17.1 Central Supplies Division - Storage and Handling of Stores

The Central Supplies Division (CSD) has the responsibility to meet the purchasing and supply requirement of the Ministry so that the 260 Primary and 64 State Secondary Schools, the Headquarters and the four Education Directorates be fully serviced in terms of requirement of goods and services. The CSD, located in Vacoas, comprises four warehouses.

The following were observed:

- Many items were stored in a haphazard and untidy manner, most particularly in one of the warehouse where furniture, office equipment and electrical appliances were kept. At the time of audit in August 2007, the warehouse was so packed and crammed that it was difficult to move in and carry out a stock survey. It was reported that at times of heavy rainfall, there were leakages from the roof and water penetrated the warehouse due to poor drainage system.

- In the warehouse where chemicals and laboratory equipment were kept, many items were stored in a haphazard manner and were not properly classified. A few boxes were seen on the floor. It is not known whether security norms for the storing and handling of chemicals were being respected. No proper labelling was seen on the shelves.

- Many unserviceable and dormant items were scattered in various warehouses and in the verandah of the CSD.

- Some 4,700 poetry books were found lying in one warehouse. Apparently, these were received prior to the year 2000. Only some 300 copies have been issued/sold during the period January-September 2007. Given this trend, it is not known when the total number of books would be distributed. There is a risk that with the passing of time, these books may be spoilt due to inappropriate storage conditions. Further, there were still some 4,000 copies of literacy booklets valued at some Rs 91,000 lying dormant in the warehouse.

- Highly inflammable items such as paints, concentrated acids, books and old furniture were all stored in the same compound, quite close to each other. The risk of a fire outbreak cannot be ignored.

Recommendations

- Stores items need to be stacked in a tidy manner and properly labelled so that they can be easily identified and reached.

- Optimum use of space must be made by grouping and subsequently moving the unserviceable and dormant items to a different location. These should thereafter be disposed of after receiving the relevant authority.
Ministry’s Reply

- Most of the items which were kept in a haphazard manner have been issued and the warehouse cleaned. The issue of leakage/drainage is being looked into by the Ministry.
- Staff have been instructed to label the items received at latest within a fortnight.
- Action is being taken for poetry books and literacy booklets to be distributed to schools.
- Items like paints and acids were kept near but in separate rooms because of space constraints.

17.2 Supply of Furniture to Primary /Secondary Schools

Schools are invited annually to give their requirements for furniture to their respective Education Directorates. The total requirements of the four Directorates are sent to the Ministry’s Headquarters for approval. Procurement procedures are then initiated.

The following were noted:

- Tenders for the supply of various items of furniture for primary and secondary schools for the year 2007 were launched in September 2006. Contracts were awarded for a total amount of some Rs 20 million to various contractors. Four of them were not registered with the Ministry of Public Infrastructure (MPI). The value of contract involved was some Rs 16.8 million.

Given the significant value of the contracts, the Ministry needs to consider making it a requirement for the Contractors to be registered with the MPI.

- Orders were placed for the same quantity as the annual requirements of the four Education Directorates for the year 2007. In several instances, the stock of furniture available at the CSD had not been taken into account at the time of procurement, as shown in Table 17-1. Consequently, large stocks of furniture were being kept at the CSD and also on school premises.

Table 17-1 Quantity procured compared to requirements of the four Education Directorates

<table>
<thead>
<tr>
<th>Item</th>
<th>Stock before purchase</th>
<th>Requirement of four Directorates</th>
<th>Quantity Procured</th>
<th>Bal. in stock at 30 June 2007</th>
<th>Bal. in stock at 30 September 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infant Chairs</td>
<td>2,282</td>
<td>1,121</td>
<td>1,121</td>
<td>1,973</td>
<td>1,658</td>
</tr>
<tr>
<td>Infant Tables</td>
<td>696</td>
<td>717</td>
<td>717</td>
<td>517</td>
<td>461</td>
</tr>
<tr>
<td>Visitors Chairs</td>
<td>322</td>
<td>407</td>
<td>401</td>
<td>198</td>
<td>30</td>
</tr>
<tr>
<td>Card Trays</td>
<td>100</td>
<td>81</td>
<td>84</td>
<td>87</td>
<td>50</td>
</tr>
<tr>
<td>Tables with six drawers</td>
<td>45</td>
<td>24</td>
<td>24</td>
<td>34</td>
<td>19</td>
</tr>
</tbody>
</table>
Tenders for the supply of furniture for primary and secondary schools for the year 2008 were launched in May 2007. Again, cases were noted where tenders were launched for the same quantities as those required by the four Education Directorates, regardless of whether these items of furniture were in stock. Table 17-2 refers.

Table 17-2 Tenders launched for same quantities as those required by Education Directorates

<table>
<thead>
<tr>
<th>Item</th>
<th>Requirements of four Education Directorates</th>
<th>Quantity Tendered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filing cabinet</td>
<td>299</td>
<td>299</td>
</tr>
<tr>
<td>Computer tables</td>
<td>324</td>
<td>324</td>
</tr>
<tr>
<td>Senior tables</td>
<td>3,278</td>
<td>3,278</td>
</tr>
<tr>
<td>Steel bookshelves</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>Visitors’ chairs</td>
<td>276</td>
<td>276</td>
</tr>
</tbody>
</table>

There were no clearly laid down procedures for the verification of furniture at the time of delivery at the CSD to ensure compliance with specifications as set down in the tender documents. In some cases, samples were not available for items still in the process of delivery. As such, it was not possible to ascertain whether the quality of furniture delivered was according to the sample.

In the absence of records, it was not known whether furniture which did not comply with specifications had, in the past, been returned to Contractors. Had proper records been kept, the Ministry would have been in a better position to follow up the track records of these suppliers/contractors in future evaluation exercises.

A physical survey carried out in May/June 2007 on a sample of furniture items found at the CSD, revealed the following:

- The plywood surface of some items of furniture was not finished clean, smooth and properly varnished.
- The metal frames of some chairs and tables were not properly painted and showed signs of rusting. Complaints were received from one primary school, to the effect that infant chairs delivered were of defective quality and the backrests were falling down due to poor workmanship.
- Some items of furniture did not comply with specifications in terms of height, thickness of plywood and number of rivets for fixing of shelves.
Ministry’s Reply

- In future, a clause will be included in the tender document to the effect that Contactors for furniture need to be registered with the MPI.

- Henceforth, no purchase will be approved if an indication is not given as to whether existing stock level has been considered at Stores and school levels. The Procurement Unit has been instructed to ensure compliance herewith.

- Samples of furniture are verified at the time of receipt and in cases where items were found to differ from specifications as regards to their finishing touch, the goods were returned to the suppliers. Officers of the CSD have been instructed to keep records of action taken.

- As regards to thickness of plywood, finishing touch, dimension etc, the assistance of the Technical Officers at the Ministry will be sought accordingly.

17.3 Printing of Position Document “Towards a Quality Curriculum”

The quotation for the printing of the Position Document “Toward a Quality Curriculum” was launched on 20 November 2006 with closing date on 24 November 2006. In view of the short bidding time, only one quotation was received and the contract was awarded to the bidder on 18 January 2007 for the supply of 10,000 copies for an amount of Rs 110,975.

Although these documents were purported to be needed urgently, it was only on 19 December 2006 that the Departmental Tender Committee met to evaluate the offer. The contract was awarded one month later.

According to the letter of award of contract, delivery of these documents was to be made and completed at latest by end of January 2007, for distribution to stakeholders. However, 10 per cent of the quantity of these documents were received on 13 March 2007 and the balance on 17 April 2007. No action was seen to have been taken against the supplier for late delivery.

As of September 2007, some 9,000 copies were still lying at the CSD in packed cartons. The urgency with which the quotation was launched is therefore questionable.

Ministry’s Reply

The brochures have been sent to the four Education Directorates for distribution to the schools.
17.4 Printing and Supply of Pupils Activity Book

Pupils Activity Books (Art and Design - Std 1) were earmarked for distribution during the early second term of 2007 and the Ministry decided to contract out the work as the National Centre for Curriculum and Research Development was overloaded with work.

The contract for the printing and supply of 18,000 units of the Pupils Activity Books was awarded to a private Contractor on 11 May 2007 for an amount of Rs 125,100.

All the books had been received in June 2007.

During a visit effected by my Officers on 26 September 2007, these books were still lying at the CSD.

Given that the third term is nearing its end, the objective for which these books were prepared and printed may not have been met.

Proper planning to avoid delays in publication/printing and distribution of materials is therefore still lacking.

Ministry’s Reply

The booklets will be distributed in December 2007 for use in schools in 2008.

17.5 Book Loan Scheme for Needy Students

The Ministry has been operating a Book Loan Scheme for needy students of state and private non fee paying secondary schools for years. Books available in the stores of the Ministry were issued to students first. Those which were not available, were subsequently purchased by the respective Education Directorates. For the past three years, an average of some Rs 4 million had been disbursed for the purchase of new books for needy students of both the state and private secondary schools.

In November 2006, the Ministry decided that the Private Secondary School Authority (PSSA) would be responsible to operate the Book Loan Scheme for needy students in private secondary schools as from January 2007.

The private secondary schools were to receive an advance payment from the PSSA to kick start the exercise. In December 2006, the PSSA requested the Ministry to release an amount of Rs 7,689,100 to enable these advance payments to be effected.

In January 2007, the Ministry of Finance and Economic Development (MOF) was apprised of the change in the mode of implementing the Book Loan Scheme and its approval was sought for the transfer of part of the stock of books for needy students to the PSSA. No mention was made that the PSSA had requested the release of the above mentioned amount. Approval was obtained in the same month on the understanding that there would be no additional financial costs.
In April 2007, the MOF was informed that expenditure incurred by the Ministry and the PSSA on textbooks for needy students for the year 2006-07 turned out to be around Rs 9.95 million and additional funds of Rs 5.95 million were requested. It is to be noted that new books were purchased without taking into consideration the textbooks already available in stock.

No additional funds were granted to the Ministry. In June 2007, an amount of Rs 7,825,000 was reallocated from the item ‘Personal Emoluments-Education Directorates’ to that of ‘Text Books’ to enable the payment to be made to the PSSA.

As of September 2007, no transfer of books had been made to the PSSA although approval was obtained from the MOF in that respect since January 2007. Large quantities of books worth some Rs 2 million were lying idle in the stores of the four Education Directorates, running the risk of obsolescence.

The implementation of the Book Loan Scheme entrusted to the PSSA was not well planned. A cost analysis was not made beforehand to evaluate the financial implications involved. This has cost Government an additional amount of some Rs 6 million.

**Ministry’s Reply**

- The Ministry based itself on the previous number of students declared needy and did not foresee that the figure would shoot up that much for this year.

- Arrangements have been made for the books which have not yet been transferred to be sent to the PSSA for redistribution next year.

**17.6 Maintenance in Government Schools**

All Government primary and secondary schools are grouped under four Education Directorates, each under the administrative supervision of a Director. In each Directorate, there is a Maintenance Unit which is responsible to carry out maintenance works in the schools of their respective Directorate.

The Maintenance Unit in each Education Directorate is headed by a Technical Officer and the staffing position and the number of schools serviced are as shown in Table 17-3
Table 17-3  Staffing position and number of schools serviced by Maintenance Unit

<table>
<thead>
<tr>
<th>Directorate</th>
<th>No of Staff</th>
<th>Government Primary Schools</th>
<th>State Secondary Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>32</td>
<td>72</td>
<td>22</td>
</tr>
<tr>
<td>2</td>
<td>31</td>
<td>57</td>
<td>15</td>
</tr>
<tr>
<td>3</td>
<td>22</td>
<td>49</td>
<td>13</td>
</tr>
<tr>
<td>4</td>
<td>30</td>
<td>34</td>
<td>14</td>
</tr>
</tbody>
</table>

Total amounts disbursed in respect of labour, including overtime of Rs 1.2 million, were around Rs 12 million.

**Review of Past Audit Report**

In the 2004-05 Audit Report, the attention of the Ministry was drawn to the various shortcomings. It is noted with satisfaction that several of the recommendations made by this Office have been implemented. These include the following:

- For all Directorates, Requests for maintenance works received from schools are now kept in the respective schools’ files instead of being kept flying in a file cover.

- A weekly plan of work is prepared in advance with details of works to be performed and is duly approved by the Senior Officer responsible for infrastructural works.

- Improvement has been noted in the keeping of Movement Book to monitor the movement of all Officers, especially Inspectors/Assistant Inspectors.

However, other areas as highlighted in the paragraphs hereunder need to be improved:

**Requests for Work**

Requests for carrying out minor works in schools are received at the Education Directorates, a copy of which is kept in the respective schools’ files and the other one is referred to the Infrastructural Committee for approval.

- It was difficult to ascertain whether these Requests had been attended to promptly by the Maintenance Unit since:

  - A Register was not kept to record the dates on which these Requests had been received together with the dates on which works had been completed.

  - Rotation numbers were assigned to the Requests for Works in only three Directorates. However, these rotation numbers had not been cross referenced to the minutes of Infrastructural Committee in one of these three Directorates.
Cases were noted where requests appeared to have been attended to with undue delay. Examples are:

- A request from a particular Primary School for ‘tiling and water supply to science laboratory’ was made on 21 August 2006. It was only in May 2007 that the request was approved. During a site visit carried out by my Officers in September 2007, works were still ongoing.

- Requests for a fresh wax of paint were made in September and November 2006 respectively by one Secondary School. The work was considered to be a priority by the Infrastructural Committee in May 2007. In September 2007, works had not even started.

- Materials were delivered in July 2006 at a State Secondary School for the covering of drain. During a site visit made by my Officers in August 2007, the work had not started.

Requests should be attended to promptly, especially when they are considered as a priority. A Register should be maintained to enable proper follow up of Requests.

**Control over Material Usage**

After approval of a Request by the Infrastructural Committee, a site visit is carried out and a “Request for Material Form”, duly signed by the Director/Acting Director is sent to the Stores Section for the procurement of the required materials.

In all the Education Directorates, materials are issued to schools and then handed over to the Maintenance staff posted at these schools. Control over materials was not satisfactory. The following were noted:

- A Site Record Book was not kept to monitor usage of materials.

- In three of the four Education Directorates, details contained in the ‘Requests for Material Forms’ could not be matched with the respective ‘Requests for Works’ coming from the various schools. It was therefore difficult to ascertain whether the materials requisitioned were justified or not.

- In one Education Directorate, photocopies of the ‘Requests for Material Forms’, not bearing the signatures of the Acting Director, were in some cases sent to the Stores for procurement of materials. Further, the original copies of these Forms could not be traced to the respective schools’ files.

- There were no clearly laid down procedures for the redeployment of surplus materials on sites. At times, there were unused materials left on the premises of the various schools where maintenance works had been carried out. They were kept in these schools under the responsibility of the Head Teacher/Rector. The Education Directorates were not informed accordingly and as a result, any unused material was not taken into account when new requests for materials from other schools were received.
Site Record Books need to be introduced to tighten control over usage of materials and any unused materials on sites need to be taken into account when making future purchases.

**Control over Labour Force**

Tradesmen are required to fill in Job Sheets to record daily work performed. However, control was not satisfactory.

- In some cases, Job Sheets were not submitted whilst in other cases, they could not be traced to the relevant files.
- In many cases, Job Sheets were not complete in that the ‘time in’ and the ‘time out’ were not inserted therein.
- In several cases, the ‘time out’ in both the Job Sheets and the Attendance Registers kept at the various schools ranged between 1 p.m and 2 p.m on weekdays. Tradesmen should normally work either from 7.30 a.m to 4.30 p.m with one hour lunch on weekdays or from 7.30 a.m to 3.15 p.m with one hour lunch on weekdays and from 7.00 a.m to 10.45 a.m on Saturdays.
- According to regulations, an employee is qualified for overtime allowance after having performed more than 40 hours’ work in a week. However, given that the Tradesmen work only on weekdays up to a time less than prescribed, calculations for the payments of overtime, which was performed mostly during week ends, need to be reviewed.
- ‘Requests for Overtime’ sheets provide for information such as work to be performed, the venue, the period when the overtime would be performed, the employee whose services would be required, justification for overtime. However, in certain cases, some of these information were missing.

Job sheets should be properly filled in by the Tradesmen and signed by the Rector/Head Teacher. Control should be exercised over the departure of workers from sites to ensure that they respect the prescribed hours of work and payment for overtime is to be made after ensuring that the workers have put in a minimum of 40 hours in a week.

**Ministry’s Reply**

- A Circular has been issued to the Directorates to transmit audit observations and recommendations for implementation and strict compliance therewith. Some of the recommendations are already being implemented in some of the Directorates.
- Technical Officers of Directorates have been requested to monitor materials issued to schools and to take action for redistribution of excess materials to other schools where these are needed.
- With a reinforced Internal Control Unit, the Ministry will sustain effort to monitor compliance to good work procedures. Senior Officers designated by the Directorates will be requested to follow up on Internal Control and Audit reports.
17.7 Education Directorates – Stores Management

Each of the four Education Directorates has a Stores Section to cater for the needs of the schools falling under its responsibility.

The following were noted:

- There was no proper segregation of duties in the stores function. For example, in one Education Directorate, one Officer was involved in the procurement, receipt and delivery of stores items. That same Officer was also effecting postings of transactions in store ledgers. This is contrary to financial regulations.

- In three Education Directorates, postings of stores transactions in ledgers were in arrears for more than one year. This is not satisfactory.

- No physical surveys were carried out. Given that the ledgers were not up to date, any shortages/excesses may not have come to light.

- There was a problem of availability of storage space at the level of the Education Directorates. Except for one Directorate, Stores were scattered in different locations. In one case, although the various buildings housing the Education Directorate were found in the region of Rose Belle, the Store was located in Curepipe.

- No control was exercised over stores items issued to schools. During visits carried out in August 2007 in a sample of nine schools in one Education Directorate, it was found that certain school requisites were held in relatively large quantities. In some cases, stores items were issued without any requests from schools. Further, items such as furniture, ceiling fans and electronic microscopes had not been put to use since their receipts in January/February 2007.

- Storage conditions in schools were not adequate. In some cases, the rooms were not well ventilated and equipped with fire extinguishers. There were no shelves and stores items had to be kept on the floor. There is a risk that fragile items such as laboratory equipment and glass wares be broken.

Ministry’s Reply

- The acute shortage of staff both supporting and technical coupled with staff following courses at the University make it difficult to strictly comply with financial regulations and do proper segregation of duties. The Ministry has no control on release of staff of Purchasing and Supply Cadre for courses. The Ministry of Finance and Economic Development has been approached for reinforcing the team at the Ministry.

- The Ministry is making every effort to find appropriate building to accommodate its Directorate.

- The practice of delivering large quantities of requisites to schools is being looked into and measures taken accordingly.
A circular has been issued to the Directorates to request them to ensure that all schools are equipped with fire extinguishers and install shelves to keep stores items. A survey will be carried out in schools regarding the ventilation problem for remedial action.

17.8 Construction/Conversion/Extension of Secondary Schools

17.8.1 Vote Management

Rs 530 million were provided in 2006-07 for the construction/conversion/extension of Secondary Schools. Only 61 per cent of the original voted provision, that is some Rs 323.5 million, had been spent for that purpose. Rs 94.9 million have been reallocated to various items, of which Rs 64.6 million were not to the Education Sector. Table 17-4 refers.

<table>
<thead>
<tr>
<th>Amount (Rs m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Rehabilitation and Site Infrastructure</td>
</tr>
<tr>
<td>Acquisition of Immovable Property</td>
</tr>
<tr>
<td>Very Low Cost Housing Project</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

This defeats the purpose for which funds were provided for by the National Assembly. Every effort should be deployed to ensure that projects, for which funds were made available, materialise.

17.8.2 Implementation of Projects

Of the voted provision of Rs 530 million, Rs 230 million were earmarked for eight new projects to be implemented during the financial year 2006-07.

A priority list of projects was submitted to the Ministry of Public Infrastructure (MPI) in March 2006 whereby seven Secondary Schools projects were identified for implementation on a fast track under the item ‘construction/conversion/extension of Secondary Schools’. The project for the construction of the Quatre Bornes State Secondary School was not included in that priority list, though funds had been earmarked to that effect.

In July 2006 an additional list containing 11 Secondary Schools projects identified for implementation, was forwarded to the MPI.

There were delays in the implementation of projects.
Of the seven projects identified as priority for implementation during 2006-07 and for which funds had been provided, contracts had been awarded only in four cases, three of which were in June/July 2007. Details are as in Table 17-5.

Table 17-5 Status of projects identified as priority for implementation in 2006-07

<table>
<thead>
<tr>
<th>Projects</th>
<th>Scope of Works</th>
<th>Date of Letter of Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>R. Gujadur SSS (G) Central Flacq</td>
<td>1 classroom block + 6 toilet cubicles</td>
<td>12.12.2006</td>
</tr>
<tr>
<td>S. Jugdambi SSS (G) Goodlands</td>
<td>1 classroom block + 6 toilet cubicles</td>
<td>-</td>
</tr>
<tr>
<td>Goodlands SSS (B)</td>
<td>2 classrooms blocks + 1 toilet block</td>
<td>20.07.2007</td>
</tr>
<tr>
<td>Hollyrood SSS (B) Vacoas</td>
<td>science block</td>
<td>Only for science block</td>
</tr>
<tr>
<td></td>
<td>computer/library block</td>
<td>14.06.2007</td>
</tr>
<tr>
<td></td>
<td>DCDT workshop</td>
<td></td>
</tr>
<tr>
<td></td>
<td>administration block</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 classroom block</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 toilet block</td>
<td></td>
</tr>
<tr>
<td>Ebene SSS (B)</td>
<td>computer/library block</td>
<td>20.06.2007</td>
</tr>
<tr>
<td></td>
<td>DCDT workshop</td>
<td></td>
</tr>
<tr>
<td></td>
<td>administration block</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 classroom block</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 toilet block</td>
<td></td>
</tr>
<tr>
<td>Pamplemousses SSS (G) Phase II</td>
<td>2 classrooms blocks</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>1 toilet block</td>
<td></td>
</tr>
<tr>
<td></td>
<td>administrative block</td>
<td></td>
</tr>
<tr>
<td>Vacoas SSS (G)</td>
<td>1 classroom block</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>1 toilet block</td>
<td></td>
</tr>
<tr>
<td></td>
<td>computer/library block</td>
<td></td>
</tr>
<tr>
<td></td>
<td>administrative block</td>
<td></td>
</tr>
</tbody>
</table>

As for the 11 additional projects, the status as of August 2007 is as shown in Table 17-6

Table 17-6 Status of additional 11 projects

<table>
<thead>
<tr>
<th>Status</th>
<th>No of Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary Design Stage</td>
<td>4</td>
</tr>
<tr>
<td>Building Plan Committee Stage</td>
<td>6</td>
</tr>
<tr>
<td>Contract Awarded</td>
<td>Nil</td>
</tr>
<tr>
<td>Consultancy document approved by MOE</td>
<td>1</td>
</tr>
</tbody>
</table>
17.8.3 *Contingency Arrangements*

*Accommodation*

Given that schools appearing on the priority lists of the Ministry were not ready for intake of students in January 2007, the Ministry had to make contingency arrangements to accommodate students in other schools.

In some cases, students were being temporarily accommodated for three years now. It is worth noting that, at the time of the admission of their wards to these schools, parents were informed that this would only be a temporary measure pending the construction of new schools.

*Transport*

Further, the Ministry had to incur additional expenditure for special transport arrangements from schools which were not ready for intake of students to those where students were temporarily accommodated. It is to be noted that free transport is available for all students and that Government is already subsidising the bus operators to that effect. Government is therefore incurring additional expenditure on transport of students just because the schools are not ready.

Only, in respect of three Secondary Schools in one Education Directorate, the Ministry spent some Rs 645,000 for special transport arrangement for the six months’ period January to June 2007.

*Ministry’s Reply*

- The MPI has stated that implementation of those projects was seriously hampered by the announced closure of the DWC in June 2006. Surveys had to be effected by MPI for projects left uncompleted; and subsequently, tenders had to be floated for outstanding works.

- The Ministry is now having regular monthly meetings with the MPI to monitor its projects.

17.9 *Projects Undertaken by Former Development Works Corporation*

The contracts for the construction of five Secondary Schools were initially awarded to the Development Works Corporation (DWC) for a total contract sum of Rs 257,740,346. Works were in progress when Government decided to close the DWC. Payments of Rs 78,960,062 had already been made to the DWC in respect of these five contracts as of the date of its closure.

Tenders were thereafter launched by the Central Tender Board for the completion of outstanding works.

Details are given in Table 17-7.
Table 16-7 Projects initially awarded to the DWC

<table>
<thead>
<tr>
<th>Name of Project</th>
<th>DWC Contract value (Rs)</th>
<th>Cumulative Payment already made to DWC (Rs)</th>
<th>Contract value for outstanding works (Rs)</th>
<th>Total Payments (Rs)</th>
<th>Additional Expenditure (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pamplemousses SSS (Girls) Phase I</td>
<td>98,263,564</td>
<td>28,163,189</td>
<td>102,899,067</td>
<td>131,062,256</td>
<td>32,798,692</td>
</tr>
<tr>
<td>Floreal SSS (Boys) Phase I</td>
<td>23,149,403</td>
<td>4,977,323</td>
<td>24,672,273</td>
<td>29,649,596</td>
<td>6,500,193</td>
</tr>
<tr>
<td>Beau Bassin SSS (Girls) Phase I</td>
<td>28,520,517</td>
<td>7,544,219</td>
<td>26,979,000</td>
<td>34,523,219</td>
<td>6,002,702</td>
</tr>
<tr>
<td>Ebene SSS (Boys) Phase III</td>
<td>23,989,268</td>
<td>7,647,384</td>
<td>22,425,000</td>
<td>30,072,384</td>
<td>6,083,116</td>
</tr>
<tr>
<td><strong>Sub Total</strong></td>
<td><strong>173,922,752</strong></td>
<td><strong>48,332,115</strong></td>
<td><strong>176,975,340</strong></td>
<td><strong>225,307,455</strong></td>
<td><strong>51,384,703</strong></td>
</tr>
<tr>
<td>R. des Anguilles SSS (Girls) Phase II</td>
<td>83,817,594</td>
<td>30,627,947</td>
<td>44,836,295</td>
<td>75,464,242</td>
<td>(8,353,352)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>257,740,346</strong></td>
<td><strong>78,960,062</strong></td>
<td><strong>221,811,635</strong></td>
<td><strong>300,771,697</strong></td>
<td><strong>43,031,351</strong></td>
</tr>
</tbody>
</table>

In respect of the first four projects, a total of Rs 125,590,637 would have been spent had the DWC completed the works. However, contracts for outstanding works, without any major changes in the scope of works, were awarded for a total of Rs 176,975,340 to private contractors between September and November 2006. The Ministry therefore might have to incur an additional sum of Rs 51,384,703.

As for the Rivière des Anguilles SSS, Rs 30,627,947 had been paid to the DWC. It was however understood that a significant amount remained to be paid upon finalisation of accounts with the DWC. The contract for completing the outstanding works was awarded in June 2007 for an amount of Rs 44,836,295.

**Ministry’s Reply**

- The increased costs are attributed to costs due to re-mobilisation of Contractors on different sites as well as inflation cost, especially with regard to steel reinforcement bars.
- The additional expenditure to be incurred on the different contracts would only be known after final payments would have been effected for all outstanding works.
- As for the Rivière des Anguilles State College, the final accounts as at mid October 2007 indicate a payment of some Rs 11.8 million still due by this Ministry to the ex-DWC.
17.9.1 Pamplemousses SSS (Girls) Phase I

The contract for the construction of the Pamplemousses SSS - Phase I was awarded to DWC on 22 September 2005 for Rs 98,263,564. Works were to be completed by 30 October 2006. At the time of the closure of DWC, an amount of Rs 28,163,189 representing some 29 per cent of the total contract value had been disbursed in respect of the project.

DWC handed back the site on 21 August 2006. By that date, works for Phases IA and IB should have been completed. However, there had been delays in the implementation of the project, as shown in Table 17-8

<table>
<thead>
<tr>
<th>Phases</th>
<th>Descriptions</th>
<th>Revised Completion Date</th>
<th>Progress of works</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase IA</td>
<td>Football ground</td>
<td>05.06.06</td>
<td>90% works completed</td>
</tr>
<tr>
<td>Phase IB</td>
<td>Science block &amp; Home Economics Workshop</td>
<td>29.06.06</td>
<td>30% works completed for Science block; 40% works completed for Home Economics block</td>
</tr>
<tr>
<td>Phase IC</td>
<td>Classroom Block</td>
<td>30.08.06</td>
<td>20% works completed</td>
</tr>
<tr>
<td>Phase ID</td>
<td>Toilet block, site works, access and football ground, changing room and ramp</td>
<td>30.10.06</td>
<td>5% works completed</td>
</tr>
</tbody>
</table>

Had DWC completed the works, some Rs 70 million would have been disbursed. However, for the completion of outstanding works, the contract was awarded on 11 October 2006 to a private Contractor for a fixed sum of Rs 102,899,067. This represented an increase in project value of Rs 32,798,692 without any major change in scope of works.

With the appointment of the new Contractor, preliminaries and general costs of Rs 9.6 million were included in the contract sum. The same costs paid to DWC were Rs 3,995,002.

Works started on 23 October 2006 and were to be completed on 23 June 2007. The completion date was subsequently extended to 7 September 2007. As of end of September 2007, the project had not yet been completed.

17.9.2 Rivière Des Anguilles SSS Form VI (Girls) – Phase II

On 7 December 2004, the contract for the construction of Phase II of the Rivière des Anguilles SSS (Girls) was awarded to DWC for a fixed sum of Rs 83,817,594. Works were to be completed by 3 October 2006.
There were delays in the implementation of the project. With the closure of the DWC, the site was handed back to the MPI on 31 October 2006. By that date, works should have been completed. However, this was not so.

Delays were also noted in the award of the contract for outstanding works. Tenders were floated on 10 May 2007, that is, more than six months after the site had been handed back.

On 26 June 2007, the contract was awarded to a private Contractor for a fixed sum of Rs 44,836,295. Included in that amount were preliminaries and general costs of some Rs 2.6 million. It is to be noted that Rs 3,675,664 had been paid to the DWC in respect of these costs.

The construction of Phase II of the Rivière des Anguilles SSS initially planned to be ready by October 2006 would be expected to be completed by 12 January 2008, that is, 15 months later. This delay has deprived students of specialised rooms and other facilities.

17.10 Construction/Upgrading of Toilets in State Schools and Primary Aided Schools

The upgrading and up-keeping of toilets in State Schools and Primary Aided Schools is a priority for Government which aims at eliminating unhygienic and non-sanitary conditions prevailing in many schools. Funds of Rs 25 million provided for that purpose in 2006-07 had not been optimally used. A total amount of Rs 14.03 million, representing only 56 per cent of the voted provision, had been spent.

Projects were identified for implementation during 2006-07 and a priority list was drawn whereby provisions were made for the construction of new toilet blocks in 11 State schools.

There were delays in the implementation of these projects. Six projects did not take off, of which five were still at the preliminary drawing stage.

17.10.1 Construction of Toilet Blocks

At paragraph 11.4 of my 2005-06 Audit Report, I stated that it was not known whether the balance of advance payment made by the Ministry of Education & Human Resources on the contract for the construction of toilet blocks in three primary schools would be recovered from the DWC. In April 2007, the MPI submitted the Final Accounts of all projects undertaken by the DWC for the Ministry. Included therein was an amount of Rs 496,455 overpaid to the DWC in respect of the project for the construction of the toilet blocks.

Award of contract for Outstanding Works

With the closure of the DWC, the contract for the completion of outstanding works was awarded to a private Contractor on 29 March 2007 for a fixed sum of Rs 9,625,120. Works started on 23 April 2007 and were to be completed within a period of three months, that is, on 23 July 2007. Preliminaries and general costs included in the contract sum were Rs 385,000.

As of September 2007, a total amount of Rs 5,234,673, representing 54 per cent of the total contract value had been paid to the Contractor. The following were noted:
Practical completion certificate was issued for two schools on 23 August 2007, that is, after the scheduled completion date. In one of these schools, although the handing over was made, the toilet block was not put to use due to poor water supply. The attention of the Ministry was drawn to that effect by the Contractor but corrective action had not been taken.

Works were still ongoing at the third school. The contractual completion date being exceeded, the Contractor was working beyond the contract period.

The Contractors All Risks Insurance policy came to expiry on 30 September 2007. On 14 August 2007, the Contractor was instructed to renew/extend the insurance policy so that it remains valid up to the current/extended date for the practical completion of works plus 12 months’ maintenance period. Action had not yet been taken.

**Ministry’s Reply**

In mid October 2007, the Ministry was informed by the MPI that the surplus payment to the DWC had been revised upward to the sum of Rs 596,237. Final accounts for other projects showed that the Ministry owed different amounts to the DWC and there would be ample scope for the Ministry to recoup the surplus from the DWC.

As for poor water supply, the Ministry is looking into the issue of providing ground water tank with appropriate water pumps to all three schools.

The Contractor has been requested to take urgent remedial action and to complete the remaining works without any further delay.

**17.11 School Information Technology Project**

With reference to paragraph 11.3 of my 2005-06 Audit Report, the School Information Technology Project (SITP) has been reviewed.

For the financial year 2006-07, an amount of Rs 50 million was earmarked in the capital budget of the Ministry for the SITP. This provision was meant for the conversion of existing classrooms into computer laboratories, construction of new computer laboratories, payment of retention money for on-going projects and acquisition of computer equipment for Government primary schools, RCA schools; and primary schools in Rodrigues and in Agalega.

Some Rs 46.7 million were spent during 2006-07, of which Rs 35 million were in respect of the acquisition of 1,370 Personal Computers (PCs) and 30 laptops and the remaining was spent for electrical works and payments of retention money.

Five computers were distributed to each of the 274 primary schools around the island, bringing the total number of computers to ten in each school. One laptop was distributed to each of the 30 Zone d’Education Prioritaire (ZEP) schools in order to enhance overall performance in these schools.
The following were noted:

- Most of the funds provided for under the SITP had been spent on the acquisition of computers and their installations. No conversion or construction of computer laboratories had been made during the year.

- 10 computers had been distributed to primary schools irrespective of the school population. In one case, there were 987 pupils while in another one, there were only 96 pupils. Moreover, in the latter case, out of the ten computers received, five were still kept in boxes.

- A survey had not been carried out to ensure availability and condition of classrooms before their distribution. During visits carried out by my Officers in August/September 2007, conditions under which ICT classes were conducted still appeared to be inappropriate in certain schools. Computers were installed in multipurpose rooms, which at times were also accommodating the school library and several unserviceable items. Pupils still had to sit on benches.

In one school, all the 10 computers were still kept in boxes. Connection points were not available. The guarantee for the first five computers received in June 2006 had already lapsed.

- One ICT teacher was posted in each school irrespective of the school population. A minimum number of hours of ICT teaching has not been set by the Ministry. As such, it is not known whether there is disparity in the number of hours of teaching of ICT classes from one school to another.

Computers delivered to schools should be optimally used. The Ministry should set up standard norms for classrooms to be used for ICT teaching and the pupils:computer ratio should be considered prior to allocating computers in schools.

**Ministry’s Reply**

- PCs will henceforth be provided to schools taking into consideration the average number of pupils in each class.

- A survey has been carried out by the Manager ICT to assess the readiness of schools to accept computers and the scope of works to be done.

- The number of ICT teachers posted in primary schools is made in relation to the number of streams.