

RODRIGUES REGIONAL ASSEMBLY



FIRST REPORT

OF THE

PUBLIC ACCOUNTS COMMITTEE

***For Financial year
2005/2006***

SECOND RODRIGUES REGIONAL ASSEMBLY

June 2008

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FIRST REPORT – PUBLIC ACCOUNTS COMMITTEE
SECOND RODRIGUES REGIONAL ASSEMBLY

INTRODUCTION

This is the first report of the Public Accounts Committee of the Second Rodrigues Regional Assembly and covers the matters raised by the Director of Audit in his report on the Regional Assembly for period 01 July 2005 to 30 June 2006. The Public Accounts Committee derives its powers under Standing Order 63 of the Standing Orders and Rules of the Rodrigues Regional Assembly which is reproduced in toto:-

- (1) *There shall be a committee to be known as the Public Accounts Committee to consist of a Chairperson to be appointed by the Chairperson and not more than four other Members to be elected by the Assembly.*
- (2) *The Committee shall examine the audited accounts showing the appropriation of the sums granted by the Assembly to meet the public expenditure and other accounts laid before the Assembly together with the Director of Audit's thereon.*
- (3) *The Committee may, in the exercise of the duties mentioned above, send for persons and records, to take evidence, and to report from time to time.*
- (4) *Where the Chairperson is unable to be present at any meeting, the Committee shall elect a chairperson for the day only.*
- (5) *In discharging its duties under this Order, while examining accounts showing the appropriation of funds granted by the Assembly and such other accounts which the Assembly had referred to it, the Committee shall satisfy itself:-*
 - (a) *that the monies shown in the accounts as having been disbursed were legally available for, and applicable to, the services or purpose to which they have been applied or charged;*
 - (b) *that the expenditure conformed to the Authority which governed it;*
 - (c) *that every re-appropriation has been made in accordance with the provisions made in this behalf under appropriate rules; and*
 - (d) *that cases involving negative expenditure and financial irregularities wherever they have occurred in the financial year under study, having regard to the financial report and the estimates as approved by the Assembly, are subjected to scrutiny.*

2. There is a global trend towards greater openness in government finances. This is based on a belief that transparent budgetary practices can ensure that funds raised by the State for public purposes will be spent as promised by the government, while maximising the benefits derived from spending. One crucial component of a transparent system of resource allocation involves an independent assurance of the integrity of public budgeting through an audit process, and the scrutiny of its outcomes by the representatives of the people, in the form of Parliament.
3. The National Audit Office and Public Accounts Committee are important elements in the system of control. The Public Accounts Committee as set up by the Regional Assembly ensures the proper and productive use of public money. Such control is important in modern society and this is done by making the public sector accountable. Accountability in the public sector means that those responsible for implementing policy are required to account for their actions to the nation, through the Rodrigues Regional Assembly and especially through scrutiny by the Public Accounts Committee.
4. The Committee was set up on the 13th February, 2007 and its composition is presently made up of the following members:-

❖	Mr. Nicolson LISETTE	-	Member of the RRA (Chairman)
❖	Mrs. M. Désirée L. Chan MEUNIER	-	Deputy Chairperson of RRA (member)
❖	Mr. Désiré Laval GUILLAUME	-	Member of RRA (member)
❖	Mrs. Jacqueline PROSPER	-	Member of RRA (member)
❖	Mr. Jean Daniel SPEVILLE	-	Member of RRA (member)

The Secretary of the Committee is the Clerk of the Regional Assembly.

5. The Public Accounts Committee realises that its work is a post mortem exercise. This surely reflects in a tendency to encourage the Committee a narrow fault – finding approach and echo of the Director of Audit's findings. The Committee tried to its level best to point out the different aspects which it has covered itself and make recommendations for improvements in work methods. The overall aim of the Public Accounts Committee is to draw attention to unlawful and wasteful expenditure and to encourage Commissions of the Rodrigues Regional Assembly to aim at greater efficiency, effectiveness and maximum economy while conforming to established rules and procedures. The Committee noted that although the personnel,

financial management rules and procedures are product of long established practices and observations, more need to be done to strictly adhere to these practices and observations. There is still room for improvement, since in many Commissions lack of proper and qualified staffs played a negative role in this young autonomous island.

6. The Committee does not seek to concern itself with policy; its interest is in whether policy is carried out efficiently, effectively and economically. Its main functions are to see that public monies are applied for the purposes prescribed by the Rodrigues Regional Assembly, that extravagance and waste are minimized and that sound financial practices are encouraged in estimating and contracting, and in administration, generally. Admittedly, it is in practice often difficult to strictly separate financial management from policy issues.
7. The Committee focused on value-for-money criteria which are based on the 3E's namely:
 - *Economy*: the minimizing of costs of resources used for an activity, having regard to appropriate quality.
 - *Efficiency*: the relationship between the output in terms of goods, services or other results and the resources used to produce them.
 - *Effectiveness*: the relationship between the intended impact and the actual impact of an activity or product.
8. This is why the Public Accounts Committee expects the Executive Council collectively, Commissions individually, and Accounting Officers of the Rodrigues Regional Assembly to ensure that a reasonable degree of efficiency and dedication is observed so that priorities are fully addressed throughout the year and that resources are optimized. Waste is inevitable in the absence of proper supervision, control and timely remedial measures. It should be the aim of the different Commissions, individually and collectively, to combat waste and encourage a high level of productivity in this world of governance. Although there is willingness to ensure good governance the same issues are spelt out, year in year out, in the Audit Report which does not show a good image of the autonomous Rodrigues. Thus the Public Accounts Committee will try to its level best to echo the recommendation of the Audit Report so that Rodrigues is kept on the rails towards social and economic development and the enhancement of the quality of life of every Rodriguan.

9. **WORKING SESSIONS**

The Committee has, since its setting up on 13th February 2007, met 15 times in the Committee Room at the Assembly House with regards

to the Report of the Director of Audit for the year ended 30th June 2006.

10. An additional three sessions were devoted to site visits and these included the following:—
- (i) Queen Elizabeth Hospital of Creve Coeur
 - (ii) Araucaria Government School
 - (iii) Leisure Centre at Mont Plaisir
 - (iv) Tombeau Maragon site at L'union
 - (v) Le Chou College
 - (vi) The Gymnasium at Malabar
 - (vii) Citron Donis Sport Complex
 - (viii) NHDC Complex at Eau Vannée
 - (ix) Nasola Sport Complex
 - (x) Road Mont Lubin to Montagne Limon
 - (xi) Petit Brulé Reservoir
 - (xii) Montagne Cabris Reservoir
 - (xiii) Patate Théophile football ground
 - (xiv) St. François Public Beach
11. Between 8 January, 2008 and 19 February, 2008 the Committee had four working sessions and hearing with Departmental Heads as follows:—
- 08 January, 2008 - Departmental Head, Chief Commissioner's Office and his close collaborators as well as senior officers from Central Finance.
 - 05 February, 2008 - Departmental Head, Office of Commissioner for Education & Ors.
 - 05 February, 2008 - Departmental Head, Office of Commissioner Sports & Ors.
 - 19 February, 2008 - Departmental Head, Office of Commissioner for Public Infrastructure & Ors.

13. CHIEF COMMISSIONER'S OFFICE**Consideration of the Director of Audit's Report on matters under the responsibility of the Chief Commissioner****Annual Financial Statement – Rodrigues Regional Assembly for the year ended 30 June, 2006****Statement of Assets and Liabilities**

(1.0) The working session with the Chief Commissioner's Office was mainly focused to the issue of revenue collection. The audit report has highlighted, during the financial year ended 30 June, 2006 that an amount of Rs 5,297,059 remained unclear. The Public Accounts Committee was mainly concerned with collection of debts. At the hearing of officers of the Chief Commissioner's Office, the Committee wished to know what is being done at the level of the Commission to follow/implement the recommendations of the audit report. The Chief Finance Officer informed the Committee that a "Revenue Monitoring Committee", as spelt in the Budget Speech, has already been set up under the supervision of the Principal Finance Officer to monitor the monies received under the Consolidated Fund.

He assured the Committee that every effort would be made by the "Revenue Monitoring Committee" to implement the recommendations of the audit report.

(2.0) The Committee enquired as to whether there is any attempt, while preparing the budget, to underestimate or overestimate revenue collected in Rodrigues. The assurance of the Chief Finance Officer was given that such is not the case at the level of Central Administration and he gave a brief aperçu how funds received under the Consolidated Fund (both locally and from the Central Government) are utilized. He cleared all doubts whatsoever and assured the Committee that monies received from Consolidated Fund are not earmarked to individual items but to the budget as a whole.

(3.0) The Committee also wished to have clarifications on the increase in debtors of rental of government property although the Chief Commissioner's Office assurance was given that reminders have been sent to lessees of state lands. It was explained by the officers that arrears in revenue of government property has doubled for the period 2005/2006 and that almost 80% of the arrears are mostly due to state land leases and out of those state land lease arrears, 50% represent arrears from industrial leases. The Departmental Head also informed the Committee that legally speaking debts which have been due for more three years are irrecoverable.

The law under, *article 2279 of the Code Civile* provides that:

*“Les arrérages des rentes perpétuelles et viagères; ceux des pensions alimentaires;
Les loyers des maisons, et le prix de ferme des biens ruraux;
Les intérêts des sommes prêtées, et généralement tout ce qui est payable par année,
ou à des termes périodiques plus courts,
Se prescrivent par trois ans.»*

Upon knowing this fact the Committee wanted to know why legal action has not been taken promptly in order not to fall within that ambit. The officers explained how debts regarding state lands accumulated as there were no proper system of revenue collection and the lack of lease agreement for old leases which were renewed on a year to year basis.

The officers informed the Committee that the Chief Commissioner’s Office, through the Cadastral Office, has updated the system for the calculation of interest and the list of debtors for land lease. In that perspective, an agreement has been reached with the State Informatics Ltd (SIL) for updating the system. The officer tabled a list of the different types of state land leases with their respective arrears as at 30 June 2006. The officer assured the Committee that the Cadastral Office is expecting to clear out the huge backlog within the next year.

Statement of Arrears of Revenue Return as at 30.06.2006

<u>State Land Lease</u>	<u>Amount</u> <u>(Rs)</u>
Agriculture	189,668.42
Cadastral	Commercial 192,645.15
	Industrial 2,274,416.75
	Residential 2,097,379.75
Total	<u><u>4,754,110.07</u></u>

(4.0) Rental of Snacks

The Committee showed concern as regards the Rental of Stalls which amounts to Rs 269,187 as per the audit report 2005/2006 which although being government property there

still are bad debts. In that context the officers tabled a document which explained the arrears the Rental of Snack. The document explained the accumulation of arrears which date back from 1999, together with figures and the decision to refer the issue to the Legal Adviser of the Rodrigues Regional Assembly for the recovery of the revised outstanding rentals.

Thereafter, the Committee recommended that since a certain amount is irrecoverable, procedures should be initiated to write off those arrears of revenue, as recommended by the Financial Management Manual, so that they do not repeat in the audit report.

(5.0) Fisheries

The arrears of revenue to the tune of Rs 45,492 represent the non-collection of tax on boat from fishermen, the rate of which is Rs 5 yearly for each boat. In view of the insignificant rate applicable and the particularities of the fishing trade in Rodrigues, it has been difficult to take strict action for collection of the arrears due.

In that perspective action is being taken to issue reminders on a more regular basis and for the Fisheries Protection Officers to exercise some pressure on the fishermen.

The Committee has been apprised by the officers that action has been taken to write off those uncollected arrears that are considered irrecoverable.

(6.0) Water Unit

Arrears in revenue for the year ended 2005/2006 were to the tune of Rs 615,485. A complete list of arrears due for water has already been prepared. In the list it was found that some of those arrears date as far back as 1990, and it was reported that they have remained unpaid due to, among other reasons, the irregular supply of water and the cost to recover the arrears.

Here again, the Committee was made aware that action is being taken to write off those arrears that are considered irrecoverable. Moreover as regards water rates due, decision has already been taken for the setting up of a Rodrigues Water Resources Agency. Its main objective will be to look into the management and distribution of water and to find out long term solutions for the water sector in Rodrigues.

The Committee recommends the computerization of the system for payment and decentralisation of payment.

(7.0) Other Matters

- (a) The Committee queried about the payment of land which are leased to public officers and more precisely whether it is still the practice to effect payment by way of check off from their salary.

The Committee recommends that such practice be encouraged. Therefore, deduction in the case of public officers should be effected by way of check off.

- (b) The Committee wanted to know why the item "*Collection of Interest and Royalties*", which appears for the year 2003/2004, does not appear subsequently. The Chief Finance Officer provided the Committee with the information as regards the amount of Rs 266,575.91 which appeared under the heading 27-101.001 - Interest Royalties, in the accounts of the Rodrigues Regional Assembly for the year ended 30 June 2004. This sum referred to the amount collected in respect of interest paid by officers who were granted advances in respect of motorcars/motorcycles.

This amount should have been credited to item 46-503.001 (Government Loan) which is the appropriate item. Therefore, at the close of the financial year 2003/04 on 9 June 2004 the amount was adjusted to the appropriate item to clear out the balances. Thereby, in the next financial year (2004/2005) the item was completely eliminated.

14. DEPUTY CHIEF COMMISSIONER'S OFFICE

- (1.0) The Committee noticed after perusal of the audit report that the Deputy Chief Commissioner's Office was not subjected to the scrutiny of the audit report as regards education. Nevertheless, the Committee effected various site visits which will be elaborated in the report.
- (2.0) On a more general basis, the Committee wished to know how does the Commission react following the publication of the audit report. The Acting Departmental Head informed the Committee that following the receipt of the management letter and consequently, the observations made by the audit report a follow up is made as to what corrective measures which need to be taken. In that context, meetings are held at the level of the Commission with the different head of sections to analyse the recommendations and remedial measures which need to be taken. The officer took the example of kitchen equipments which laid idle at the Commission and following observations made in previous audit report same were properly distributed.

(3.0) ARAUCARIA GOVERNMENT SCHOOL AND MONT CHARLOT GOVERNMENT SCHOOL

(a) Site visit and observations

Following a site visit effected at Araucaria Government School and Mont Charlot Government School on 23 October, 2007 the Committee raised the following issues:-

- (i) why the projects were late;
- (ii) what remedial actions had been taken or are being presently taken; and
- (iii) whether there was any request from the contractor for an extension of time.

The Committee was informed and took note of the following:-

- (i) lateness was due to the contractor's own fault;
- (ii) the contractor was informed of the delay;
- (iii) no request for extension of time was made by the contractor;
- (iv) out of the Rs 50 million earmarked, only about Rs 20 million has already been paid to the contractor for both projects, ie, Araucaria and Mont Charlot; and
- (v) there were very few workers on the construction site.

(b) Hearing

- (i) At the hearing of the Commission for Education, the Committee wished to know where matter stands with regard the completion of the projects. The Acting Departmental Head informed the Committee of the difficulties faced by her Commission as regards the delay for the completion of the project which were mostly due to the contractor's own fault. In that perspective, after consultation with the Commission for Public Infrastructure, her Commission has decided to determine the contract. The matter is being referred to the Executive Council and the Commission will soon launch new tenders for the completion of the contract.
- (ii) The Committee queried about the remaining amount from the earmarked amount for the projects. The

Officer of the Department informed the Committee that out of the Rs 50 million earmarked for both Araucaria and Mont Charlot Government Schools, only a sum of Rs 26 millions remains.

- (iii) The Committee was also concerned with the agreement reached between the contractor and the Commission for the displacement of the Community Centre found in the school yard at Mont Charlot since the latter is in the process of determining the contract. The Acting Departmental Head explained that negotiations will have to be made with the new contractors, if any, in view of having the displacement of the Community Centre.
- (iv) The members of the Committee wished to know whether a survey had been effected as regards the catchments area of both schools, i.e Araucaria and Mont Charlot. The Committee was questioned whether these schools would have the required number of children in order to be operational. The officers admitted that no survey has been done specifically on this matter but cleared the doubts of the Committee. They explained the modus operandi of these schools which will adopt a more child-centered approach. Furthermore, they explained that parents will have to comply with the criteria set by the Ministry of Education as regards the admission process on a region wise basis.

(c) Recommendations

- (i) The Committee noted that the Central Tender Board (Central Procurement Board) was not made aware of the determination of the contract and the launching of another tender exercise for the completion of the projects. It, therefore, recommends the Commission to follow the proper procedure enunciated by the Central Procurement Board.
- (ii) The Committee noted the progress of work of both projects which are 60% and 40% for Araucaria and Mont Charlot, respectively. The Committee was not impressed with the lateness accumulated in the progress of work at Mont Charlot and recommends that urgent remedial measures be taken.
- (iii) As regards the displacement of the Community Centre, the Committee is skeptical as to the success of this negotiation since the new contractor may charge additional money for such displacement.

(4.0) LE CHOU COLLEGE**(a) Site visit and observations**

The Committee noticed, following site visit at Le Chou, that the retention wall and the playground were not completed.

(b) Recommendations

The Committee recommends that provision be made for the completion of the infrastructural works as this project will serve both the school and the village community.

(5.0) TOMBEAU MARAGON**(a) Site visit and observations**

During the site visit the Committee noted that:-

- (i) the site could become a “*site touristique*”;
- (ii) the displacement of the Community Centre was not yet effected; and
- (iii) there was a lack of lighting .

(b) Hearing

At the hearing the Committee wished to know what was being done by the Commission as regards the lighting, displacement of the Community Centre and uplifting of the site at Tombeau Maragon. The Committee was made aware of the more touristic use of the site and it was, therefore, decided that these issues will be dealt by the Commission for Tourism.

(c) Recommendations

The Committee recommends that there should be a close collaboration between the concerned Commission i.e Arts and Culture and Tourism, to make maximum use of the site. Additionally, the Committee recommends that the site be properly uplifted so that it becomes more tourist friendly.

(6.0) LEISURE CENTRE AT MONT PLAISIR**(a) Site visit and observations**

During the site visit at Mont Plaisir, the Committee was informed that the handing over was done during the

month of March 2007 but the practical completion certificate has not been issued.

Additionally the following defects were noted:-

- (i) the wall of stone was not filled with cement;
- (ii) water infiltrated through the wall;
- (iii) water stagnated in front of the building;
- (iv) the path inside the theatre is too narrow as the seats are too close to each other;
- (v) defects in the air conditioning system; and
- (vi) no fencing was erected around the building.

(b) Hearing

The Committee queried the Acting Departmental Head as regards the several defects noticed during the site visit and whether the retention money has already been released. The officers assured the Committee that the retention money has not yet been released. As regards the fencing of the site the Committee noted that no provision has been made in the budget 2007/2008 for that item. The Committee was further informed that problems with the seats of the theatre and the air conditioning system are still not resolved and no funds are available to remedy these issues.

15. OFFICE OF THE COMMISSIONER FOR SPORTS

(1.0) The Committee noted that the Commission was not subject to the scrutiny of the audit report. Nevertheless, the Committee carried out a few site visits in view to clear out certain matters.

(2.0) Other matters

(a) On a more general basis during the hearing the Departmental Head of the Commission assured the Committee that, as Accounting Officer, all the parameters are followed regarding the usage of funds allocated to his Commission. The Committee expressed its satisfaction that the Commission has not been subject to any negative report by the Audit Office for the period 2005/2006. Nevertheless, the Departmental Head reassured the Committee that everything is done at his Commission to monitor the budget and follow recommendations made in any report.

In that perspective, the Commission for Sports has set up two Committees viz the Quotation Committee and a Project Management Committee which go through all major decisions of the Commission. The Committee took note of the applications of the new Public Procurement Act by the Commission.

- (b) The Committee took note of the laudable effort as to how the Commission, through its Budget Monitoring Committee, monitored the budget allocated to overtime. The Departmental Head explained how the Commission devised a formula to reduce overtime of drivers who carried athletes. The Committee queried about the use of private vehicles for the transportation of athletes but the officers were not in favour of such a step since it is not cost effective.

The Committee took note of the effort of the Commission to tackle this big issue of overtime and the search of other avenues, thereby, having the necessary information to be able to determine what is more cost effective.

(3.0) MALABAR GYMNASIUM

(a) **Site visit and observations**

The acting Sports Officer and the Committee, during the site visit, noticed broken washbasins and the inappropriate drainage system of the toilet which the latter took note.

(b) **Hearing**

During the hearing the Departmental Head stated with regret that as regards the broken washbasins no corrective measures have been taken yet since a report from the Commission for Public Infrastructure was being awaited.

(c) **Recommendations**

In light of the above the Committee, therefore, recommends the Commission to liaise to the Commission for Public Infrastructure to expediate matters.

(d) **Other Matters**

- (i) On a more general basis the Committee wished to know what was being done for the maintenance and management of the equipments and infrastructure of the gymnasium. The Departmental Head explained to the Committee the different measures initiated by his Commission to cater these problems

such as control on users of equipments and regular maintenance which is done on a quarterly basis.

- (ii) The Committee wanted to know if there was any act of vandalism, whatsoever, against the infrastructure of the gymnasium and if any, what measures were taken. The Departmental Head assured the Committee that there is a proper control through an attendance sheet placed at the entry of the gymnasium to prevent any act of vandalism whatsoever. Additionally, the officer assured the Committee that the gymnasium is under the supervision and control of an officer posted there.

The Departmental Head was of the view that a proper campaign of sensitization should be effected as to the proper use of the complex.

- (iii) The Committee was also concerned about the use of the complex by other stakeholders for purposes other than sport activities. The Departmental Head assured the Committee of the establishment of an autonomous “Comité de gestion” as mandated by the Sports Act which will look at the proper utilization and maintenance of the complex.

(4.0) CITRON DONIS COMPLEX

The Committee during the site visit took note and showed its appreciation as regards Citron Donis since nothing was found wrong and encourages the Commission to maintain the positive result.

(5.0) NASSOLA SPORTS COMPLEX

(a) Site visit and observations

The Committee, during its site visits noticed and took note of the following:

- (i) No cover was placed on the pipe where the link fencing was tied;
- (ii) Only two spot lights were available;
- (iii) The pitch was not being used optimally;
- (iv) The holes in the pitch were not covered;
- (v) Lack of posts and appropriate holes for volleyballs;
and
- (vi) There was no cloak room.

(b) Hearing

- (i) At the hearing of the officers of the Department the Committee wished to know about the seemingly unnecessary holes in the volleyball pitch and inadequate lighting at the complex. The officers explained the Committee that these holes are used for fixing the poles for the net and when not in use metal slabs are fitted in the holes. As regards lighting the Departmental Head took note of the suggestion of the Committee and stated that provision will be made for the placement of additional lighting to cater this issue.
- (ii) The Committee noticed that there was no “*vestiaire*” at the complex. Therefore, the Committee queried the officers as regards the scope of the work, contract price and supposedly dates of completion of the complex. The Departmental Head explained that the contract to the tune of Rs 3 million was allocated a private contractor for the period 13 May 2005 to 20 June 2005.

(c) Recommendations

The Committee considers that it would have been appropriate to have a “*vestiaire*” at the sport complex in view of the use of it by different stakeholders.

The Departmental Head took note of this suggestion and will ensure that necessary remedial actions are being taken.

(d) Other matters

- (i) The Committee wished to know whether a timetable has been established for the use of the complex. The Committee asked for a copy of the timetable from the officers and same was filed with the Clerk.
- (ii) Lastly, the Committee queried whether the practical completion certificate has already been issued and as to status of the project as to date. The Departmental Head informed the Committee that he was not aware if the retention money was still with the Commission but as per information at his disposal, a sum of about Rs 1.7 million has already been paid, out of the contract price of Rs 3 millions. He assured the Committee that he will look into the matter and will request the preparation of a technical report before the release of the retention money.

(6.0) PATATE THÉOPHILE SPORTS COMPLEX**(a) Site visits and observations**

During its site visit at Patate Theophile the Committee took note and raised the following issues:

- (i) The handing over of the centre was not yet done.
- (ii) Rusted fencing of the playground.
- (iii) Part of the fencing was not replaced.
- (iv) There was no lighting.
- (v) The door of the women's toilet was fixed with glass pane.
- (vi) The maintenance, cleaning and security of the building was inexistent.

As regards the maintenance, cleaning and security of the building the Departmental Head stated that in-house arrangement would have to be made.

(b) Hearing

The Committee wished to know whether the handing over of the building has been done since their last site visits since same was still under lock. The Departmental Head was pleased to inform the Committee that the building has been completed and handed over since 18 January 2008. He also informed the Committee that there were some small issues which need to be looked into and the complex will be operational by the end of February 2008.

(c) Recommendations

The Committee and the officers agreed that a major sensitisation campaign need to be effected so as to make the public and athletes aware of the proper use and maintenance of sport equipments and infrastructures in Rodrigues.

The Committee also recommended that galvanized fencing or plastic coated fencing be used to reduce early corrosions.

(7.0) MARECHAL SWIMMING POOL**(a) Hearing**

The Departmental Head stated that as at today the pool is not in operation since the "aspirateur" has broken down

as it was inappropriate regarding the size of the pool. Moreover, the Committee was made aware of the huge electricity bill which needs to be paid monthly which costs around Rs 40,000 to Rs 50,000.

(b) Recommendations

The Committee was very concerned with this state of affairs and recommends immediate and urgent corrective measures so as not penalize the Rodriguan swimmers. The Departmental Head informed the Committee that good note has been taken and tenders have already been launched for the purchase of an “*aspirateur*”.

16. OFFICE OF THE COMMISSIONER FOR PUBLIC INFRASTRUCTURE

(1.0) The Committee noted with dismay that the Commission for Public Infrastructure has been under severe criticism of the audit report. The Committee expressed deep concern since, year in and year out, the audit report repeats itself and it appears that nothing is being done to rectify matters.

(2.0) (a) The Committee decided to look into a few issues, amongst others, reported by the audit report. On a more general basis the Committee wished to know what was being done at the Commission to implement the recommendations of the audit report. The Departmental Head agreed that the audit report has been very critical against his Commission but he assured the Committee that, since his taking of office, he ensured that all procedures are followed correctly. He also explained that for a department to work efficiently there need to be three components viz labour force, finance and planning. But he noticed that in Rodrigues, in general, there is a lack of planning and this is why many things done are not put on paper as pointed out in the Rodrigues Regional Assembly’s reply in the audit report.

He explained that the lack of instructions on paper is due to fact that instructions were given verbally due to unforeseen events on site whereby decisions have to be taken immediately.

(b) The Committee recommends that henceforth all decisions or minutes be recorded on site if ever unforeseen events crop up.

(3.0) The Committee wanted to know whether the Commission is retaining the services of a Consultant on a full time basis. The Departmental Head informed the Committee that the Commission has not retained the services of a Consultant on a

full time basis but as and when required, ie. on a project to project basis. He explained that he believes more in giving chances to his staffs who have the required qualifications. The Departmental Head also explained that it would not be cost effective to retain the services of a consultant on a full time basis.

But the Committee was of the view that staffs of the Commission would have had a better exposure of the expertise of a consultant posted on a full time basis.

(4.0) LOW COST HOUSING ON A SELF-HELP BASIS

(a) The Committee during the hearing wished to know the number of beneficiaries under the low cost housing scheme and the situation as to date. The Departmental Head explained how this scheme was launched following a policy decision of Government and that 164 applications were retained. He also intimated to the Committee that problems arose in the distribution of building materials since these were lacking on the market. As regards the 164 applications retained the Departmental Head informed that although he was not in office at that time he assured that these were done through proper site visits and screening. In that context a list of the 164 successful beneficiaries was deposited with the Clerk. But the Departmental Head was unable to furnish the list of all applicants under this scheme as stated in a letter addressed to the Clerk.

He also assured the Committee, following comments of the audit report that:

- (i) strict follow up is made at the level of the Commission as regards distribution of materials.
- (ii) distribution is effected on a zoning system so as to have better control.
- (iii) applicants are obliged to sign delivery sheet upon delivery of materials.
- (iv) materials are given on a step by step basis.
- (v) suppliers are also required to have their delivery papers signed when delivery effected.
- (vi) whenever beneficiary is not present, delivery of materials is not effected.

(b) The Committee also wished to have clarifications on the amount remaining for the allocation of materials and the

level of work reached by beneficiaries. It was explained to the Committee that 75% of the 164 beneficiaries has reached “beam” level thereby using a sum of Rs 5 million and an additional sum of Rs 3 to 4 million will be needed to finance the remainder of the beneficiaries.

The Committee is of the view that it would be more beneficial that the Rodrigues Regional Assembly contracted the construction of the houses rather than giving materials on a self-help basis since there are many financial constraints and social problem involved.

The Committee was also informed that only four to five beneficiaries are still at basement level due to the lack of building materials on the market.

Thereafter, the Committee decided to effect site visit at different beneficiaries, chosen at random, in order to see where matter stands in reality. The Committee also recommended that an agreement be reached between the Commission and the beneficiaries so that the houses are used for the purpose for which they have been given materials.

(5.0) HOUSING SCHEME FOR ELDERLY PERSONS

- (a) The Committee wanted to know on what criteria the Commission was basing itself as regards the distribution of metal sheets. The Departmental Head explained that following a survey and depending upon the requirement, 6/7” feet metal sheets are distributed. He cleared the doubts of the Committee and assured that the distribution of 6/7” feet metal sheets was not intentional but as per demands.
- (b) As regards the compilation of the list of beneficiaries the Committee was informed that this was done by the Commission together with other elderly citizen welfare associations. The Departmental Head informed the Committee that approximately 113 elderly persons benefited from this and as regards the 296 proposed beneficiaries as stated in the budget speech, the Departmental Head stated that he will have to check with the Commission.

The Departmental Head filed a copy of a list of all beneficiaries together with the level of completion of work with the Clerk. As regards deceased beneficiaries the Departmental Head informed the Committee that in such cases the materials are retrieved.

The Committee recommends that prompt action be taken in cases of deceased beneficiaries so that these materials can be distributed again to others.

(6.0) CONSTRUCTION OF 108 LOW COST HOUSING UNITS

- (a) The project was to construct 108 low cost housing units to the tune of Rs 20,217,153. The Committee wanted to have clarifications as to the present status of the project since it has undergone severe criticism in the audit report. The Departmental Head informed that out of the 83 units constructed, 79 have already been allocated and the remaining four have not yet been allocated. The Committee noted with dismay, following a site visit at Eau Vannée, that out of the four units constructed only three were occupied and the unoccupied unit was subject to act of vandalism. The Committee also noticed that window panes were broken and the paint was inexistent in some places.

The Committee noted that these problems were mentioned in the audit report and is confirmed by the members of this Committee. Therefore, the Committee recommends the Commission to take immediate remedial actions so as not to invite further increase in acts of vandalism and these units might be subject to squatting.

- (b) The Committee also wished to have clarification as to the criteria observed before allocation of these units. The Departmental Head assured the Committee that these criteria were strictly adhered to although the Committee was skeptical as to their application. The Departmental Head confirmed that no persons who fell outside these criteria benefited from those units.

But upon pressing on this issue, the Departmental Head conceded that in one case, exceptionally, on a humanitarian ground, a unit was allocated. He explained that, as the person was without a roof, the matter was referred to the Executive Council which approved the allocation of a unit to that person.

The Committee recommends that there should be no repetition for such cases since it would be discriminatory towards others.

- (c) The Committee was apprised of the irregular payment for these housing units but the Departmental Head assured the Committee that a new system has been set up to recover all bad debts. In case of default legal action would be undertaken.

The Committee wanted to know where the money, recovered upon payments of installments, were credited, whether in the Consolidated Fund or just in a revolving account used for the construction of other low cost housing units. The Departmental Head informed the Committee that he was not aware of this issue and will come back with the necessary information. The Committee also requested the Departmental Head to provide information on the amount of money collected by the Rodrigues Regional Assembly from installments paid since the allocation of the housing units.

The Departmental Head provided the Clerk with the necessary information. In the letter, he stated that the amount of revenue collected from the sale of Low Cost Housing Scheme as at 31 December 2007 amount to Rs 563,480 and was credited to the Consolidated Fund under vote item 25-110.002 – Sale of Low Cost Housing.

- (d) On the issue of finalisation of deed of sale as cited by the audit report, the Departmental Head explained that deed of sales was being prepared by a Notary between the beneficiaries and the Commission.

The Committee recommends the Commission to identify those who have not finalised their deed of sales and same be finalised as soon as possible.

(7.0) CASTING OF ROOF SLABS SCHEME

- (a) This scheme provides for financial support in the form of grant to needy families, having difficulties to purchase building materials, to cast the roof slab of their houses and to meet the cost of demolishing the old roof. The Committee took note of the criticism enunciated following site visits carried out by the officers of the audit office. Thereupon, the Committee queried the officers of the Commission on the procedures followed and which need to comply with in order to benefit for casting of roof slab. The Departmental Head explained the Committee that the procedures are spelt out in a leaflet which is given to every applicant. Additionally, officers of the National Housing Development Company come to Rodrigues, together with an officer of the Commission, to effect site visits for the finalising of the applications.
- (b) The Committee wished to know who bears the responsibility for the issuing of cheques to successful applicant and what is the role of the Commission following the issuing of the cheque. The Departmental explained that a Memorandum of Understanding (MOU) will be signed soon with the Commission which will

takeover the responsibility for granting of money for casting of slabs. The MOU will be signed by the Ministry of Lands and Housing and the respective Commission and the main objective of the MOU is to reduce the time for the processing of applications. The Departmental Head also informed the Committee that at a specific period there were 113 successful applicants who were waiting for their money.

The Committee took good note of this course of action but shows concern since during site visits carried out, officers of the audit office detected a number of disturbing facts. Therefore, the Committee expects professionalism from the part of officers who will bear these responsibilities and proper monitoring must be effected to ensure that financial assistance has effectively been used for the intended purposes.

(8.0) CONSTRUCTION OF 65 LOW COST HOUSING UNIT

- (a) This project consists of the construction of units which were meant to be offered to families whose houses had completely been damaged during cyclone *Kalundé*. The Committee noted with dismay the severe criticism made by the audit report regarding project which was initiated as far back in year 2003 but still not yet completed. The Committee wished to know where matters stand as regards this scheme. The officers informed the Committee that as to date 61 units are occupied and the remaining four units are still at beam level.
- (b) Following the covering approval sought for extension of time which was turned down by the Central Tender Board (CTB) the Committee wished to know whether same has been granted. Additionally the Committee wanted to know whether it was the same contractor who has been granted the contract for the completion of the project. The officer of the Commission informed the Committee that covering approval for extension of time has been received from the CTB for an additional period of five months but still the contractor has not yet completed the units. He further explained that a reminder has been issued to the contractor for completion of the work by the end of February.

The Committee was not fully satisfied with the explanation of the officer and requested prompt actions. Thereby it recommends that prior approval of the CTB, now the Central Procurement Board, must be sought in cases of variation of contract and legal advice be sought so as to claim liquidated damages for delay in completion of works.

17. **OFFICE OF THE COMMISSIONER FOR HEALTH**

(1.0) The Committee, at its tenth meeting, decided that it would not convene the hearing of public officer for the Commission for Health. Nevertheless, the Committee wishes to include observations made during visits effected at different places falling under the purview of the Commissioner for Health.

(2.0) **QUEEN ELIZABETH HOSPITAL (QEH)**

The Departmental Head together with the Regional Health Director assisted the Committee during the site visit at Queen Elizabeth Hospital and the following observations were made:

(a) **Maternity Ward**

The Committee was informed that new curtains have been placed, the bathroom has been recently painted, new pillows and bed sheets have been also brought so as to make the ward more welcoming. The Committee informed the officers that there had been complaints to the effect that it was very hot in the maternity ward. The Regional Health Director pointed out that the building is low in height and proposed to place additional ceiling fans in order to remedy such inconveniences. The Committee also discussed about the practice of "cesarian" during night. The Regional Health Director informed the Committee that planned "cesarian" was as far as possible, done during morning. However, for urgency "cesarian" these may occur at any time. The Committee also questioned the officers as to the amount of overtime which is being paid.

(b) **Female Ward**

Again during the visit at the female ward the problem of ventilation was noticed. The Committee queried as to the number of echography apparatus available at the hospital. The Departmental Head stated that presently the hospital has only two echography apparatus and request has been made to purchase four more. He also stated that these apparatus are regularly maintained, every three months, by a bio-medical technician. The Committee also wished to know whether the x-ray machines are perfectly functioning and the Departmental Head assured the Committee they are in perfect order.

(c) **Laundry Unit**

As regards the laundry unit the Committee took note of the increase in the number of workers viz from two to eight and the establishment of a shift system.

Nevertheless, the workers requested that the number of workers be increased to ten, a mess room be made available to them, a shelter be constructed and requested the decentralization of the system to the other health centres. The Committee took note of these requests and explained that the system has to be studied on the whole so as to ensure effectiveness and efficient use of public funds.

(d) Catering Unit

During the visit at the Laundry Unit the Committee observed that there was a lack of space. The officer in charge of the unit made that following requests:-

- construction of a toilet, bathroom and change room;
- construction of emergency exit door, mess room;
- working area to be refurbished; and
- ameliorate the drainage system.

(e) Male Ward

The Committee expressed its appreciation as to the cleanliness of the ward. The officer in charge of the unit requested that remedial measures be taken at the entrance of the ward which becomes slippery during raining season.

(3.0) MONT LUBIN HEALTH CENTRE

During the visit, the Departmental Head gave a brief explanation as to the use of the new building and informed the Members that a team from the Ministry of Health will be in Rodrigues during the month of September 2007 to advise the Commission of Health on the new equipments.

Moreover, the Committee noticed problems with the toilet and bathroom in the female ward and leakage problem in the maternal ward. The Departmental Head confirmed that these problems were being looked into.

As regards the dental unit at the centre the dentist stated that the equipments were old and also suggested that a T.V set be placed in the waiting room.

(4.0) PETIT GABRIEL DISPENSARY

The Committee noticed that there were only four patients at the Dispensary. However, the officer in charge stated that he received an average of forty persons per day for minor

treatment, whereas, serious cases are referred to either an Area Health Centre or the Queen Elizabeth Hospital.

(5.0) LA FERME HEALTH CENTRE

The officer in charge informed the Committee that he received an average of seventy five patients daily and he made the following requests: _

- the purchase of an ECG-apparatus;
- spot light to be placed in the casualty unit;
- fan to be placed in the casualty unit;
- construction of a mess for doctors.

The Members of the Committee also visited the female and male ward and noticed that the maternity ward was very clean and friendly.

(6.0) Recommendations

Following observations made during the site visits the Committee recommends that all those problems and requests mentioned in the report be looked into since the health department is one the most important sector in Rodrigues.

18. CONCLUSION

Nowadays, there is greater openness as regards to the utilisation of public funds and finances worldwide and the Rodrigues Regional Assembly is no exception. With the advent of autonomy, the Rodriguans expect that extravagance and waste is minimized and that sound financial practices and procedures are followed. This is why through our post-mortem exercise we have tried to see that public moneys have been used effectively, efficiently and economically. We also tried to see that sound financial practices and procedures are encouraged in estimating and contracting and in administration in general.

Throughout its working session, the Members of the Public Account Committee have been guided by the principles of the 3Es namely economy, efficiency and effectiveness. This means that due reference have been made on spending intelligently, spending well and spending wisely.

We expect that the Commissions, especially the Accounting Officers to fully adopt these principles and take good notes of the recommendations in the report with a view to enhance a good image of our Regional Assembly. Furthermore, the Committee recommends that a follow up mechanism be set up at the level of the Commissions to implement the recommendation of the Public Accounts Committee. The Committee has also decided that, henceforth, it shall take appropriate measures by going on site to see if recommendations, after the presentation of the report, have been applied.

During our working sessions, hearings and site visits, we have had the fruitful cooperation of the Officers of the National Audit Office, Departmental Heads, the Clerk and other officers of the Rodrigues Regional Assembly. The team is much grateful to all of them.

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Mr. Nicolson LISETTE
(Chairman)

.....
Mrs. M. Désirée L.C.MEUNIER
(member)

.....
Mr. Désiré Laval GUILLAUME
(member)

.....
Mrs. Jacqueline PROSPER
(member)

.....
Mr. Jean Daniel SPEVILLE
(member)