry of Public Security**

Level	Class	Approved	Actual
Senior Level	Class I and Super Grade	122	69
	Class II and III	1,041	744
Tertiary Level		5,448	5,477
Secondary Level		114,613	89,919
Primary Level		8,174	3,129
Other		18	13
<b>Total</b>		<b>129,416</b>	<b>99,351</b>

(Cadre details as at 30.06.2023)

**Figure 05: Category wise revised budget estimates of SL Police and STF - 2023**



## 2.4 Mission, Vision, Core Activities and Cadre Details of SL Police

Since the budget/expenditure estimates of SL Police is deemed to be the major cost driver of the budget/expenditure estimates of MoPS due to the scale of 24/7 island wide operations, organizational/office structure and particularly the extensive number of cadre, the PERC placed more weight on reviewing the expenditure of SL Police.

With the **Vision** of creating a peaceful environment in which people can live confidently without any fear of crime and violence, mission of the SL Police is to performing duties reliably while implementing and maintaining law within the country, preserving peace and preventing crimes and terrorism, ensuring equality to all and prejudice against none.

**Main tasks and activities:** SL Police is vested with the responsibility of establishing social security by affirming the security of every aspect of public life, control and prevention of

crimes, prevention of drug menace, controlling corruption, traffic control, protection of the environment, making relief to people in disaster situations, and providing VIP security.

There are more than 88,000 police/STF officers in Senior Gazetted Officers (SGOs), inspector and junior grades deployed around the clock for the discharge of police duties, throughout the island and functional divisions. These officers discharge the service in the form of regular service, support service and Special Tasks Force. In addition, there are more than 4,000 civil officers attach to SL Police as well. As presented in the Figure 06, combined actual cadre of SL Police and STF is approximately around 96,301.

The services of the SL Police are implemented through an organizational structure that includes 45 territorial divisions, 85 functional divisions and 607 police stations.

**Figure 06: Cadre details of SL Police/STF**

Level	Class	Approved	Actual
Senior Level	Class I and Super Grade	87	40
	Class II and III	915	657
Tertiary Level		4,728	4,924
Secondary Level		112,247	87,869
Primary Level		7,781	2,811
Other			
<b>Total</b>		<b>125,758</b>	<b>96,301</b>

*Cadre details as at 30.06.2023*

### 3. Identifying Cost Drivers

Among other things, following cost drivers were identified and taken into account during the deliberations of the PERC on MoPS.

- Given the weight of budget estimates/expenditure of SL Police on the overall budget estimates/expenditure of the MoPS, the major cost driver that has to be considered in expenditure rationalization, is the expenditure of SL Police.
- Recurrent expenditure is the main cost driver of SL Police budget, corresponding to the high number of cadre.
- Expenditure pertaining to *Personal Emoluments, Traveling and Supplies* pulls the budget of SL Police and MoPS
- Opening of considerable number of new police stations and police posts after the policy decision made in 2021 has also been a significant cost driver

## 4. Findings and observations:

### 4.1 From expenditure perspectives

#### 4.1.1 External and internal duplication of duties/activities by the SL Police

Certain duties/activities ought to be carried out by other government agencies/law enforcement agencies are duplicated by the SL Police as stipulated in the below figure 07. Further, some functions are duplicated by the different divisions of the SL Police as highlighted in the figure 08.

**Figure 07: Duplication of activities by SL Police with external organizations**

No.	Function/Duty	Primarily responsible Department
1	Proceedings/action under the Excise Ordinance Act	Department of Excise
2	Proceedings/action under Forest Ordinance Act, National Heritage Wilderness Areas Act and Fauna and Flora Protection Ordinance Act	Department of Forest Conservation
3	Proceedings under Animal Ordinance Act, Prevention of Cruelty to Animal Act, Animal Disease Act and Fauna and Flora Protection Ordinance Act	Department of Wildlife

**Figure 08: Duplication of activities among Internal Divisions of Sri Lanka Police**

No.	Function/Duty	Primarily responsible division	Other divisions that also engage in the duty
1	Collecting and reporting data on crime, traffic and anti-corruption cases	Research and Development Division	i. Police Narcotics Bureau ii. Criminal intelligence Analysis and Prevention Division

Zero based approach in expenditure rationalization, places emphasis on the elimination of duplications of activities. Therefore, above referred duplications and any other duplications could be minimized/eliminated through constructive dialog/coordination between respective agency/division, in timely manner.

#### 4.1.2 Setting norms for “ratio of population to a police officer” and the “geographical area covered by one police station”, in order to rationalize the cadre.

Peer country comparisons reveal that number of people to one police officer (demographic coverage) is low in Sri Lanka, compared to the countries such as Malaysia and Australia. Further, coverage of a police station in terms of the geographical area (geographical coverage

of a police station) in Sri Lanka is also very low, against peer countries. Therefore, setting higher norms for such coverage ratios was considered by the PERC. Accordingly, it was observed that drawing parallels with peer countries such as Malaysia and Australia for such ratios and applying these superior ratios for Sri Lanka, is not prudent/practical as police functions in some of the peer countries are decentralized while advanced, cutting-edge technology in discharging functions, are employed. PERC further noted that these peer countries amply possess other required resources such as vehicles and equipment as well.

#### **4.1.3 Cadre Management of SL Police: Deploying police officers to core-police duties from non-core police duties**

##### ***(a) Freeing up no. 5,263 of police cadre from static security duties***

Nearly 55 per cent of police force is deployed in *Territorial Police Duties* whereas balance 45 present in *Functional Police Duties* such as narcotic control and criminal investigation. Meantime, 6,203 no.s of police cadre comprising of Sub-Inspectors and below ranks, has been deployed to static duties such as security duties in religious places, court complexes, official residences of Judges, various police offices, residential places of Ministers/Members of Parliament, gunpowder warehouses and transformers etc. In view of the prevailing vacancies in the lower ranks of the police force, 5,263 no.s of carder out of the above referred 6,203, including Police Sergeants and Police Constables, could be freed up and deployed in Territorial or Functional Police Duties to a greater extent, through the deployment of Civil Security Force members, in their places. (Table illustrating the breakdown of 6,203 no.s of cadre is given in **Annexure 4**).

##### ***(b) 4,500 no.s of disabled police officers currently in service***

There are 4,500 no.s of disabled police officers (who were injured while on duty), but still in service, from whom a productive service is difficult to be obtained. A committee has been appointed to introduce a pension scheme for them. In view of the serious public finance constraints that renders the creation of new police cadre extremely difficult, freeing up existing cadre through a pension scheme targeting this 4,500 no.s of police cadre, will cushion the cadre management of SL Police.

##### ***(c) Freeing up police/STF officers deployed to security matters in Prisons***

Though there is a trained Prisons Security Division, under the name of "Sri Lanka Prison Emergency Action Tactical Force" carrying arms, police/STF officers are still deployed in connection with security matters in prisons.. With the maturing of this Prison Security Unit, gradual withdrawal of police/STF officers from prison duties except for special circumstances, be considered. Such withdrawal of police/STF officers enables the SL Police to better manage their limited cadre, in a time where new recruitments are highly challenging due to the economic situation of the country. Further, it may also be explored the possibility of bearing the recurrent expenditure, in connection with such deployment of police/STF officers to prison duties, by the Department of Prisons.

#### **4.1.4 Expenditure arising out of the deployment of police officers in connection with exam duties**

Considerable numbers of police officers are deployed on exam related duties such as GCE O/L and GCE A/Ls, incurring expenditure under the head of SL Police. Therefore, it is required to get reimbursed the cost of such deployment of police officers or reflect the cost of such deployment of police officers, in respective exam conducting authority's budget estimates.

#### **4.1.5 Police officers deployed in Express Way Duties**

There are around 900 no.s of police officers deployed in Express Way duties to whom only the logistical facilities are provided by the Road Development Authority (RDA). Since the Express Way Network is a revenue generating venture, expanding the "lent charge rates and procedures" to encompass the Express Way duties of police officers and charge the same from the RDA ought to be considered.

#### **4.1.6 Revisiting the Cabinet Decision to open 201 no.s of new Police Stations and 119 no.s of Police Posts**

As per the Cabinet Decision No. 21/0611/332/011 and dated 27<sup>th</sup> April 2021, approval has been granted to open 201 no.s of new police stations and 119 no.s of new police posts. Compared to the 494 no.s of police stations existed at the time of Cabinet Approval, opening of 201 new police stations is approximately 41 percent increase in number of police stations, within a quick span of time. Allocation/expenditure requirements arising out of this 41 percent increase of police stations, if completely materialized, will be significant and therefore difficult to be accommodated. Out of the proposed 201 no.s, 119 new police stations have already been opened, reflecting 24 percent increase of police stations while 88 no.s of police stations remain to be opened.

It was revealed that some of the new police stations have been opened in areas where such areas could have been covered/controlled through cycle patrolling, under patrolling base method. Therefore, it is prudent to reconsider the policy decision of opening 201 no.s of new police stations and 119 no.s of police posts, while suspending the opening of remaining 88 Police Stations and Police Posts. Further, it may also be considered of closing down some of the newly opened Police Stations and Police Posts, after carefully analysing the actual requirement.

#### **4.1.7 Building rents and assessment taxes**

It was revealed when renting buildings to establish offices of SL Police, sometimes provisions of Financial Regulations and other relevant circulars are not adhered to, thereby creating unnecessary commitments. In view of the suspension of renting new buildings due to fiscal constraints through National Budget Circulars, resorting to renting new buildings should be the exception and that too has to be done following the due procedure.

It was further revealed that the some of the buildings already rented are underutilized or sometimes buildings with more than required space have been rented, which is contrary to the value for money concept. Therefore, actual building requirement and possibility of meeting the requirement through vacant government buildings, need to be looked at.

It was revealed that "assessment tax" for some of the government buildings are levied based on the "commercial rate", which should not be the case. Given the higher number of buildings

owned by the SL Police in Municipal and Town areas, basis of the rate on which the "assessment tax" is calculated, to be verified.

#### **4.1.8 Vehicle requirement of SL Police**

Having received 500 no.s of "Mahindra Scorpio SUVs" under Indian Line of Credit and 57 no.s of "Toyota Land Cruiser V 8 Jeeps" under a Japanese Grant, all Police Stations and Crime Investigation Divisions have received either a "V 8 Jeep" or "old/new Mahindra Scorpio SUV". Further, 2,000 no.s of Three-wheelers have also been distributed in police stations/divisions. Meantime, SL Police wishes to purchase 250 no.s of single Cabs in lieu of the anticipated 250 no.s of SUVs under Indian Line of Credit, which was not materialized due to the adverse economic situation of the country.

As per the sources of External Resources Department (ERD), single cabs under an Indian grant of Rs. 300 mn will also be provided for SL Police, in due course. Further, a proposal to purchase 1,110 no.s of 2,000 CC Motor Bikes and 02 no.s of Water Canon Trucks (with barricades) have also been submitted by the SL Police. However, in view of the on-going debt restructuring process and prevailing economic situation, it is recommendable that purchase of 1,110 no.s of 2,000 CC Motor Bikes be done only after the improvement of economic situation. Given the required readiness that should be maintained by the police to maintain law and order, purchase of 02 no.s of Water Canon Trucks (with barricades) is recommendable.

#### **4.1.9 Vehicles and fuel assigned to VIPs by SL Police**

Vehicles of SL Police have been assigned for the purpose of VIP security covering the VIPs such as former Presidents, certain Ministers/MPs, Appellate Court Judges, Law Officers, certain Secretaries to Ministries, Chief Prelates of Malwathu and Asgiri Chapters, a High Commissioner in Sri Lanka, a Chairmen of a certain Commission established under the Constitution, retired certain High Court Judges, a Governor and Diyawadana Nilame (Chief Custodian of Sri Dalada Maligawa). Expenditure on fuel for such vehicles are borne under the allocations made to SL Police. Given the high cost incurred by SL Police on these vehicles and fuel, actual requirement of assigning vehicles/number of vehicles to each VIP be reviewed in consultation with relevant authorities. Further, allocation/expenditure in connection with fuel allocated to such vehicles be reimbursed from the relevant expenditure head.

#### **4.1.10 Vehicle and fuel entitlements of uniform and civil cadre of SL Police**

Ensuring the vehicle and fuel entitlements are exercised within the approved limits across the entire civil and uniform cadre is required, as deviations have been reported.

#### **4.1.11 Completing of building construction projects which recorded nearly a 90 percent physical progress**

There are several building construction projects of SL Police on halt. Especially the construction of building in Colombo South-Nugegoda, recording a 90 percent physical progress, is an important project with the capability of providing accommodation/hostel facilities for 500 police officers. Completion of this project is recommendable, in light of the sudden and frequent deployment of higher number of police officers from outstations to Colombo to attend emergency police duties and the difficulties experienced by them.



#### 4.1.12 Modernization of SL Police

Modernization of SL Police and its service delivery through innovative ICT solutions and adoption of other appropriate measures is a long felt need. Accordingly, the followings are recommendable for further actions.

- i. **CCTV surveillance** for detection/prevention of crime, implementation of law/criminal justice and detection of motor traffic infringements
- ii. Implementation of **spot fining, demerit point systems and smart payment options** through PPP modalities
- iii. **Integrated system for the “issuance of police certificates” through e-filing** by connecting stakeholders such as SL Police, SL Customs, Department of Immigration and Emigration, Department of Registrar of Persons, Department of Motor Traffic and Department of Prisons

The current CCTV Surveillance system in operation has been installed in year 2009 and therefore required to be upgraded to a new system. Further, proposals on SPOT Fining and Demerit Point System linking other relevant agencies such as Department of Motor Traffic have been submitted to the Ministry of Public Security. Adoption and implementation of these modernization measures i.e., CCTV Surveillance, SPOT Fining, Demerit Point systems, Smart Payment options and issuance of police certificates through e-filing will not only ensure public security/safety/law and order through proper law enforcement but also the convenience to the general public as well. Implementation of these proposals for modernization of police services is recommendable in principal. These projects could be implemented with lesser reliance on public finance, since SPOT Fining, Demerit Point Systems and Smart Payment initiatives are potential to be financed through Public Private Partnership (PPP) methods.

#### 4.1.13 Software system at the Department of Immigration and Emigration

It was observed that the Department of Immigration and Emigration (DIE) which has been facing an extreme high demand of Foreign Travel Documents (passports) currently, has a software system and server installed 15 years ago. Subsequent upgradation of the system has been done, based on time to time change requests, which is a sort of patching up the initial version. As a result, delivery of efficient service in keeping with international standards has become a challenge. Therefore, there is a requirement of having a technically superior software system enabling the DIE to cater to the demand, in efficient manner and deliver a better service. As it was decided in the National Operation Room meeting no. 2 held on 20<sup>th</sup> February 2023, it is recommendable that a future action be taken on the development of server/software system with a policy clearance of the Cabinet of Ministers.

#### 4.1.14 Rolling out the online passport application program to cover the entire country

In order to reduce the inconvenience experienced by the general public when obtaining passports through the centralized system, DIE has launched an online passport application and processing system, through 50 no.s of selected Divisional Secretariats, using figure print capturing machines and cameras. Development Officers under the Department of Registrar of Persons (DRP) who are attached to the Divisional Secretariats are facilitating the implementation of this initiative. With the introduction of necessary steps/solutions to overcome the issues identified in this on-going online passport issuing programme, rolling out of the program to cover the entire island is highly recommendable given the efficiency

and convenience. Further, ICT based on-line application system will reduce the number of future cadre requirement in the long run, resulting cost reduction.

#### **4.1.15 e-NICs under the Department of Registrar of Persons**

It is envisaged under the e-NIC project to provide every citizen with a unique identity, inter-alia with finger print and bio-metric identifications. Existence of such a national level data base will be highly important in various fronts. Many service providers, including DIE, when issuing passports and other agencies such as financial service providers can easily verify/validate the individual identities efficiently. Sale of authorized data/information by the DRP will generate revenue as well. Nevertheless, policy level clearance as to how to proceed further with the e-NIC project is required.

## **4.2 Observations and Findings from Revenue Perspectives**

### **4.2.1 Lent Charges to be revised and strictly enforced**

Circular No. 1834/2005 dated 05<sup>th</sup> May 2005 issued by Inspector General of Police makes provision for the "lent charges", pertaining to the provision of police officers (up to the rank of Chief Inspector/Women Chief Inspector) on rent basis as well as Animals (Horses/Police Dogs) on rent basis. Further, the same circular sets out the charges for issuance of copies of police complaints, finger print reports, police clearance certificates, police reports, uniforms and loudspeaker permits. Rates of lent charges and other charges stipulated in the circular needs to be updated and strictly applied, in appropriate manner. Further, expanding the scope of instances where lent charges could be applicable such as the above discussed provision of police/STF security for Prisons (4.1.3 c), exam duties (4.1.4) and Express Way duties (4.1.5) should also be considered. (Copy of IGP Circular No. 1834/2005 is attached as Annexure 5)

### **4.2.2 Channelling a portion of proceeds of traffic offenses related fines to finance the police budget**

Even though the resources/efforts of SL Police are utilized to enforce traffic laws, proceeds of the fines (on traffic violations) imposed by Magistrate's Courts are channelled only to Local Councils. Therefore, channelling a portion of proceeds of fines to finance the budget of SL Police would enhance the revenue side of the government budget.

### **4.2.3 Possibility of enforcing the section 316 of the "Municipal Councils Ordinance" No. 29 of 1947 and**

Section 316 of the Municipal Councils Ordinance which is reproduced below makes provisions that SL Police to be paid out of the Municipal Fund, in the following manner;

*"The annual expenses of the Police force of any Municipality, exclusive of the salaries of the IGP, the Superintendents, and the cost of barracks, hospitals, arms and medical attendants, shall be paid out of the Municipal Fund of the Council: provided that it shall be lawful for the Minister in charge of the subject of Police to fix the numerical strength and cost of such force, and without his sanction no reduction therefrom shall be made by the Council".*

Since proceeds of the traffic related fines (for which SL Police dedicates its resources in collecting), are channelled to local councils, it is recommendable after consulting the Hon. Attorney General to explore the possibility of enforcing the section 316, in conjunction with

the section 29 of the Police Ordinance No. 16 of 1865, as it will enhance the revenue side of the annual budget.

## 5. Recommendations:

### 5.1 From expenditure perspectives

5.1.1 Taking necessary action to do away with external and internal duplication of duties/activities. (Ref: 4.1.1)

5.1.2 Prudent cadre management through deploying cadre for core duties by freeing up cadre deployed in static duties and non-core activities since new recruitments are difficult to be accommodated, in general. Accordingly,

- (a) Deploying Civil Security Force Members in place of police officers attached to static security duties (Ref: 4.1.3 (a)).
- (b) Freeing up existing cadre through a pension scheme targeting 4,500 no.s of disabled police officers (who were injured while on duty), but still in service (Ref: 4.1.3 (b)).
- (c) Withdrawing police and STF from prison related security matters in general, in view of the existence of Sri Lanka Prison Emergency Action Tactical Force (Ref: 4.1.3 (c))

5.1.3 Getting reimbursed the expenditure in connection with police officers deployed in exam related duties (Ref: 4.1.4).

5.1.4 Charging *lent charges* from the RDA for the police officers deployed in Express Way Network (Ref: 4.1.5).

5.1.5. Revisiting the Cabinet Decision to open 201 no.s of new Police Stations and 119 no.s of Police Posts. (Ref: 4.1.6).

- (a) Suspending the opening of 88 no.s of Police Stations remaining to be opened
- (b) Exploring the possibility of closing down some of the Police Stations out of the 113 no.s newly opened

5.1.6 Assessing the actual building requirement of SL Police and meeting requirement through vacant government buildings as much as possible (Ref: 4.1.7).

5.1.7 Verifying and ensuring whether the “assessment tax” rate applicable to commercial properties are not applied for buildings owned by the SL Police (Ref: 4.1.7).

5.1.8 Delaying the purchase of new vehicles until the recovery of economy since considerable vehicle fleet is available with SL Police after vehicles received through Indian Line of Credit and Japanese Grant. Purchasing of 02 no.s of Water Canon Trucks (with barricades).(Ref: 4.1.8).

5.1.9 Revisiting the actual requirement of assigning vehicles/number of vehicles to each VIP in consultation with relevant authorities and getting reimbursed the cost of fuel allocated to such vehicles from relent expenditure head,. (Ref: 4.1.9)

5.1.10 Ensuring that the vehicle and fuel entitlements are enjoyed within the approved limits, across the entire civil and uniform cadre (Ref: 4.1.10).

5.1.11 Prioritizing the Completion of building construction projects which recorded nearly a 90 per cent physical progress (Ref: 4.1.11).

5.1.12 Modernization of SL Police and service deliver through CCTV surveillance, SPOT Fining, Demerit Systems, Smart Payment Options and Integrated System for the "issuance of police certificates" via e-filing by connecting all stakeholders, with a view to ensure gradual cost/expenditure reduction of operation activities in the long run and to increase the efficiency/convenience of service delivery (Ref: 4.1.12).

5.1.13 Development of server/software system of DIE, with a policy clearance of the Cabinet of Ministers (Ref: 4.1.13)

5.1.14 Rolling out the online passport application/procession program to cover the entire country (Ref: 4.1.14)

## 5.2. Recommendations from Revenue Perspectives

5.2.1 Revision and strict enforcement of "lent charges" to reflect current prices (Ref: 4.2.1)

5.2.2 Exploring the possibility of channelling a portion of proceeds of traffic offenses related fines to finance the police budget (Ref: 4.2.2)

5.2.3 Exploring the possibility of enforcing the section 316 of the "Municipal Councils Ordinance" No. 29 of 1947 in conjunction with the section 29 of the Police Ordinance No. 16 of 1865, to cover some of the expenditure of SL Police through municipal funds (Ref: 4.2.3)

**Mr. W. A. Sarath Kumara (Chairman)**

(Deputy Secretary to the Treasury)

**Mrs. M. S. P. Suriapperuma (Member)**

(Add. Secretary, Ministry of Public Security)

**Mr. Sajeewa Medawatte (Member)**

Senior Deputy Inspector General of Police

**Mr. Jagath Abeysirigunawardhana (Member)**

(Retired, Senior Deputy Inspector General of Police)

**Mr. L. U. Hettiarachchi (Member)**

(Retired, Chief Financial Officer, Ministry of Public Security)

## Public Expenditure Review Committees (PERC)

### Terms of Reference

#### Role

Rationalize government expenditure through a Systematic Review and Zero Based Budgeting approach for strengthening the economic recovery process in Sri Lanka.

#### Responsibilities

PERC is responsible to

- ascertain whether the core activities are in accordance with the mandate of the Ministry
- identify duplications, wastages and insignificant projects or spending in current expenditure programmes of the National Budget Estimates
- identify efficient and effective procedures to utilize already allocated provisions
- ensure that the Ministry fulfill their responsibilities in a cost effective manner

#### Powers

As per the Cabinet decision no 23/0256/604/030 dated 06.02.2023, ten committees have been established to rationalize expenditure of following Ministries and make recommendations to the Cabinet of Ministers.

- i. Ministry of Transport and Highways
- ii. Ministry of Urban Development and Housing
- iii. Ministry of Public Administration, Home Affairs, Provincial Councils and Local Government
- iv. Ministry of Defense
- v. Ministry of Public Security
- vi. Ministry of Education
- vii. Ministry of Health
- viii. Ministry of Agriculture
- ix. Ministry of Plantation Industries
- x. Ministry of Irrigation

## Composition of a Committee

Chairman	A Deputy Secretary to the Treasury or a Senior officer of the General Treasury nominated by the Secretary to the Treasury
Members	Secretary to the relevant line Ministry or his nominee Three Experts in the field nominated by the Secretary to the President
Convener	A Senior officer nominated by the Secretary to the Treasury

## Review Methodology

1. Review mission and vision of the entity and redefine those if necessary.
2. Review all programmes/projects/sub-projects/activities of the line Ministry and identify how each contributes to achieving the objectives, mission, and vision of the Ministry.
3. Identify duplications, wastages and insignificant projects or expenditure in the existing Budget Estimates.
4. Prioritize all programmes/projects/sub-projects as per their potential for achieving objectives of the Ministry as well as the national policies.
5. Identify at least 3 core projects implementing under the Ministry/ Departments.
6. Find justifications for providing such projects to them.
7. Recognize staff requirement and other facilities for continuing core activities.
8. Identify cost drivers/ unit costs if possible and cost reduction methodologies.
9. Recognize minimum resource requirements for each activity based on the cost-benefit analysis.
10. Identify key performance indicators (KPIs) to evaluate the achievement of the targets.
11. Identify possible reforms (Short/Medium/Long term) to be implemented for economic recovery.

### Examples

- Possible areas for Public Private Partnerships
  - Business process reengineering
  - User pay mechanisms to minimize the cost
12. Any other matters.

## Time Frame

Submit Committee recommendations to the Cabinet of Ministers for their consideration within a month from the month of March 2023.

## Annexure 2

### Participants: Members of the Committee

No	Name	Capacity	Designation
1	Mr. W. A. Sarath Kumara	Chairmen	Deputy Secretary to the Treasury
2	Mrs. M. S. P. Suriapperuma	Member	Additional Secretary, Ministry of Public Security
3	Mr. Sajeewa Medawatta	Member	Senior Deputy Inspector General of Police
4	Mr. Jagath Abeysirigunawardhana	Member	Security Consultant, Munchee Group, (Retired Senior Deputy Inspector General of Police)
5	Mr. L. U. Hettiarachchi	Member	Retired Chief Financial Officer, Ministry of Public Security

### Other Participants on invitation

No	Name	Designation	Department
6	Mr. I. S. H. J. Ilukpitiya	Controller General,	Department of Immigration & Emigration
7	Mr. Pradeep Saputhanthri	Commissioner General,	Department of Registrar of Persons
8	Mr. E. A. Rathnaseela*	Director General	Department of Public Finance
9	Ms. C. S. Perera	Additional Director General	Department of National Planning
10	Mr. H. P. Somathilaka	Director	Department of National Planning
11	Mrs. Dharshani Perera	Director	Department of National Planning
12	Mr. G. Nishantha	Director	Department of Management Services
13	Mrs. B. M. M. Wanigasekara	Assistant Director	Department of National Planning

\*Mr. E. A. Rathnaseela, participated at the early stages of the PERC deliberations, in the capacity of Additional Director General, Department of National Planning

### Participants from the Department of National Budget (DNB)

No	Name	Designation
14	Mr. Jude Nilukshan	Director General
15	Mrs. Anoma Nandani	Additional Director General
16	Mr. Kumara Senanayake	Director
17	Mrs. Lakshika Senarathne	Deputy Director
18	Mrs. G. Kiruthkia	Assistant Director
19	Mr. Nirmana Mohotti	Assistant Director
20	Mr. Mohamad Issath	Assistant Director
21	Mrs. Udeni Shriyakanthi	Development Officer
22	Ms. Nirosha Hewanarandeniya	Development Officer
23	Mrs. Sayuri Gunasekara	Development Officer
24	Ms. Chathuri Wijayapala	Development Officer
25	Ms. Piyumi Somawikrama	Development Officer
26	Ms. W. R. Madushika Hansani	Management Service Officer

### Convener of the Committee

27	Mr. Saman Senarathne	Director, Department of National Budget
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## Annexure 3

**Duties/Functions assigned, Departments / Statutory Institutions / Public Corporations vested under the Ministry of Public Security by Extraordinary Gazettes No. 2289/43 dated 22<sup>nd</sup> July 2022 and No. 2300/24 dated 05<sup>th</sup> October**

Column I Duties & Functions	Column II Departments, Statutory Institutions & Public Corporations	Column III Laws and Ordinance to be Implemented
<p>1. Formulation, implementation, monitoring and evaluation of policies, programs and projects, in relation to the subject of Public Security, and those subjects that come under the purview of Departments, Statutory Institutions and Public Corporations listed in Column II based on the national policies implemented by the government.</p> <p>2. Provision of public services under the purview of the Ministry in an efficient and people friendly manner</p> <p>3. Reforming all systems and procedures using modern management techniques and technology, thus ensuring that the functions of the Ministry are fulfilled while eliminating corruption and waste</p> <p>4. Maintenance of law and order</p>	<p>1. Sri Lanka Police 2. National Police Academy 3. Secretariat for Non-Governmental Organizations 4. Department of Registration of Persons 5. Department of Immigration and Emigration 6. National Dangerous Drugs Control Board</p>	<ul style="list-style-type: none"> <li>• Police Ordinance No. 16 of 1865</li> <li>• National Police Academy Act, No. 44 of 2011</li> <li>• Voluntary Social Service Organizations (Registration and Supervision) Act, No. 31 of 1980</li> <li>• Registration of Persons Act, No. 32 of 1968</li> <li>• Immigrants and Emigrants Act, No. 20 of 1948</li> <li>• Citizenship Act, No. 18 of 1948</li> <li>• Grant of Citizenship to Persons of Indian Origin Act, No. 35 of 2003</li> <li>• Grant of Citizenship to Stateless Persons Act, No. 5 of 1986</li> <li>• Grant of Citizenship to Stateless Persons (Special Provisions) Act, No. 39 of 1988</li> <li>• Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, No. 1 of 2008</li> </ul>

<p>5. Implementation of strategies comprising broad reforms that ensures community discipline</p> <p>6. Adopting measures to prevent and combat various crimes and anti-social activities that have assumed the proportion of a social calamity</p> <p>7. Control of vehicular traffic</p> <p>8. Carrying out necessary reforms to enhance the service level of the police service to ensure public safety and bring it closer to the public.</p> <p>9. Coordinating the affairs of non-governmental organizations within the national policy framework thereby providing opportunities to contribute to the country's development process.</p> <p>10. Registration of persons</p> <p>11. Matters relating to Immigration and Emigration.</p> <p>12. Prevention and control of the use of dangerous drugs.</p> <p>13. Matters relating to all other subjects assigned to Institutions listed in Column II</p> <p>14. Supervision of all Institutions listed in Column II</p>		<ul style="list-style-type: none"> <li>• Drug Dependent Persons (Treatment and Rehabilitation) Act, No. 54 of 2007</li> <li>• National Dangerous Drugs Control Board Act, No. 11 of 1984</li> </ul>
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## Annexure 4

### Details of Police Cadre Deployed at Static Duties (Security)

No	Places	S.I	W.S.I	P.S	W.P.S	P.C	W.P.C	P.S.A	C.S.F.M	W.C.S.F.M	Total
01	Religious Places	104	7	565	24	348	82	5	131	19	1285
02	Court Complexes	29	-	368	28	323	54	2	43	11	858
03	Judge's Residences	1	-	452	3	435	2	8	31	1	933
04	Senior DIG Offices	-	-	17	-	13	-	-	1	-	31
05	DIG Offices	-	-	33	1	29	-	-	2	-	65
06	SP Offices	1	-	57	-	52	2	5	8	-	125
07	Police Stations	18	-	276	11	832	24	19	292	20	1492
08	Gun Powder Warehouses	12	-	61	-	52	-	5	51	-	181
09	Transformers	-	-	-	-	3	-	-	-	-	3
10	Houses of Ministers/MPs	8	-	269	-	262	1	-	9	1	550
11	Other Key Places	44	2	257	6	315	6	3	46	1	680
<b>Total</b>		<b>217</b>	<b>9</b>	<b>2355</b>	<b>73</b>	<b>2664</b>	<b>171</b>	<b>47</b>	<b>614</b>	<b>53</b>	<b>6203</b>

**S.I.** - Sub-Inspector, **W.S.I.** - Women Sub-Inspector, **P.S.** - Police Sergeant,

**W.P.S.** - Women Police Sergeant, **P.C.** - Police Constable, **W.P.C.** - Women Police Constable

**P.S.A.** - Police Security Assistants, **C.S.F.M.** - Civil Security Force Member,

**W.C.S.F.M.** - Women Civil Security Force Member





