MINISTRY OF HEALTH AND QUALITY OF LIFE

22.1 General

During the audit of the Ministry, it was noted with satisfaction that remedial actions have been taken in relation to my comments in the last Audit Report. The following improvements were observed:

- Renovation of the Mahebourg Hospital and its operation as a Community Hospital anew.
- Upgrading works at the ENT Hospital for the benefit of patients.
- Operation of the New Souillac Hospital and the proposed setting up of a Centre of Excellence for Diabetes at the hospital.
- Operation of the New Outpatient Department at the Victoria Hospital, Candos.
- Starting of construction works and equipment for the Dr A.G. Jeetoo Hospital in 2009 at an estimated cost of Rs 1.8 billion.

22.2 Health Laboratory Services

The Central Health Laboratory (CHL) at Candos was set up in the late fifties to provide medical laboratory services to the population at large. CHL is manned by a team of officers under the supervision of a Consultant. The team comprised officers of the medical, scientific, technical and general grades. CHL includes the blood transfusion service (BTS) and four departments sub-divided into several sections. Laboratory services have been decentralised and are now provided at the regional and district hospitals.

22.2.1 Infrastructure

The existing building was erected some four decades ago and needed renovation works. In spite of the increase of daily pathological samples at the histo-cytopathology, virology and biochemistry departments lately, the laboratory space had remained the same. The following weaknesses were common at the different sections - inadequate working space for performing tests and handling of large bio-medical equipment, old working benches not resistant to corrosive chemicals, uneasy mobility, absence of staff amenities and the bad state of the stairs, representing a safety hazard to both staff and patients.

22.2.2 Laboratory Tests

Three departments - BTS, biochemistry and microbiology - worked round the clock. The workload had increased significantly over the past years. From a yearly figure of some six million tests performed in 2006 at CHL and the regional laboratories, the figure has now
increased to more than seven million. Tests requested by private patients were payable according to the Bacteriological Laboratories Charges (Amendment) Regulations.

22.2.3 Stores Management

The stores of CHL include two store rooms, cold rooms and containers at Candos, and one store room at Rivière Noire. More than 3,000 items of chemicals, reagents, consumables, glassware and spares worth several million of rupees, were purchased and kept in stock. Access to the stores, free movement in between the contents, adequate storage space, proper stacking, identification and segregation of items, were common unsatisfactory features. A computerised system, instead of the present manual one, would have helped in closely monitoring stock levels and the shelf life of items.

22.2.4 Laboratory Information System

An integrated laboratory information system (LIS) became operational in 1994. The main functions were the creation of individual patient’s file and a work list of the various tests requested; update of patients’ files; validation, printing of test results and provision of management information. Out of nine departments, only three were connected to the system. The system was not running properly due to frequent computer breakdown, lack of data entry clerks and weaknesses in the application software. Hence, patients’ results could not often be printed on time daily and were dispatched to the wards or units with delay. At present, most of the terminals and printers of the various departments were either out of order or under repairs. The laboratory information system is vital to the printing of thousands of patients’ results daily.

Ministry’s Reply

The following actions were already initiated – disposal of unserviceable items to free additional store space and the purchase of computer equipment as a first step towards the upgrading of the present laboratory information system.

22.3 New Outpatient Department (OPD) - Victoria Hospital

Further to paragraph 22.1 of the 2006-07 Audit Report, the total expenditure on the project during the fiscal year 2007-08 reached Rs 207.2 million compared to Rs 163.9 million in the previous year. The increase of Rs 43.3 million representing additional works and consultancy services, included an amount of Rs 22.5 million (excluding VAT) paid to the main Contractor in respect of Disruption/Loss and Expense, originally totalling some Rs 75 million as previously reported.

Following the payment of Rs 22.5 million (excluding VAT), financial charges amounting to Rs 2.4 million were waived by the main Contractor. However, in February 2008, the main Contractor complained to the MPI of the non-payment of Certificate No. 32 for Rs 20.6 million, which was not yet considered as of June 2008.
The payment of Rs 22.5 million (excluding VAT) in respect of Disruption/Loss and Expense arose because the MOH refused to pay works certified totalling Rs 5.4 million (excluding VAT) as advised by Ministry of Finance and Economic Empowerment (MOFEE). The main Contractor determined the contract and the project continued to accumulate considerable delay.

As of June 2008, the Project Architect (PA) imposed liquidated and ascertained damages totalling some Rs 3.6 million against the nominated Mechanical & Electrical Sub-Contractor. Deduction of same from the direct payments to the Sub-Contractor was not seen.

Conclusion

The MOH paid some Rs 22.5 million (excluding VAT) to the main Contractor for Disruption/Loss and Expense which could have been avoided.

Both the MPI and MOH did their best to make the OPD operational in September 2008 despite the main Contractor determining the contract as early as 2005.

The numerous changes introduced from design to completion stages, were evidence of an absence of proper planning.

A master plan had never been prepared for the whole Victoria Hospital and Princess Margaret Orthopaedic Centre prior to developing the OPD project.

22.4 New Souillac Hospital

With reference to paragraph 22.3 of the 2006-07 Audit Report, though the Practical Certificate of Completion was issued in April 2005, vital works for the smooth running of the hospital were not completed as of September 2008. The operating theatres could not be used due to the non-installation of scialytic lamps and laminar flow air conditioning system.

The Construction Manager (CM) and the main Contractor did not agree on ten items totalling Rs 124.6 million. The figure included an amount of Rs 105.8 million representing claims for ‘Loss and Expense’ not assessed by the CM.

The claim in respect of Disruptions and Charges totalling Rs 86.5 million from the main Contractor was not entertained by the CM.

The arbitration case of the CM was still ongoing and several hearings were held.

No action, legal or otherwise, had been taken against the Consulting Architect for flaws in the drawings as confirmed by the differences between the final accounts and the contract.

The main Contractor was given final extension of time bringing the completion date to July 2004. However, the Practical Completion date was April 2005. The CM did not claim liquidated and ascertained damages for the excess time taken by the main Contractor.
Three years after the handing over of the hospital, some 40 per cent of the total floor area totalling 4,500 square metres were unutilised.

22.4.1 Other Operational Problems

The following were noted:

- The bed occupancy rate was low as the hospital was providing elementary services only.
- The performance of the air conditioning system was erratic. The main problems of water leakages from the air conditioning units, waste water and drainage pipes connected to the same discharge pipes, were not addressed in time.
- Due to inadequate maintenance of the two bed lifts by the original Sub-Contractor, two other Contractors were appointed in 2007 and 2008. As of September 2008, one bed lift was not working.
- One incinerator costing some Rs 1.5 million, originally intended for the hospital was not used since March 2006 and was transferred to Nehru Hospital in August 2008.
- The manholes on both sides of the main entrance frequently overflowed causing the stagnation of effluent waste injurious to health.

22.5 Upgrading of Dr A.G. Jeetoo Hospital

At paragraph 22.4 of the 2006-07 Audit Report, I commented at length on the project for the upgrading of the Dr A.G. Jeetoo Hospital.

The estimated cost of the project originally to be financed jointly by the Government of Mauritius (GM) and a loan from the African Development Bank (ADB), was Rs 654 million. The loan agreement with ADB was signed in 2002. However, the loan was cancelled in 2007, and as of September 2008, MOFEE had already given its approval for the funding of the project.

In 2008, the contract for consultancy services was awarded to a consultancy firm for Rs 92,077,924 inclusive of VAT. Construction works would then start in April 2009 and be completed in 2010.

Payments totalling some Rs 15 million were already made to the firm as of September 2008. Yet, the contract agreement was signed in October 2008.

Tenders for construction works were not yet launched. The project design had to be finalised after consideration of the following - cost estimates, power management supply, building management system, relocation of wards, equipment requirements and covering of the canal near the hospital.

The revised costs for the upgrading of Dr A.G. Jeetoo Hospital, including building and equipment, have now been estimated at some Rs 1.8 billion.
22.6 New Psychiatric Hospital

At paragraph 22.2 of the 2006-07 Audit Report, mention was made that the Practical Handing over of the New Psychiatric Hospital was done in June 2005. However, the Final Handing over Certificate has not yet been issued by the Consultants more than 36 months after.

Expenditure on the project as of September 2008 totalled more than Rs 260 million excluding Consultancy fees.

The responsibilities of the Mechanical & Electrical Consultant in respect of delays to the project had still not been established by the Project Manager.

Claims for ‘Loss and Expense’ totalling Rs 112 million submitted by the main Contractor were not yet assessed by the Consultants.

The contract agreement for both Architectural and Mechanical & Electrical consultancy services, were not yet signed.

At the end of the Defects Liability period in June 2006, a list of all defects/outstanding works was drawn up by the Consultants. These included cracks on walls and roof leakages at several places, defective discharge pipes, defective doors and windows, holes in walls, major leakages at outpatients department, corridor, covered passage and police post, and defects in electrical installations. As of August 2008, the Consultants had still not certified that all defects had been made good.

The certificates of commissioning for works worth some Rs 39 million, were still not submitted by the Consultants - air conditioning and ventilation - Rs 2.1 million; electrical installations and stand-by generators - Rs 17.6 million; public health and fire fighting - Rs 10.3 million; vertical transportation - Rs 3.1 million; catering equipment - Rs 4.8 million and sewer connection - Rs 1.2 million.

As of September 2008, some three years after operation, the refrigerated mortuary cabinet, delivered in January 2005 at a cost of Rs 1 million and commissioned in December 2007 broke down in March 2008. In the meantime, corpses were transferred to Dr A.G. Jeetoo Hospital causing inconveniences to both staff and relatives.

**Conclusion**

Claims for ‘Loss & Expense’ totalling Rs 112 million submitted by the main Contractor were not yet assessed by the Consultants.

The contract agreement for Architectural and M & E Consultancy services was not yet signed.

Outstanding defects/works were not yet certified as having been made good by the Contractor.
The Final Handing over Certificate was still due some 36 months later.

The Commissioning Certificates for works worth some Rs 39 million were not yet submitted by the Consultants.

The new telephone system connecting both the old and new hospital had still not been supplied although the contract was awarded since 2005.

The refrigerated mortuary cabinet, though still under warranty period, was out of order since some six months.