



Republic of Mauritius

NATIONAL ASSEMBLY

First Report of the Public Accounts Committee

Seventh National Assembly

First Session

19 November 2020

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Chairperson's Foreword

I am pleased to table the First Report of the Public Accounts Committee (PAC) for the First Session of the Seventh National Assembly.

The pages that follow contain our findings, observations and recommendations relating to our examination of the Annual Reports of the Accountant General and the Audited Accounts of the Government of the Republic of Mauritius for financial years 2017-2018 and 2018-2019.

I hope that due consideration will be given to our recommendations, and in particular, that the ministries and departments concerned will grace the Committee with a response to the matters raised herein.

At the outset, I would like to point out that successive public accounts committees have made recommendations in order to enhance, clarify and codify the powers of the Committee so as to increase further its effectiveness.

This matter was discussed by the Committee, and I can report that it is our considered view that this could best be achieved by a dedicated act of parliament, as exists in many jurisdictions of the Commonwealth.

This act of parliament would inter alia deal with issues such as:

- a) Setting in law the composition of the committee, which is presently appointed by Mr Speaker. The PAC currently consists of 5 members of parliament from government side and 4 from the opposition benches, the maximum number of members being 10. Ministers are not appointed.
- b) Stipulating that government members be nominated by the leader of the house and opposition members by the leader of the opposition. All political parties present in the National Assembly, should be represented whenever possible.
- c) Stipulating that the chairperson be nominated by the leader of the opposition.
- d) Codifying the circumstances in which the PAC may call independent witnesses. This would enable the PAC to have an outside and more objective view of issues being examined.
- e) Extending the powers of the PAC to all parastatal bodies even where these do not receive financing directly from the Consolidated Fund, such as the Financial Services Commission. It is to be noted that such statutory and parastatal bodies play an extremely important role in the administration of public policy and often receive in the form of licence fees and other revenues, hundreds of millions of rupees which ultimately belong to taxpayers.
- f) Ensuring that enterprises that are owned and / or controlled by government, be included within the mandate of the PAC, with the exception of those listed on the stock exchange

An example of this would be the National Housing Development Company Ltd, responsible for the construction of thousands of social housing units with funding from the state or loans guaranteed by government.

- g) Enabling the PAC to also enquire into current issues, after an appropriate report by the National Audit Office. Presently the PAC's mandate limits it to financial years already audited by the Director of Audit and therefore there is always a time lapse of some 9 to 21 months, or sometimes even more before any issue can be examined by the PAC.
- h) Providing the PAC with adequate staff, in particular research assistants, in order to delve more deeply in the matters being considered by the Committee and also for adequate funds to be provided for their training on international best practice.
- i) Granting the PAC access to correspondence between ministries where these are relevant for the matters before the committee. Presently for an unknown reason, this is prohibited.
- j) Requiring the PAC to issue reports at regular intervals and at least once every calendar year.
- k) And finally for statutory provision to be made for ministries and departments to respond formally within a set period of time (say 3 months) to matters raised and recommendations made in the report of the PAC.

Internationally, transparency and freedom of information have now become the order of the day. It is accepted everywhere that proper scrutiny by parliament is an essential element of democracy. As such the public accounts committee has a pivotal role to play.

Whilst our PAC is presently functional and is very useful as a means of scrutinising the utilisation of public funds, we believe that the above suggestions, which are in line with current practice overseas, will go a long way in making it even more effective. We ask that government carefully considers the above propositions and we await an appropriate response in due course.

In line with best practice, the Committee's members have adopted an impartial approach. Our aim at all times has been to enhance good governance and the quality of public sector service delivery, and improve the lives of our citizens.

I would like to thank all the members of the Committee for their hard work and dedication, as well as the Clerk and all staff members.

Hon Charles Gaëtan Xavier-Luc Duval, MP, GCSK
Chairperson of the Public Accounts Committee

19 November 2020

1.0 Establishment of the Committee

Your Committee was appointed on 2nd December 2019 by Mr Speaker.

It derives its powers under Standing Order 69(2) of the Standing Orders and Rules of the National Assembly (1995), an extract of which is set out in the Appendix to this Report.

Your Committee-

- a) Is constituted of not more than ten members of parliament, both from government and opposition sides. It presently consists of 9 members including the Chairperson;
- b) Is by convention, chaired by a member of the opposition;
- c) Examines audited accounts showing the appropriation of the sums granted by the Assembly to meet public expenditure;
- d) Is mandated to examine such other accounts laid before the Assembly as the Assembly may refer to the committee together with the Director of Audit's report thereon. However no such referral has been made.
- e) Meets regularly and the members are assisted by the Director of Audit and his staff, by the representatives of the Ministry of Finance and Economic Development and by the staff of the Accountant General. Accounting officers of ministries and departments and their representatives attend the hearings to give evidence;
- f) Meetings are held in camera without any disclosure of the proceedings; and
- g) Is served by the Clerk of the National Assembly and Clerk to the Committee and assisted by Deputy Clerk and the Clerk Assistants.

Your committee is comprised as follows-

Hon. Charles Gaëtan Xavier-Luc Duval, GCSK, MP, Chairperson

Hon. (Ms) Naveena Ramyad, MP, Chief Government Whip

Hon. Rajanah Dhaliah, MP, Parliamentary Private Secretary

Dr the Hon. Muhammad Ismaël Rawoo, MP, Parliamentary Private Secretary

Hon. Jean Francisco François, MP, Parliamentary Private Secretary

Hon. Mohamad Salim Abbas Mamode, MP

Hon. Rameswar Doolub, MP

Hon. Mohamed Ehsan Juman, MP

Hon. Muhammad Reza Cassam Uteem, MP

Your Committee unanimously agreed to work collectively and in a bipartisan manner to fulfil its duties.

Your Committee's main work is to examine and report on the efficiency, effectiveness and economy with which ministries, government departments and other bodies have used resources put at their disposal. Your Committee also examines compliance with the principles of good governance and reports as to whether value for money has been obtained when spending the taxpayer's rupee.

Your Committee invited the accounting officers and senior staff members of selected ministries and departments when examining the Reports of the Director of Audit.

For the first time ever, Your Committee was able to invite independent witnesses to depone in relation to matters under scrutiny.

2.0 Meetings

The present report is based on the proceedings of the meetings of Your Committee which met on 22 occasions, from 5th December 2019 to 19th November 2020, except during the Covid-19 confinement period. All the meetings were very well attended by members.

Findings and Recommendations

3.0 Ministry of Health and Quality of Life

The Committee invited the Ministry to depone at 6 sittings over a period of 6 weeks and in addition effected an on site visit at Brown Sequard Mental Care Hospital.

Independent witnesses were also convened and heard.

(i) Improving the procedures for making and resolving complaints

Findings

Complaints received at public health institutions, relate generally to alleged cases of medical malpractice or inadequate levels of services.

In relation to medical malpractices, the report of the Director of Audit for the financial year 2018-19 has recommended that the Ministry of Health:

- a) Formalises its procedures for making complaints and for handling and eventually resolving same.
- b) Maintains a record of contingent liabilities arising from possible compensation to be paid to victims.
- c) Improves the inadequate procedures to monitor and prevent recurrences and to ensure disciplinary actions are enforced.

The report of the Director of Audit was laid on the table of the National assembly in February 2020. Your Committee fully supports the Director of Audit in his findings.

The issue of medical malpractice was considered at length by the Committee. We were taken aback by the statement of the relevant head of department that the state of affairs was according to him satisfactory in all respects. No remedial action had therefore been taken, despite the strong criticisms of the Director of Audit, made months earlier.

From information provided to the Committee, it is evident that the procedure for making complaints is inadequate, imprecise and may give rise to conflicts of interest, as follows;

- a) Complaints are made directly to the medical superintendent of the hospital concerned. As the officer responsible for managing the hospital, he may well be conflicted when dealing with complaints relating to services falling under his purview.
- b) As many as 25 complaints are received at each regional hospital daily. Many more remain unreported.

- c) There is no formal timeline for acknowledging, enquiring and responding to the complainant. This practice exists in many countries overseas and it is often stipulated that the whole procedure should not take longer than 6 months to one year, depending on the nature of the case.

- d) The procedure for effecting complaints relating to some 140 primary health care centres (area health centres, mediclinics, dispensaries) is unclear. It is presumed that complaints need to be made to the medical superintendent at the nearest regional hospital or via the portal of the Citizens Support Unit.
- e) The website of the Ministry of Health is silent as to how a citizen is to proceed to make any sort of complaint.
- f) Even where the Medical Council and the Supreme Court have recommended action in a particular case of medical malpractice, it is edifying to note that the Ministry of Health decided to set aside same, without even seeking advice from the State Law Office.
- g) There is no set timeline for responding to and for putting into effect any recommendations of the Medical Council and reporting same to the Public Service Commission.
- h) There is no centralised register of complaints made, in particular those dealing with medical malpractice, the stage reached in dealing with same, decisions taken including disciplinary action.
- i) Complaints, which relate to alleged deficient service levels, often relate to cases such as unavailability of hospital beds, long waiting time, prescribed medicines being out of stock, cleanliness of premises and equipment, politeness and courtesy of staff, lack of communication and so forth.
- j) Numerous such complaints are received daily, and once again many more remain unreported. Such complaints should also not be addressed to the medical superintendent, who is once more in a conflicted position, since they often relate to matters under his supervision.
- k) Complaints received should be regarded positively as a welcome means of identifying weaknesses and thus providing opportunities to improve services.

Recommendations:

Medical malpractices can result in severe life changing injuries and even death, leaving behind grieving parents and relatives. Similarly deficiencies in levels of service, whilst also a threat to the health of the patient, can result in discomfort, wastage of time, inadequate care etc. The procedure for making and resolving complaints should therefore not be taken lightly.

We therefore recommend that:

- a) The Ministry adopts international best practice. A dedicated Complaints Officer should be appointed in each regional hospital to deal with complaints of medical malpractices and inadequate levels of service.

It is clear that the number of complaints presently registered is far below the number of potential complaints.

Dealing with complaints promptly would greatly help in improving the delivery of health services.

- b) Each Complaints Officer keep an official register of complaints, akin to an Occurrence Book at police stations, where all complaints received should be logged and a unique reference given thereto. The reference number should be given to the complainant for future reference.
- c) A dedicated hotline be set up and properly displayed at all public health institutions, including primary health care centres, for recording of complaints and for providing advice to complainants.
- d) The Ministry formalises the timeline for promptly responding to complaints of medical malpractice. A time limit of 6 to 12 months would appear adequate in most circumstances. All such complaints should be formally acknowledged by the Complaints Officer and periodic meetings held with the complainant and/or his next of kin for serious cases.
- e) An officer at the Ministry of Health be asked to maintain a Register of alleged cases of medical malpractice, monitor progress and where required, ensure that appropriate disciplinary action has been taken.
- f) Complaints relating to inadequate levels of service should similarly be addressed to the Complaints Officer. Such complaints should be reviewed at regular intervals by a committee of heads of department at the regional hospital, to ensure that remedial action has been taken or are being addressed.

- g) These complaints should be collated into categories and forwarded to the Ministry, indicating which ones have been resolved and which require further action. The SCE of the Ministry should thereafter take cognisance of the report regularly and take any further action required. Complainants should be informed as to action taken following receipt of the complaint.
- h) The complaints procedures and timeline be adequately explained on the Ministry's website.

(ii) Dealing with the Drugs Scourge

Findings

Citizens in our country will agree that drug abuse is the number one social evil affecting every nook and cranny of our society.

In examining the audited accounts of the Government of Mauritius for financial years 2017-18 and 2018-19, and the resulting audits of senior staff of the Ministry, the following remarks are hereunder made by your Committee:

- a) The budgetary estimates of the Ministry of Health for the years under review do not have a dedicated section for tackling the drug scourge. There exists only a single budget line for year 2017-18 and two budget lines for year 2018-19 items.

Surprisingly these are included under the sub-section "Treatment and Prevention of HIV and Aids", whereas this issue goes far beyond HIV and aids.

- b) As for the National Drugs Secretariat falling under the responsibility of the Prime Minister's Office, its budget line is tucked in, for an unexplained reason, under the vote of the Ministry of Rodrigues, and therefore under the administrative responsibility of that Ministry's Accounting Officer.
- c) The items under the above votes were substantially underutilised. For instance in the year ended 30th June 2019 some Rs10m, representing 40% of the budget for that year was not spent.
- d) On deponing, the Ministry of Health was unable to provide even an estimate of the overall number of drug users, including those now using synthetic drugs, age distribution of drug users and so forth. It remains unexplained as to how the Ministry of Health can structure its response to the drug scourge, particularly in terms of rehabilitating drug addicts and the synthetic drugs prevention programme without this vital information.

It is to be noted that a periodic and partial survey of drug users is effected every two years, called the Integrated Biological and Behavioural Surveillance (IBBS). The last survey carried out relates to the year 2017 and was limited to drug use being injected by the transgender population.

Another limited IBBS survey scheduled for 2019 was postponed. It is to be noted that synthetic drugs are inhaled rather than injected in Mauritius, and are therefore by definition outside the scope of IBBS survey.

- e) The last report of the National Drug Observatory relates to the period ended 30th June 2017. It is now at least 2 years overdue. No satisfactory explanation could be given by the Ministry as to this unacceptable delay.

This report is useful as it collates information from different sectors on the drug scourge, including deaths, admission to hospitals, statistics on crime etc. The delay in the publication of this report is deeply worrying.

- f) As an indication of the disturbing trends related to drug abuse, figures available at the Ministry of Health indicate that the number of deaths attributable to drugs has tripled from 17 in 2015 to 54 in 2019.

The number of drug related admissions in public health institutions have nearly doubled from 552 in 2015 to 1089 in 2017, falling back to 854 in 2018 and 834 in 2019. It is to be noted that in 2019, 79% of hospital admissions related to abuse of synthetic drugs and other unspecified substances.

- g) In terms of dedicated residential facilities for rehabilitation of drug addicts, government operates two facilities one at Mahebourg and the other at Long Mountain with a total capacity of only 20 beds. However occupancy rate is low, at around 50%.
- h) The Brown Sequare Mental Health Care Hospital has informed the Committee of some success in detoxification of drug users, however it is to be noted that the hospital only admits patients with mental disorders. Other medical cases are dealt with in the normal wards of regional hospitals.

Recommendations:

Our recommendations are hereunder:

- a) Government should commission a field study on drug use, including estimated number, gender, age distribution, geographical area and type of drugs. This should be done biannually.

- b) The efficacy of the Harm Reduction Unit at the Ministry of Health should be assessed urgently and independently. Given the chronic underutilisation of funds, it can be deduced that the unit is largely ineffective and not fit for purpose.

A determined effort should be made to plan and execute appropriate projects to better address the issues under its mandate.

- c) It is clear that the general public is largely unaware of the facilities offered by the two rehabilitation units operated by the Harm Reduction Unit. Extensive awareness campaigns should be put in place.
- d) The backlog of reports due from the National Drug Observatory should be rectified immediately.
- e) The National Drug Secretariat should be given a larger role to play and a dedicated budget. This would cater not only for its own administrative costs, but also to fund projects and programs, either directly or through NGO's and other bodies.

It would be able to commission and fund surveys as well as research on overseas best practices.

It would thus be able to directly control government's response to the drugs scourge.

- f) The budget of the Secretariat and all related budget lines should be transferred to the Home Affairs division, and removed from the Ministry of Rodrigues.
- g) The Harm Reduction Unit, and other budget lines under the vote of the Ministry of Health and relating to substance abuse should be included in a dedicated sub-section and removed from the HIV Aids sub-section.

(iii) Procurement and maintenance of sophisticated medical equipment

Findings

- a) Over the years the Ministry of Health has been taken to task repeatedly with regard to inadequacies and errors made in the procurement of sophisticated medical equipment. These have led on a number of occasions to substantial wastage of public funds, long delays and the inability to deliver an appropriate level of service to the public.
- b) Similarly the repair and maintenance of such equipment has been inadequate with frequent breakdowns, long down time and high cost.
- c) The Committee enquired at length into the situation prevailing at the Ministry.

- d) Despite this unsatisfactory state of affairs, none of the officers concerned offered any solution or measure to improve let alone redress the situation.

Recommendations

Your Committee recommends the following:

- a) Like most issues, this appears to be a people issue. The department dealing with procurement needs to be staffed with personnel who are not only technically competent but also highly motivated problem solvers, good communicators, persons who believe in teamwork and driven by the need for results.

It is inconceivable that private clinics, who have far fewer resources at their disposal, perform better in both procurement and maintenance.

Without dramatic change, there would appear to be little hope for any improvement in this unsatisfactory situation, which could last for years and years.

- b) The maintenance department also needs to be driven by persons keen to achieve results, who understand the need for urgency and who strive to provide an excellent service to the public.
- c) When procuring sophisticated equipment, the Ministry should consider changing to a “total cost of ownership” approach. At the time of tendering, both the purchase price and the cost of maintenance over its life cycle are taken into consideration.
- d) Only suppliers with proven track records capable of demonstrating a firm presence in Mauritius and employing trained engineers, should be shortlisted to supply sophisticated medical equipment.
- e) For critically important equipment the Ministry should consider entering into comprehensive maintenance contracts (CMC) with suppliers. This type of maintenance agreement covers both parts and labour, with the supplier being responsible for supplying them within a defined lapse of time. This would have the effect of reducing down time considerably for this category of equipment.
- f) For maintenance contracts consisting of supply of labour only, the procurement procedures for the purchase of spare parts need to be streamlined and considerably speeded up.
- g) The Ministry should abide by the life cycle recommended by manufacturers and avoid maintaining equipment in use when this has been exceeded.

(iv) Brown Sequard Mental Health Care Hospital

Findings

The Committee effected a site visit at the Brown Sequard Mental Health Care Hospital. We were pleased to note the general good state of cleanliness and maintenance of the hospital and wish to commend its management and staff.

Our observations are hereunder;

- a) A sizeable number of patients stay at the hospital on a long term basis in what are called the chronic wards. Many of these patients are sub-acute stable mental patients, and do not represent any danger either to themselves or to others.

Together they make up some 25% of long term residents and presently they are kept under lock and key with the rest of the patients.

- b) The hospital appears to have had some success in dealing with patients suffering from mental disorders resulting from substance abuse. However after spending a few weeks at the hospital, they are released without sufficient further care.
- c) Whilst visiting the isolation rooms it was noted that iron bars had been placed on each window. Whilst these iron bars prevent persons from escaping, nevertheless they could represent a danger to someone with suicidal tendencies.

Recommendations:

We recommend that:

- a) A separate residential facility be constructed for sub-acute stable mental patients. Whilst care and assistance would be available, a separate facility would enable greater freedom of movement, for instance the ability to visit their families during the day or attend shops and recreational facilities. Alternatively this service could be privatised.
- b) A halfway house facility be made available to drug related patients to assist them in re-integrating into society, such as help in finding gainful employment. All this in order to reduce the high rate of relapse.
- c) The isolation rooms of the hospital be made suicide proof.

(v) Management of Public Health Institutions

Findings

The senior staff of the Ministry of Health deponed at length and over many sessions at the PAC.

Throughout these sessions, it was evident that on the medical front, the explanations given were to the level expected. Nevertheless it was also clear that the Committee was dealing with medical personnel who often had been posted to administrative duties.

Managing a hospital is in many ways similar to managing a large business, and includes the following tasks: managing bed occupancy, provision of healthy yet tasty food, cleanliness, human resources, asset management (premises and equipment), purchasing of supplies and stock control. All these tasks require persons fully conversant with these responsibilities.

Billions of rupees are spent on these items annually.

Recommendations:

- a) That a serious effort be made to improve the management of hospitals as well as a number of other specialist non- medical functions at the Ministry.
- b) At the level of regional hospitals, this can be achieved by appointing properly formed and experienced administrators in the post of Regional Health Services Administrator.

Whilst doctors would obviously continue to look after all aspects of medical care, the day to day management of hospitals should be entrusted to professionally qualified managers.

- c) Similarly at the level of the ministry, posts dealing with asset management, procurement and stores control, etc. should all be headed by personnel who have the requisite technical and interpersonal skills and motivation.

4.0 Ministry of Finance and Economic Development: Economic Development Board

Findings

- a) The Economic Development Board (EDB) was formed through the merger of the Board of Investment, Enterprise Mauritius and the Financial Services Promotion Agency, three entities with previously different cultures and modes of operation.
- b) The EDB more than ever plays a vital role in the economic wellbeing of our nation. It has as its main functions, the promotion of Mauritius as an investment destination of choice, markets our exports, has a licensing function and manages various schemes of government such as the Film Rebate Scheme. It has a considerable amount of funds at its disposal amounting to Rs664m in 2018-2019, excluding funds under the Film Rebate Scheme.
- c) The Committee looked mainly at the EDB's efforts at investment promotion. Over the years foreign direct investment (FDI) in areas other than for purchase of real estate has been reduced to a trickle. For instance, FDI in 2019 consisted of real estate activities as to 76%, and for the first quarter of 2020 it accounted for over 85%.

According to the Bank of Mauritius, in the year 2019, out of a total FDI of Rs21,337m, only Rs362m has been received for the Manufacturing sector and a paltry Rs1m for Agriculture, Forestry and Fishing sector.

- d) The EDB has therefore had little success in bringing in sizeable investment in areas other than real estate.

Various major projects have been announced, such as macademia plantations, manufacturing of bicycles and the project to turn Mauritius into a digital printing hub. Very few have materialised.

- e) To attempt to reverse the tide, a number of offices have been opened abroad, sometimes in collaboration with the Ministry of Foreign Affairs. The budget for these outreach offices amount to some Rs37 million annually for administrative costs and some Rs30m for promotional expenses. Together, they account for some 10% of the annual budget of EDB.
- f) These outreach offices are situated in 7 countries (France, Singapore, South Africa, India Kenya, China and Japan). Although often staffed by senior EDB officers, they would appear to have had very limited impact. For instance, the Japan office opened in Japan in 2019 and not a single inward investment has been generated by that office to date.

Recommendations:

Your Committee recommends the following:-

- a) The industrial landscape in Mauritius has changed tremendously over the years. FDI other than in the real estate sector has diminished considerably. The EDB should review its organisational structure to reflect this. The Strategy Department of the EDB should produce a new paper on how to address this issue.

Foreign Direct Investment is an important element in economic development, as it brings in not only foreign capital but also, as importantly, foreign knowhow.

Advanced economies, with far higher wage costs have maintained and even expanded their manufacturing sector, and there is no reason why Mauritius, with lower wage costs, should not be able to do so.

- b) The usefulness of the outreach offices should be reviewed urgently so as not to continue any wasteful expenditure. The decision for their continued operation should be carefully reassessed. Offices which have not provided any satisfactory results, in terms of investment generation or export promotion, should be closed down forthwith.

The office in Japan is a case in point, but since non property related FDI has dwindled, many more offices could be candidates for closure.

- c) As for the other offices that remain open, a proper cahier de charge should be set up. Activities should be planned well in advance and results compared to expectations. Offices abroad should be subject to constant monitoring.

5.0. Office of the Accountant General

Findings

a) Bank signatories

Whilst the office of the Accountant General does appear to have a number of checks and balances to ensure that payments made have been duly authorised, it is surprising and unusual that in certain instances, cheques and transfers to third parties could be signed by a single signatory.

It has long been an accepted norm nationally and internationally that an organisation's cheques, bank transfers and other instructions should invariably be signed by at least two signatories, to reduce the risk of errors, fraud and other illegal acts.

The requirement for two signatories invariably means that collusion between the two is required for an illegal or unauthorised act, and this therefore acts as a major deterrent.

b) Computerised assets register

A government wide computerised fixed assets register has been in the making at least for the last three years, although this is a fairly straightforward IT program. The matter has been raised by the Director of Audit, and rightly so.

The inability to finalise this project is symptomatic of a generalised inability, across many ministries and departments, to come to terms with the digital age, and master the technicalities thereof.

Failure to do so affects, as in this case, good governance and in other cases, the ability to offer a decent level of services to the public.

Recommendations:

- a) That all bank cheques, bank transfers and other instructions given to government's bankers be always signed by two authorised signatories. The Accountant General should set authorisation levels which would apply to staff at the department. Larger transactions should be authorised only by more senior staff, including himself. However there should always be at least two signatories to authorise any transaction or sign any bank document.
- b) That government proceeds expeditiously with the implementation of a computerised fixed assets register, the more so as government is planning to adopt full IPSAS in the near future.

6.0 Ministry of Social Integration: National Empowerment Foundation

Findings

- a) The National Empowerment Foundation (NEF) runs case files for some 8,000 families falling under its responsibility on mainland Mauritius, with another 2,000 in Rodrigues. The NEF is required to provide such financial, physical and psychological assistance and training as required to enable these families to escape permanently from the poverty trap.
- b) Social contracts are modern methods of inducing families, through conditional financial incentives, to effect behavioural changes and acquire the necessary skills so as to improve their chances of rising out of poverty.

The financial incentives offered are conditional on the family meeting the objectives set out in the social contract. Failure to do so can lead to termination or reduction of the monthly amounts paid by government to these families.

- c) Evidence over time should be carefully evaluated to see the positive results or otherwise of remedial measures and assistance offered.

This is a difficult task requiring arduous work, constant follow-up, remedial action and frequent monitoring.

Refusal by family members to abide by the terms of the social contract should normally entail a reduction in financial benefits paid to the family.

- d) In order to carry out this mammoth task, the Committee was surprised to note that no digital database was in use at the NEF to record information and interventions made relating to these 10,000 families.

Instead, as in the 1950's, individual paper files are maintained for each family, containing information available at the National Empowerment Foundation. This makes the objectives set out above completely unachievable.

- e) Within such an environment, it is clear that the NEF acts merely as a paying agent to assist families in difficulty. This does not represent empowerment in any way, shape or form, since poor families need to be helped and induced out of poverty. This should be done for example through skills training, remedial school classes, alphabetisation, reduction of substance abuse, better family planning and access to employment opportunities. These should be tailored to each family's needs and closely monitored.

- f) As for programmes that presently exist at the NEF, they are usually badly oriented and sparsely attended.
- g) Finally, it was noted that the NEF case officers and assistant case officers, of which there are nearly 100 in total, are not provided with any means of transport. Since these officers need to constantly visit families in their allocated region, they need to be mobile.

However it is unfortunate to note that the majority of them travel by bus and on foot, reducing their efficiency enormously.

Recommendations

Our recommendations are hereunder:

- a) That the NEF urgently purchases case management software, and that all relevant information be input therein as regards each of the 10,000 families which are presently assisted by it.

The selected software should be able to flag important parameters and events relating to each family. This could for instance relate to attendance at various alphabetisation programmes, attendance of children at school, taking up employment opportunities etc.

- b) That the NEF carries out an evaluation of progress, if any, made by families who have signed a social contract. A timeline should be given when these families are projected to become self-reliant and can be said to have escaped the poverty trap.
- c) This is necessary in order to determine how support and remedial programmes offered can be improved. It is also important to verify that all family members have collaborated fully in the implementation of these programmes.
- d) That the NEF improves its range of support and remedial programmes, and ensures greater awareness thereof, to achieve much greater impact. Such courses should be widely available.
- e) That NEF case officers and assistant case officers be provided with loans to purchase a car or motorcycle, which should be available duty free. Refundable mileage should also be granted.

This will enable these officers to be much more productive in their work, as many of the poor families live in remote areas and visits should often be done after office hours.

Availability of a rapid means of transport is an essential precondition for efficiency. Travelling to visit families across the island by bus must surely be a huge waste of time and therefore money.

- f) Once the transport issue has been resolved, NEF head office should constantly monitor the whereabouts of staff to ensure that the work is being effected as planned.

7.0 Ministry of Energy and Public Utilities

Findings

- a) When the Ministry moved to SICOM Tower in Ebene, the rent paid for office space increased nearly threefold from Rs5m annually to Rs 13m in 2017/18 and to Rs14m the following year.

Since the number of staff has remained the same, it is clear that the Ministry has moved into palatial offices at Ebene, renting a total of 31,276 square feet for only 106 staff. This represents some 300 square feet on average per staff member, far in excess of usually acceptable norms. And all this at the expense of taxpayers.

- b) The Utility Regulatory Act of 2005 needs to be proclaimed to enable the Utility Regulatory Authority (URA) to begin operations. To do so, certain amendments have to be made to the Electricity Act.

This has taken years and years and meanwhile millions of rupees are wasted annually on staffing and other costs. In year 2017/18 Rs15m was granted to the URA, rising to Rs22.4m the following year, without the authority ever being operational.

We were informed that the necessary would be done for the URA to begin operations in October 2020, but that deadline has once again passed, and the Electricity Act has still not been amended!

- c) The Bagatelle dam has ended up costing billions of rupees more than anticipated, mainly because of inaccurate soil tests. Only Rs80m damages was obtained from the French consultant through an amicable settlement. It is worrying to see that the same model of consultancy contract (based on the World Bank model) will be used for appointing other consultants with potentially the same result.

It is also pertinent to note that the consultant has not been debarred by the Procurement Policy Office and therefore could end up being reselected for other government projects.

It is surprising that the Ministry never initiated any request for debarment, as set out in Section 53 of the Public Procurement Act and the Public Procurement Regulations 2008.

- d) The Water Resources Master Plan was drawn up in 2012. It is important to note that apart from the Bagatelle dam project, started in December 2011, no other dam project has been implemented, The enlargement of the Nicoliere Dam and the new Riviere des Anguilles dam projects are yet to start.

- e) The CWA has considerably underspent the amounts allocated to it in the government's pipe laying programme, which together with increasing water storage capacity, is crucial in our move for water distribution around the clock on a 24/7 basis. In the two financial years under review, the CWA was granted a total of Rs1,700 million but was able to spend only slightly over 50% thereof, leaving Rs790 million unspent.

This has no doubt resulted in the pace of the pipe replacement program being delayed considerably, with the percentage of non-revenue water remaining at around 55%, compared to international best practice of 25% to 30%.

Recommendations:

- a) That the Ministry either vacates part of the SICOM Building in Ebene which is far in excess of its requirements, and which has resulted in much additional cost to taxpayers, or relocates other staff of the Ministry thereat.
- b) That the Electricity Act be duly amended at the earliest to enable the Utility Regulatory Act to be proclaimed and for the URA to begin operations.
- c) That the position of the Ministry vis a vis the french consultant be clarified given its dismal performance on the Bagatelle dam project, and that action be considered for its disbarment by the Public Procurement Office.
- d) That government diligently activates projects listed in the Water Resources Master Plan of 2012 to improve water supply in Mauritius.
- e) That the CWA urgently revisits its project planning and management to ensure greater capacity to effect the pipe laying and pipe replacement programmes.

8.0 Ministry of Technology, Communication and Innovation (MITCI)

Findings

The Ministry deponed at three meetings of the Committee.

The Performance Audit Report entitled “Moving towards E-Government through ICT Enabled Projects”, has made it abundantly clear, that whilst some projects have been completed successfully, nevertheless an unacceptable number, involving huge sums of money, have never been finalised and implemented.

Some projects when implemented have suffered from chronic underutilisation by the respective ministries and departments. Examples are the Crime Occurrence Tracking System (Rs385m) at the police department, the Human Resource Management Information System (Rs409m), the School Net II project (Rs84m), and other such projects which collectively have cost billions of rupees in recent years.

Nowadays, delivery of high quality services to the public crucially depends on the capacity of government to sustain and handle the IT challenges. Technology has firstly to be mastered, then designed and adapted to achieve the desired service results, and thereafter fully implemented by trained users.

Your Committee fully supports the findings of the Director of Audit in his Performance Audit Report and we also commend the response of the MITCI on pages 84 and 85 thereof.

It is a fact that government’s digital workforce is severely understaffed. That training on cutting edge technologies such as AI, blockchain, analytics, internet of things, and digital marketing, has been inadequate. It is also obvious that ministries and departments do not presently consider ICT enabled projects as central to their service delivery.

However, as borne out by inadequacies over the years, the MITCI in its present form, together with the departments and organisations operating under its umbrella, are unable to provide the level of advice, training and support that could reasonably be expected of it.

The MITCI is therefore not fit for purpose.

- a) A number of administrative failings have been noted in the financial years under consideration:
 - Firstly an overpayment by the National Computer Board to Mauritius Telecom of Rs14m, which was brought to light, not by the Ministry’s own internal audit department, but rather by the staff of the Director of Audit.

- Secondly liquidated damages of Rs12m which had not been claimed from the supplier, in regard to the School Net II project.
 - Thirdly failing to renew a performance security after it had expired in December 2017, causing taxpayers to lose a further Rs12.2m, as the same supplier went subsequently into receivership.
 - It is not clear whether proper investigations were ever carried out by the MITCI to determine whether any of the failings concerning the School Net II project were deliberate or as a result of human error. It is important to note that no disciplinary action has ever been taken.
- b) The School Net II is years behind schedule and is not operational as the ICT equipment installed, have simply not been connected to the internet. The hardware, installed in some 160 public secondary school at a cost of Rs84m, has remained idle from day one, with only a portion of its useful life now remaining.

As a result of insufficient coordination between the MITCI and the Ministry of Education, lack of ownership, and a generalised passing of the buck attitude, tens of thousands of secondary school children have been denied internet and wifi facilities in their schools. This is yet another glaring example of the lack of drive and energy behind ICT enabled projects, characteristic of some ministries and departments, nevertheless surprising for a ministry responsible for education.

- c) Ministries websites are mostly out of date or provide information in a haphazard manner. The department responsible for coordinating this work at the MITCI assumes a very passive role and provides little encouragement, support or inducement to ministries and departments. The public is thus generally kept uninformed. An out of date website reflects negatively on government and on Mauritius generally.
- d) It was reported to the Committee that the Data Protection Office was seriously understaffed as the required schemes of service are still awaited and that this was severely hampering its ability to properly carry out its duties under the law.

Recommendations:

We therefore recommend:

- a) That a sustained effort be made to dramatically improve the mindset of staff across all ministries and departments. Substantially increased IT personnel and adequate training should result in ICT enabled projects becoming central to government action. This would lead to better utilisation of human resources, improved project management, improved delivery of services, and extensive online payment facilities across all ministries and departments.

Presently the Mauritius Revenue Authority is the torch bearer in terms of effective and widespread use of ICT enabled services. Similarly the online Citizen Support Unit project appears to be working satisfactorily.

- b) The various administrative failings noted at the MITCI during the two years under review should give rise to an enhanced internal audit capacity, procedural changes, closer supervision, and as the case may be, disciplinary action.
- c) School children in public secondary schools are to this day deprived of internet and wifi connectivity. This is clearly unacceptable and should be remedied immediately.
- d) All ministries' websites should be updated and edited as to content on a weekly basis.
- e) The Data Protection Office should be provided with adequate staff in view of its crucial role in protecting our civil liberties. It is totally unacceptable that the drafting of schemes of service should take 2 years or more.

9.0 Conclusion

The Committee wishes to thank all the government officers as well as the independent witnesses who have appeared before it. By the nature of its mandate, the Committee gives pride of place to reporting on the deficiencies noted during the course of its work. We have however come across numerous instances where public officers fulfil their duties with purpose, commitment, energy and pride, and we are thankful to all of them.

We hope that through our contribution to the debate on improving public services, for the benefit of all, this report will find a receptive ear at government level and we look forward to a formal response to the matters raised herein.

10.0 Acknowledgement

Your Committee is grateful to the Clerk of the National Assembly and her staff for their valuable support. We are thankful also to the Director of Audit and the officers of the National Audit Office, together with officers of ministries, departments and parastatal bodies for their assistance during the hearings.

Hon Charles Gaetan Xavier-Luc Duval, MP, GCSK
Chairperson of the Public Accounts Committee
19 November 2020

Appendix

Standing Order 69 (2) of the Standing Orders and Rules of the National Assembly

Public Accounts Committee

- (a) There shall be a committee to be known as the Public Accounts Committee to consist of a Chairperson to be appointed by the Speaker and not more than nine Members to be nominated by the Committee of Selection at the beginning of each session. It shall be the duty of the Committee to examine the audited accounts showing the appropriation of the sums granted by the Assembly to meet the public expenditure and such other accounts laid before the Assembly as the Assembly may refer to the Committee together with the Director of Audit's report thereon.
- (b) The Committee shall have power, in the exercise of the duties mentioned at paragraph (a) of this Order, send for persons and records, to take evidence, and to report from time to time.
- (c) If the Chairperson is unable to be present at any meeting, the Committee shall elect another Chairperson whose tenure of office shall be for the day of his or her election only.
- d) In discharging its duties under this Order, while examining accounts showing the appropriation of funds granted by the Assembly and such other accounts which the Assembly had referred to it, the Committee has to satisfy itself –
 - (i) that the monies shown in the accounts as having been disbursed were legally available for, and applicable to, the services or purpose to which they have been applied or charged;
 - (ii) that the expenditure conformed to the authority which governed it; 34
 - (iii) that every re-appropriation has been made in accordance with the provisions made in this behalf under appropriate rules; and
 - (iv) that cases involving negative expenditure and financial irregularities wherever they have occurred in the financial year under study, having regard to the financial report and the estimates as approved by the House, are subjected to scrutiny