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* 1. **Project for the Construction of Mahatma Gandhi State Secondary School at Moka – Phase IV**

At paragraph 10.2 of the Audit Report for the year ended 31 December 2014, I drew attention to the delays in completion of the project. The contract for the construction of the Mahatma Gandhi State Secondary School at Moka-Phase IV was awarded to a private Contractor on 9 August 2012 for the sum of Rs 149,371,775. The contract period was
540 days and the contractual completion date was 25 March 2014.

Although extension of time of 158 days was granted to the Contractor, as of 30 April 2015, some 13 months after the initial contractual completion date, the project was still ongoing. Hence, the maximum amount of liquidated damages of Rs 8.1 million, representing 135 days had already been reached. However, no additional extension of time was approved.

***9.1.1 Supplemental Agreement***

On 12 January 2016, due to the poor performance of the Contractor and the considerable delay encountered on this project, the Ministry decided to take over the completed parts of the project to free space so as to reduce inconvenience and hardship to school staff and students.

On 15 March 2016, the Attorney General’s Office advice was sought regarding Supplemental Agreement for partial taking over, as no such clause existed in the contract. Following the Attorney General’s Office advice, some two years after the extended completion date of 1 September 2014, a Supplemental Agreement was drawn and signed by both parties on 9 August 2016 which provided for the sectional completion of the project. The agreed revised completion date of the whole works was 31 July 2016, without the Employer foregoing the liquidated damages already accrued on the project.

Besides, the Employer would be entitled not to certify payments, to terminate the contract and to forfeit the amount of the Performance Security should the Contractor failed to complete the works by the agreed revised completion date. However, the agreement was signed on 9 August 2016 that is nine days after the agreed revised completion date.

***9.1.2 Payment to Contractor***

The amount paid to the Contractor as of 14 March 2017 was Rs 107,780,425, including a sum of Rs 7,456,623 which related to two payments effected in August 2016 and March 2017 respectively. Therefore, payments had been effected up to March 2017, despite the Contractor had failed to complete the project by 31 July 2016 which is contrary to paragraph 2(v) of the Supplemental Agreement.

***9.1.3 Taking Over of the Project***

Partial taking over was effected on 29 June 2016 and 5 April 2017. However, the taking over of the whole project was carried out on 18 August 2017, more than a year after the agreed revised completion date and more than three years after the initial contractual completion date.

***9.1.4 Management of Contract***

The project was not properly monitored as the only sanction that was taken against the Contractor was charging liquidated damages despite the fact that the performance security could have been forfeited or the contract terminated for non-compliance with the contractual obligations. The considerable delays in completing the project had caused lots of inconvenience to the staff and students of the school.

***9.1.5 Compliance with Public Procurement Act***

The Contractor had repeatedly failed to comply with terms and conditions of the contract and consequently, could be disqualified in accordance with the Public Procurement (Disqualification) Regulations. It is therefore, recommended that the poor performance of the Contractor be reported to the Public Procurement Office (PPO) for necessary action at its end.

***Ministry’s Reply***

* The contract could have been terminated after seeking the advice of the State Law Office. However, this is a lengthy process and would have taken at least one year before works could have re-started on site. It was thus, more appropriate and rational not to terminate the contract but to have close follow-up to ensure that works are completed at the earliest even though progress of work was slow;
* The very purpose of the Supplemental Agreement was not to terminate the contract but to have a partial taking over and the Contractor to complete the outstanding works;
* It is only on the basis of the Performance Certificate issued by the Ministry of Public Infrastructure and Land Transport (responsible for project management) at completion of works, that the Ministry can refer the case/Contractor to the PPO for necessary action.

**9.2 Design-Build/Turnkey and Completion of New Multipurpose Hall at SSS Quartier Militaire (Girls)**

The contract for the Design-Build/Turnkey and completion of New Multipurpose Hall at SSS Quartier Militaire (Girls) was awarded to a private Contractor on 27 November 2014 for the sum of Rs 45,465,000 including a contingency sum of Rs 500,000.

The contract was signed on 15 December 2014 with a contractual period of 13 months, including the time of completion of design of three months. Works were scheduled to start on 8 January 2015 with expected completion date of 7 February 2016. The Contractor took possession of site on 6 August 2015 instead of the revised date of 8 April 2015. As at 31 December 2016, the total amount paid to the Contractor was
Rs 34,440,771, after deducting liquidated and ascertained damages of Rs 2,520,000.

***9.2.1 Construction Site***

The Quartier Militaire SSS site was in a low lying flood prone area. With a view to limiting the damages to flooding in the area, the Ministry informed the National Development Unit that as per Consultant’s report, there was a need for the nearby river to be dredged and widened to avoid flooding problems in the school premises during heavy rainfall.

The dredging of the river was still under consideration as no budgetary provision was available for this work.

***9.2.2 Extension of Time***

The Contractor was allowed extension of time of four and a half months due to delay in taking possession of site, as approval of the Project Plan Committee and Building Plan Committee was given on 3 July 2015. Therefore, the revised completion date was 20 June 2016.

***9.2.3 Extension of Insurance and Performance Security***

As of end of August 2017, the Contractor had not renewed the Insurance Policy and Performance Security, including the 12 months maintenance period which had expired since 31 December 2016.

***9.2.4 Completion of Project***

During a site meeting held on 18 August 2017, several outstanding/defective works remained to be attended by the Contractor. As of end of August 2017, the building had not yet been handed over to the Ministry. Hence, the project was delayed by some
14 months and the maximum amount of liquidated damages amounting to Rs 3 million had been attained.

***Recommendations***

* Projects should be regularly and closely monitored so that corrective actions are promptly taken in respect of problems identified. It is the responsibility of the Ministry to ensure that deliverables are executed in a timely manner and as per conditions of contract;
* Close site supervision by Ministry of Public Infrastructure and Land Transport (MPI) is imperative to ensure that client’s requirements, as defined in the contract, are met and the project is carried out as per design and specifications;
* Shortcomings noted during implementation of the project should be taken into consideration before awarding future contract to the same Contractor.

***Ministry’s Reply***

* The dredging of rivers does not fall under the responsibility of this Ministry. Moreover, the area of flooding and the river with its escarpment is not under the ownership of the Ministry. The NDU has been informed of the problem and requested to take necessary action;
* On 9 February 2018, the MPI has again requested the Contractor to make arrangements to extend the insurance policy and the Performance Bond in accordance with the conditions of contract, failing which the MPI will not certify claims for payments.

**9.3 Polytechnics Mauritius Ltd**

***9.3.1 Knowledge Park Limited (KPL) - Financing of the Project***

Knowledge Park Limited (KPL), a Private Company, wholly owned and controlled by Government was incorporated on 15 May 2013. The latter agreed to provide fund to the Company to finance its project up to an amount of Rs 810 million by way of loan for
60 per cent of the project cost, and 40 per cent as equity to finance the construction and management of the University Campuses.

A loan agreement for an amount of Rs 486 million was entered into between Government and KPL on 7 March 2014, with a moratorium period of five years on capital repayment and with interest to be capitalised over the grace period. Repayment of loan will be made on semi-annual basis over 15 years.

***9.3.2 Change of Name***

On 2 March 2017, the name of the Private Company KPL was changed to “Polytechnics Mauritius Ltd (PML)” and subsequently, a new institution was incorporated.

Three buildings have already been constructed at Reduit, Montagne Blanche and Pamplemousses to house the Polytechnics. The main branch of PML is located at Reduit. Courses that will be offered at the Polytechnics are mainly ICT, Tourism and Health care for nurses.

***9.3.3 Operations of the Campuses***

The total project value for the construction of the three campuses, including consultancy and management fees was Rs 760 million and as of 30 June 2017, total capital expenditure incurred was Rs 701 million. The three buildings were substantially completed in 2016 and taken over by PML. However, as of 30 September 2017, some snags still remained to be completed at all three polytechnics and they were still not operational.

***9.3.4 Loan Agreement***

With the creation of the new institution, namely the PML, the loan agreement amounting to Rs 486 million entered into with KPL and Government had not been re-drawn. As the repayment of the loans would start as from 2019, the repayment terms had not yet been redefined and the amount of interests capitalised over the grace period was also not available. An amended Business Plan, indicating forecast cash inflows showing how the loan would be financed and payback, was also not submitted.

***9.3.5 Financing of the KPL/PML***

The Company had been fully financed from public funds totalling Rs 763.1 million since its incorporation in 2013. This sum included Rs 6.3 million for recurrent expenditure. Besides, an additional amount of Rs 177 million was provided as grant to PML in the Ministry’s budget for 2017-18.

***9.3.6 Submission of the Financial Statements***

As of 30 September 2017, the Financial Statements of the KPL for the year ended
31 December 2014 had not yet been certified. Further, Financial Statements for the years ended 31 December 2015 and 2016 were not available at the Ministry.

***Recommendations***

* A Memorandum of Understanding (MOU) should be drawn between the PML and the Ministry whereby, the responsibilities and obligations of both parties should be clearly defined. The loan repayment schedules should be reviewed with the change of name of the Company;
* For accountability purpose, the Financial Statements of the Company should be submitted to the Ministry in a timely manner.

***Ministry’s Reply***

* The delay in the operationalisation of the campuses are beyond our control. MOU had been signed with Institutes/College for the mounting of courses in the field of Tourism and Hospitality, Nursing, and ICT to be held at the Polytechnics;
* A number of other partnerships in the fields of Nursing and Paramedics, Tourism and Hospitality, and ICT are currently being contemplated but have not yet been finalized;
* The snags are yet to be completed and are being followed by the Consultants;
* A MOU will be prepared and signed between PML and the Ministry of Education to define the responsibilities and obligations of both parties;
* The existing Business Model will have to be reviewed following the conversion of the Campuses into Polytechnics. The repayment of the loan and the conditions of the Loan Agreement will be reviewed accordingly;
* The Financial Statements are still being processed by a Private Company. A meeting was held on 1 December 2017 with the Company to highlight all pending and unresolved issues.
	1. **Procurement of Watch and Security Services in Schools/Institutions –**
	**Rs 164.2 million**

The contract for the ‘Procurement of Watch and Security Services in Schools/Institutions’ was awarded to two bidders, namely Bidder A and Bidder B on 14 October 2013 for the total sum of Rs 136,598,058 for a period of three years from 18 November 2013 to 17 November 2016.

On 25 November 2016, one week after expiry of the contract, the Ministry decided to extend the contract of the two Service Providers on a month to month basis under the same terms and conditions as the original contracts, pending the award of a new contract. As of 30 June 2017, amount disbursed to the two Service Providers totalled
Rs 164,218,033 as shown in Table 9-1.

*Table* *9-1 Watch and Security Services in Schools/Institutions*

|  |  |  |  |
| --- | --- | --- | --- |
| **Period** | **Bidder A****Rs** | **Bidder B****Rs** | **Total****Rs** |
| 18.11.2013 - 17.11.2014  | 19,128,410 | 25,002,426 | 44,130,836 |
| 18.11.2014 -17.11.2015 | 20,116,260 | 25,002,426 | 45,118,686 |
| 18.11.2015 -17.11.2016 | 21,104,110 | 26,244,426 | 47,348,536 |
| 18.11.2016 - 30.06.2017 | 12,310,725 | 15,309,250 | 27,619,975 |
| **Total** | **72,659,505** | **91,558,528** | **164,218,033** |

***9.4.1 Procurement Procedure***

Requests for provision of security services for Schools/Institutions from all the four Zones were received in February 2016. Ten months later, on 22 December 2016, the Ministry informed the Central Procurement Board (CPB), that it intended to launch the bids for the procurement of Watch and Security Services in Schools/Institutions for year 2017/2018/2019 through the e-Procurement System (e-PS). Out of 29 Open Advertised Bids launched during 2016-17, it was the only one launched through the e-PS at the Ministry.

However, as of 24 January 2017, according to the CPB, no document had been posted on the e-PS and the detailed cost estimates had not yet been submitted. The vetting procedure could, therefore, not be carried out as all documents had not been uploaded on the e-PS.

On 19 July 2017, six months later, authorization for the use of the e-PS was conveyed to the Ministry for conducting the procurement proceedings up to award of the contract. The bidding documents were subsequently uploaded.

***Observations***

Although the performance of the Service Providers was not satisfactory and to avoid disruption in services, their contracts had been renewed on a month to month basis. As of 31 July 2017, more than six months after the expiry of the existing contracts, the tender procedures have still not been finalised.

Due to poor procurement planning and inadequate monitoring of contracts, the award of the contract was delayed. According to the Procurement Plan 2016-17, the expected date of launching of bid was November 2017 which represented nearly a year after the expiry of the actual contract and four months after the uploading of the bidding documents on the e-PS.

However, the lead time for such procurement has exceeded the recommended lead time of 70 days from preparation of bidding documents to award of contract, according to the guideline issued by Procurement Policy Office (PPO).

As of 30 June 2017, an amount of Rs 27.6 million was disbursed to the two Service Providers for their monthly services. The renewal of the contracts on a monthly basis implied that the Performance Security and Insurance Cover could not be renewed.

***Ministry’s Reply***

* Preparation for launching of bids for Security Services has started well before the expiry of the contract. However, delay was caused as the Ministry had consultations with PPO and CPB to improve the bidding document so as to ensure quality service, prior to initiating procurement exercise;
* The PPO took much time to review the bidding documents after consultation and to prepare the e-procurement document. Thereafter, meetings were held with the CPB which recommended that the Ministry considers launching bids for services to be provided for one year only and to resort to framework agreement for following years.

Subsequently, the bidding document was revised and launched, as per recommendation of CPB;

* All the above impacted on the time taken for launching of invitation for bids for security services.

**9.5 Procurement of Cleaning Services in Schools/Institutions Premises**

***9.5.1 Cleaning Services in Zones 2 and 4***

*Cleaning Services in Zone 2*

The Contract for Cleaning Services in Schools/Institutions Premises in Zone 2 for
Lots 1 to 4, was awarded on 19 September 2013, to Contractor A for a period of three years for a total sum of Rs 11,908,896 which expired on 3 November 2016.

The Contract in Zone 2 for Lot 9 was awarded to Contractor B, on 8 September 2015 for an initial period of 12 months, with effect from 21 September 2015 at the initial contract price of Rs 1,278,225.

*Cleaning Services in Zone 4*

The Contract in Zone 4 for Lots 15 to 18 was awarded to Contractor C, on 8 September 2015 for an initial period of 12 months, with effect from 21 September 2015 at the initial contract price of Rs 23,187,001.

The Contracts for Contractors B and C were renewable for one year and thereafter for two subsequent periods of 12 months, subject to satisfactory performance in the preceding year.

***9.5.2 Performance Monitoring of the Service Providers and Post Contract Evaluation Report***

According to the Contract, the performance of the Service Providers should be closely monitored to ensure quality standard in delivery of services through regular meetings.

After completion of the contractual period, a Performance Report should also be prepared, based on the level of service delivered.

However, based on the observations of the Monitoring Meetings and the Performance Reports, the Ministry concluded that the overall performance of the Service Providers was poor. The shortcomings in their services were non-provision of adequate cleaning materials and non-execution of tasks, such as lawn mowing, high water pressure cleaning, and lopping of branches, as required.

***9.5.3 Renewal of Contracts of the Service Providers***

One and a half months before the expiry of the contract for Contractor A, on 20 September 2016, the draft bidding documents for Cleaning of Premises in Schools/Institutions for the year 2016-19 were submitted to the Departmental Bid Committee for vetting and approval.

Therefore, the Contract of Contractor A which expired on 3 November 2016 was extended on a month to month basis as from 4 November 2016, until further notice. However, due to their poor performance, the Contracts of the Contractors B and C were not renewed for another subsequent period of 12 months. However on 21 October 2016, the Contracts were renewed on a month to month basis with effect from 21 September 2016.

***Observations***

Despite the fact that a monitoring mechanism over the performance of the Service Providers was in place at the level of the Ministry, poor performance was reported by Zones over the duration of the contractual period. Appropriate actions were not taken by the Service Providers for improvement in their services. However, the Ministry did not claim remedies for non-performance in accordance with the Contract.

Due to poor procurement planning, as of 21 August 2017, nearly a year after the expiry of the contract, the procurement procedures had not yet been finalised. For the period September 2016 to June 2017, an amount of Rs 26,591,776 was disbursed to the Contractors for their monthly services provided. Besides, due to the monthly renewal of the Contracts, the Performance Security could not be renewed.

***Recommendations***

* The Ministry should ensure that all procurements are planned in a timely manner in order to avoid extending the contracts on a month to month basis to the defaulting Contractors. Procurement procedures should be carried out in accordance with the Public Procurement Act;
* A proper mechanism should be put in place in order to ensure that all contractual obligations are fulfilled and value for money is obtained. A Committee of Needs should be set up and all contracts should be properly monitored;
* The Ministry may consider using the Framework Agreement in respect of the provision of Watch Security Services. Consequently, the renewal of contract to unsatisfactory Contractors on a month to month basis would be avoided without disruption of services.

***Ministry’s Reply***

* *Performance Monitoring of the Service Providers- Monitoring Meetings*

There was close monitoring of the performance of the Service Providers of cleaning services. Two of them, namely Contractor C and Contractor B were in fact sanctioned by non-renewal of the contract after one year because of poor performance.

* *Renewal of Contractor A*

The contract of Contractor A expired in November 2016. With a view to avoiding disruption of services in terms of cleanliness, a transitional period was allowed and hence the Contract was extended on a month to month basis.

* Following a Government decision, Landscope (Facilities) Co. Ltd has been incorporated as a Government entity and is providing cleaning services in schools as from January 2018.
* The Ministry has taken good note of the recommendations and will give due consideration to the setting up of a Committee of Needs for monitoring contracts of Watch and Security Services as well as for Cleaning Services, and to the use of a Framework Agreement for the provision of the Watch and Security Services.

**9.6 Supplementary School Feeding Programme in Zone D’Education Prioritaires (ZEP) Schools**

At paragraph 10.4 of the Audit Report for the year ended 31 December 2014, mention was made that more than two years after the occurrence of the food poisoning incident in February 2013, the Hot Meal Programme has not resumed, as necessary infrastructural facilities have not yet been provided in ZEP Schools.

The project for the construction of Kitchen/Eating Corners on a pilot basis was to be implemented in four of the 27 ZEP Schools, to cater for the appropriate sanitary and hygienic conditions for the provision of hot meals. The construction should have been completed within six months. However, as of 31 October 2017, more than four years after the incident of food poisoning, the infrastructural facilities had been completed in respect of two schools, but were not ready for use. Consequently, the bids for hot meals could still not be launched for these two schools.

Besides, there was no Implementation Plan as regards the construction of the Kitchen and Eating Corners in the remaining 23 ZEP Schools. Hence, the Ministry’s objective of providing a healthy hot meal to ZEP Schools’ pupils since 2013 has not yet been attained.

**9.7 Status of the Pilot Project for the Construction of Kitchen and Eating Corners**

***9.7.1 Disbursement – Rs 11.77 million***

The total contract value for the construction of the Kitchen / Eating Corners at the Pointe aux Piments, Bois des Amourettes and Cascavelle Government Schools was
Rs 17,714,605. Payments totaling Rs 11,767,394 were made to the Contractors as from November 2015 to September 2017. Included in this sum was an amount of Rs 5,228,755 disbursed during 2016-17.

*Pointe aux Piments Government School*

The contract was awarded to Contractor A for an amount of Rs 6,284,750 for a contractual duration of 122 days, with expected completion date of 30 October 2016. Works were completed on 25 July 2017 with a delay of some nine months. Hence, the maximum liquidated damages amounting to Rs 500,000 were reached.

However, the Eating Corner could not be used as water leakage was reported and additional works were needed as regards bird netting. As of 30 October 2017, these works had not yet been completed.

*Bois des Amourettes Government School*

Due to additional works, the contractual amount was revised from Rs 4,726,500 to
Rs 5,182,881 with the completion date re-scheduled to 30 April 2016. However, works were completed on 1November 2016. Therefore, a delay of six months was noted and maximum liquidated damages amounting to Rs 450,000 were charged. The practical taking over of the Kitchen/Eating Corner was held on 18 November 2016.

*Cascavelle Government School*

The contract for the construction of Kitchen/Eating Corner was awarded to Contractor B for an amount of Rs 6,246,972 for a duration of 122 days. The contractual completion date was 13 December 2015. As of 3 March 2016, payments amounting to Rs 2,082,989 were effected to the Contractor. Due to the poor performance of the Contractor, on
15 November 2016, the Ministry decided to terminate the contract. However, nearly a year after the termination of the contract, the construction of the Kitchen/Eating Corner had not yet been completed, as the bid documents for the remaining works had not yet been finalised.

*Aime Cesaire Government School*

As for Aime Cesaire Government School, bids for the construction of Kitchen/Eating Corner had been launched and cancelled on three occasions. The last bids were cancelled on 28 August 2017, as the quoted price was 63 per cent higher than the estimated cost of Rs 4,608,695. However, after more than a year of the launching of the first bid in June 2015, the procurement procedure had not yet been finalised and the bid documents were still being reviewed.

***Recommendations***

* A proper Implementation Plan in respect of the provision of hot meal programme to all the ZEP schools should be prepared with all deliverables clearly defined. It should also be ensured that a proper follow up mechanism is in place for monitoring purpose;
* The implementation of the hot meal programme at only four ZEP Schools might be considered as unfair to the remaining ZEP Schools as the time frame for the provision of hot meal to the all ZEP pupils has not yet been defined. The Ministry might also consider revisiting the School Feeding Programme so that same meals are provided to all ZEP schools’ pupils within a reasonable timeframe.

***Ministry’s Reply***

* Once the pilot project is executed, the risks that were identified at the beginning of the project can be evaluated in terms of the actual solution being implemented. It is expected that the decision for the rolling out of the project to all ZEP Schools or otherwise would normally be made after the piloting project;
* *Pointe aux Piments Government School (GS):* The Contractor has been requested to attend to the problem of water leakages. As regards bird netting, the MPI has already been requested to entrust the work to the District Contractor. The maximum liquidated damages amounting to Rs 500,000 has been applied;
* *Bois des Amourettes GS:* The additional works as well as levelling works were also entrusted to the Contractor as the school is located on a hill;
* *Cascavelle GS:* As regards the remaining construction works, the Ministry is still awaiting bid documents from the MPI which will have to make a survey of the outstanding works for the preparation of the new scope of works;
* *Aime Cesaire GS:* The MPI was informed regarding additional works pertaining to installation of aluminium openings/pigeon proofing on 22 December 2017. The Ministry is still awaiting the bid document from the MPI;
* Pending the construction of the appropriate infrastructure, the Ministry has been providing an enhanced meal to the pupils of ZEP Schools since 2013. This meal has been further extended in 2017 after consultation with the Ministry of Health and Quality of Life.

**9.8 Infrastructure Maintenance Unit**

The Infrastructure Maintenance Unit (IMU) is responsible for carrying out repairs and maintenance works at Primary and Secondary Schools. The IMU is staffed by two Engineers, three Technical staff and two Office Management Assistants. The main objectives of the IMU are to ensure that schools are safe and in good physical condition and the timely implementation of infrastructural projects.

***9.8.1 Works Orders Issued***

For 2016-17, 151 Works Orders were issued to 16 District Contractors (DCs), after being appointed by the MPI following tendering procedures under the Framework Agreement 2015-16. The contract covered a period of 18 months from 1 July 2015 to 31 December 2016. However, on 26 December 2016, the Framework Agreement was extended for a further period of six months ending 30 June 2017.

As of 31 July 2017, of the 151 Work Orders issued, 118 works were completed while for the remaining 33, works were still in progress. Some Rs 66 million were disbursed to the 16 DCs for maintenance works for the period July 2015 to June 2017.

A database of projects carried out by the MPI was kept but several details were missing. Information regarding number of Work Orders issued, the number of completed projects and those which were delayed for a particular year were not available. The total number of Work Orders allocated for each Zone was also not available.

Due to incomplete records, monitoring and follow up of works were not adequately carried out. Based on a sample of Works Orders examined, it was observed that, in several instances, works were delayed and the additional time taken varied from one to six months.

***9.8.2 Priority Projects***

Maintenance Works, categorised as Priority Works, included defects in building structure which disrupted operation of schools and should be attended promptly. These included repairs of cracks, spalls, roof leakages and upgrading of toilets.

As per Priority List, 67 projects were selected to be executed by DCs, including
34 Priority Projects for 2015-16, as shown in Table 9-2.

*Table 9-2 Priority Projects for 2015-16 and 2016-17*

|  |  |
| --- | --- |
|  | **Number of Projects** |
| **Schools** | **2015-16** | **2016-17** | **Total** |
| Primary | 22 | 18 | 40 |
| Secondary | 12 | 15 | 27 |
| **Total** | **34** | **33** | **67** |

As of 30 September 2017, of the 67 Priority Projects, seven were completed, six were in progress while the contract for remaining 54 had not yet been awarded.

Due to lack of a proper monitoring mechanism at the Ministry, the Priority Projects which should have been completed promptly, had become long outstanding and were preceded by current Priority Projects. Follow up and monitoring of maintenance works were not adequately done at the level of the Ministry.

***9.8.3 Waterproofing Works***

The most common and serious problems encountered by schools were ceiling or wall cracks and leakages during rainy periods. During 2016-17, some 35 Waterproofing Works amounting to some Rs 37 million were carried out.

According to the contract, the Contractor had to submit a Certificate of Guarantee for a period of 10 years from the date of the Practical Completion Certificate. The Contract also specified that ‘*the Contractor shall carry out a water test on the finished work****’.***

In the absence of complete records as regards the waterproofing projects undertaken in schools, details such as name of schools, Contractors, and warranty periods were not readily available, and hence, complaints received from schools could not easily be addressed. The 24-hour water testing documentary evidence, was also not available.

In some cases, leakages still persisted for works already carried out, and some were left unattended. Besides, the Contractors did not respond promptly to the Ministry’s request to carry out the necessary repairs.

The works were, subsequently, contracted out again although they were still within the warranty period, as the defective works were causing lots of inconvenience to the school staff and students.

***Recommendations***

* In view of the significant amount of funds disbursed for the maintenance of schools, it is essential that records are properly kept to ensure adequate monitoring and follow up of works. Details, such as the performance of Contractors, delays and liquidated damages charged should be readily available to assist the Ministry in allocating contracts with due diligence;
* The Ministry should ensure that conditions of contracts are complied with by Contractors and necessary actions are taken against Contractors for breach of contracts.

***Ministry’s Reply***

*Works Order Issued*

The observations made have been noted and appropriate action will be taken accordingly. The database of capital projects is being revisited with a view to including relevant information, in particular the numbers of the work orders issued, completed projects and those which are delayed.

*Priority Projects*

The contracts for the remaining 54 schools have not yet been awarded as the contract of the District Contractor under the framework agreement expired on 30 June 2017. A new framework agreement was being worked out after annulment of an initial exercise by the Independent Review Panel. Bids are being vetted by the Central Procurement Board prior to re-launching, and as such District Contractors have not yet been appointed.

As regards proper monitoring of projects, fortnightly site meetings and regular meetings are held jointly by officers of the MPI and staff of the IMU of this Ministry.

*Waterproofing Works*

With regards to water testing, same was carried out and the report has now been filed. A 24 hour test is not a guarantee against leakages. Same can occur at any time after the test.

* 1. **Primary School Textbooks – Rs 54,936,195**

Some Rs 55 million were disbursed for the procurement of Primary School and Pre-Vocational textbooks during 2016-17.

***9.9.1 Obsolete Books***

With the introduction of the Nine Year Schooling Programme in 2017, there has been a change in the appellation of classes from Standard to Grade. The curriculum and contents of textbooks were, therefore, reviewed. However, some 153,000 textbooks, printed prior to 2017, of an estimated value of Rs 7.2 million, were in excess of the required quantity for all Standards. Although the quantity of textbooks procured included a buffer of five per cent, still, the excess textbooks for some titles in stock, had far exceeded the buffer limit.

These textbooks could not be used for 2017 under the Nine Year Schooling Programme and therefore, they had become obsolete.

***9.9.2 Delivery of Textbooks to Rodrigues***

At paragraph 11.3.1 of the Audit Report for the 18-month period 1 January 2015 to
30 June 2016, I drew attention that due to delays in the procurement of textbooks, some
Rs 1.4 million were incurred as air freight charges to Rodrigues. During 2016-17, the Ministry had, again, incurred air freight charges amounting to some Rs 1.25 million, which represented 96 per cent of the total freight charges of Rs 1.3 million.

Some 80,000 textbooks for 2017 were issued to the Commission of Education of the Rodrigues Regional Assembly. However, as from 27 December 2016, these textbooks were sent by air to Rodrigues to ensure timely distribution to Schools.

***Recommendations***

* The Ministry should define its buffer stock policy, as regards the procurement of textbooks to minimise the number of books in excess;
* Procurement of textbooks should be properly planned for timely delivery and distribution to schools both in Mauritius and Rodrigues. Freight charges to Rodrigues could also be minimised.

***Ministry’s Reply***

* In the context of the NYCBE reforms, a New Curriculum Framework (NCF) for Grades 1-6 had been prepared and approved. Hence, existing Primary Textbooks could not be used as new ones had to be produced as per the NCF. This situation is not expected to recur;
* In view of the combined effect of the late submission of printing materials and strike-offs, among others, printing of some textbooks was delayed. Hence, the Ministry had to fast-track the delivery of new textbooks to Rodrigues so that pupils as well as the teachers get same on time. The Ministry had no alternative but to resort to delivery by air.

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