9.1 Grants to the former Pre-School Trust Fund and the Early Childhood Care and Education Authority

The Early Childhood Care and Education Authority (ECCEA) Act 2007 was proclaimed with effect from 16 June 2008. As per Section 21 of the Act, the Pre-School Trust Fund (PSTF) Act is repealed. The ECCEA has mainly as objectives to harmonise and promote integrated early childhood care and education policies, strategies and programmes, and to help ensure a smooth transition of the young child from pre-school to lower primary school.

The activities of the former PSTF and the ECCEA are financed through grants from the Ministry of Education, Culture and Human Resources (MOE). The voted provision and the actual expenditure of the MOE under the grant item for the past three fiscal year/periods are shown in Table 9-1.

<table>
<thead>
<tr>
<th>Fiscal Year/Period</th>
<th>Voted Provision Rs m</th>
<th>Actual Expenditure Rs m</th>
<th>Receiving Body</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006-07</td>
<td>89.97</td>
<td>89.63</td>
<td>PSTF</td>
</tr>
<tr>
<td>1 July 2007 to 15 June 2008</td>
<td>112.10</td>
<td>112.10</td>
<td>PSTF</td>
</tr>
<tr>
<td>16 June 2008 to 30 June 2009</td>
<td>138.00</td>
<td>137.76</td>
<td>ECCEA</td>
</tr>
</tbody>
</table>

One of the conditions of the grant provides that statements of accounts are produced and submitted for audit within the statutory time limit of three months after year-end.

As of March 2010, the former PSTF has not submitted financial statements for the fiscal year 2006-07 and for the period 1 July 2007 to 15 June 2008 for audit purposes. Idem for the financial statements of the ECCEA for the period 16 June 2008 to 30 June 2009.

As such, expenditure amounting to some Rs 339 million for the past three fiscal year/periods have remained outside the scope of parliamentary accountability.

Ministry’s Reply

The post of Accountant had been recommended in the 2008 Pay Research Bureau Report and recruitment is in process. In the meantime, the ECCEA is considering the possibility of contracting out the services of an accounting firm to prepare the relevant financial statements.
9.2 Printing and Supply of Primary School Textbooks for Academic Year 2009 – Rs 17.7 million

Contracts totalling Rs 17.7 million awarded to the Government Printing Office (GPO) and two private Contractors, as shown in Table 9-2 for the printing and supply of primary school textbooks for the academic year 2009 were examined.

Table 9-2 Contracts for the Printing and Supply of Primary Schools Textbooks

<table>
<thead>
<tr>
<th>Standard</th>
<th>Date awarded</th>
<th>Contract Amount Rs m</th>
<th>Contractor</th>
</tr>
</thead>
<tbody>
<tr>
<td>I, V and VI (35 Titles)</td>
<td>23.04.08</td>
<td>7.6</td>
<td>GPO</td>
</tr>
<tr>
<td>IV (6 Titles)</td>
<td>26.07.08</td>
<td>0.6</td>
<td>A</td>
</tr>
<tr>
<td>IV (6 Titles)</td>
<td>26.07.08</td>
<td>4.0</td>
<td>B</td>
</tr>
<tr>
<td>III &amp; IV (18 Titles)</td>
<td>05.08.08</td>
<td>5.5</td>
<td>A</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>17.7</strong></td>
<td></td>
</tr>
</tbody>
</table>

9.2.1 Textbooks for Standards I, V and VI (35 Titles) – Rs 7.6 million

These textbooks were to be supplied by the GPO on or before 15 October 2008. Since the textbooks for Standard I were not delivered by that date, the MOE extended the delivery period up to 15 December 2008.

Deliveries of textbooks for Standard I were made to Education Directorate Zones during period 3 March 2009 to 15 April 2009, that is, with delay varying from seven to 13 weeks after the resumption of school on 12 January 2009.

9.2.3 Textbooks for Standards III and IV (18 Titles) – Rs 5.5 million

Contract was awarded to Contractor A on 5 August 2008. Delivery of books was to be effected 60 days after award of contract, subject to prepress works being made available to the Contractor by NCCRD by mid-August 2008 at latest.

The last delivery of prepress materials for one title was effected on 31 October 2008, that is after a delay of two and a half months. Thus, the delivery of textbooks was extended to 31 December 2008.

As of 8 January 2009, only nine out of 18 titles were delivered to the Central Supplies Division (CSD). Decision was taken by the MOE to make photocopies of the first few pages of eight out of nine titles not yet delivered. These were made by six public institutions at a cost of some Rs 1.33 million.
It could not be ascertained whether all photocopies had effectively been received by the Education Directorates since no records regarding the date and quantity of photocopies received, except for Education Directorate Zone 1, were available. Records of issues made to the schools were also not seen at all Education Directorates.

The eight titles were delivered with a delay of three weeks after resumption of schools.

**Ministry’s Reply**

In order to prevent recurrence, the Ministry has decided to tender out the printing of its primary school textbooks only to suppliers who effect the printing of books locally.
9.3 Extension Works to Secondary Schools – Rs 146,218,177

During fiscal year 2008-09, four contracts awarded by the MOE to two Contractors for a total value of Rs 146,218,177 were examined, as shown in Table 9-3. Construction works were supervised by the Ministry of Public Infrastructure, Land Transport and Shipping (MPI).

Table 9-3 Extension Works to Secondary Schools

<table>
<thead>
<tr>
<th>Projects</th>
<th>Contract Amount</th>
<th>Date Works Started</th>
<th>Contractual Completion Date</th>
<th>Partial Handing Over of Works</th>
<th>Amount Disbursed as of March 2010 Rs</th>
<th>Contractor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project 1</strong></td>
<td>Extension to Forest Side State Secondary School (Girls) at Icery – La Vigne</td>
<td>58,657,837</td>
<td>26.12.08</td>
<td>20.07.09</td>
<td>10.12.09</td>
<td>40,772,473</td>
</tr>
<tr>
<td><strong>Project 2</strong></td>
<td>Mahatma Gandhi Secondary School Flacq Phase III - Computer/Library Block</td>
<td>53,240,052</td>
<td>12.02.09</td>
<td>11.09.09</td>
<td>Not yet handed over at 05.04.10</td>
<td>40,263,925</td>
</tr>
<tr>
<td><strong>Project 3</strong></td>
<td>Extension works to Saint Aubin (Boys) State Secondary School</td>
<td>7,424,250</td>
<td>28.07.08</td>
<td>28.04.09</td>
<td>28.07.09</td>
<td>5,268,150</td>
</tr>
<tr>
<td><strong>Project 4</strong></td>
<td>Extension works to Triolet (Boys) State Secondary School</td>
<td>26,896,038</td>
<td>30.04.09</td>
<td>04.01.10</td>
<td>10.03.10</td>
<td>17,076,953</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>146,218,177</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>103,381,501</strong></td>
<td></td>
</tr>
</tbody>
</table>

9.3.1 Projects 1, 2 and 3 – Rs 119,322,139

The scope of works of the projects comprised, amongst others:

- Project 1 – Construction of classroom block, sports ground and landscaping.
- Project 2 – Construction of a Computer/Library Block and site works.
Project 3 – Construction of a vertical extension by one floor to existing science block and associated works.

In February 2006, projects 1 and 3 were included in the priority list of the MOE in the construction programme for 2006-07 for the secondary education sector. Additional classrooms were to be made available as from December 2007 for the State Secondary Schools (SSS) to operate as Form VI schools.

**Lack of Supervision by Contractor**

Works had not progressed satisfactorily due to poor site supervision. In the case of Project 1, the Contractor (Director) was absent on four consecutive site meetings held between February 2009 and April 2009 while in the case of Project 3, no permanent site agent and foreman were on site and workers were left on their own at time of visit effected by MPI in February 2009.

Lack of supervision had resulted in poor workmanship, namely in finishing works and the Contractor damaging the water supply pipe several times after excavation works for Project 1. Tiles were laid in a most unsatisfactory manner and leakages occurring at ground floor slab for Project 2. In case of Project 3, the quality of concrete works was of poor standard, metal openings manufactured were not as per tender drawings and these had been fixed upside-down on site. The Contractor was requested to remove and replace same. Access gate to construction site was even closed at time of visit effected by MPI in January 2009.

**Delay in Completion of Works**

Progress of works was very slow and works were behind schedule. On several instances, the Contractor was reminded of his obligation to carry out the works diligently, but to no avail. The Contractor did not catch up with delays despite repetitive requests from the MPI. Due to delay in progress of works, the Contractor had to submit several programmes of works with different completion dates. These programmes of works were not adhered to by the Contractor. The MPI reported that the Contractor has not got sufficient man-power resources and equipment.

Although liquidated damages were applied for delays, this had no impact on the Contractor and progress of works continued to be slow.

In the case of Project 1, only 40 per cent of the works were completed by the extended completion date of 20 July 2009. Works in respect of the sports area, parking area, boundary wall and fencing were not yet completed after partial handing over of the project on 10 December 2009.

As regards Project 2, the MPI reported, in February 2009, that works had stopped on site, which according to the Contractor was due to ingress of groundwater. Following instructions from the MPI, the Contractor resumed works on site in March 2009. As of 5 April 2010, that is more than six months after the expected completion date, works were still ongoing and the Computer/Library Block not yet operational.
Works were practically completed on 28 July 2009, that is with a delay of 91 days regarding Project 3.

**Performance Bond**

A performance bond for the value of Rs 742,425 expiring on 15 March 2010 for Project 3 was not renewed by the Contractor to cover the defects liability period ending 28 July 2010, contrary to the conditions of the contract.

**Ministry’s Reply**

During the regular monitoring meetings on capital projects, the MOE had highlighted all major problems encountered with Contractors after which these complaints were sent officially in writing to MPI for follow up and requested that these be referred to Procurement Policy Office for action in line with the Public Procurement Act.

The poor performance of Contractor A has been raised in a letter sent to MPI in July 2009 and in each of the monitoring meetings, the problem was highlighted.

**9.3.2 Project 4 - Rs 26,896,038**

The project comprised, amongst others, the construction of a three-storey building with 11 classrooms, toilet block and site works such as boundary wall, waste water disposal system and parking.

**Additional Works**

In February 2010, the MOE decided that the new classroom block at Triolet SSS (Boys) be utilised to accommodate students of Lady Sushil Ramgoolam SSS (Girls). The site plan was modified to include additional works such as new access for girls to classroom block, new fencing, new boundary wall and fixing of two gates. As of April 2010, the cost for these additional works was not available. The conversion of the original boy toilet into a girl’s one was also not yet finalised by the MOE and the MPI.

**Construction of a New Public Road**

As of 5 April 2010, construction of a boundary wall, resurfacing of the tarmac area and fixing of gates could not be carried out until the construction of a new public road around the school compound has been completed. It was only on 19 April 2010 that construction of the new road by a Company started. The construction works which would last for three months would further delay completion of the project.

**Ministry’s Reply**

The alternate road is expected to be completed by end of August 2010.
**Conclusion**

Construction works for Projects 1 and 3 have started more than two years after their inception in February 2006, although these were considered as a priority. The additional classrooms which were to be made available as from December 2007 for the schools to operate as Form VI schools were handed over in December 2009 and July 2009 respectively. The intake of additional students has been delayed. Project 2 which started in February 2009 was still ongoing as of April 2010. The Contractor for Project 4 could not proceed with some works until construction of the new public access road around the school compound has completed.

**Recommendations**

Time is an essential factor in the completion of such projects. It is important that the programme of works submitted by the Contractor be achievable and always adhered to so that works are completed on time.

In light of the shortcomings noted, the Central Procurement Board/Procurement Policy Office needs to be notified about the poor performance of Contractor A and due consideration be given when awarding future contracts. The Ministry should ensure that value for money is obtained.

**Ministry’s Reply**

The MOE is taking all necessary action possible to ensure value for money. A request has also been made for the reinforcement of the Internal Control Unit of the Ministry so as to set up monitoring of projects but to no avail.