



REPUBLIC OF MAURITIUS

NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT ON THE ACCOUNTS OF THE RODRIGUES REGIONAL ASSEMBLY FOR THE FINANCIAL YEAR 2021-22

FEBRUARY 2023

NATIONAL AUDIT OFFICE

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FOR THE FINANCIAL YEAR 2021-22

NATIONAL AUDIT OFFICE

Making a Difference
in the Quality
of
Public Sector Governance
and
Service Delivery
for the Value and Benefit of Citizens



NATIONAL AUDIT OFFICE

My Ref: NAO/ADM/ARA/AUD

28 February 2023

Dr. the Honourable Renganaden Padayachy
Minister of Finance, Economic Planning and Development
Ministry of Finance, Economic Planning and Development
Government House
Port Louis

Honourable Minister,

Pursuant to the provisions of Section 110 of the Constitution of the Republic of Mauritius and Section 20 of the Finance and Audit Act, I am pleased to submit copies of the Annual Statements for the financial year 2021-22, submitted to me in accordance with Section 19 of the Act, together with the Certificates of Audit and the Reports upon my examination and audit of the Accounts of:

- (a) Government; and
- (b) the Rodrigues Regional Assembly.

Subsequent to the tabling of the above documents at the National Assembly, they will be posted on the Website of the National Audit Office- <https://nao.govmu.org>.

Yours sincerely,

C. ROMOOAH
Director of Audit

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FOREWORD BY THE DIRECTOR OF AUDIT

I am pleased to submit my Audit Report on the Accounts of the Rodrigues Regional Assembly for the financial year 2021-22.

It is my responsibility under Section 110 of the Constitution of the Republic of Mauritius to audit and report on the public accounts of Mauritius and of all courts of law and all authorities and officers of the Government. Section 20 of the Finance and Audit Act further requires me to submit a certificate of audit and a report upon my examination and audit of the accounts of the Regional Assembly relating to the Island of Rodrigues.

I am submitting this Report to the Minister of Finance, Economic Planning and Development to be laid before the National Assembly, in accordance with Section 20 of the Finance and Audit Act, together with:

- (a) Copies of the Annual Statements of the Rodrigues Regional Assembly (RRA) for the financial year 2021-22, submitted to me in accordance with Section 19 of the Finance and Audit Act; and
- (b) A Certificate of Audit on the Annual Statements.

This Report, Statements and Certificate will be posted on the website of the National Audit Office (NAO) after they are laid before the National Assembly.

My audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) which are the standards relevant for the audit of Public Sector entities.

Audit Observations

My observations for the financial year 2021-22 are mainly in the areas of financial reporting, assets management, expenditure control, compliance with legislations, and project management. Various lapses have been noted. These lapses impact adversely on public finances, resources, and service delivery.

My Office has carried out an exercise to assess responses by the RRA to matters raised in my Audit Report for the financial years 2019-20 and 2020-21. I have noted that only 36 per cent and 23 per cent of issues raised in the Audit Report 2019-20 and 2020-21 respectively have been resolved. I have also noted that RRA has not taken any action in respect of 62 per cent of issues raised in the Audit Report 2020-21.

Acknowledgement

I wish to express my sincere thanks to the staff of the NAO involved in the audit of the RRA for their contribution and commitment without which the submission of this Report would not have been possible.

I would also like to take this opportunity to thank the Island Chief Executive, the Departmental Heads and all their staff for their cooperation and collaboration.



C. ROMOOAH
Director of Audit

National Audit Office

28 February 2023

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OVERVIEW

This Report is submitted to the Minister of Finance, Economic Planning and Development to be laid before the National Assembly, in accordance with Section 20 of the Finance and Audit Act.

The Report contains a summary of the most significant audit observations following the audit of the accounts of Rodrigues Regional Assembly (RRA), that in my opinion, may have significant impact on finances, resources and service delivery, or that may adversely affect financial governance and controls, if not corrected. These observations were communicated and discussed with the respective Accounting Officer of the Commission concerned.

Audit Mandate

Section 110 of the Constitution provides that the Director of Audit shall audit the public accounts of Mauritius and of all courts of law and all authorities and officers of the Government.

The RRA has been established under Section 3 of the Rodrigues Regional Assembly Act and by virtue of Section 48 of the Act, the accounts of RRA are public accounts of Mauritius for the purposes of Section 110 of the Constitution.

Pursuant to the provisions of Section 110 of the Constitution of the Republic of Mauritius and Section 20 of the Finance and Audit Act, I am required to submit my report upon the audit of the Accounts of the RRA for the financial year 2021-22 within 8 months of the date of the financial year.

Scope of Audit

The scope of my audit includes determining whether:

- (a) the Annual Statements of RRA present fairly the financial transactions of the RRA during the financial year 2021-22 and the financial position as of 30 June 2022; and
- (b) the RRA is managing and utilising its resources economically, efficiently and effectively, and laws and regulations are being complied with.

The Annual Statements of the RRA are prepared in accordance with Section 19 of the Finance and Audit Act. This Act requires the Commissioner, responsible for the subject of finance, to sign and submit to the Director of Audit, within three months of the close of every financial year, Annual Statements, showing fully the financial position of the Island of Rodrigues on the last day of such financial year.

Duly signed Annual Statements of RRA for the financial year ended 30 June 2022, were submitted to the NAO within the statutory date limit, on 30 September 2022. These statements were prepared on a cash basis and comprised a Statement of Assets and Liabilities and Other Statements as required under Section 19(6) of the Finance and Audit Act.

In accordance with Section 16 (1) of the Finance and Audit Act, I am required to provide reasonable assurance to the National Assembly that:

- (a) all reasonable precautions have been and are taken to safeguard the collection of public money;
- (b) all laws, directions or instructions relating to public money have been and are duly observed;
- (c) all money appropriated or otherwise disbursed is applied to the purpose for which Parliament intended to provide and that the expenditure conforms to the authority which governs it;
- (d) adequate directions or instructions exist for the guidance of public officers entrusted with duties and functions connected with finance or storekeeping and that such directions or instructions have been and are duly observed; and
- (e) satisfactory management measures have been and are taken to ensure that resources are procured economically and utilised efficiently and effectively.

Audit Approach

NAO adopts a risk-based approach in determining the areas to be covered. In carrying out the audit, NAO examines records, files, reports and other documents, conducts site visits and interviews relevant officers. The audit observations reported are based on the information and evidence so gathered. As audits are conducted on a sample basis, they do not reveal all irregularities and weaknesses. However, they should help uncover some of the serious lapses and at the same time provide those charged with governance of Commissions an indication of areas where improvements are required.

At the conclusion of the audit, an exit meeting is held with the Accounting Officer (the Island Chief Executive and Departmental Head of each Commission) to discuss audit findings. Management Letters are thereafter issued to the Accounting Officers and the latter are given the opportunity to give their comments and explanations on the matters raised therein.

Audit findings which are considered significant and of a nature to be brought to the attention of the National Assembly, are communicated through “Reference Sheets” to the Island Chief Executive and the Departmental Heads. The latter are given the opportunity to comment on the truth and fairness of these findings and to give any additional explanations they deem necessary. A summary of their comments is included in the Report.

Based on explanations and/or any information provided by the Accounting Officers, I may retain, amend, or consider not including any of the audit findings in my report. Accounting Officers are notified that where I do not receive a reply within the time specified in the Reference Sheet, it will be assumed that they agree with the matters reported therein.

Non-submission of replies to Reference Sheets by Accounting Officers

Upon the conclusion of audit, NAO has issued 24 Reference Sheets regarding selected audit findings for the financial year 2021-22. However, replies to only eleven Reference Sheets have been submitted by Accounting Officers of the respective Commissions. Comments on audit findings highlighted in thirteen Reference Sheets issued to six Commissions were not submitted to this Office. It is to be noted that five of these Commissions have not replied to ten Reference Sheets as well as the Management letters issued to them.

Responsibility of Accounting Officers

In accordance with Section 35(1) of the Rodrigues Regional Assembly Act, the Executive Council is responsible for the carrying out of the functions of the Regional Assembly and the Chairperson, acting on the advice of the Chief Commissioner, may, for that purpose, assign to a Commissioner the responsibility for one or more Departments of the Regional Assembly. The Island Chief Executive is the administrative head and is responsible for the efficient administration of the functions of the Executive Council.

The RRA comprises seven Commissions, each under the responsibility of a Commissioner with defined responsibilities. Each Commission is under the administrative responsibility of one or more Departmental Heads who are responsible for ensuring, amongst others, that:

- (a) funds entrusted to them are applied only to the purpose intended by the National Assembly and Rodrigues Regional Assembly which is to implement Government policy within the resources budgeted;
- (b) adequate measures have been taken to safeguard the collection of public money and ensure judicious utilisation of resources; and
- (c) all laws, directions or instructions relating to public money have been and are duly observed.

It is the RRA's responsibility to maintain proper financial records.

The Judiciary, the Police Service and the National Land Transport Authority do not fall under the administrative control of the RRA. Revenues collected for the Mauritius Revenue Authority are remitted directly to the Government of Mauritius.

Summary of Audit Findings

The key issues highlighted in this report are summarised below:

- (a) No plan for implementation of accrual based International Public Sector Accounting Standards (IPSAS);
- (b) Weaknesses in Expenditure Control;
- (c) Issues in Revenue Management;
- (d) Non-compliance with Legislations;
- (e) Deficiencies in Asset Management; and
- (f) Deficiencies in Project Management.

No plan for implementation of accrual based IPSAS

Government embarked on the implementation of accrual IPSAS as from October 2016 with the main objective to improve transparency, accountability and decision making. A detailed road map was developed in consultation with the International Monetary Fund (IMF), which outlined the steps towards the fully IPSAS compliant financial statements by 2022-23.

In its report of June 2022, IMF highlighted that RRA will need to transition to full accrual IPSAS by 2022-23 in order for RRA accounts to be consolidated with those of the Budgetary Central Government. The IMF pointed out that RRA would be able to avail of the transition period provision for the year 2021-22. However, RRA did not have recourse to this transitional provision in the preparation of the Annual Statements but instead, prepared the Statements under cash basis.

In the Audit Reports for the financial years 2018-19, 2019-20 and 2020-21, I repeatedly drew attention that the RRA needed to gradually adopt accrual-based IPSAS to be in line with Central Government and that a time frame had to be set to that effect.

The RRA did not work out a plan at its level to adopt accrual-based IPSAS. As such, the target set for subsequent consolidation of the accounts of General Government may not be achieved.

Weaknesses in Expenditure Control

Some Rs 1.08 billion were incurred in the payment of Social Benefits such as Pensions, Social Aid and Unemployment Hardship Relief in 2021-22. Control over these payments was inadequate.

- There was a lack of information on the status of beneficiaries for Social Benefits.
- Measures for the detection and recovery of overpaid pension to deceased beneficiaries were ineffective.
- Some Rs 94,400 were paid to seven pensioners for the month following their death.
- No recoupment of Social Aid was effected from 183 beneficiaries who had been paid some Rs 5.8 million under the Self-Employed Assistance Scheme as they had exceeded their income threshold.

During the period October 2018 to June 2022, contributory beneficiaries have been paid pensions totalling Rs 48.85 million from the budget of the RRA. No claims have been made from the National Pensions Fund for refund.

Payments of some Rs 4 million were made despite non-attendance of workers who were recruited under the Land Rehabilitation Programme to carry out rehabilitation works at six identified sites.

An amount of Rs 864,960 was paid twice to the Contractor for the construction of the Mont Lubin Community Centre. This overpayment has not been recouped.

Issues on Revenue Management

The RRA has not reviewed existing legislations and revenue collection mechanisms. Hence, revenue generated in 2021-22 by the RRA has increased slightly to Rs 48 million as compared to Rs 46 million in 2020-21. Expenditure, on the other hand, has increased significantly to Rs 4.6 billion in 2021-22 compared to Rs 4.1 billion in 2020-21.

Registration fee and duty were not collected on the transfer of immovable properties and on registration/transfer of motor vehicles in Rodrigues. The amount of revenue forgone for the past three years ended 30 June 2021 is estimated to be Rs 18 million and Rs 79.7 million (excluding registration duty payable on transfer of ownership of vehicles) for registration fee and registration duty respectively. I have recommended that action be initiated by the RRA through the responsible Minister to amend the Schedule, thereby enabling the application of fee for the registration of deeds and transfer of immovable properties.

As of September 2022, some 40 months after the setting up of an ICT Company, the bandwidth capacity sold to three Operators had remained as low as 14.4 Gbps of the available capacity of 100 Gbps. There was no strategic plan to increase sale of available bandwidth capacity which would have increased the actual amount collected of Rs 16 million during the financial year 2021-22.

Non-compliance with Legislations

Procurement procedures were not followed in the selection of a Consultant for a study of the Environmental and Social Impact Assessment (ESIA) of the Airport Development project at Plaine Corail.

Procurement procedures were also not followed in the appointment of a Consultant for the provision of training to selected beneficiaries and to supervise the installations of Biogas Digesters for both of the projects namely, Production of energy from household organic wastes and Model Eco-village at Rivière Coco.

Deficiencies in Asset Management

The Commission responsible for education did not have a list of students eligible for tablets. Nevertheless, it had procured 350 tablets for Rs 3.46 million which were not issued to secondary schools for eventual distribution to students. Likewise, it has rented 110 Personal Computers (PCs) for some Rs 8.46 million for a period of five years. A cost/benefit analysis was not carried out to decide on the best option of whether to buy or rent the 110 PCs. Most of the rented PCs at five primary schools visited were not utilised due to absence of internet connectivity.

The project for the setting up of a second Dialysis Unit at La Ferme Area Health Centre (AHC) at a cost of Rs 4.8 million was still pending. The dialysis machine and other equipment, costing some Rs 5.72 million, delivered since March 2022, were still kept in boxes at the AHC in September 2022.

An e-Licensing System was developed but was not operational. Application for licences was still being submitted manually and files processed manually by the Tourism Enterprise Licensing Unit.

Rainwater Harvesting Structures at Montagne Goyaves and Baie Malgache, constructed for a total cost of Rs 37.4 million, were unutilised for more than four years after handing over of sites. This had impacted negatively on the development of agriculture in these regions.

As of September 2022, that is, 28 months after completion of the construction of 141 Biogas Digesters at a cost of some Rs 21 million, 140 of them were still not connected to the beneficiaries' kitchens. Hence, the objective of providing Biogas Digesters to reduce the use of imported gas by the beneficiaries, was not achieved.

A RX-C Receiver for DWR procured for a total cost of Euro 6,705 and received in December 2020, was still not installed at the Meteorological Station, 20 months after its delivery.

Deficiencies in Project Management

The management of contract for the construction of roads in Rodrigues for financial years 2020-21 and 2021-22 was not in strict compliance with the General Conditions of Contract. This has impacted on delays in the completion of Work Orders.

In a contract for the procurement of medical equipment at some Rs 11.9 million, there were delays in their delivery, ranging from one to seven months. Delay damages were waived without any justification. Thirteen medical equipment, costing some Rs 20.6 million, which should have been delivered during period January 2021 to August 2022, were still not delivered as of September 2022.

Bidding documents for the construction of the Elderly Recreational Centre at Baie Lascars were not prepared with due care. This has caused delay in the implementation of the project which had been initiated as far back as 2013 and was still at tender stage after nine years.

The preliminary design of water distribution network from Montagne Goyaves Reservoir to Baladirou was estimated to cost between Rs 50 million to Rs 65 million. In April 2021, the Consultant was requested to proceed with the detailed design of the project. As of August 2022, more than one year later, the report on the detailed design was still being awaited. Delay in its submission is seriously hampering the future development of water distribution network in the regions where the lack of water is a serious concern.

Some 17 months after the revised completion date, the Wastewater Treatment Plant at Grenade was still not yet completed and handed over to the Commission. This facility was deemed to be of utmost importance since serious environmental issues were concerned.

The Model Eco-Village at Rivière Coco was not a success. Out of the five ways that the model depicted for harnessing and using renewable energy, only two, that is electricity for street lighting and selling electricity to Central Electricity Board, were successful.

The contract for the supply, installation, testing and commissioning of Reverse Osmosis Desalination Plant and Equipment at Baie Malgache and Pointe Cotton, awarded in April 2018 for an amount of Rs 121.7 million, was not properly managed. After the commissioning of the plant at Baie Malgache in December 2020, it broke down during the defects notification period. In August 2022, the same contractor was awarded a contract for the dismantling and relocation of the plant at Baie Malgache to Pointe Venus and Songes, and repairs of the plant at Pointe Cotton for an amount of Rs 19.7 million through direct procurement method.

Follow up of the Matters Raised in Previous Audit Reports

As required by ISSAIs, Supreme Audit Institutions (SAIs) should report on follow up measures taken by audited entities with respect to their findings and recommendations. The follow up mechanism is intended to:

- (a) enable the SAI to report on the results of its follow up actions appropriately to the legislature, executive, stakeholders and the public;
- (b) encourage the audited entity to take relevant corrective actions; and
- (c) demonstrate the value and benefit of the SAI and the impact of the audit report.

Accordingly, a follow up of matters raised in the Audit Reports 2019-20 and 2020-21 was carried out during the current audit. The objective of this exercise was to determine whether RRA has taken appropriate actions to resolve issues reported.

The actual status has been determined on the basis of information obtained at time of audit and/or information provided by the RRA at reporting stage.

Key Findings

I. Matters raised in Audit Report 2019-20

- Twenty of the 56 issues raised have been resolved.
- Despite actions taken by all stakeholders concerned, ten issues have remained unresolved.
- RRA has already completed actions at its end in respect of one issue, but the matter has yet to be resolved as it is dependent on outcomes, advice or decisions from other stakeholders.
- RRA has not taken any further action on six issues in respect of which it had already initiated action during 2020-21.
- RRA has initiated actions on two issues in respect of which no action was taken during 2020-21.
- No action was yet initiated on 17 issues.

II. Matters raised in Audit Report 2020-21

- Nineteen of the 82 issues raised have been resolved.
- RRA has initiated actions on 12 issues in respect of which no action was taken during 2020-21.
- No action was yet initiated on 51 issues.

Recommendations

- ***Financial Reporting***
 - Developing and implementing an action plan for the implementation of accrual-based IPSAS for financial year 2022-23.
 - Assistance from the Treasury be sought for training of officers of RRA on implementation of IPSAS.

- ***Weaknesses in Expenditure Control***
 - Controls over payment of social benefits to be strengthened by the implementation of an Information Highway Platform to retrieve daily information on the death, marital status and travel movements of beneficiaries from the Civil Status Office and Passport and Immigration Office.
 - System of internal checks to be reinforced to ensure that payments are effected in accordance with contractual terms and conditions.

- ***Revenue Management***
 - Enhancing coordination amongst stakeholders involved in revenue management. Advice from Attorney General's Office to be sought on applicable legislation.

- ***Assets Management***
 - Recording of assets in the Government Assets Register to be expedited.

- ***Deficiencies in Project Management***
 - Implementation of a capacity development programme for continuous training of public officers engaged in procurement and project management. Areas of interest may include Public Procurement Act, procurement planning and project management.
 - Implementation of a proper Management Information System with readily available status reports and exception reports to improve monitoring of projects.
 - Strengthening due diligence to properly assess operational and financial capacity of contractors prior to award of contracts.
 - Setting up of a Project Implementation Unit and a focal point at the Chief Commissioner's Office to resolve common issues in project management.

Concluding Remarks

Government grants to RRA totalled some Rs 16.1 billion over the past four financial years, including Rs 4.6 billion for the financial year 2021-22. Due care and diligence must be exercised to ensure that public funds are spent economically, efficiently and effectively with a view to ensuring essential public service delivery.

The most significant observations on the audit of RRA for the financial year 2021-22 have been highlighted in this report. The RRA should take necessary measures to address shortcomings reported by NAO. Asset management, procurement and project management are areas that the RRA should pay particular attention to as they not only involve a huge amount of public funds but they also impact directly on the quality of public services offered.

As far as revenue generated by the RRA is concerned, a review of existing legislations has to be effected for its maximisation given that expenditure incurred by the RRA is on the increasing trend.

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2– ANNUAL STATEMENTS

2.1 Annual Statements for the Financial Year 2021-22

The Commissioner responsible for the subject of finance is required, under Section 19(4) of the Finance and Audit Act, to sign and submit to the Director of Audit, within three months of the close of every fiscal year, Annual Statements showing fully the financial position of the Rodrigues Regional Assembly (RRA) on the last day of such fiscal year.

The Annual Statements for the financial year 2021-22 were prepared on a cash basis and comprised a Statement of Assets and Liabilities and Other Statements. These were submitted to the National Audit Office (NAO) on 30 September 2022.

2.2 Statement A - Statement of Assets and Liabilities – Rs 225.75 million

The Statement of Assets and Liabilities of the RRA for the year ended 30 June 2022 was prepared on a cash basis and was made up of only five components, namely Cash and Bank balances, and Advances on the Assets side, and Rodrigues Consolidated Fund, Deposits and Loan on the Liabilities side. As a result of not adopting the accrual based accounting, the following components were not recognised in Statement A.

- (a) Arrears of revenue;
- (b) Inventories;
- (c) Property, Plant and Equipment, including Donated Assets;
- (d) Intangible Assets;
- (e) Current liabilities such as pension, passage benefits, and the monetary value of accumulated sick leave; and
- (f) Other payables.

According to the RRA, the cost of pension and passage benefits are met from the Accountant General's vote and funds are transferred whenever required.

The Assets and Liabilities showing the financial position of RRA at the close of the past three financial years are shown in Table 1.

Table 1 Assets and Liabilities of RRA for the Past Three Financial Years

Details	30 June 2022 Rs	30 June 2021 Rs	30 June 2020 Rs
Assets			
Cash and bank balances	130,281,106	91,591,676	88,637,715
Advances	95,470,034	89,169,918	92,015,228
Total	225,751,140	180,761,594	180,652,943
Liabilities			
Rodrigues Consolidated Fund	16,385,364	16,822,262	18,549,245
Deposits	122,716,991	80,729,419	78,858,123
Loan - Government of Mauritius	86,198,785	83,209,913	83,245,575
Total	225,751,140	180,761,594	180,652,943

Source – Annual Statements of the RRA

2.2.1 Annual Statements – No plan for implementation of accrual based International Public Sector Accounting Standards

Government has decided to gradually adopt the accrual-based International Public Sector Accounting Standards (IPSAS) in the preparation of the financial statements of Government with effect from financial year 2016-17. A detailed road map was developed in consultation with the International Monetary Fund (IMF), which outlined the steps towards fully IPSAS compliant Financial Statements by 2022-23 as follows:

- 2020-2021: IPSAS Financial Statements for the Budgetary Central Government (BCG).
- 2021-2022: IPSAS Consolidated Financial Statements for the General Government.
- 2022-2023: IPSAS Consolidated Financial Statements for the Public Sector.

RRA did not work out a plan at its level to gradually adopt the accrual-based IPSAS. As such, the target set for subsequent consolidation of the accounts of General Government may not be achieved.

Furthermore, the IMF in its report dated June 2022, advised that the RRA would be able to avail of the transition period provision for the year 2021-22. However, recourse to this transitional exemption was not entertained by the RRA in the preparation of the Annual Statements.

The following areas, amongst others, were not addressed for the 2021-22 Annual Statements to be fully IPSAS compliant:

- Revenue and expenditure not accounted on an accruals basis.
- All liabilities, pensions, passage benefits, and the monetary value of accumulated sick leave not valued.
- Disclosure notes regarding Key Management Remuneration, Related Party Transactions and Events after the Reporting Date not provided.
- State lands, property, plant and equipment such as roads, drains, bridges, buildings, markets, schools, other public buildings and desalination plants, have not been valued at fair value. As such, these data were not uploaded in the *Government Assets Register (GAR)* which is a computerised system developed by the Treasury to assist Ministries and Departments to identify and record non-financial assets.
- *A Secondary Ledger* that would facilitate accounting on an accrual basis and produce accrual-based financial information has still not been put in place.

Recommendations

RRA should take necessary action to ensure that the Annual Statements for financial year 2022-23 are prepared in full compliance with accrual-based IPSAS and comprise, among others:

- A Statement of Financial Position showing all the assets and liabilities.
- A Statement of Financial Performance, showing classification of expenses by function or specifying the nature of expenses.
- A Statement of Comparison of Budget Estimates and Actual Amounts, showing classification of expenses.
- A Statement Changes in Net Assets or Equity.
- A Statement of Cash Flow, specifying the receipts and payments.

RRA's Response

The assistance of the Ministry of Finance, Economic Planning and Development is being sought for the training of staff of the RRA in the implementation of IPSAS.

2.2.2 Statement of Advances – Rs 95,470,035

Advances of Rs 5.8 million to the Rodrigues Trade Marketing Company (RTMC) Not Refunded

The Commission for Women's Affairs and Others, through the RTMC, embarked on the project for the setting up of a Lemon Essential Oil Extraction Unit at Graviers. Pending the approval of a loan from a bank, the RRA advanced an amount of Rs 5.8 million to the Company in July 2019, representing 30 per cent of the cost of equipment to be supplied by

an overseas Company. One of the conditions, as specified in the signed agreement dated 27 June 2019, was that the RTMC would repay the RRA the funds advanced in one instalment within a period of one month from the date that the loan from the bank is credited to the Company's account.

- As of September 2022, after more than three years, the project has still not started. There is a high risk that the RRA will not be able to recover the sum advanced of Rs 5.8 million. The audited accounts of the RTMC for the year ended December 2020 showed that the Company had incurred a net loss of Rs 2,588,264 and had a negative equity of Rs 19,031,174. These indicate that a material uncertainty, that may cast significant doubt on the company's ability to continue as a going concern, exists.
- The accounts of RTMC for the financial year ended 31 December 2021 were not made available in September 2022.
- The RRA did not perform a due diligence exercise before advancing public funds to a Company which was in financial difficulties.

2.3 Revenue from Sales of Bandwidth - Not Accounted for

With the coming into operation of the first undersea submarine cable, that is the Mauritius Rodrigues Submarine (MARS) cable, digital development in Rodrigues has been enhanced and the island has been connected to Mauritius and the rest of the world through the internet gateway.

Payment of the service fee for the cable and revenue collected in respect of sales of bandwidth over the past four financial years are shown in Table 2.

Table 2 Payment of Service Fee and Revenue Collected from Sales of Bandwidth

Financial year	Amount Paid Rs	Revenue Rs
2018-19	2,029,913	-
2019-20	78,515,827	-
2020-21	122,927,453	4,942,700
2021-22	89,219,567	-
Total	292,692,760	4,942,700

Source – Annual Statements

Revenue derived from the sales of bandwidth during financial year 2021-22 amounting to some Rs 16 million was not accounted for in the Annual Statements.

2.3.1 No Revenue Collected from Registration Duty and Transfer of vehicles

No income has been derived from the registration and transfer of vehicles. Fees collected as stamp duty of Rs 688,575, were wrongly accounted under item “*Registration and Transfer of Vehicles*” instead of item “*Stamp duty*” which has no item code.

2.3.2 Miscellaneous and Unidentified Revenue - Wrongly Accounted for

The RRA budgeted a sum of Rs 600,000 under the Revenue item “*Miscellaneous & Unidentified Revenue*” for the financial year 2021-22. The actual revenue credited to the item as at 30 June 2022 was Rs 13,902,285, which included an amount of Rs 12,321,875 held previously on deposit and transferred to Revenue instead of the Rodrigues Consolidated Fund. This is not in compliance with Section 8(5) of the Finance and Audit Act.

Recommendation

Amount held on deposits for more than five years should be credited to the Rodrigues Consolidated Fund in compliance with Section 8(5) of the Finance and Audit Act.

2.4 Statement of Arrears of Revenue

2.4.1 Property Income - State Land (Industrial): Rs 57,192,534 - Overstated by some Rs 40 million

The above arrears of revenue have significantly increased from Rs 11.9 million in financial year 2020-21 to Rs 57.2 million in financial year 2021-22, that is an increase of 380 per cent. The increase was mainly due to the accounting of capital and interest of some Rs 40 million in respect of the lease of State Land (Industrial).

The land where the Airport is located, transferred as from 3 September 2002 to the RRA, was vested back on 20 November 2006 in the State of Mauritius in accordance with Section 54 A of the Rodrigues Regional Assembly Act. On 21 July 2022, the Ministry of Housing and Land Use Planning informed the Chief Commissioner’s Office that it may proceed with the drawing up of the lease agreement over the plot of State Land of an extent of 126 hectares on behalf of the Government of Mauritius.

As at September 2022, no industrial lease agreement was signed between the RRA and the Airport of Rodrigues Ltd, the lessee of the State Land. Despite the absence of an agreement, the arrears of rent of some Rs 40 million with accrued interests have been accounted for in the Statement of Arrears of Revenue. Hence, the arrears of revenue figure has been overstated.

According to advice received from the Attorney General’s Office, the validity and effectiveness of a lease is subject to a deed drawn up and signed by both the Ministry and the lessee.

2.4.2 Market Stalls (Rental Fees) - Rs 1,390,885 - No appropriate Regulations

The arrears of revenue for market stall fees have increased from Rs 1,212,185 in financial year 2020-21 to Rs 1,390,885 in financial year 2021-22.

No action has been taken by the Commission for Health and Others to finalise the market fees regulations for enforcement of payment of rental fees by market stall holders.

Recommendation

Regulations for payment of market fees should be finalised without delay.

2.4.3 Contributory Pensions of Rs 48.85 million not refunded by National Pensions Fund (NPF)

Contributory beneficiaries of the NPF have been paid pensions totalling Rs 48.85 million for the period October 2018 to June 2022 from the budget of the Commission for Social Security and Others. However, this amount has not been claimed back from the NPF and was not accounted for in the Statement of Arrears of Revenue.

2.4.4 Inadequate follow up of Arrears

Trade Licences are issued upon payment of the prescribed fee for the activities specified in the first column of the Third Schedule to the Rodrigues Regional Assembly (Licences) Regulations 2003.

According to the return submitted by the Commission for Trade, Commerce and Licensing, there were 2,433 licence holders who owed a total of Rs 25.38 million as at 30 June 2022.

- However, the return included seven companies owing licence fees of Rs 949,500 which have gone out of business.
- The Executive Council at its meeting held on 13 December 2019, decided that the Commission for Women's Affairs and Others had to work out a repayment plan for trade licence holders indebted to the RRA and to remove those who were no longer operational, from the Licensing System. However, as of September 2022, only 34 licence holders agreed to settle their dues in instalments, 116 holders agreed to cancel their licence and 28 reminders were returned. The Commission for Women's Affairs and Others has initiated necessary action for the write-off of irrecoverable arrears of revenue with regard to 405 licence holders for some Rs 7 million. No action was taken concerning the remaining 1,850 licence holders.

2.5 Loan Guaranteed by the RRA of Rs 99.28 million - Not Substantiated

The above figure represents the total amount of loan taken from lending institutions by the beneficiaries under the New Social Housing Schemes (I to IV) that have been guaranteed by the RRA. As of 30 June 2021, the amount guaranteed amounted to Rs 84.06 million. During the financial year ended 30 June 2022, a total amount of Rs 15.22 million has been guaranteed for new beneficiaries.

The extent of the RRA's liability might have been overstated in the Statement O (3) "*Statement of Credit Facilities guaranteed by the RRA*", since the beneficiaries might have refunded their dues during the financial year 2021-22. NAO could not ascertain the above figure as a detailed list of beneficiaries and the amount guaranteed by the RRA as of 30 June 2022, was not seen.

Recommendation

The RRA should request from the lending institutions a list of loans guaranteed under each Scheme at the end of every financial year.

2.6 Disbursement of Grant of Rs 26.8 million - Financial Instructions Not complied with

For the period January to June 2022, the Airport of Rodrigues Ltd (ARL) recorded an operational deficit of Rs 26.8 million. On 13 June 2022, RRA made a request to the Parent Ministry for additional funds of Rs 26.8 million over and above the budget for financial year 2021- 22 to meet the operational deficit of the ARL.

- No decision of the Executive Council was seen. The grant budgeted for ARL amounted to Rs 400,000 but actual amount disbursed as at 30 June 2022 was Rs 26.8 million.
- The disbursement of the grant was not supported by the bank statements showing bank balances in respect of all bank accounts and progress report on delivery of output/services of the ARL. Thus, requirements as per Financial Instructions No. 2 of 2014 *Administration of Government Grants* were not met.

2.7 Financing from Special Funds – Not disclosed in the Notes to the Accounts

During the financial year 2021-22, the RRA received funds from two Special Funds:

- *The Covid-19 Projects Development Fund.* The amount budgeted was Rs 100 million but a total amount of Rs 71,436,688 was received to fund track road projects for an equivalent amount.
- *The National Environment and Climate Change Fund.* The amount budgeted was Rs 60 million. However, only a total sum of Rs 17.68 million was used to finance specific projects in Rodrigues.

Disclosure by way of notes to the accounts was not made in Statement D1 '*Detailed expenditure of the Rodrigues Consolidated Fund*' to reflect total expenditure under the specific schemes which were financed from the two different sources, other than from the Parent Ministry.

2.8 Loan from Government of Mauritius – Rs 86.19 million

Fibre Glass Boats – Non-recovery of Loan of Rs 14.7 million

As at 30 June 2022, an amount of Rs 14.7 million was due by the RRA to the Central Government. Five fishing Cooperative Societies were granted loans totalling Rs 14,847,000 at an interest rate of five per cent per annum over a period of five years, with a moratorium of one year starting January 2012. Only an amount of Rs 153,000 was settled by the Cooperative Societies. Also, as of 30 June 2022, interest and penalty fee payable to the Accountant-General amounted to Rs 13,951,635.

The loan maturity period has expired in January 2018 and no appropriate action was taken for the recovery of the loan granted to the Cooperative Societies. The Executive Council had, on 30 November 2018, approved the repossession of the fishing vessels due to non-performance and non-utilisation. Subsequently, the Commission for Agriculture and Others was requested to initiate necessary action by March 2019. However, as of September 2022, the fishing vessels were still not repossessed by the Commission and no plan was seen for the judicious utilisation of these assets with a view to enabling the RRA to refund the amount due to the Central Government.

RRA's Response

Four of the boats have been repossessed as at October 2022 and legal advice was sought with regards to the course of action against the Cooperative Society which has refused to surrender its boat.

3 – ACCOUNTABILITY AND OVERSIGHT MECHANISM

3.1 Oversight Mechanism – Weaknesses in Internal Control System and Recommendations Not Implemented

Internal audit is an independent appraisal function that measures, evaluates and reports on the effectiveness of the system of internal controls, as a contribution to the efficient use and management of resources within the organisation.

Summary of Findings

- The Internal Audit Plan was executed to the tune of 40 per cent only.
- No follow up of recommendations was made.
- Lack of oversight by the Audit Committee was noted.

Detailed Findings

Only 40 per cent of Internal Audit Plan executed

High Percentage of Uncompleted Tasks

During 2021-22, the Internal Control Unit (ICU) was composed of one Acting Principal Internal Control Officer (PICO) who was assisted by two Management Support Officers (MSOs). One of the MSOs was appointed as Inspector of Associations in June 2022 and was not replaced.

The budgetary provisions of the RRA have gradually increased over the years, to finance its expenditure. Revenue collected amounted to some Rs 48.3 million for the year 2021-22 compared to Rs 46.1 million for the year 2020-21. Total expenditure for the same year amounted to some Rs 4.6 billion compared to Rs 4.1 billion for 2020-21.

The audit areas planned for the financial year 2021-22 were not all covered. Out of 23 planned auditable areas, only nine were completed as of September 2022, resulting in 60 per cent of the planned audit work not covered.

No follow up of Recommendations

A review of the oversight mechanism in all the Commissions of the RRA revealed that no corrective actions were taken to deal with the weaknesses in the internal control system as well as instances where recommendations were made by oversight authorities such as the Independent Commission Against Corruption (ICAC) and the Procurement Policy Office (PPO).

Reports of Internal Control Unit

Out of 50 recommendations made in financial years 2020-21 and 2021-22, actions were taken for only 21, representing 42 per cent. The reasons for not taking corrective actions should be investigated. This was not in line with the Internal Audit Policy Operating Manual (IAPOM) of the Ministry of Finance, Economic Planning and Development (MoFEPD) which states that the responsibilities of management towards the Internal Control function

include taking improvement actions to implement the recommendations made by ICU, according to agreed implementation time schedules.

Report of other Oversight Authorities

Weaknesses highlighted by the PPO in 2018 included, among others, the absence of a formal procurement structure, central coordination through the setting up of a Project Implementation Unit, a focal point at Central Administration's level to resolve common issues, and major changes during execution of projects.

A Corruption Prevention Review carried out by the ICAC in 2018 revealed that there was an absence of documentation of policies and procedures, and a Project Monitoring Unit to ensure precautionary measures and monitoring at both pre-bidding and post-bidding stages. There was also no Project Monitoring Plan and Methodologies for effective project monitoring after handing over of sites to Contractors.

No corrective actions have been taken at the level of the RRA as at September 2022.

Lack of Oversight by Audit Committee

The Audit Committee plays a vital role in the governance framework of Ministries/Departments and assists the Accounting Officer through independent oversight of the organisation's governance, risk management and internal control practices. One of the main functions of the Committee is to support the monitoring and reviewing of both risk and governance processes. The Audit Committee Charter, developed by the Office for Public Sector Governance (OPSG), provides for Accounting Officers of Ministries/Departments to enter into a Performance Contract with the Chairperson, Members and Secretary of the Audit Committee.

Appointment of Audit Committee Members and Meeting

- The Lead Analyst in Charge of the Economic Planning and Monitoring Unit of the Chief Commissioner's Office, was appointed as Chairperson of the Audit Committee and was assisted by two members in the grade of Officer in Charge Cooperatives and Inspector of Association respectively. The Chairperson and one of the members were not independent of the Management of RRA.
- The Audit Committee Charter specifies that the Committee should meet at least six times annually and should ensure that at least one meeting is held quarterly. As of September 2022, only one meeting was held.

No Performance Contract and Action Plan of the Audit Committee for the year 2021-22 submitted

No Performance Contract of the Audit Committee and Action Plan for the financial year 2021-22 were submitted to the OPSG as of September 2022, despite requests were made on three occasions.

Recommendations

The ICU should be adequately staffed so that all audit areas planned for the financial year are effectively covered. Moreover, the ICU should follow all the recommendations made that were not addressed by management.

4 – CHIEF COMMISSIONER’S OFFICE

4.1 Transfer of Vehicles and Immovable Properties – Disparity in Registration fee/duty applicable in Mauritius and Rodrigues

Registration fee in respect of all deeds, including transfer of immovable property in Mauritius, is governed by the Land (Duties and Taxes) Act while in Rodrigues it is governed by the Registration and Transcription of Deeds and Inscription of Mortgages, Privileges and Charges (Rodrigues) Act.

Duty payable on registration and transfer of motor vehicles and trailers is regulated by the Registration Duty Act and Road Traffic Act.

Summary of Findings

- Registration fee was not chargeable on transfer of immovable properties in Rodrigues.
- No Registration duty was collected on registration/transfer of motor vehicles and trailers in Rodrigues.

Detailed Findings

No Registration Fee on Transfer of Immovable Properties in Rodrigues

As per the Schedule under the Registration and Transcription of Deeds and Inscription of Mortgages, Privileges and Charges (Rodrigues) Act, registration fee in respect of all deeds, including transfer of immovable property, are zero-rated. Hence, no registration fee was collected from the transfer of immovable property in Rodrigues.

According to the Second Schedule (Part A) of Land (Duties and Taxes) Act, Registration fee of five per cent is chargeable on the transfer of immovable property. Since this Act is not applicable to Rodrigues, Registration fee on transfer of immovable property is thereby foregone.

During the three years 2019 to 2021, 312 deeds of immovable property valued at some Rs 361 million were transferred in Rodrigues. Had the same rate of Registration fee been applicable in Rodrigues as per the Land (Duties and Taxes) Act, some Rs 18 million could have been collected by the RRA.

Section 15 of the Registration and Transcription of Deeds and Inscription of Mortgages, Privileges and Charges (Rodrigues) Act stipulates that the Minister may “*by regulations, amend the Schedule*” and “*Any regulations made under this section may provide for the levying of fees and charges.*” During the past 25 years since the enactment of the Act in December 1997, no action was initiated by the RRA through the responsible Minister to amend the Schedule, thereby enabling the application of fee for the registration of deeds and transfer of immovable property in Rodrigues.

Recommendation

In line with Section 15 of the Registration and Transcription of Deeds and Inscription of Mortgages, Privileges and Charges (Rodrigues) Act, necessary action should be initiated by the RRA through the responsible Minister to amend the Schedule by regulations for the levying of same rate of five per cent of fee as regards to registration of deeds and transfer of immovable properties as applicable in Mauritius.

RRA's Response

The issues regarding registration fees are considered to be matters of policy.

No Registration Duty collected on Registration/Transfer of Motor Vehicles and Trailers in Rodrigues

In accordance with Part VI of the First Schedule of the Registration Duty Act, registration duty ranging from Rs 400 to Rs 6,500 for motor cycles and from Rs 3,300 to Rs 195,000 for motor vehicles is applicable on their first registration or transfer of vehicles in Mauritius. It was, however, noted that registration duty was neither charged on first registration of vehicles nor on transfer of ownership of vehicles in Rodrigues.

As per Section 2 of the Interpretation and General Clauses Act 1974, "State of Mauritius" or "Mauritius" includes the Island of Mauritius, Rodrigues and any other island comprised in the State of Mauritius. As Mauritius includes Rodrigues, the Registration Duty Act is deemed to be applicable to Rodrigues also.

As per records available, 2,786 vehicles (new and second hand) were first registered in Rodrigues during the past three years ended 31 December 2021. Hence, registration duty totalling some Rs 79.7 million were forgone by the RRA. This amount did not include vehicles' registration duty payable on transfer of ownership of vehicles in Rodrigues as the number of such transactions were not available.

In accordance with Part VI of the First Schedule of the Registration Duty Act, a progressive registration duty is levied based on the age and engine capacity of a vehicle. As such, a higher registration duty is applicable to vehicles with higher engine capacity and aged within ten years.

Recommendation

The advice of the Attorney General's Office should be sought as regards to the application of the Registration Duty Act and the Road Traffic Act in Rodrigues, in line with Section 2 of the Interpretation and General Clauses Act 1974.

4.2 Airport Development – Lapses in Project Management

On 17 December 2019, a letter of intent was signed between the French Government, Agence Française de Développement (AFD), the Airport of Mauritius Ltd and the RRA for the disbursement of a loan of Euro 85 million together with a grant of Euro 16 million from the European Union for the financing of the development project at the Airport at Plaine Corail,

estimated to cost Euro 101 million. The project consisted of the construction of a runway of 2,400 metres which necessitated the relocation of the villagers in the surrounding regions. The resettlement was not only critical for the smooth running of the project but was also a requirement for the disbursement of the loan by the AFD.

Summary of Findings

- Procurement procedures were not followed in the selection of a Consultant for a study of the Environmental and Social Impact Assessment (ESIA) of the project.
- Compensations granted exceeded that assessed by the Valuation Department.
- Procurement procedures were not followed in the selection of contractors.
- Constraint in financing the project.

Detailed Findings

Procurement Procedures not followed in the Selection of a Consultant for a Study of the ESIA of the Project

As a requirement before the disbursement of the loan, the RRA had to conduct a full ESIA at a cost of some Rs 19.25 million.

Procurement procedures were not followed as required under Section 24 of the Public Procurement Act (PPA) in the selection of a Consultant for carrying out the ESIA. The procurement procedures, namely the seeking of Expression of Interest in order to draw up a shortlist of consultants, and the basis on which the selection was made such as relevant experience, quality of methodology proposed, extent of participation by nationals among key staff in the assignment, amongst others, were not seen in the relevant files.

A Request For Quotation exercise for the ESIA was launched by the Airport of Rodrigues (ARL) Limited. On 18 March 2019, the ARL accepted the bid of Euro 408,858 from an international French company which was the sole tenderer. Since the ESIA was financed by the RRA, the latter should have procured the Consultancy services and thus, be subject to the PPA.

Compensations granted exceeded that assessed by Valuation Department

- The resettlement of villagers of Ste Marie and the surrounding areas was required for safety reasons. The residents had each opted for the lease of State Land and for the construction of a house financed by the RRA. They were also provided with animal sheds and fenced agricultural plots so as to take care of their livestock and plantations.
- As of September 2022, 15 beneficiaries had been compensated for a total amount of Rs 50.78 million, consisting of cost of construction of new houses, fishing posts and a boat house which was more than the market value of their existing houses totalling Rs 8.6 million as determined by the Valuation Department.

- The relocation of agricultural activities of both residents and non-residents were still in progress as of September 2022. Works had started on site in April 2022 and was at 40 per cent completion as at September 2022. Delay in the finalisation of the relocation might delay the implementation of the airport project.
- The beneficiaries were also compensated for their plantations and animal sheds amounting to Rs 11.3 million and Rs 17.93 million as compared to Rs 1.1 million and Rs 0.4 million respectively, as determined by the Valuation Department.

Tender Procedures not followed for Selection of Contractors

Tender procedures were not resorted to for the selection of contractors since the beneficiaries were allowed to choose a contractor among the eight ones selected by the RRA for the construction of their fenced agricultural plots and animal sheds. In the absence of a bidding exercise, it was not known if the total amount disbursed of some Rs 29.23 million was a competitive one and value for money was obtained.

Constraint in financing the Project

A total amount of some Rs 106.78 million had been incurred as of September 2022 on the understanding that the AFD would provide a loan of Euro 85 million for the construction of the runway. Details of the expenses incurred by the RRA are shown in Table 3.

Table 3 Expenditure incurred by RRA prior to securing finance from AFD

SN	Component	Amount (Rs million)
1	ESIA carried out as per condition of the AFD	19.25
2	Action Plan drafted at the request of AFD to detail relocation of villagers of Ste Marie and surrounding areas	4.13
3	Development of a Strategic and Action Plan by Mauritius Wildlife Foundation	3.39
4	Construction of houses, fishing posts and boat house	50.78
5	Relocation of Agricultural activities	29.23
	Total	106.78

Source: Economic Planning and Monitoring Unit files

On 5 August 2022, the AFD signified its intention to no longer participate in the financing of the construction of the runway at Plaine Corail. As of September 2022, other sources of financing of the project were still being explored by the RRA.

RRA's Response

This office takes note of the observations made and will act accordingly.

4.3 Procurement of 350 Tablets for Rs 3.46 million but not issued to students

The budget for the financial year 2020-21 provided for a scheme for granting tablets “on loan” to secondary school students of low income group families. On 19 May 2022, the contract for the supply, delivery, installation and commissioning of 350 tablets was awarded to Company A for some Rs 3.46 million. On 19 August 2022, the tablets were delivered and commissioned at the Store Section of the Commission. According to the technical personnel of the Commission, the one-year warranty period started on the date the tablets were commissioned, that is, on 19 August 2022.

Summary of Findings

- Tablets were kept in store since commissioning in August 2022.
- Lists of students eligible for tablets were not available.

Detailed Findings

Tablets kept in store since commissioning in August 2022

A physical survey carried out by NAO on 16 September 2022 at the Stores Section of the Commission at Malabar revealed that all the tablets received were still packed in boxes and were stacked one over another on the floor. The tablets had not been issued to secondary schools for eventual distribution on loan to students.

RRA's Response

Following consultations with Rectors, it was agreed to keep the distribution in abeyance as some students of Grade 11 and most of Grade 13 will leave schools at the end of Academic Year 2021-22. Subsequently, the list of eligible students will be handed over to the Commission at the start of the next Academic Year.

Complete lists of students eligible for tablets not available

A list of students eligible for the tablets was not available. In the absence of such list, the merits for acquiring 350 tablets at the cost of Rs 3.46 million could not be ascertained. Although the warranty period started on 19 August 2022, they were not put to use as at September 2022. Hence, the Commission would not benefit from the full warranty period to cover potential defects. Tablets found defective after the warranty period would have to be repaired at the cost of RRA.

RRA's Response

List of eligible students will be made available as from end of January 2023. Tablets will be distributed in schools at latest by end of February 2023.

Recommendation

The Commission should distribute the tablets as soon as possible, based on an eligibility list. This will enable beneficial use of the tablets over the remaining warranty period.

4.4 Asset Management - Rental of 110 Personal Computers at Twice the Acquisition Cost

On 13 January 2022, a contract for the rental of 110 personal computers (PCs) was awarded to a Joint Venture for the sum of Rs 8.46 million, for a 5-year period starting on 27 May 2022.

Summary of Findings

- Cost/benefit analysis was not done prior to the launching of tenders for the rental of PCs.
- The warranty period did not cover the total 5-year period of rental of the PCs.
- Personal computers were rented but were not utilised in the absence of internet connectivity.

Detailed Findings

Cost/benefit Analysis not done prior to launching of Tenders for Rental of PCs

Prior to the launching of the tender exercise, a cost/benefit analysis was not carried out to decide on the best option of whether to buy or rent the 110 PCs. The cost of renting a PC for a period of five years amounted to Rs 76,935 and exceeded the cost of purchasing a PC which was Rs 37,271, inclusive of a three-year warranty period. The rental of the PCs had cost the Commission some Rs 8.46 million for a period of five years and yet the PCs remained the property of the Joint Venture.

RRA's Response

The comments and recommendations thereof are noted for consideration for future course of action.

Total Period of Rental of PCs not covered by Warranty

According to the contract, the warranty period for parts, labour and transport was for three years while the rental of the PCs was for a 5-year period. The cost for replacement of defective parts after the warranty period of three years was not specified in the contract.

RRA's Response

The possibility to extend the warranty period for parts, labour and transport from three to five years will be looked into.

The Rented PCs not utilised in the Absence of Internet Connectivity

During a site visit effected by NAO on 14 September 2022, in five out of twelve primary schools, the Head Masters and IT Instructors informed that the PCs were not utilised due to the absence of internet connectivity. Although most of the PCs were kept idle, monthly rental of Rs 141,047 was being paid to the supplier.

In one school, 10 PCs on rental from the supplier were received by a General Worker.

RRA's Response

Necessary arrangements are being made to ensure provision of internet connectivity in the five schools where same is not available. The views of the Head Master concerned have been sought regarding acknowledgement of the 10 PCs on rental by a General Worker.

Recommendations

- The decision to procure or rent PCs to be used in schools programme should, henceforth, be supported by a cost/benefit analysis.
- Provision of internet connectivity should be included in contract for rental of PCs.

5 – DEPUTY CHIEF COMMISSIONER’S OFFICE

5.1 Global Consultancy Services Contract – Lapses in Contract Management

In August 2018, a contract for “*Global Consultancy Services for Selected Development Projects in Rodrigues*” was awarded to a Consultancy Firm for some Rs 66 million based on project values totalling some Rs 2.3 billion. The contract was for a duration of 36 months plus 12 months’ maintenance period for construction projects. The contract took effect on 27 September 2018 and was extended for a period of 12 months as from 28 September 2021 under the same terms and conditions.

The scope of services comprised preliminary design, detailed design, tendering and supervision, and provision of services during the maintenance period. The consultancy fee for building and landscaping works, and for civil works was 2.915 per cent of the estimated project value.

Summary of Findings

- Consultancy fees of Rs 2.5 million were paid for projects which were cancelled and/or put on hold.
- Certain construction projects were not covered under the Global Consultancy Services contract.
- Higher Consultancy fee was charged by a private Project Engineer compared to that under the Global Consultancy Services contract.

Detailed Findings

Consultancy fees of Rs 2.5 million paid for projects cancelled and/or put on hold

As per the Status Report submitted by the Consultancy Firm in January 2022, five projects were put on hold and four projects were cancelled by the RRA. However, Consultancy fees of some Rs 2.5 million were already paid under these projects as shown in Table 4.

Table 4 Consultancy Fees paid for Projects put on hold and cancelled by RRA

Project Name	Consultancy Fees paid Rs
Projects Put on Hold:	
1 Proposed Development at Caverne Patate	321,943
2 Proposed Development at Ile aux Coco	180,407
3 Construction of a Jetty at Pointe Diable	73,317
4 Rainwater Harvesting at Mourouk	906,529
5 Stabilisation of Embankment along Baladirou to Grand Bay Road	121,826
Projects Cancelled:	
1 Furniture and Fit out Works at Songes Secondary School	72,773
2 Coastal Protection and Embellishment works at Grand Baie	193,915
3 Coastal Protection and Embellishment works at Petite Butte	706,018
4 Kitchen Equipment and Multimedia Installation at Baladirou Residential and Training Centre	4,722
Total	2,581,450

Source: Status Report January 2022

RRA's Response

The amount of Rs 2.5 million represents fees due to each project based on the stages reached for the different projects.

Construction Projects not covered under the Global Consultancy Services Contract

Certain construction projects were not covered under the Global Consultancy Services contract but were assigned directly to a private Project Engineer. Some Rs 10.3 million were paid to the private Project Engineer as consultancy fees in respect of those projects for period July 2019 to June 2022 as shown Table 5.

Table 5 Consultancy Fees paid to the Private Project Engineer

Financial Year	Amount Rs
2019-20	2,188,150
2020-21	4,018,831
2021-22	4,096,345
Total	10,303,326

Source: Detailed Payment Listing (Finance Section)

Awarding Consultancy services contracts for value exceeding Rs 500,000 to the same private Project Engineer is contrary to Regulation 44(1)(b) of the Public Procurement Regulations which stipulates that a public body may resort to direct procurement “*in the case of procurement of works, consultancy services or other services, the value does not exceed 500,000 rupees*”.

High Consultancy Fee charged by the private Project Engineer

Under the two projects examined by the NAO with contract value of Rs 3,180,254 and Rs 3,664,711, lump sum consultancy fee of Rs 230,000 and Rs 316,250, representing 7.23 per cent and 8.63 per cent respectively, were paid to the private Project Engineer. Had these projects been covered under the Global Consultancy Services contract for which the rate payable was 2.915 per cent, a total amount of some Rs 346,000 would have been saved.

RRA's Response

The values of consultancy fees vary due to the nature and urgency of the projects. As per record, all fees charged have remained under Rs 500,000 per project.

Recommendation

Provisions of the Public Procurement Act should be strictly complied with.

5.2 Construction of Roads in Rodrigues for Financial Years 2020-21 and 2021-22 - Lapses in Contract Administration

On 8 January 2021, a contract for the maintenance, upgrading, resurfacing and construction of roads in Rodrigues was awarded to a Contractor for some Rs 309.3 million. The contract was for a duration of 730 calendar days with start date of 1 April 2021 and closing date of 1 April 2023.

As at 30 June 2022, 44 Works Orders (WOs) for a total amount of Rs 363 million were issued under the contract and some Rs 157.4 million were paid to the Contractor.

15 WO's for a total contract value of Rs 138 million were selected for examination.

Summary of Findings

- There was delay in the completion of works.
- Performance security on the revised contract value was not submitted.
- WO's with revised project values were issued prior to obtaining financial clearance.
- Extension of time was approved after completion of works.
- Conditions of contract were not complied with.
- Scope of works was not completed.

Detailed Findings

Delay in Completion of Works

As of September 2022, four WOs totalling some Rs 51.9 million which were due to be completed by 20 May 2022, were still ongoing. The percentage of completion of the WOs was not available.

Performance Security on revised Contract Value not submitted

As of August 2022, the initial contract value was revised from Rs 309.3 million to Rs 379.7 million. However, the performance security on the revised contract value was not submitted as at September 2022, in compliance with bidding documents.

WOs with revised project value issued prior to obtaining financial clearance

- On 19 August 2021, financial clearance was sought for an increase in the initial project value of WO No. 12 of 2021-22 from Rs 4.02 million to Rs 6.2 million, for which approval was obtained on 2 September 2021. However, the WO for the revised cost of Rs 6.2 million was already issued on 16 August 2021, prior to obtaining the financial clearance.
- Approval for the cost overrun of some Rs 3.05 million, that is 40.4 per cent, over the initial WO of Rs 7.55 million for WO No. 26 of 2021-22 was not seen. As at March 2022, the total value of works certified amounted to some Rs 10.6 million.

Extension of time approved after completion of works

- The WO No. 12 of 2021-22 (Rs 6.2 million) was completed on 20 December 2021 instead of 26 November 2021. Thirty days' extension of time submitted by the Contractor on 24 November 2021, was approved on 3 March 2022, that is ten weeks after completion of works. As at 30 June 2022, Rs 3.54 million, representing 57.1 per cent of cost of WO No. 12 of Rs 6.2 million, was paid.
- Approval of 37 days' extension of time under WO No. 11 of 2021-22 (Rs 2.78 million) to set the revised completion date to 5 December 2021, was obtained on 19 May 2022, that is five months after the project completion date of 24 November 2021. As at 30 June 2022, a pre-final payment of Rs 2.76 million was effected.
- The WO No. 17 of 2019-20 (Rs 4.5 million) was completed on 10 July 2020. Forty days' extension of time was approved on 4 August 2020, one month after completion of works. As of August 2022, more than two years after completion of works, the Completion/Taking Over Certificate was not yet issued.

Conditions of Contract not complied with

- The Practical Completion Certificate for WO No. 12 of 2021-22 (Rs 6.2 million) was issued on 15 March 2022. However, as of August 2022, the actual taking over of the site was not yet effected, contrary to Clause 54.1 of General Conditions of Contract.

- As regards WO No. 11 of 2021-22 (Rs 2.78 million), the works were expected to be completed on 29 October 2021 but were actually completed on 24 November 2021. On 2 December 2021, that is one week after project completion date, the Contractor issued an early warning for late clearances from the Authorities and for additional works, contrary to Clause 30.1 of the General Conditions of Contract.
- The WO No. 38 of 2019-20 (Rs 1.19 million) was completed on 10 December 2020. The Practical Completion Certificate was issued on 3 June 2021, that is some six months after the completion date. The Final Completion Certificate was issued on 25 January 2022, more than seven months after the end of defect's liability period.
- Payment certificates of five WOs, namely Nos. 11, 12, 14, 15 and 17 of 2021-22 for a total amount of some Rs 23 million, were approved after 28 days from submission dates. This was not in line with Clause 39.2 of the General Conditions of Contract.
- The WO No. 26 of 2021-22 (Rs 7.55 million), was completed on 24 November 2021. However, as of September 2022, that is eight months later, the Practical Completion Certificate was still not issued.
- As regards WO No. 17 of 2019-20 (Rs 4.5 million), the Completion/Taking Over Certificate was not yet issued as of September 2022, more than two years after completion of works on 10 July 2020.
- The Completion/Taking Over Certificate in respect of WO No. 11 of 2021-22 (Rs 2.78 million) was issued on 20 May 2022, six months after the practical completion date of 24 November 2021.
- Clause 25.1 of the General Conditions of Contract stipulates that "*The Contractor shall submit to the Project Manager for approval a program showing the general methods, arrangements, order, and timing for all activities in the works*". However, approval of the Project Manager was not seen for the five WOs, namely Nos 14, 15, 17, 26 and 33 of 2021-22, totalling some Rs 93.25 million.

None of the updated program of works under the WO No. 17 of 2021-22 (Rs 28.64 million), dated 22 November 2021, 11 February 2022 and 15 March 2022 were seen approved by the Project Manager, in compliance with Clause 25.3 of General Conditions of Contract.

- The Contractor submitted two early warnings on 5 August 2022 in respect of displacement of CEB poles and additional instructions from the Project Manager, after completion of works on 27 June 2022, contrary to Clause 30.1 of the General Conditions of Contract.

Scope of Works not Completed

- The supply and fixing of 50 metres of handrails and eight metres of shallow drains were not carried out under WO No. 26 of 2021-22 (Rs 7.55 million).

- As of 14 September 2022, works were partially completed for the WO No. 17 of 2021-22 (Rs 28.64 million) as 420 metres of roads were not asphalted with a second layer of bituminous concrete, contrary to scope of works.

Recommendations

- Works Orders should be monitored by the Commission to ensure their timely completion without cost overrun.
- The Commission should ensure that all instructions and conditions of the Contract are always complied with by the Contractor.

5.3 Reverse Osmosis Desalination Plant and Equipment at Baie Malgache and Pointe Cotton - Lapses in Contract Management

Contract for the supply, installation, testing and commissioning of Reverse Osmosis Desalination Plant and Equipment at Baie Malgache and Pointe Cotton was awarded in April 2018 for an amount of Rs 121,706,195 to a supplier. The duration was for a period of 275 days and the contractual completion date was 22 February 2019.

The plant at Pointe Cotton was commissioned on 29 May 2019. However, due to excessive delay in the completion of the sea water intake structure, the commissioning of the plant at Baie Malgache was finally carried out on 21 December 2020 and the plant was handed over to the Deputy Chief Commissioner's Office (DCCO) on 9 February 2021.

Defects started to crop up in May 2021, and in December 2021, during the defects notification period, the plant at Baie Malgache broke down and no potable water was produced.

As of September 2022, two other desalination plants located at Pointe Venus and Caverne Bouteille broke down. On 25 March 2022, the Executive Council approved the launching of an Expression of Interest for Technical Specialists for the rehabilitation, operation and maintenance of the existing desalination plants in Rodrigues. The main objective was to optimise the operation of these desalination plants in view of stabilising water production so as to ensure regular supply to the population.

Summary of Findings

- Extension of time with cost of Rs 3.6 million has been disbursed.
- Performance security was not forfeited as per conditions of contract.
- Warranty period expired before commissioning of plant.
- Contract was closed despite plant broke down during the Defects Notification Period.
- No Expression of Interest was resorted to for selection of contractor.
- Reasonableness of contract value could not be ascertained.

- An intermediate reservoir was not utilised.
- Chemicals found unsafely stored during site visit in September 2022.

Detailed Findings

Extension of Time with Cost of Rs 3.6 million

A claim for Extension of Time (EOT) of 668 days due to delay in taking over of site with cost of Rs 3,617,728 was approved by the Consultant and paid to the contractor on 9 September 2022. Had the commissioning of the plant been effected on the scheduled date of 22 February 2019 instead of 21 December 2020, this cost could have been avoided.

Performance Security not forfeited as per Conditions of Contract

The Contractor did not repair the plant installed at Baie Malgache although it broke down during the defects notification period, which was from 9 February 2021 to 9 February 2022.

On 8 February 2022, the DCCO requested for an EOT of five months of the defects notification period as several defects were found. Despite this request was turned down, the DCCO did not forfeit the performance security of some Rs 5.2 million which was still valid as at 9 March 2022.

The Contractor renewed the performance security for an undervalued amount of Rs 601,889 instead of Rs 5.2 million, contrary to the Special Conditions of Contract which stipulated that it should be equal to 10 percent of contract value.

Warranty Period expired before Commissioning of Plant

The warranty period had already expired on 30 March 2020, that is one year from delivery date as per conditions of contract. The RRA did not benefit from the warranty and had to bear the cost of repairing deficient components, namely, feed pump, high pressure pump, sensors transfer pump and isobarix ceramic unit that hampered the proper functioning of the plant for a cost of Rs 4.6 million.

Contract closed despite Plant broke down during Defects Notification Period

On 8 August 2022, the Commission decided that the present contract with the supplier be closed and that all payment of claims be cleared.

Though provisions of the General Conditions of Contract were not applied, resulting in the non-extension of defects notification period and non-forfeiture of performance bond, a final payment of Rs 4,776,540 was effected to the Contractor on 9 September 2022. As of September 2022, a total amount of Rs 125,410,070 was paid to the Contractor.

No Expression of Interest resorted to for Selection of Contractor

On 29 August 2022, in an endeavour to take corrective actions, the RRA awarded to the same Contractor, a contract for the dismantling and relocation of the plant from Baie Malgache to Pointe Venus and Songes, and repairs of the plant at Pointe Cotton, for an amount of Rs 19.7 million. The duration of the works was 16 weeks from commencement date. The plant at Songes site was chosen to increase its capacity from 500 to 1000 m³ per day.

No expression of interest was resorted to, contrary to the decision of the Executive Council. Instead, the contract for the dismantling, repairs and relocation of the plant was awarded through direct procurement method to the same Contractor. This was not in compliance with Section 25(b) of the Public Procurement Act. No evidence was produced by the Commission that no suitable alternative was available.

Reasonableness of Contract Value could not be ascertained

A Valuation Report of the Consultant's Mechanical and Electrical Engineer, assessing the fairness and reasonableness of the amount quoted of Rs 19.7 million, was not seen in files. Hence, it could not be ascertained whether the contract amount was fair and reasonable.

RRA's Response

Since the Consultant had time to study the quotation and was part of the working session to discuss and agree on the figures quoted by the supplier and report on the reasonableness of the figures, there was no need for a separate report.

Non-utilisation of an Intermediate Reservoir

The transfer of the desalination plant found at Baie Malgache to Pointe Venus and Songes, resulted in the non-utilisation of an intermediate reservoir together with three pumps, built in the year 2015 on Anse Goeland Hill, for the storage of potable water after being desalinated from Baie Malgache plant.

Site visit on 27 September 2022 – Chemicals found unsafely stored

Following a site visit effected by NAO officers accompanied by an officer of the Commission at the desalination plant at Baie Malgache on 27 September 2022, the chemicals were found unsafely stored in the compound. This represented a potential health hazard for the officers and the environment.

The bags of Calcium Carbonate were kept in direct sunlight and had deteriorated, thus being of no use. Sulphuric acid had spread on the floor and heavy fumes were arising therefrom.

Conclusion

The failure of the Commission to repair the plants at Baie Malgache and Pointe Cotton and two other desalination plants at Pointe Venus and Caverne Bouteille, had contributed significantly to the decrease of production of potable water by 76 per cent of the design capacity of 4,500 m³ of all the desalination plants, despite a total investment of some Rs 492 million made by the Commission.

Recommendations

- The RRA should comply with the Public Procurement Act.
- The General Conditions of Contract should be applied.

RRA's Response

We take note of the recommendations and will look into actions that can be taken accordingly.

5.4 Water Distribution Network from Montagne Goyaves Reservoir to Baladirou - Delay in Design of Project

On 18 August 2020, the RRA's Consultant was requested to assess the existing water distribution network and to submit recommendations for improved infrastructures in the region from Montagne Goyaves Reservoir to Baladirou, in view of the construction of a new reservoir at Montagne Goyaves.

According to the preliminary design report submitted by the Consultant, the project for the development of the network was estimated to cost some Rs 50 million to Rs 65 million. In April 2021, the Consultant was requested to proceed with the detailed design of the project. As of August 2022, more than one year later, the report on the detailed design was still being awaited. Meanwhile, construction works for the new reservoir at Montagne Goyaves had already reached 45 per cent completion and the Consultant had been paid an amount of some Rs 577,000.

Delay in the submission of the detailed design of the water distribution network is seriously hampering the future development of water distribution network in the region where the lack of water is a serious concern.

RRA's Response

Necessary instructions have been issued to the Consultant to proceed with the detailed design and cost estimate for the water distribution network from Mt. Goyaves to Baladirou.

6 - COMMISSION FOR WOMEN'S AFFAIRS, FAMILY WELFARE, CHILD DEVELOPMENT, INDUSTRIAL DEVELOPMENT, INFORMATION AND COMMUNICATION TECHNOLOGY, VOCATIONAL TRAINING, COOPERATIVES, TRADE, COMMERCE AND LICENSING AND PRISONS AND REFORMS INSTITUTIONS

6.1 Available Bandwidth Capacity on MARS Cable not optimally Utilised

With the coming into operation of the first undersea submarine cable, that is the Mauritius Rodrigues Submarine (MARS) cable, digital development in Rodrigues has been enhanced and hence, the island has been connected to Mauritius and the rest of the world through the internet gateway. The overall project was financed by the RRA.

The contract for the procurement of internet connection bandwidth services through undersea fibre optic cable from Mauritius to Rodrigues was awarded to the Mauritius Telecom Ltd on 20 September 2017 for a total amount of USD 44,784,694, exclusive of VAT, payable in yearly instalments over 20 years.

On 21 February 2019, a contract for the provision of consultancy services to advise and assist the RRA in managing bandwidth capacity on the MARS cable in Rodrigues, was awarded to a Consultancy Firm for the sum of Rs 3,102,700. On 18 March 2019, the Consultant recommended the creation of a company to manage bandwidth allocation on the MARS cable. On 8 April 2019, a private company "Rodrigues ICT Development and Promotion Co. Ltd" with a total number of 1,000 shares equivalent to Rs 100,000, was set up for this purpose and also to advise RRA on all ICT and related matters.

Summary of Findings

- The ICT Company was not yet operational due to the absence of a licence to operate as a Service Provider.
- The available bandwidth capacity was under-utilised.
- Revenue collected from sales of bandwidth was not accounted for in the Annual Statements.

Detailed Findings

ICT Company not yet operational

- Although the Rodrigues ICT Development and Promotion Co. Ltd was set up to manage the sales of bandwidth, the Company was not yet operational as it did not hold a licence as per Section 24 of the Information and Communication Technologies Act to operate as a Service Provider.

Available Bandwidth Capacity Underutilised

- As of September 2022, some 40 months after the setting up of the ICT Company, the bandwidth capacity sold to three Operators had remained as low as 14.4 Gbps of the available capacity of 100 Gbps. There was no strategic plan to increase the sale of available bandwidth capacity.
- The Mauritius Broadcasting Corporation (Rodrigues) which was granted free use of bandwidth during the testing period ended December 2021, was still using the bandwidth free of charge as of September 2022.

Revenue collected not accounted for in the Annual Statements

Revenue collected from the sales of bandwidth, amounting to some Rs 16 million for the financial year 2021-22, was not accounted for in the Annual Statements of the RRA.

Recommendations

- The ICT Company, set up to manage the bandwidth allocation on the MARS cable, should secure an ICTA licence as early as possible in order to be operational.
- The RRA has taken laudable initiatives to move forward with the Government's agenda of providing an enhanced tool for rapid internet service. The RRA should work with the operators so as to develop an action plan to maximise the use of available bandwidth in Rodrigues.
- The amount collected from the sales of bandwidth should be accounted for in the Annual Statements of RRA.

RRA's Response

The Commission will initiate prompt action to make the Rodrigues ICT Development and Promotion Company Ltd operational at the earliest in order to manage bandwidth allocation to operators and advise the RRA on all ICT and related matters.

Concerning the provision of free bandwidth to the Mauritius Broadcasting Corporation, necessary actions will be taken to cancel it. Furthermore, the company will work towards making the MARS project financially viable.

6.2 The e-Licensing System Developed but not Operational

In September 2018, the Chief Commissioner's Office (Tourism) decided to customise the e-Licensing System, implemented by the Tourism Authority (TA) Mauritius, with a view to restructuring the Tourist Enterprise Licensing Unit. The Commission requested the TA Mauritius to extend its contract with the ICT Company which developed the system.

In April 2019, a Project Management Plan (Contract) was signed by the three parties, that is the Chief Commissioner's Office (Tourism), the TA Mauritius and the ICT Company for a contract amount of Rs 715,000. Further, an annual maintenance cost of Rs 100,000 was to be paid in advance after the system go-live. The project was scheduled to be completed within two months from the date of signature of the contract, that is by June 2019. As of June 2020, the Commission had effected two payments totalling Rs 357,995, representing 50 per cent of the contract amount to the ICT Company.

In March 2022, the TA informed the Commission for Tourism that the contract with the ICT Company had been revoked as the latter was unable to deliver the project and thus the e-licensing project had been suspended.

Summary of Findings

- The objective for the computerisation of the licensing system was not achieved as officers of the Tourism Enterprise Licensing Unit could not make use of the e-Licensing System developed.
- User Acceptance Testing was not completed as of September 2022.
- Provision for liquidated damages was not made in the Project Management Plan.
- The project was suspended and access to the system denied to the Commission for Tourism.

Detailed Findings

Objective for the Computerisation of the Licensing System was not achieved

One of the objectives in embarking on the e-Licensing System was to reduce administrative burden and to go paperless by issuing licences electronically. The enhancement of internet capacity in Rodrigues was to enable the e-Licensing System to contain self-service features. As of September 2022, applications were still being submitted manually and files were still processed manually, according to officers of the Tourism Enterprise Licensing Unit.

User Acceptance Testing not completed

According to the contract, User Acceptance Testing was to be completed by 12 June 2019. However, at time the project was suspended, all data had not been migrated and User Acceptance Testing not completed.

Provision for Liquidated Damages not made in the Project Management Plan

The Project Management Plan did not make provisions for liquidated damages and termination of contract. Hence, damages could not be charged for delays and non-completion of the project.

Project suspended and Access to the System denied to the Commission

At the time the contract was revoked by the TA Mauritius, that is in March 2022, the Licensing Unit had already migrated more than 60 per cent of the data into the e-Licensing System. As of September 2022, the platform for e-licensing was not accessible by the officers of the Tourism Enterprise Licencing Unit.

Recommendation

A system should be developed to enable Tourism Operators to make their applications for various types of licences and certificates electronically. The contract should include penalty clause to enable the Commission to charge liquidated damages in case of default by the System Developer.

RRA's Response

A new platform was being envisaged with the help of the Economic Development Board to enable the computerisation of the services, hence same would be extended to the RRA, once finalised.

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7 - COMMISSION FOR HEALTH, COMMUNITY DEVELOPMENT, FIRE SERVICES, METEOROLOGICAL SERVICES, JUDICIAL SERVICES AND CIVIL STATUS

7.1 Procurement of Medical Equipment - Damages not applied for Delay in Delivery

During the financial year 2021-22, some Rs 16.2 million were disbursed by the Commission for Health and Others in respect of purchase of medical equipment.

Summary of Findings

- Medical equipment were delivered with delays of up to seven months – Damages for delay were not applied.
- Medical equipment costing Rs 20.6 million, expected to be delivered since January 2021, were not yet delivered as of September 2022.

Detailed Findings

Procurement of Medical Equipment – Damages not applied for Delay in Delivery

Various medical equipment purchased during the financial year 2021-22 for the total amount of some Rs 11.9 million were delivered with delays, ranging from one to seven months, as shown in Table 6.

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Table 6 Delay in delivery of Medical Equipment

Equipment	Quantity (Unit)	Amount Rs	Expected Delivery Date	Date Actually Delivered	Delay (Months)
Suction apparatus	4	106,170	March 2021	26.07.21	4
Fowlers bed with mattress	25	650,000	June 2021	25.08.21	2
Suction apparatus	5	132,500	June 2021	06.10.21	3
Multi-Parameter cardiac monitor	1	126,600	Oct 2021	23.05.22	7
Patient transfer trolley hydraulic	1	51,750	Nov 2021	21.04.22	5
Defibrillator	1	235,000	17.03.22	21.04.22	1
Hemodialysis machine	3	4,287,500	17.03.22	28.05.22	2
Gastroscope video	1	1,100,000	Jan 2022	21.04.22	3
Automated portable defibrillator on stand	1	235,000	Feb 2022	21.04.22	2
Motorised mobile digital X-Ray machine	1	4,100,000	Feb 2022	26.04.22	2
Biphasic positive airway pressure apparatus	1	298,444	Feb 2022	13.07.22	4
Syringe pumps	24	564,000	March 2022	13.05.22	1.5
Total		11,886,964			

Source: Tender files

Although provision for the application of liquidated damages in case of delay in the delivery of these medical equipment was made in the respective contracts, this condition was not applied. Damages for delay were, instead, waived by the Commission without any justification.

Medical Equipment costing Rs 20.6 million not yet delivered as of September 2022

Thirteen medical equipment, costing some Rs 20.6 million, which should have been delivered during period January 2021 to August 2022, were still not delivered as of September 2022. Among these were one Infant Radiant Warmer, two Adult & Paediatric Ventilators, one Automated Clinical Chemistry Analyser, and one Automated Blood Culture Analyser, costing some Rs 4.8 million, which were to be delivered in March 2022.

A set of Cystoscope, Resectoscope, Endoscope and Ureteroscope, costing Rs 5.8 million, expected to be delivered in April 2022, were also not yet delivered. As at September 2022, payments to the suppliers were not effected by the Commission.

The non-delivery of these medical equipment might have caused disruption in the public health service delivery.

Appropriate actions have not been taken by the Commission against the suppliers for the late delivery of these equipment.

Recommendations

- The Conditions of Contract should be strictly complied with. Liquidated damages should be applied for late delivery of equipment unless in exceptional circumstances.
- The Commission should closely monitor the delivery of medical equipment so as not to hamper the delivery of health services.

7.2 Setting up of a Second Dialysis Unit at La Ferme Area Health Centre – Project still pending

On 31 January 2020, the Executive Council approved the decentralisation of the existing Dialysis Unit of Queen Elizabeth Hospital (QEH) with the setting up of a second Dialysis Unit at La Ferme Area Health Centre (AHC) to serve as a backup.

On 22 April 2020, the contract for construction works for the setting up of a Dialysis Unit at La Ferme AHC was awarded to a Company for the sum of Rs 3.62 million. The contract was signed on 6 May 2020 and works started on 14 May 2020. Works were completed on 14 September 2020 and the site was taken over by the Commission on 22 September 2020.

In July 2021, following tender procedures, a dialysis machine and other related equipment, costing Rs 5.72 million, were procured by the Commission.

The Commission has incurred cost of Rs 10.5 million for the setting up of the Dialysis Unit at La Ferme AHC, of which some Rs 3.3 million have been disbursed as of September 2022 as shown in Table 7.

Table 7 Cost incurred and payment effected for the Project

Details of works	Cost	Amount paid as at September 2022
	Rs	Rs
Construction works	3,620,000	3,180,254
Additional works	889,456	
Consultancy fees	276,000	115,000
Procurement of medical equipment	5,721,600	
Total	10,507,056	3,295,254

Source: Records of Procurement and Finance Sections

As per Statistics Mauritius, as of end of 2020, there were 32 dialysis patients in Rodrigues. The NAO was informed that the number of dialysis patients as of September 2022 was around 40.

Summary of Findings

- There was a lack of planning at the project inception stage. Additional works of Rs 889,456 had to be carried out.
- The dialysis machine and other equipment costing Rs 5.72 million were still kept in boxes and leakages in the Pharmacy Unit were not repaired as at 14 September 2022.

Detailed Findings

Lack of Planning at Project Inception Stage

On 21 September 2020, that is seven days after the completion of works, additional works of Rs 889,456 were approved. These additional works, namely repair of leakages in the Pharmacy Unit, fixing of handicap grab bars in toilets, and construction of a new footpath at rear of the building from the new water treatment room to the existing wards at ground floor were not foreseen during the design stage of the project. The additional works were to be carried out prior to expiry of the defect liability period, that is by 14 September 2021.

Dialysis Machine and Other Medical Equipment costing Rs 5.72 million still kept in Boxes and Water Leakages not repaired

During a site visit effected by NAO at La Ferme AHC on 14 September 2022, the following were noted:

- All the medical equipment, including a Haemodialysis machine complete with dual reverse osmosis and a bicarbonate mixer, delivered since March 2022, were still kept in boxes at the AHC.

- Water leakages in the Pharmacy Unit were not repaired by the Contractor.
- The newly constructed toilets and showers for dialysis patients on the first floor were not accessible to NAO due to unavailability of the keys. Hence, it could not be ascertained whether the additional works in toilets and bathrooms were completed.

Despite all the medical equipment were already received by the Commission and the construction works were almost completed, the project was still pending as of September 2022.

Recommendations

- The Commission should expedite the setting up of the second Dialysis Unit at the AHC.
- The Commission should ensure that all outstanding works are completed by the Contractor prior to effecting the final payment.

7.3 Procurement of RX-C Receiver for Directional Waverider (DWR) – Equipment Still Lying Dormant

On 24 June 2020, tender for the procurement of a RX-C Receiver for DWR to be used at the Meteorological Station for the receipt of signals from waverider buoys, was launched through a Restricted Bidding exercise. On 17 July 2020, the contract was awarded to a foreign company in Netherlands for the total price of Euro 6,705.

The equipment was received on 23 December 2020 and a total sum of Euro 6,093 was paid to the supplier on 17 December 2020. A local company was paid Rs 62,221 on 11 December 2020 for freight and delivery services.

Detailed Findings

- Procurement procedures were not strictly adhered to. On 23 June 2020, a letter of invitation was sent to the bidder prior to the approval of the Departmental Bid Committee on 24 June 2020 for launching of tenders.
- Though Restricted Bidding exercise was used for the procurement, only one supplier was invited to bid, contrary to Section 19(2)(b) of the Public Procurement Act.
- The letter of award was not signed by the Accounting Officer of the Commission. The Bid Evaluation Report was not seen in file as evidence that the bidder had complied with all the requirements as per Section I (Invitation for Bids) in respect of evaluation of bids, eligibility criteria, documents to be submitted, technical compliance, among others, of the Bidding Document.
- As per clause 13.1 of the General Conditions of Contract, the equipment was to be delivered within 30 days from the date of Purchase Order or Letter of Acceptance but it was actually delivered on 23 December 2020, nearly two months after the scheduled

delivery date of 23 October 2020. No liquidated damage could be charged for late delivery in the absence of a penalty clause in the contract.

- As of September 2022, 20 months after the delivery of the RX-C Receiver, the equipment was not yet installed at the Meteorological Station. Meanwhile, the warranty period of one year granted since delivery date had also lapsed by eight months.

Recommendation

The RX-C Receiver should be installed as soon as possible so that the Meteorological Station could benefit from its use.

RRA's Response

The RX-C Receiver and the PC for data display is currently at Mauritius Meteorological Services for software installation and will be sent to Rodrigues together with the technical team proceeding for deployment. The installation of the receiver and setting up of the PC for data display is scheduled to be carried out in March 2023.

8 – COMMISSION FOR SOCIAL SECURITY, HOUSING, LABOUR AND INDUSTRIAL RELATIONS, EMPLOYMENT AND CONSUMER PROTECTION

8.1 Payment of Social Benefits – Lapses in Control Mechanism

For the financial year 2021-22, funds provided for the payment of Social Benefits amounted to some Rs 1.05 billion. After re-allocation of some Rs 32.6 million, the actual expenditure amounted to some Rs 1.08 billion.

Summary of Findings

- Control over payments of Pensions, Social Aid and Unemployment Hardship Relief was inadequate.
- Measures for the detection and recovery of pensions overpaid to deceased beneficiaries were ineffective.
- There was a lack of information on the status of beneficiaries.

Detailed Findings

Inadequate control over payments of Pensions, Social Aid and Unemployment Hardship Relief

Pensions

- During financial year 2021-22, some Rs 6.3 million were refunded by the Mauritius Post Ltd (MPL) for non-encashment of monthly pensions but detail of pensioners concerned were not forwarded to the RRA.
- Contributory beneficiaries have been paid pensions totalling Rs 48.85 million for the period October 2018 to June 2022 as shown in Table 8. However, this amount has not been claimed back from the National Pensions Fund (NPF). The last claim made to the NPF was for the period May to September 2018.

Table 8 Payment of Contributory Pension not claimed back from NPF

Period	Amount paid Rs
October 2018 to June 2019	7,326,003
July 2019 to June 2020	11,375,823
July 2020 to June 2021	13,699,748
July 2021 to June 2022	16,447,666
Total	48,849,240

Source: Benefits System

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- Pensions, other than Social Aid or Immediate Payment, totalling some Rs 1.5 million were paid by the MPL for the period December 2020 to December 2021 through Public Assistance Vouchers instead of through paysheet or by cheque.
- Monthly reconciliation was not carried out between the net amount accounted in the Treasury Accounting System (TAS) and the gross amount paid under the Benefits System.

Recommendations

- Pensions totalling Rs 48.85 million paid to contributory beneficiaries should be claimed back from the NPF instead of being financed from the budget of the Commission for Social Security.
- Monthly reconciliation needs to be carried out between the gross amount paid as per the Benefits System and the net amount paid/input in the TAS.

Social Aid

Social Aid is provided in cash or in kind, to those persons who are temporarily unable to earn adequately their livelihood and have insufficient means to provide for themselves and their dependents. For the financial year 2021-22, some Rs 68 million were paid as social aid in cash.

- Copies of supporting documents such as Birth Certificates, National Identity Cards, Marriage Certificates and Utility Bills were not seen in beneficiaries' files at time of application.
- As of September 2022, a list of overpayments of Social Aid was not available at the Finance Section of the Commission, despite 25 Advance Accounts were already opened at Social Security Offices for the recoupment of overpaid Social Aid totalling some Rs 200,000.
- Refunds of overpayment of Social Aid of Rs 21,000 from four beneficiaries were not recorded in the Social Aid module of the Benefits System of the Commission.
- 183 beneficiaries of Social Aid had also been paid some Rs 5.8 million under the Self-Employed Assistance Scheme (SEAS). However, the Commission has not recouped Social Aid from those beneficiaries who had exceeded their income threshold as of September 2022.

Recommendations

- The Commission for Social Security needs to ensure that the monthly overpayment listings are regularly recorded in the Social Aid module and submitted to the Finance Section for follow up purposes.
- The Commission should ensure that deceased beneficiaries, as per data from the Civil Status Office, be removed promptly from the Social Aid beneficiaries listing.

- The Commission of Social Security needs to recoup the excess amount of Social Aid from those beneficiaries who had exceeded their income threshold following payment of SEAS.

Unemployment Hardship Relief

Unemployment Hardship Relief (UHR) is paid to every person under the age of 60 who is unemployed, has a wife or a child or who is disabled and whose resources are insufficient to meet his requirements. During financial year 2021-22, some Rs 6.9 million were paid to some 400 beneficiaries of UHR.

- Applications, dating as far back as years 1986 to 2011, were still being approved and renewed in respect of 70 beneficiaries as of 30 June 2022.
- Copy of Employment Registration Card was not filed in the beneficiary's file as evidence that the claimant was still unemployed.

Measures for the Detection and Recovery of Pension overpaid to Deceased Beneficiaries Ineffective

Monthly pension has to be stopped following the death of a pensioner and the beneficiary has to be removed from the Benefits System.

- Some Rs 94,400 were paid to seven pensioners for the month following their deaths despite stop payment notice being issued to the Finance Section and instructions given to the bank for the refund of the overpaid pension. No action was initiated by the Commission for Social Security for claiming back the overpaid pension from the close relatives or heirs.
- Advance Accounts totalling Rs 35,642 were opened in the name of five beneficiaries at the Social Security Offices in respect of overpayment of pension dating as far back as August 2015. However, not all cases of overpayments were referred to the Finance section for follow up purposes. Hence, the total amount of pension overpaid could not be quantified, in the absence of a detailed listing as of September 2022.

Recommendations

- An Advance Account should be opened by the Finance section in the beneficiary's name once an overpayment is detected so that the close relative or heirs could be contacted for refund.
- The overpayment of pensions should be accounted for under "Statement I - Statement of Arrears of Revenue".

Lack of Information on Status of Beneficiaries

A gross amount of some Rs 1 billion was paid to 7,744 pension beneficiaries as per the Benefits System. However, in the absence of an Information Highway Platform, control measures were inadequate as the RRA could not:

- (a) retrieve information in respect of dead/re-married beneficiaries from the Civil Status Office;
- (b) detect beneficiaries of Basic Widow's Pension (BWP) who had re-married abroad and had not returned; and
- (c) obtain information from the Passport Immigration Office (PIO) in respect of beneficiaries' departures and travel movements on a daily basis as well as beneficiaries who stayed abroad for more than six months but were still deriving Basic Invalid Pension (BIP), BWP and Basic Retirement Pension (BRP).

Hence, there was high risk of overpayment of BIP, BWP and BRP.

Recommendation

The Commission should consider implementing an Information Highway Platform so as to retrieve daily information on the death, marital status and travel movements of beneficiaries from the Civil Status Office and the PIO.

8.2 Construction of Elderly Recreational Centre at Baie Lascars – Delay due to flaws in Bidding Documents

In June 2021, financial clearance of Rs 104.1 million was obtained from the Ministry of Finance, Economic Planning and Development (MoFEPD) for the construction of an Elderly Recreational Centre on an extent of 4 hectares of State Land at Baie Lascars.

The works consisted of:

- (a) Construction of administrative block, bedroom block, restaurant, gate post and technical block;
- (b) External parks, comprising parking, service networks and drainage; and
- (c) Mechanical, electrical and plumbing installations.

After vetting of the bidding documents by the Central Procurement Board (CPB), tender was launched on 2 August 2021 through the open national bidding method with closing date of 2 September 2021. Following a query raised by a private contractor, the CPB directed the Commission to specify its requirements pertaining to Bill No 5 and consequently postponed the closing date to 13 September 2021.

During the evaluation stage, the CPB noted several flaws and discrepancies in the bidding documents. Furthermore, CPB was of the opinion that the documents prepared by the Project Consultant was not of professional standards.

Following advice received from the Attorney General's Office, the CPB decided that the evaluation exercise be stopped and the Commission was informed accordingly on 25 October 2021. The Departmental Tender Committee decided, on the same date, to inform the Project Consultant of several flaws and discrepancies noted in the bid documents and to request the submission of a revised bidding documents with an updated cost estimate. On 26 October 2021, the Project Consultant was requested to submit the updated cost estimates and revised tender documents at the earliest for re-launching of tenders.

Main Findings

- As of August 2022, the revised bidding documents with an updated cost estimate was not yet submitted by the Project Consultant.
- The project for the construction of the Elderly Recreational Centre, which had been initiated as far back as 2013, was still at tender stage after almost nine years.
- The project did not materialise leading to the lapse of funds of Rs 8 million.

8.3 Construction of Mont Lubin Community Centre – Lapses in Contract Management

On 8 July 2020, an Open National Bidding exercise was launched for the construction of a Community Centre at Mont Lubin. On 16 October 2020, a contract was signed with the lowest bidder for the sum of Rs 10,032,002 and the completion date specified in the contract was 26 April 2021. Additional works costing Rs 919,655 and Rs 1,535,825 were approved on 5 February 2021 and 22 October 2021 respectively. The Consultant of RRA supervised the project.

On 4 October 2021, a practical completion certificate was issued and the Community Centre was taken over by the Commission of Social Security on 26 August 2022. As of September 2022, a total amount of Rs 13,035,121, inclusive of additional works, was disbursed to the Contractor and Rs 259,335 to the Consultant.

Main Findings

- The construction works which were to be completed on 26 April 2021 was revised to 23 June 2021. Approval of the Consultant was not seen for the extension of time of 45 days in respect of the additional works of Rs 919,655 for substructure, boundary wall, beam preparation, absorption pit and revision of drawings.
- The construction works, inclusive of all additional works, were completed on 23 June 2021 and the Practical Completion Certificate was issued on 4 October 2021. However, it was only on 22 October 2021, that is four months after completion of works, that the Departmental Bid Committee approved the variations works of Rs 1,535,825.

- An amount of Rs 864,960, certified by the Consultant, was paid twice to the Contractor, first on 23 February 2022 by the Commission of Social Security and then on 5 July 2022 by the Commission for Health. The overpaid amount was neither recouped nor claimed from the Contractor as of September 2022.
- During a site visit effected by NAO on 16 September 2022, the following works and fittings were found not to be as per specifications, though the Consultant had certified on 26 August 2022, that all snag works were completed:
 - (a) The chain link fencing was not of galvanised type;
 - (b) The structure supporting the profilage sheeting was of iron bar instead of timber;
 - (c) The two-steel kitchen sink with double bowl drainer were not of stainless type; and
 - (d) Only one chrome plated anti-splash kitchen tap of type “Cobra” was installed instead of two.
- As of September 2022, the Final Completion Certificate was not yet issued by the Consultant, and the As-built drawings and detailed accounts of the contract were not available.

Recommendations

The Commission should ensure that:

- The Conditions of Contract are enforced and complied with.
- The overpayment of Rs 864,960 is recouped from the Contractor as soon as possible.

9 – COMMISSION FOR AGRICULTURE, ENVIRONMENT, FISHERIES, MARINE PARKS AND FORESTRY

9.1 Recruitment of Workers under the Land Rehabilitation Programme - Objectives not attained

Following the Executive Council's approval on 12 November 2021, the Commission for Agriculture recruited 130 workers on 13 December 2021 under the 'Land Rehabilitation Programme' against a daily stipend of Rs 500 per worker. The contract between the Commission and the workers was of indeterminate duration. The main objective was to carry out rehabilitation works at six identified sites. The workers were initially posted on agricultural plots for training purposes before their placement on the sites earmarked for land rehabilitation works.

The expenditure was to be financed by the National Environment and Climate Change Fund (NECCF). However, the expenditure incurred totalling some Rs 5.17 million was actually met from the recurrent budget of the Commission.

Summary of Findings

- Workers were informed not to attend duty since beginning of March 2022 due to a condition in the contract which provided for indeterminate contract duration.
- Nugatory expenditure - payments of some Rs 4 million were made despite non-attendance of workers.
- Evaluation exercise was not carried out to assess the skills of the workers before recruitment.
- Request for refund of expenses from the NECCF through the Ministry of Finance, Economic Planning and Development (MoFEPD) was not entertained.

Detailed Findings

Termination of Contract due to Indeterminate Duration Clause

In March 2022, the workers were prevented from attending duty as the Commission for Agriculture found the contract to be of indeterminate duration and that it was not vetted by the legal adviser of the RRA. This was viewed as constituting a potential liability to the RRA and hence, the contract with the workers was terminated on 18 May 2022.

Nugatory Expenditure of some Rs 4 million

Despite the fact that the workers did not attend duty since March 2022, they were paid stipend up to May 2022 for a total amount of some Rs 4 million. This is considered as nugatory since public funds have not been judiciously utilised.

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Evaluation Exercise not carried out prior to Recruitment of Workers

The objectives of the recruitment programme were to carry out terracing works, construction of drains and other similar tasks, which require specific skills. However, an evaluation exercise for the assessment of the skills of the workers was not carried out by the Commission for Agriculture before recruitment.

Refund of Expenses from the NECCF not entertained by the MoFEPD

Some Rs 5.17 million, incurred under the Land Rehabilitation Programme, were not refunded by the NECCF due to the absence of prior approval from the MoFEPD.

Recommendations

- All contracts should be duly vetted by the legal adviser of the RRA so as to mitigate risks of non-compliance with applicable laws.
- For any recruitment exercise, the skills of workers have to be assessed to ensure that they have the necessary experience in the required fields.

RRA's Response

The recruitment exercise did not comprise any evaluation exercise to assess the skills of the jobseekers for land rehabilitation works and the contract contained serious shortcomings. The Executive Council decided to terminate the contract with the workers and on humanitarian ground, also decided to pay the workers' wages in lieu of Notice. Further, the Commission sought a new list of jobseekers from the Employment Office who have experience in masonry, building construction and others in the same field.

9.2 Rainwater Harvesting Structures at Montagne Goyaves and Baie Malgache - Unutilised for more than four years after handing over of sites

As part of its commitment to supply irrigation water to the planters' community, the Commission for Agriculture invested massively in the construction of rainwater harvesting ponds at different locations around the island of Rodrigues to capture, store and distribute water for irrigation purposes and livestock production for boosting up agricultural production.

On 18 May 2016, contracts for the construction of Rainwater Harvesting (RWH) structures at Montagne Goyaves and Baie Malgache were awarded to the same Contractor for the sum of Rs 16.8 million and Rs 20.6 million respectively. The Project Consultant was a private firm appointed by the RRA.

Summary of Findings

- RWH structures were not put to use for more than four years after handing over of sites. Planters and farmers were thus unduly penalised for non-availability of water for irrigation and livestock purposes.

- Contractor claimed a total amount of Rs 13.2 million for losses and expenses.
- Lapses were noted in contract management despite the hiring of a Project Consultant.

Detailed Findings

RWH Structures not put to use after Handing Over of Sites

The completed structures at Montagne Goyaves and Baie Malgache of capacity of 5,000 m³ and 9,000 m³ were taken over by the Commission for Agriculture on 22 December 2017 and 15 March 2018 respectively. However, due to structural defects, the RWH structures have never been used by the Commission for Agriculture.

As of September 2022, the RWH structure at Montagne Goyaves had water tightness problem as it could not retain water. As such, the level of water decreased at an unusual rate even after heavy rainfalls.

As regards the RWH structure at Baie Malgache, the retained water could not be distributed through gravity as originally designed. In June 2021, the Commission paid Rs 316,250 to a Consultant for the survey, design and preparation of tender documents for the installation of solar panels and associated works for distribution of water through water pumps which was estimated to cost Rs 8.9 million. As of September 2022, there was no indication that the proposed installation of the solar panels would go ahead.

Planters and farmers living in Montagne Goyaves, Baie Malgache and in the vicinity regions were thus unduly penalised due to the unavailability of water for irrigation and livestock purposes. The objective of erecting the RWH structures to boost food production in Rodrigues has therefore not been achieved.

Additional Costs for Losses and Expenses claimed by Contractor

In April 2021, the Contractor claimed losses of Rs 2.3 million and expenses of Rs 10.9 million in respect of the RWH structures. However, the Project Consultant neither approved the claims nor issued a discharge certificate attesting no liability to the Contractor for these two projects.

As of September 2022, the dispute between the Consultant and the Contractor over the amounts claimed were still not resolved.

Lapses in Contract Management despite the hiring of a Project Consultant

The taking over of the site by the Project Consultant was not in accordance with Clause 48.1 of the General Conditions of Contract 'Taking over certificate'. Despite the hiring of the Consultant, both RWH structures had structural defects which caused them to be non-operational.

As of September 2022, the Commission for Agriculture had already disbursed the sum of Rs 16.2 million and Rs 19.7 million for the RWH structures at Montagne Goyaves and Baie Malgache respectively.

Recommendations

- The Commission for Agriculture should investigate this outstanding issue and establish the responsibilities and obligations of the Consultant and Contractor. In light of the outcome, damages should be claimed under the professional indemnity insurance cover of the Consultant for the taking over of defective constructions.
- The Commission should apprise the Executive Council of the defects in the two RWH structures constructed at Montagne Goyaves and Baie Malgache so that a decision be taken on the way forward.

RRA's Response

The Contractor has sent a team on site of the RWH structure at Montagne Goyave in October 2022 to attend to the defects. However, water tightness test is yet to be performed with the onset of heavy rain. Same cannot be performed presently due to the prevailing drought condition and water scarcity.

As regards to the RWH Pond at Baie Malgache, tender document has already been prepared for the setting up of its distribution network. The scope is being reviewed to ensure constant supply of water throughout the year from existing water structures at Mangues. Approval of the Executive Council will be sought shortly for tendering procedure in order to operationalise the RWH structure.

9.3 Wastewater Treatment Plant at Grenade Not yet Operational

The Commission responsible for the protection and conservation of the environment operates and manages leach fields at Grenade for the treatment of wastewater. As the existing leach fields were clogged and saturated, procedures were initiated for the construction of a wastewater treatment plant at the same site. This facility was deemed to be of utmost importance since serious environmental issues were concerned.

On 16 March 2020, the contract for the supply, installation and commissioning of a 50 m³/day wastewater treatment plant was awarded to a Contractor for the total sum of Rs 24.6 million. The completion date of the project of 17 January 2021 was extended to 16 March 2021. The Project Consultant was appointed under the Global Consultancy Services contract.

Summary of Findings

- Some 17 months after the revised completion date, the project was still not yet completed.
- Tardy completion of the project resulted in adverse environmental issues.
- Insurance cover which expired on 28 February 2022 was not renewed.

- As of September 2022:
 - (a) assessment for extension of time was not yet determined;
 - (b) liquidated damages were not yet assessed in compliance with particular conditions of contract; and
 - (c) program of works for the completion of the project was not submitted.

Detailed Findings

Project not yet Completed more than 17 months after Revised Completion Date

As of September 2022, some 17 months after the revised completion date of 16 March 2021, the project was not yet completed and handed over to the Commission. Mechanical and Electrical works were completed at 90 per cent while testing and commissioning were still pending.

Tardy Completion of Project resulted in Adverse Environmental Issues

During a site visit effected by NAO officers on 20 September 2022, it was noted that wastewater was being discharged adjacent to the saturated leach fields at Grenade. Hence, delaying the completion of the project has been impacting negatively on the environment.

The Commission responsible for the protection and conservation of the environment, has not taken timely corrective action against the Contractor to ensure that the project is completed on time, despite the urgency of the situation.

Insurance Cover not Extended at end of Validity Period

The insurance cover which was valid up to 28 February 2022 was not extended as of September 2022. As per the conditions of contract, the validity period of the insurance cover should also include the 12 months' maintenance period.

Final Assessment for Extension of Time not yet determined

Following the Consultant's interim assessment for Extension of Time (EOT), only 58 days were granted to the Contractor out of 144 days claimed. As of September 2022, the final claim for EOT was not yet submitted by the Contractor, despite notices were sent to the Project Consultant. Hence, final EOT was not yet assessed and determined.

Liquidated Damages not yet assessed in line with Particular Conditions of Contract

As per the particular conditions of contract, liquidated damages for delay in completion of works was Rs 25,000 per day up to a maximum Rs 2,250,000.

As of September 2022, payments totalling Rs 21,999,788 were already effected to the Contractor. However, liquidated damages for delay in works were not yet assessed. Taking into account that the maximum liquidated damages of Rs 2,250,000 could be applied for the 545 days' delay, there is a risk that most uncompleted works would remain unattended.

Non-submission of Program of Works

As of September 2022, the Contractor had not submitted a program of works for the completion of all outstanding works.

Recommendations

- The RRA should take appropriate actions against the Contractor to expedite the completion of the wastewater treatment plant, taking into consideration the adverse impact of the saturated leach fields on the environment at Grenade.
- It is a good practice to progressively assess and deduct liquidated damages to ensure that timely remedial actions are taken by the Contractor.

9.4 Model Eco-Village Project at Rivière Coco - Objectives Not Attained

The objective of the project was to achieve 100 per cent coverage of the island of Rodrigues with energy needs through renewable energies by 2030. The project started on 9 August 2017 and was completed on 31 May 2020. It was initially targeted at a small village, namely Rivière Coco, where the cooking and electricity needs of the inhabitants would depend on 100 per cent renewable energy in the foreseeable future. That model was to be replicated all across Rodrigues Island.

The RRA was granted funds from the European Union (EU) and the Central Electricity Board (CEB) to enable the implementation of the project. As of September 2022, the EU, the CEB and the RRA contributed some Rs 5.6 million, Rs 1.45 million and Rs 8.65 million in the project respectively, that is a total of Rs 15.7 million. The funds were credited to a Deposit account at the Commission for Environment.

The project comprised three components:

- (a) Construction of six Biogas Digesters for the transformation of livestock waste into the production of cooking gas;
- (b) Supply and commissioning of photovoltaic panel for charging electric vehicles, bikes and for selling electricity to the CEB; and
- (c) Installation of solar street lightings in the village of Rivière Coco.

Summary of Findings

- None of the six Biogas Digesters constructed at the cost of some Rs 3.6 million was utilised by the villagers.
- Electric vehicle was not the preferred option of the inhabitants. Apart from one electric vehicle purchased by the Deputy Chief Commissioner's Office, no other such vehicle was registered in Rodrigues.

- A solar energy charging bay installed at the cost of Rs 870,762 was not fully utilised.
- Limited use of renewable energy was made in only one village.
- Prescribed procedures as per the Public Procurement Act were not followed in the selection of a foreign Consultant.

Detailed Findings

Biogas Digesters constructed at a Cost of Rs 3.6 million not utilised

According to the Officer in Charge of the project, none of the six Biogas Digesters of 5 m³, constructed at a cost of Rs 3.6 million, was utilised by the villagers of Rivière Coco since completion of works. During a visit effected by NAO officers on 29 August 2022, the underground Biogas Digesters constructed in the villagers' premises were seen to be filled with soil due to their non-utilisation.

RRA's Response

At the start of the project, all the Biogas Digesters were filled with animal wastes for gas emission. But due to technical problems, the end results were not as expected.

Electric Vehicle was not the preferred Option of the Inhabitants

The population in Rodrigues was not yet sensitised about the benefits of using electric vehicles. According to records from the National Land Transport Authority, as of September 2022, no electric vehicle was registered in Rodrigues apart from the one bought by the Deputy Chief Commissioner's Office at a cost of Rs 1.43 million, in June 2019, to represent a model car powered solely by solar energy, with a view to promoting the use of electric vehicles in Rodrigues.

RRA's Response

Sensitisation on green energy has started at Rivière Coco and is also being promoted during the awareness and sensitisation campaigns organised on a regular basis for communities, schools and colleges.

Solar Energy Charging Bay not fully utilised

A solar energy charging bay with a capacity of 7 Kwp, installed at the cost of Rs 870,762, was available for free charging but was used only by the Deputy Chief Commissioner's Office. The charging bay was meant for the villagers who were to develop an income generating activity by renting electric bikes which would be charged with solar energy.

RRA's Response

Delays in procurement of electric bikes have been settled and the village can now embark on procurement of bikes for this renting activities. Accordingly, the solar energy charging bay will be in use.

Limited Use of Renewable Energy in only One Village

Funds injected into the project were not judiciously used as the objective of achieving 100 per cent coverage of the island in terms of energy needs through renewable energy was remote. Out of the five ways that the model depicted for harnessing and using renewable energy, only two, that is electricity for street lighting and selling electricity to CEB, were successful.

After five years, since start of the project in 2017, only one village, namely Rivière Coco, was benefiting from renewable energy from the use of photovoltaic panel for the production of electricity for sale to the CEB. Hence, the objective set has not been attained.

RRA's Response

A strategic roadmap for Rodrigues to be 100 per cent renewable energy by 2050 is presently underway, namely, the Rodrigues Ile Verte project.

Non-compliance with Public Procurement Act

Procurement procedures, in line with the Public Procurement Act, were not followed in the selection of a Consultant for the supervision of the Biogas Digesters project though his contract of employment for the period 20 May 2018 to 23 June 2019, for an amount of Rs 551,250, exceeded the threshold of Rs 500,000.

RRA's Response

This office has taken note and will abide by all procedures of the Public Procurement Act.

Recommendations

- A sensitisation programme for the use of renewable energy should be emphasised by the Commission responsible for environment so that the benefits obtained could be extended to the entire population of Rodrigues.
- The RRA should develop a strategy for achieving the full use of renewable energy as agreed with the EU.
- The Public Procurement Act should always be complied with by the RRA.

9.5 Production of Energy from Household Organic Waste for Cooking Purposes – Project not Operational two years after Completion Date

The objectives of the project for the production of energy from household organic waste for cooking purposes were to improve sanitation of disadvantaged people, encourage the production of renewable energy from organic wastes, and reduce the use of imported gas, among others. The project was targeted at 153 families, living in six villages across the island, who have no sanitation facilities. The project was estimated to cost Rs 20 million, financed equally by the European Union (EU) and the RRA. The construction works started on 8 November 2017 and were completed on 31 May 2020.

Summary of Findings

- Actual project cost exceeded the estimated cost by some Rs 1.6 million.
- Biogas Digesters were not operational except for one, as of September 2022.
- Action was not taken to address the weaknesses identified by the EU Expert during a technical visit in May 2022.
- Notes of meetings of the Project Coordinating Committee were not available.
- Procurement procedures were not complied with for the appointment of a Consultant.

Detailed Findings

Actual Project Cost exceeded Estimated Cost

As of May 2020, only 141 Biogas Digesters, instead of 153, were constructed for a cost of some Rs 21 million, inclusive of consultancy fees. Based on the estimated cost of Rs 20 million for 153 Biogas Digesters, the 141 Biogas Digesters should have cost some Rs 18.4 million. Actual cost exceeded the estimated project cost by some Rs 1.6 million.

As of September 2022, out of the Rs 21 million, a total amount of Rs 1.8 million was still due to several suppliers.

Only one out of 141 Biogas Digesters Operational

As of September 2022, that is 28 months after the completion of the project, 140 out of the 141 Biogas Digesters were still not connected to the beneficiaries' kitchens. Hence, the objective of providing Biogas Digesters in order to reduce the use of imported gas by the beneficiaries was not achieved.

No Action taken to address the Weaknesses Identified

In May 2022, a technical visit was carried out by an EU Expert to audit the technical aspects of the project. Following visits to all beneficiaries of Biogas Digesters, it was estimated that an amount of Rs 549,000 should be injected to revive the project. However, as at September 2022, no such action was initiated.

On 22 August 2022, a joint site visit was effected by NAO Officers, the Project Coordinator and the Project Assistant to four families where Biogas Digesters had been constructed. The following were observed:

- Only one of the Biogas Digesters was connected to the beneficiary's kitchen while the three others were left in an abandoned state with mud inside.
- In three cases, the construction of toilets blocks were still not completed and piping works were also not completed. Rolls of pipe to be used for gas connection were left in an abandoned state by one beneficiary in his backyard.

Notes of Meeting of the Project Coordinating Committee not Available

As per the Conditions of Contract, a Project Coordinating Committee was to be set up and chaired by the Commissioner of the Commission for Agriculture, Environment, Fisheries, Marine Parks and Forestry, for the monitoring of the project.

The notes of meeting of the Committee were not made available despite several requests. Hence, there was no evidence that a Project Coordinating Committee had effectively been set up and that meetings were regularly held to monitor the project.

Non-compliance with Procurement Procedures

Procurement procedures were not complied with for the appointment of a Consultant for the period October 2018 to May 2020 to provide training to selected beneficiaries in basic knowledge of biogas technology and to supervise the installations of the Biogas Digesters. As at 31 May 2020, some Rs 1.9 million was paid to the Consultant.

Recommendations

- The Commission should consider reviving the project which had cost Rs 21 million. The Biogas Digesters should be connected to the beneficiaries' kitchens and aggressive sensitisation campaign should be carried out to bring awareness among the inhabitants and to encourage them to make use of the Biogas Digesters.
- A Project Management Committee should be set up in future with appropriate terms of reference to ensure that projects are completed in accordance with conditions of contract.

10 – FOLLOW UP

10.1 Follow up of Matters Raised in Previous Audit Reports

NAO has carried out a follow up of matters raised in Audit Reports 2019-20 and 2020-21 to report on actions taken by the Rodrigues Regional Assembly (RRA) in response thereto.

Audit Report 2019-20

Out of 56 issues highlighted in the report and which required action by the RRA:

- Twenty issues have been resolved.
- Matter was still not resolved on ten issues.
- No further action was taken on six issues.
- Action was still not initiated on 17 issues.
- Action was initiated on two issues.
- Action was completed in one case.

Audit Report 2020-21

Out of 82 issues highlighted in the report and which required action by the RRA:

- Nineteen issues have been resolved.
- Action was initiated on 12 issues.
- No action was taken on 51 issues.

Further information is provided in **Appendix II**.

**APPENDICES
&
ANNEX**

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NATIONAL AUDIT OFFICE OVERVIEW OF MANDATE AND AUDIT PROCESS

1.1 Introduction

The National Audit Office (NAO) is an independent public body established by the Constitution of the Republic of Mauritius. The Director of Audit is the head of the NAO and his appointment, independence, security of tenure, as well as his authority are spelt out in the Constitution while his duties and powers are laid down in the Finance and Audit Act.

In the international forum, NAO is referred to as the Supreme Audit Institution (SAI) of Mauritius. SAIs around the world are affiliated to the International Organisation of Supreme Audit Institutions (INTOSAI), an autonomous, independent and non-political organisation, which operates as an umbrella organisation for the external government audit community.

NAO forms an integral part of the governance system of Mauritius, promoting accountability, transparency and contributing to the improvement in the management of public funds. Public sector entities are accountable to the National Assembly for the use of public resources and powers conferred on them. It is the responsibility of NAO to give independent assurance to the National Assembly and other oversight bodies that the public sector entities are operating and accounting for their performance in accordance with the purpose intended by the National Assembly. NAO, thus, plays a vital role in the accountability cycle.

1.2 NAO in the Accountability Process

The demand for public accountability on the part of the persons or entities managing public resources has become increasingly prominent over the years, such that, there is greater need for the accountability process in place to operate effectively. In Mauritius, the key stakeholders exercising financial control over public resources are:

- National Assembly
- Government Executives (Accounting Officers)
- Accountant-General
- National Audit Office (Director of Audit)
- Public Accounts Committee

The part played by these stakeholders in the accountability process is briefly described below:

National Assembly

The only authority for the expenditure of public funds and for the raising of revenues by public bodies is that which is given by Parliament through the National Assembly. The National Assembly approves the Government Annual Estimates and this approval is given

statutory force by the passing of an Appropriation Act each year, whereby the amount allocated for each Government service is set out under a series of “Votes”. Subsequently, the Appropriation Act is assented by the President of the Republic of Mauritius and gazetted.

Accounting Officers

The Accounting Officers of Ministries and Government Departments are mainly the Senior Chief Executives, Permanent Secretaries and Administrative Heads. They are responsible for the efficient and effective management of funds entrusted to them, the collection of revenues falling under their responsibility and the delivery of services, as well as for the maintenance of an effective accounting and internal control systems. As such, they are accountable to the National Assembly for the management of public resources and for the performance of their departments.

Accountant-General

The Accountant-General is the administrative head of the Treasury. He maintains the accounts of Government and ensures that accounting systems respond to Government’s needs for the proper processing, recording and accounting of financial transactions and for financial reporting. The Accountant-General prepares Annual Statements showing the financial transactions and financial position of the Republic of Mauritius and these are submitted to the Director of Audit. The statements give consolidated financial information on Ministries and Government Departments.

National Audit Office

NAO plays an important role in the accountability process, providing a key link between the Legislature and the Executive. NAO gives an independent assurance to the National Assembly that Government entities are operating and accounting for their performance in accordance with the National Assembly’s purpose. Statutory responsibilities and powers have thus been conferred to the Director of Audit to enable him to fulfil his obligations. NAO examines the Annual Statements of the Republic of Mauritius, as well as the underlying records. The audit function and the submission of annual Audit Reports to the National Assembly by NAO is the first step in the process of oversight. After the Audit Reports are tabled, other important mechanisms are in place to ensure proper accountability.

Public Accounts Committee

The Public Accounts Committee (PAC) represents Parliament and is one of the main stakeholders of the Report of the Director of Audit. It is a sessional Select Committee, appointed under the Standing Orders of the National Assembly, and consists of a Chairperson appointed by the Speaker and not more than nine members nominated by the Committee of Selection.

As per the Standing Orders, the function of the Committee is 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. The Committee has the power, in the exercise of its duties, to send for persons and records, to take evidence, and to report from time to time.

Also, the Rodrigues Regional Assembly (RRA) Standing Orders provide for the setting up of a PAC comprising a Chairperson and not more than four other members to examine the audited accounts showing the appropriation of the sums granted by the Regional Assembly to meet the public expenditure and other accounts laid before the Assembly together with the Report of the Director of Audit thereon.

1.3 Mandate of the NAO

1.3.1 Audit Portfolio

The Director of Audit has the responsibility to audit the accounts of:

- All Ministries and Government Departments
- All Commissions of the Rodrigues Regional Assembly
- All Local Authorities
- Most Statutory Bodies
- Special Funds
- Other Bodies and Donor-funded Projects
- A few State-owned Companies

1.3.2 Types of Audit

The NAO carries out two main types of audits, namely **Regularity Audit** and **Performance Audit**, to fulfill its audit mandate and to provide assurance to the National Assembly on the proper accounting and use of public resources.

Regularity Audit involves:

- Examination and evaluation of financial records and expression of opinions on financial statements
- Audit of accounting systems and transactions including an evaluation of compliance with applicable statutes and regulations
- Audit of internal control and internal audit functions
- Reporting of any other matters arising from or relating to the audit that the Supreme Audit Institution considers should be disclosed

Performance Audit is an independent, objective and reliable examination of whether Government undertakings, systems, operations, programmes, activities or organisations are operating in accordance with the principles of economy, efficiency and effectiveness and whether there is room for improvement. It seeks to provide new information, analysis or insights, and where appropriate, recommendations for improvement.

1.3.3 Legal Framework

The legal framework within which NAO exercises its public-sector audit function is spelt out, primarily, in the following legislations:

- The Constitution
- Finance and Audit Act
- Statutory Bodies (Accounts and Audit) Act
- Local Government Act
- Public Procurement Act
- Financial Reporting Act

Agreements with several institutions/donor-funded agencies also empower the Director of Audit to audit their accounts.

Constitution

Section 110(2) provides that the public accounts of Mauritius and of all courts of law and all authorities and officers of the Government shall be audited and reported on by the Director of Audit. In the case of any body corporate directly established by law, the accounts of that body corporate shall be audited and reported on by the Director of Audit provided it is so prescribed.

Section 110(3) provides that the Director of Audit shall submit his reports to the Minister responsible for the subject of Finance, who shall cause them to be laid before the National Assembly.

1.4 Audit of Ministries and Government Departments - Finance and Audit Act

The duties of the Director of Audit are spelt out at Section 16 (1) of the Act.

This subsection states that the Director of Audit shall satisfy himself –

- (a) that all reasonable precautions have been and are taken to safeguard the collection of public money;
- (b) that all laws, directions or instructions relating to public money have been and are duly observed;

- (c) that all money appropriated or otherwise disbursed is applied to the purpose for which Parliament intended to provide and that the expenditure conforms to the authority which governs it;
- (d) that adequate directions or instructions exist for the guidance of public officers entrusted with duties and functions connected with finance or storekeeping and that such directions or instructions have been and are duly observed; and
- (e) that satisfactory management measures have been and are taken to ensure that resources are procured economically and utilised efficiently and effectively.

Section 16(1A) further requires the Director of Audit to carry out **Performance Audit** and to report on the extent to which a Ministry, Department or Division is applying its resources and carrying out its operations economically, efficiently and effectively.

Section 16(2) provides that the Director of Audit shall not be required to undertake any examination of accounts partaking of the nature of a **pre-audit** and involving acceptance by him of responsibility which would preclude him from full criticism of any accounting transactions after those transactions have been duly recorded.

Section 19 provides that the **Accountant-General** shall within six months of the close of every fiscal year, sign and submit to the Director of Audit **statements** presenting fairly the financial transactions and financial position of Government on the last day of such fiscal year.

For the **Rodrigues Regional Assembly**, the Commissioner responsible for the subject of Finance must submit the respective statements within three months of the close of every fiscal year.

Section 20 provides that the Director of Audit shall send to the Minister (responsible for the subject of Finance) **copies of the statements** submitted in accordance with Section 19 together with a **certificate of audit** and a **report upon his examination and audit** of all accounts relating to public money, stamps, securities, stores and other property –

- (a) of Government;
- (b) of the Regional Assembly relating to the Island of Rodrigues,

and the Minister shall as soon as possible thereafter lay those documents before the National Assembly.

1.5 Audit of Special Funds - Regulations under Finance and Audit Act

The preparation of Financial Statements in respect of Special Funds and the audit thereof are regulated by the regulations (issued under the Finance and Audit Act) or such legislations under which such Special Funds are established.

1.6 Audit of Statutory Bodies - Statutory Bodies (Accounts and Audit) Act

Section 5 provides that every Board shall, every financial year, with the approval of the Minister to whom the responsibility for the statutory body concerned is assigned, appoint an **auditor to audit the financial statements** of the statutory body. This does not apply where the enactment establishing the statutory body provides that the Director of Audit shall audit its financial statements.

Section 7 provides that after approval by the Board (of a Statutory body), the chief executive officer shall, not later than four months after the end of every financial year, submit the **annual report** to the auditor.

The Director of Audit shall, within six months of the date of receipt of the annual report, submit the **annual report** and his **audit report** to the Board.

Section 8 prescribes matters on which the Director of Audit should report.

As per Section 8, the Director of Audit shall report to the Board whether -

- (a) he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of the audit;
- (b) in his opinion, to the best of his information and according to the explanations given to him, the financial statements give a true and fair view of the financial performance of the statutory body for the financial year and of its financial position at the end of the financial year;
- (c) this Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;
- (d) in his opinion, and, as far as could be ascertained from his examination of the financial statements submitted to him, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (e) in his opinion, the statutory body has been applying its resources and carrying out its operations fairly and economically.

Section 9 provides that, on receipt of the annual report including the audited financial statements and the audit report, the Board shall, not later than one month from the date of receipt, furnish to the Minister to whom responsibility for the Statutory Body is assigned, such reports and financial statements. The latter shall, at the earliest available opportunity, lay a copy of the annual report and audited accounts of every statutory body before the National Assembly.

1.7 The Public Procurement Act

Section 42 of the Public Procurement Act provides that the auditor of every public body (in our case the Director of Audit) shall state in his annual report whether the provisions of Part V of the Act on the Bidding Process have been complied with.

1.8 Audit of Local Authorities - Local Government Act

As per **Section 136**, the Chief Executive of every Local Authority, shall, within four months of the end of every financial year submit the approved financial statements to the Director of Audit.

As per **Section 138**, the Director of Audit shall address to the Minister (to whom responsibility for the subject of Local Government is assigned) and to the Local Authority concerned, a copy of the certified financial statements and his report on every Local Authority audited by him.

Section 138 also prescribes matters on which the Director of Audit should report:

- (1) *The Director of Audit shall make a **report to the Council** on the financial statements which have been audited.*
- (2) *The report shall state –*
 - (a) *the work done by him;*
 - (b) *the scope and limitations of the audit;*
 - (c) *whether he has obtained all information and explanations that he has required;*
 - (d) *any item of account which, in his opinion, is contrary to law;*
 - (e) *any loss or deficiency which, in his opinion, is wholly or partly due to the negligence or misconduct of any person;*
 - (f) *any sum which, in his opinion, ought to have been so brought to account but which, due to willful default or negligence, has not been brought into account;*
 - (g) *any failure to recover any rate, fee or other charge in the manner specified in section 101;*
 - (h) *whether, in his opinion, the financial statements give a true and fair view of the matters to which they relate, and where they do not, the aspects in which they fail to do so, and whether the financial statements have been prepared in accordance with the Accounting Standards approved by the Minister to whom responsibility for the subject of finance is assigned.*
- (3) *A report under subsection (1) shall state whether the instructions of the Minister, if any, in regard to the financial statements have been complied with.*

Sections 138 and 139: The Local Authority shall consider the report of the Director of Audit at its next ordinary meeting or as soon as practicable thereafter and shall cause the certified financial statements and the report of the Director of Audit to be published in the Government Gazette within 14 days of their receipt by the Local Authority.

1.9 Audit Methodology

NAO conducts its audits in accordance with International Standards of Supreme Audit Institutions (ISSAIs) except for the audit of State-Owned companies (assigned to the Director of Audit) which are carried out in accordance with International Standards of Auditing. The audit approach of the NAO may be summarised as follows:

- (a) NAO adopts a risk based approach by which audit resources are directed towards those areas of the financial statements that are more likely to contain material misstatements as a consequence of the risks faced by the client. We identify and assess the risks of material misstatement, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (*ISSAI 1315 Identifying and assessing the Risks of Material Misstatements through Understanding the Entity and Its Environment; ISSAI 1330 The Auditor's Responses to Assessed Risks*)
- (b) We do not test all transactions but use sampling methods to select transactions and balances for testing. It is not cost effective to seek absolute certainty and therefore we look for reasonable assurance. Additionally, examining all data may still not provide absolute certainty because some data may not have been recorded. Audit sampling enables us to obtain and evaluate audit evidence about some characteristics of the items selected in order to form or assist in forming a conclusion concerning the population from which the sample is drawn. (*ISSAI 1530 Audit Sampling*)
- (c) The primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our objective as auditors is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error. Owing to the inherent limitations of an audit (e.g. Client may provide incomplete information or falsify documents and use of sampling by audit), there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the standards. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Consequently, fraud might remain concealed to us even if a thorough audit is conducted. (*ISSAI 1240 The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*)
- (d) Similarly, the primary responsibility for preventing and detecting corruption rests with the administrative or law enforcement authorities, such as the Police and the Independent Commission Against Corruption.

1.10 Current Reporting Practices

1.10.1 Audit Report on Ministries/ Government Departments

A Report is issued upon examination and audit of the accounts of **Government** (i.e. Ministries and Government Departments) and the **Rodrigues Regional Assembly** – the Report is submitted to the Minister responsible for the subject of finance in accordance with Section 20 of the Finance and Audit Act.

The NAO also issues reports on performance audits carried out in accordance with Section 16 of the Finance and Audit Act – these reports are submitted to the Minister responsible for the subject of finance.

Summary of Audit Report Process

- Audit findings discussed with officers responsible for the matters audited
- Draft management letter issued to the Accounting Officer
- Matters raised discussed at an Exit Conference
- Final management letter issued – auditee given opportunity to comment on matters raised
- Findings deemed to be of significance communicated to the Ministry through “Reference sheet”
- Ministry has the opportunity to comment on the truth and fairness of the audit findings
- A summary of comments of management is included in the report, where appropriate
- The Audit Report is submitted to the Minister responsible for the subject of Finance

1.10.2 Audit Report on Statutory Bodies, Special Funds and Local Authorities.

An audit report is issued in respect of each **Statutory Body** (SB), **Special Fund** (SF) and **Local Authority** (LA) upon examination and audit of its annual report/financial statements. The audit report is submitted to the Board of the SB or the management committee of the SF, as the case may be, in accordance with Section 7 of the Statutory Bodies (Accounts and Audit) Act or relevant SF Regulations respectively. In the case of a LA, the audit report is submitted to the Council and the Minister responsible for the subject of local government in accordance with Section 138 of the Local Government Act.

The audit reports focus mainly on the financial statements of Statutory Bodies, Special Funds and Local Authorities. The Director of Audit expresses an opinion on whether the financial statements show a true and fair view of the financial position of the entity as at the end of the financial year and of its financial performance and its cash flows for the year then ended in accordance with the relevant accounting framework. The Director of Audit also expresses an opinion on whether the activities, financial transactions and information reflected in the financial statements are, in all material respects, in compliance with the laws and authorities which govern them.

When there are material misstatements in the financial statements, limitation on audit scope or non-compliance with laws, these are disclosed in our audit report and our opinion is then termed as “modified”. We may also state certain matters, such as fraud, abuse or losses, significant internal control deficiencies and ineffective and uneconomical use of public assets in the audit report.

Prior to the issue of the audit report, all audit findings are reported in a management letter (ML) which is addressed to management. The ML includes shortcomings relating to the financial statements as well as findings on the economy, efficiency and effectiveness of operations.

Summary of Audit Report Process –Statutory Bodies and Local Authorities

- Audit findings discussed with officers responsible for the matters audited
- Draft management letter issued to the Chief Executive Officer
- Matters raised discussed at an Exit Conference
- Final management letter issued – auditee given opportunity to comment on matters raised and, if necessary, to amend financial statements
- Following response to Management Letters and submission of amended financial statements (if applicable), the Audit Report is issued to the Board
- The Report gives an opinion on whether the financial statements show a true and fair view
- May include matters of importance that need to be brought to the attention of users

For Local Authorities, a copy of the Audit Report should be submitted to the Minister responsible for the subject of Local Government.

In accordance with Section 139 of the Local Government Act, the Chief Executive shall cause the financial statements, as certified, and the Report of the Director of Audit, in respect of those financial statements, to be published in the Gazette within 14 days of their receipt by the Local Authority.

Follow up of Matters Raised in Audit Report 2019-20 and 2020-21
(Status has been determined on the basis of findings of NAO and/or replies of the RRA)

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
Accountability and Oversight Mechanism				
3.1	Non-Submission of Annual Report – Rodrigues Regional Assembly Act not complied with.	No Action taken	As of September 2022, Annual Report reviewing the activities for the four financial years ended 30 June 2021 were still not yet finalised.	Action still not Initiated
3.2	Annual Report on Performance - Finance and Audit Act not complied with.	No Action taken	As of September 2022, no Annual Report was still prepared in respect of the past four financial years ended 30 June 2021.	Action still not Initiated
3.3.3	Project monitoring, contract management and procurement – Recommendations of Oversight Authorities Not Implemented			
	Review by Procurement Policy Office – Poor Project Monitoring and Absence of Corrective measures.	No Action taken	Corrective actions were still not taken by the RRA.	Action still not Initiated
	Corruption prevention review – Deficient contract management and no follow up.	No Action taken	No follow up was done at the level of the Commissions.	Action still not Initiated
Chief Commissioner’s Office				
4.8	Advisers and Interdicted Officers – Overpayments not recouped and payment effected contrary to Regulations			
4.8.1	During the period 17 April 2009 to 16 April 2020, gratuity of some Rs 85,000 was overpaid to the Adviser/Coach in Judo.	Action initiated	As of September 2022, some Rs 6,500 was refunded. The remaining amount of some Rs 78,500 will be refunded in 13 years with a monthly deduction of Rs 500.	Action Completed

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
4.8.2	The name and monthly fees paid to the Adviser were neither recorded in payroll system nor in the list of employees.	No Action Taken	As of September 2022, Adviser's name was recorded in the payroll system.	Matter Resolved
4.8.3	Salaries and allowances of Rs 5.7 million paid to five officers since their interdiction to October 2020 including overpayment of Rs 385,000.	Action initiated	In two cases in 2020-21, a monthly deduction was made.	No Further Action
4.9	Resettlement of Sainte Marie Villagers and Surroundings – Non-compliance with Legislations			
4.9.1	Compulsory Land Acquisition Act not applied entailing additional expenditure of Rs 20.2 million			
	Agreements were signed with the eight Contractors for the construction of 15 new houses for a total amount of Rs 28.3 million, resulting in additional expenditure of Rs 20.2 million.	Action Taken at RRA's Level	Relocation process for households and fishing posts were completed as of September 2022.	Matter Resolved
4.9.2	Value Added Tax wrongly paid to Non-Registered Contractors			
	Five non-registered Contractors were paid for value of works certified, including Rs 2.5 million as VAT, contrary to the Value Added Tax Act.	No Action Taken	The VAT amount has been refunded.	Matter Resolved
4.9.3	Rs 1.6 million not yet earmarked would not be sufficient to complete relocation of agricultural activities estimated at Rs 27 million.	Action taken at RRA's level	For agricultural activities, works were not fully completed.	Matter still not resolved

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
4.9.4	Loan agreement between the local implementing agency and the International Financing Organisation was not yet signed as of October 2020.	Action taken at RRA's level	Loan agreement has still not been signed. However, the Consultant is working on the detailed design of the Airport project.	Matter still not resolved
Deputy Chief Commissioner's Office (DCCO)				
5.1	Rainwater Harvesting (RWH) – Objective of Providing Subsidies not Achieved			
	The DCCO did not have a complete database of beneficiaries of RWH Schemes implemented by the RRA since 2013.	No Action taken	NAO was informed that there was no database of beneficiaries of various RWH Schemes implemented by the RRA.	Action still not Initiated
	The implementation of the RWH project was not effectively managed.	Action taken at RRA's level	Beneficiaries who had not completed construction of their water tanks were requested to refund the financial assistance granted to them.	Matter still not Resolved
	The RWH project in Rodrigues was not closely monitored and evaluated at regular intervals to ensure its success.	Action Taken at RRA's Level	Monitoring of the RWH project has been improved with the strengthening of the supervisory team.	Matter Resolved
	The condition stipulated in the Contract has not been complied with by the remaining 311 beneficiaries. No refund was effected despite the fact that there were 39 beneficiaries who had not reached beam level.	Action Taken at RRA's Level	The defaulting beneficiaries were requested to complete the water tanks or to refund the grant provided to them.	Matter Resolved
	There was no sanction clause in the contract concerning non-completion of construction of water tank.	Action Taken at RRA's Level	The Commission for Water Resources has introduced the sanction clause in the new Rainwater Harvesting Scheme.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
5.2	Investments in Desalination Projects - Action for boosting water supply not effective			
	Daily production was some 700 m ³ instead of 2,000 m ³ for both desalination plant at Caverne Bouteille and Pointe Venus, despite remedial works costing some Rs 14.9 million. Plant at Baie Malgache could not be commissioned due to delay of the DCCO to sort out issues that arose in a critically dependent project.	Action Taken at RRA's Level	The testing/commissioning of the desalination plant was completed in February 2021.	Matter Resolved
5.2.1	Construction of Sea Water Intake Structure and Associate Pipelines – Lapses in project implementation			
	Conflicting Views between DCCO and Project Consultant			
	The intake jetty, which had reached 77 per cent completion, was substantially damaged during a cyclone. The DCCO was not of the same view as the Consultant in that the event that destroyed the jetty was a 'force majeure'. The Consultant proposed two options, either to terminate the contract or to omit the outstanding works. The DCCO chose the second option.	No Action taken	There was no progress of works and no visibility regarding completion of the contract. There was no specific report from the Consultant justifying the omission of works to be beneficial to the RRA.	Action still not Initiated
	Project completion delayed but delay damages not applied			
	Delay damages were not yet determined by the Consultant although it approved a Payment Certificate for some Rs 4.1 million.	No Action taken	No delay damages have been applied as the Consultant has not yet submitted his determination.	Action still not Initiated

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
	Jetty not re-constructed as per contract following its destruction			
	As of October 2020, dispute was not yet resolved and the jetty was not yet re-constructed. This had impacted on the finalisation of the project.	No Action Taken	The works under the sea water intake contract were handed over to the RRA on 27 August 2019. Dispute was not yet resolved.	Action still not Initiated
	Alternative Solution Tardily Implemented			
	The installation of four bases in reinforced concrete cylinder into seabed to accommodate pumps for extracting sea water was done in-house. The views of the Consultant were not yet known. Such delay had impacted on the completion of the project at Baie Malgache.	Action Taken at RRA's Level	The four bases in reinforced concrete cylinder and the pumps were not utilised due to the dismantling of the plant at Baie Malgache.	No Further Action
	Materials supplied under the contract not fully used and abandoned on site			
	Materials supplied under the contract not fully used and abandoned on site.	Action taken at RRA's level	The remaining unused materials were still on the site.	No Further Action
5.2.2	Supply of Desalination Plant at Pointe Cotton and Baie Malgache – Additional works awarded without competitive bids			
	The Plant at Baie Malgache was not yet commissioned, pending the completion of the contract for sea water intake structure and associated pipelines.	Action Taken at RRA's Level	The Plant was commissioned in February 2021.	Matter Resolved
	The Contractor was directly awarded three other works totalling some Rs 1.9 million without any competitive bids.	Action Taken at RRA's Level	Additional works were already completed.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
Commission for Women’s Affairs, Family Welfare, Child Development, Industrial Development, Information and Communication Technology, Vocational Training, Cooperatives, Trade, Commerce and Licensing and Prisons and Reforms Institutions				
6.1	Contract for the Upgrading of Rehabilitation Youth Centre at Oyster Bay - New dormitory for girls still not operational			
6.1.3	Several security lapses were noted concerning the new dormitory for girls. According to the Consultant, the construction was as per the Commission’s approval/agreement and as per approved drawings.	Action Taken at RRA’s Level	The security lapses were attended to in the new contract awarded in 2021-22.	Matter Resolved
6.1.4	No delay damages were yet determined, and hence, could not be recouped from the contractual amount already paid.	Action Taken at RRA’s Level	Delay Damages were not applicable as extension of time was approved and granted to the Contractor.	Matter Resolved
6.1.5	As of October 2020, the access path from the main gate post to the compound was not yet constructed. The separation between the two buildings was in galvanised fencing which could allow communication between male and female juvenile offenders.	Action initiated	Construction of the access path completed in December 2022 as per new contract.	Matter Resolved
6.1.6	The defects highlighted were not yet attended to, delay damages were not processed and the new dormitory for girls was still not operational.	No Action taken	All defects/outstanding works were completed in December 2022. The Commission has taken the necessary administrative actions to make the RYC girls operational.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
Commission for Health, Community Development, Fire Services, Meteorological Services, Judicial Services and Civil Status				
7.1	E-Health in Rodrigues – Lapses in Contract Management			
7.1.3	As of October 2020, that is one year after the commissioning date, most of the departments and units of the hospitals, the Area Healthcare Centres and the 14 Community Healthcare Centres were still running on manual mode.	Action taken at RRA's level	As of September 2022, the system was fully operational and was running live at the OPD, Main Pharmacy, Record Unit, Wards at the QEH and the Area Healthcare Centre at La Ferme. However, the Area Healthcare Centre at Mont Lubin and the 14 Community Healthcare Centres were still running on manual mode.	Matter still not resolved
7.2	Queen Elizabeth Hospital and La Ferme Area Healthcare Centre – Inadequate drug management and expired Fire Extinguishers not renewed			
7.2.2	Discrepancies were noted in the four drug items physically surveyed on 21 September 2020.	No Action Taken	In September 2022, movement of drugs were recorded in the System and no discrepancies were noted.	Matter Resolved
7.2.3	15 fire extinguishers of La Ferme AHC had already expired since 2016 and were neither renewed nor replaced.	Action initiated	During a site visit on 14 September 2022, seven fire extinguishers expired since August 2021, were not refilled despite the attention of the Commission was drawn on 7 July 2022.	No Further Action

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
Commission for Social Security, Housing, Labour and Industrial Relations, Employment and Consumer Protection				
8.1	Construction of a Social Security House (Administrative Block) at Mont Lubin still not completed			
8.1.1	The initial expected completion date of 14 November 2018 was revised to 23 November 2018, in September 2020. As at October 2020, works were still not completed.	Action taken at RRA's level	As of September 2022, the snag lists submitted in December 2021 and April 2022 were not attended to.	Matter still not resolved
8.1.2	Delay damages as per conditions of contract at the maximum rate of 10 per cent of the contract price, were not yet applied.	No Action Taken	Delay damages were still not applied.	Action still not Initiated
8.1.3	Further delay in the completion of the Social Security House would entail additional disbursement of significant amount of public funds for renting of private buildings.	No Action Taken	The Social Security House was partly being used for health services. Consultancy Services was awarded for the supply, design, preparation of preliminary drawings and tender documents/cost estimates for conversion of this building to house the different units of the Commission. Monthly rental of some Rs 220,000 was still being disbursed by the Commission. During the period January 2021 to August 2022, some Rs 4.4 million were paid as rental of office space.	Action Initiated

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
8.2	New Social Housing Scheme – Lapses in the Implementation of the Scheme			
8.2.1	Penalty and termination of contract clauses were not always applied although several cases where roof slabs had been cast after four months were noted. Requests to release payments to the Contractors were made by the Inspectors in all cases prior to completion of beneficiaries' beams and roof slabs, contrary to terms and conditions of Agreement.	No Action Taken	No new applications were entertained under this Scheme. Payments as regards to applications previously made were effected after the completion of beneficiaries' beams and roof slabs.	Matter Resolved
8.2.2	Public Procurement Act was not complied with. No tendering procedures were initiated by the RRA to choose the lowest responsive bidder for the construction of housing units for the beneficiaries selected under the NSH Scheme. No Agreement was made between the beneficiaries/Contractors and the RRA, although some Rs 100 million were disbursed.	Action Taken at RRA's Level	As from early 2022, this Scheme was replaced by a new one where the RRA undertakes to procure and deliver the construction materials required for the works and the Contractor, selected by beneficiary, undertakes to execute the works and to remedy defects therein as per provisions of the Agreement. Procurement of construction materials were made through tendering procedures.	Matter Resolved
8.2.3	Construction of housing units completed with much delay. From a sample of 25 housing units, eight were completed within periods ranging from 12 to 40 months and the construction of four housing units was still not completed as at October 2020, contrary to the conditions of Agreement.	No Action Taken	This Scheme was replaced by a new one. During 2022, the construction of housing units under the previous Scheme were completed within the prescribed time.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
8.3	Casting of Roof Slab Scheme – Lapses in the Implementation of the Scheme			
8.3.1	New roof slab on the extension part only was cast by a beneficiary; the existing roof slab was not pulled down and re-casting of new roof slab was not done as recommended by the Engineer.	No Action Taken	No action was initiated against the defaulting beneficiaries.	Action still not Initiated
8.3.2	Misleading information given by Service Providers. The Service Providers had reported that all the roof slabs were cast by five beneficiaries. However, in October 2020, all the roof slabs were repaired instead of being demolished to cast new ones.	Action initiated	Explanations as regards to misleading information submitted by these private Service Providers were sought by the Commission. Services of the same Service Providers instead of Inspector of Works of the Commission for Public Infrastructure, were still being retained as at September 2022.	No Further Action
8.3.3	Financial Assistance was not computed as per Building Permit and only half roof slab area cast. Only half of the total roof area was demolished and new slab was cast thereon.	No Action Taken	Financial assistance was continued to be computed on actual measurement instead of area as per the Building Permit. During a site visit effected by NAO in September 2022, no improvement was noted.	No Further Action
8.3.4	No condition was included to compel the defaulting beneficiaries to refund the financial assistance granted if they failed to cast their roof slabs within the six-month period and where re-casting of roof slabs were not done.	Action Taken at RRA's Level	In 2022, terms and conditions of the Agreement were amended where the beneficiaries undertake to refund the sum granted without necessity of any judicial recourse if they failed to cast or re-cast their roof slabs within the six-month period.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
8.3.5	Casting of Roof Slab Agreement was not always signed prior to release of grant.	Action Taken at RRA's Level	Agreements were signed prior to release of grant.	Matter Resolved
8.3.6	No Monitoring Committee was set up to follow up cases where conditions of the Agreement have not been complied with. No action was also taken by the Commission against the defaulting beneficiaries.	Action taken at RRA's level	A Monitoring Committee was set up on 15 December 2021 which aimed to meet once monthly. As at September 2022, the Committee had met only once, on 18 December 2021.	Matter still not resolved
Commission for Agriculture, Environment, Fisheries, Marine Parks and Forestry				
9.1	Construction of a Coffee Processing Plant at Mon Plaisir – Lapses in procurement process and start up issues for operation			
9.1.2	There was no indication in relevant file as to the allowable quantum of delay damages to be charged to the Contractor.	No Action Taken	Delay damages for 81 days at the rate of Rs 25,000 per day was not charged to Contractor. 'As built' drawings were not made available.	Action still not Initiated
9.1.5	Issues regarding the operationalisation of the infrastructure not resolved			
	As per information gathered, only some 70 kg of coffee beans would be available for processing by the end of December 2020. Plantation of coffee at Le Choux and L'Union has not yet started.	No Action Taken	Plantation of Coffee was still not carried out at Le Choux and L'Union as of September 2022.	Action still not Initiated
	As of October 2020, decision had still not been taken as to whether the Commission or the Cooperative Society or a Private Company, would be called upon to manage and operate the Coffee Processing Plant.	No Action Taken	On 19 August 2022, the Executive Council approved the incorporation of a new company to be known as the Rodrigues Coffee Company Ltd to encourage, facilitate and promote the plantation and marketing of coffee.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
9.2	Agricultural Schemes – Objectives not attained			
	The various Agricultural Schemes put in place had not attained the expected results. There was inadequate monitoring and supervision by the Commission regarding the implementation of these Schemes.	Action Initiated	The existing agreement between the RRA and the beneficiaries could still not be rescinded due to legal issues.	Matter still not resolved
9.2.1	Issues Hampering the Performance of the Schemes			
	<i>Model Orchard Scheme:</i> In June 2020, the overall progress was around 85 per cent regarding construction of the model shelter. As regards fruits plantations, limited number of plants was seen on sites.	No Action Taken	An updated status report was drawn in August 2022 showing the actual state and contents of Model Orchard of the beneficiaries.	Action Initiated
	<i>Goat/Sheep Integrated Farm Scheme:</i> Shed construction was not yet completed in almost all cases. Pasture management was not carried out in several cases. Of the 20 animals donated to the beneficiaries for reproduction purpose, only 10 were on sites. The donated animals died due to stress. One of the 22 beneficiaries who was granted some Rs 580,000, subsequently abandoned the Scheme.	No Action Taken	No follow up carried out by the Commission for Agriculture.	Action still not Initiated
	<i>Local Poultry Integrated Farm Scheme:</i> In most cases, construction of the henhouses was not yet completed. No progress was made by the beneficiaries in terms of number of hens on site. Sales of poultry were low.	No Action Taken	No follow up carried out by the Commission for Agriculture.	Action still not Initiated

* See Note on Page 117

Matters Reported in Audit Report 2019-20				
Ref	Issues/Findings	Status as of February 2022	How matters addressed during Period Under Review	* Current Status
	<i>Black Pig Integrated Farm Scheme:</i> One beneficiary who was granted some Rs 385,000 had left the site in an abandoned state. Four of the 13 beneficiaries had not completed the construction of pigsty. Production rate was low and did not meet the expected results of the Commission.	No Action Taken	No follow up carried out by the Commission for Agriculture.	Action still not Initiated
	<i>Chilli Farm Scheme:</i> Only seven of the 43 beneficiaries had attained the objectives set.	No Action Taken	No follow up carried out by the Commission for Agriculture.	Action still not Initiated
Commission for Youth and Sports, Arts and Culture, Library Services, Museum, Archives and Historical Sites and Buildings				
10.1	Upgrading of Camp du Roi Stadium – Lapses in Contract Management			
10.1.1	The Taking over Certificate was issued for the works as per contract, with some reservations, thereby relieving the Contractor of its contractual obligation to complete the works.	Action Initiated	Defects have been remedied by the Contractor but the outstanding works have been considered under a new contract. A snag list was prepared but has not yet been cleared by the Contractor.	Matter still not resolved
10.1.2	No deduction for delay damages for 551 days was retained in interim payment made to the Contractor.	No Action Taken	Delay damages have not yet been applied. The Commission was still awaiting the determination by the Engineer on the assessment of Employer's claim.	Action still not Initiated
10.1.3	The performance security and the insurance policy which had expired were not renewed.	Action taken at RRA's level	All remaining payments to the Contractor have been put on hold for non-compliance with its contractual obligations.	Matter still not resolved
10.1.4	The Contractor did not submit the As-built drawings and the Guarantee Certificate for anti-termite.	Action taken at RRA's level	All payments due to the Contractor have been suspended.	Matter still not resolved

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
Chief Commissioner's Office			
4.1.1	Revenue Management		
	Income from rental of bandwidth was only Rs 4.9 million compared to budgeted amount of Rs 25 million.	Income from rental of bandwidth in 2021-22 was only Rs 16 million compared to budgeted amount of Rs 19 million.	Action Initiated
	2,077 trade licence holders who owed a total amount of Rs 23.6 million as at 30 June 2021 have not renewed their licences.	2,433 licence holders owed a total of Rs 25.38 million as at 30 June 2022.	No Action Taken
	Licence fees and rental for residential lease have not been revised since 2003 and 2011 respectively.	Licence fees and rental for residential lease have still not been revised.	No Action Taken
4.2	Statement of Investments – Lapses in Investment Practices and Non-compliance with Regulations		
	As of April 2022, no action has been taken by the RRA in respect of:	As of September 2022:	No Action Taken
	<ul style="list-style-type: none"> ▪ Non-submission of Annual Reports by the Companies to the Commissioner. 	<ul style="list-style-type: none"> ▪ Annual reports incorporating the financial statements were still not submitted by the four companies. 	
	<ul style="list-style-type: none"> ▪ Non-establishment of the RRA Companies General Fund. 	<ul style="list-style-type: none"> ▪ The RRA Companies General Fund has been established in October 2022. 	Matter Resolved
	<ul style="list-style-type: none"> ▪ Non-operation of the Rodrigues Venture Capital and Leasing Fund (RVCLF). 	<ul style="list-style-type: none"> ▪ The RVCLF has still not come in operation. 	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
4.2.1	<i>Rodrigues Business Park Development Company Ltd – Not Yet Operational</i>		
	The Company Ltd was incorporated on 12 February 2019 to manage the project for the setting up of a Technopark at Baladirou. The Company has not yet started its operation despite more than three years have elapsed since incorporation	As of September 2022, the Company was still not operational.	No Action Taken
4.2.2	<i>Rodrigues Tourism Development Company (RTDC) Limited - Lack of Transparency and Good Governance</i>		
	<ul style="list-style-type: none"> ▪ In 2018, RRA contributed an amount of Rs 5.1 million. However, the other shareholder has not yet paid its share of contributed capital of Rs 4.9 million. 	The other shareholder has still not paid its share of contributed capital of Rs 4.9 million. RRA informed that the ICAC is conducting an enquiry into the matter.	Action Initiated
	<ul style="list-style-type: none"> ▪ As of April 2022, RTDC Ltd had not submitted any annual report, including financial statements since its operation. 	As of September 2022, the RTDC Ltd has not submitted any annual report.	No Action Taken
4.2.3	<i>RRA Companies General Fund Not Established</i>		
	<ul style="list-style-type: none"> ▪ The RRA Companies General Fund has not yet been established. ▪ No dividend has yet been received from any of the Companies during the financial year 2020-21. ▪ In the absence of the RRA Companies General Fund, disbursement was made out of the Rodrigues Consolidated Fund. 	RRA Companies General Fund has been established in October 2022.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
4.3	E-Procurement System Not Implemented		
	As of April 2022, RRA had not yet embarked on the e-Procurement System.	Training has been given to officers but procurement is still carried out manually.	Action Initiated
4.4	Capital Projects - Value for Money Not Obtained		
	Over the years, the RRA has awarded contracts to the tune of some Rs 622 million in 11 projects without proper feasibility study and planning. As of April 2022, these infrastructure/assets were still not operational and some not optimally utilised.	As of September 2022, these infrastructure/assets were still not operational.	No Action Taken
4.5	Financial Assistance to Residents of Rodrigues Stranded in Mauritius		
	<ul style="list-style-type: none"> ▪ No survey had been conducted to determine those residents who were in financial difficulties and thus eligible for the cash grant. ▪ 35 beneficiaries were RRA public officers who were deriving income. The income and professional occupations of the remaining 175 beneficiaries were not known. ▪ No distinction was made for residents who had to remain in Mauritius for only one day and others for 25 days as they had all received the cash grant of Rs 10,000. ▪ Contrary to Financial Instructions, there was no documentary evidence to support their date of return to Rodrigues from 7 to 31 March 2021. 	As of September 2022: <ul style="list-style-type: none"> ▪ No survey was initiated. ▪ Income and professional occupations of the 175 beneficiaries were not known. ▪ Documentary evidences were not requested. 	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
4.6	Interdicted Officers – Overpayments of Rs 3.2 million Not Yet Recouped		
	As of March 2022, payments to the six interdicted employees had reached some Rs 9.8 million. End of year bonus, incremental credit, PRB interim allowance and uniform allowance totalling some Rs 1.1 million, were overpaid to them during the interdiction periods.	As of September 2022, payments to the six interdicted employees had reached some Rs 11.1 million.	No Action Taken
	On 1 March 2021, an interdicted officer retired at the age of 60. In April 2021, retirement benefits totalling some Rs 2.1 million were paid to the officer though he was not yet reinstated. Approval of relevant authorities was not sought. Action should be initiated to recover the overpaid amount of Rs 3.2 million.	No action was initiated to recover the overpaid amount of Rs 3.2 million.	No Action Taken
4.7	Construction of a Community School at Baie Malgache – Lapses in Contract Management		
	<ul style="list-style-type: none"> ▪ In September 2020, only some 40 per cent of works were completed. 	Project was completed and taken over by the Commission on 22 May 2022.	Matter Resolved
	<ul style="list-style-type: none"> ▪ Report of the Performance Review Committee was not available, contrary to Directive 64 of the PPO. 	Performance Review Committee report was not made available.	No Action Taken
	<ul style="list-style-type: none"> ▪ As of March 2022, there was a significant delay of 1,118 days in the completion of the project. The maximum liquidated damages that could be claimed from the Contractor was Rs 2.25 million. However, the Commission recouped only Rs 1.1 million as of March 2022. 	Full amount of liquidated damages was charged in the Payment Certificate number 31 of June 2022.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	<ul style="list-style-type: none"> ▪ As of April 2022, no Practical Completion Certificate was issued. The site was still not taken over by the Commission. 	A Taking Over Certificate was issued in May 2022.	Matter Resolved
	<ul style="list-style-type: none"> ▪ At 13 April 2022, retaining wall and access to disabled persons were yet to be constructed. 	Works pertaining to retaining wall and access to disabled person were not yet constructed as of September 2022.	No Action Taken
4.8	Extension of Secondary School at Terre Rouge – Lapses in Contract Management		
	<i>Poor Contractor’s Performance Leading to Termination of Contract</i>		
	Due to the poor performance of the Contractor, the contract was terminated on 13 May 2019 when 46 per cent of works were completed.	In May 2021, the Contractor had filed an affidavit in the Supreme Court of Mauritius. The matter was still before Court.	Action Initiated
	<i>Delay in Notifying Suspension of Contractor A to Procurement Policy Office</i>		
	It was only in August 2020 that the Contractor was notified of its suspension for participation in RRA bidding exercises for the coming six months. On 6 December 2019, bids for completion of works at Terre Rouge Gymnasium were launched through the open national bidding method, at a time when there was no exclusion of Contractor A from participating in any bidding exercise.	As of September 2022, following re-tendering exercise, a new contract was awarded to another Contractor and works were still ongoing.	Action Initiated

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	<i>Delay in Completion of the Gymnasium by the New Contractor</i>		
	The contract was ultimately awarded on 9 March 2021 to the second lowest bidder, Contractor B, for an amount of Rs 48.2 million. Works were scheduled to be completed by 23 March 2022. However, on 14 January 2022, only half of the works was completed, which was far behind the estimated 75 per cent completion. As of March 2022, a total amount of Rs 12.6 million was paid to Contractor B.	As of August 2022, the project was still on-going and 77 per cent of works were completed by the Contractor.	Action Initiated
	<i>Cost Escalation</i>		
	To complete the remaining 54 per cent of work, a new contract was awarded for some Rs 48.2 million. The project would finally cost the Commission some Rs 62 million which represents an increase of 51 per cent over the initial contract amount.	The project was still on-going as at September 2022 and total amount paid to the new Contractor as of June 2022 was Rs 14.6 million.	Action Initiated
4.9	Upgrading Works at Batatran Primary School – Lapses in Contract Management		
	<ul style="list-style-type: none"> ▪ On resumption of schools in August 2021, the two classrooms were not available because of the 14-month delay by the Contractor. 	Project was completed and taken over on 17 February 2022.	Matter Resolved
	<ul style="list-style-type: none"> ▪ On 16 March 2021, the Commission informed the Contractor that liquidated damage of Rs 1 million would be applied. However, only an amount of Rs 200,000 was recouped in November 2021 for which no basis of calculation was available. 	Full liquidated damage was applied in the Payment Certificate dated 14 September 2022.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	The insurance cover and performance security were not extended to cover the maintenance period up to October 2022.	Revised performance security was submitted. As the project was already completed in February 2022, no insurance cover was required.	Matter Resolved
4.10	Construction of Six Additional Classrooms at La Ferme College – Project Not Started due to Delay in Handing Over of Site		
	Contrary to Public Procurement Act, the Commission did not wait for the challenge to be resolved by the IRP. On 12 June 2020, the contract was awarded to the second lowest bidder for the sum of Rs 17.4 million.	The challenge made at IRP was withdrawn by the applicant.	Matter Resolved
	No approval of the Executive Council was available for the change in location.	Approval of the Executive Council was not made available.	No Action Taken
	No reason for the change in location of the project was available.	Reason for change in scope was made available.	Matter Resolved
	The Contractor submitted a revised contract price of Rs 20.8 million. On 10 November 2021, the Consultant proposed a counter assessment of Rs 20.5 million. The final contractual amount had not yet been finalised.	The contract amount was still not finalised.	No Action Taken
	Works should have started 14 days from the date of handing over of site. As of April 2022, nearly two years later, the site was not handed over to the Contractor.	As of September 2022, the site was still not handed over to the Contractor and the project was put on hold.	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
5.1.1 (i)	<i>Widening Works along Jardin Mamzelle – Variation Works leading to Increase in Cost by 65 per cent</i>		
	<ul style="list-style-type: none"> ▪ Prior approval of the DCCO was not sought for the increase in scope of works. ▪ The additional works have caused the project cost to escalate from Rs 3.5 million to Rs 5.9 million, representing 68 per cent increase. ▪ Despite the delay in completion of works, liquidated damages were not claimed. 	As of September 2022, liquidated damages was not charged on the Contractor.	No Action Taken
(ii)	<i>Construction of Road from Le Chou to Port Mathurin – Road Damaged due to Heavy Rainfalls and Absence of a Drainage System</i>		
	<ul style="list-style-type: none"> ▪ The works were completed in August 2020, that is more than three years later. Payments had reached Rs 72.4 million as at November 2021. ▪ The topography was overlooked. As a result, additional cost of some Rs 8.5 million was borne by the DCCO for drainage and other works. ▪ It was only when the road was damaged that the Works Order 11/2019-2020 <i>Drainage works at Mont Charlot</i> for an amount of Rs 22.9 million was issued. ▪ The Works Order for the drainage and remedial works were allocated to the same Contractor on 11 October 2019. 	The topography of the road will be given due consideration when the construction of other parts of the road will be designed.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
5.1.2(i)	<i>Construction of Road from Montagne Malgache to Port Sud Est</i>		
	<ul style="list-style-type: none"> ▪ The construction of the road had to be stopped due to encroachment on private land. Negotiation had to be held with the lessee for land acquisition. ▪ An additional sum of some Rs 5.6 million, representing 20 per cent of contract value, would have to be incurred on variation works. ▪ Clearance certificate from the Commission of Environment was yet to be sought as the road would encroach the public beach and for change in scope of works. 	Extension of time not yet determined. The Works Order was not yet completed.	No Action Taken
(ii)	<i>Construction of Road and Box Culvert at Anse Raffin</i>		
	As of 20 April 2022, only 50 per cent of works were completed due to the fact that the road alignment would encroach the public beach and clearance from the Commission of Environment was yet to be obtained.	As at September 2022, work was still in progress.	No Action Taken
(iii)	<i>Construction of Road from Saponaire to Anse Femi</i>		
	Works Order 9/2021-22 were actually completed in December 2021. However, as of April 2022, no Practical Completion Certificate was issued.	Practical Completion Certificate was issued on 28 November 2021.	Matter Resolved
	Works Order 36/2021-22 were to be completed in April 2022. As of April 2022, only 20 per cent of works were completed. Due to variation works of Rs 1.1 million, the revised completion date and delays have not yet been assessed. No liquidated damages have yet been charged.	Revised completion date was not yet determined as works were still not completed.	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
(iv)	<i>Construction of Parking and Ancillary Facilities around Songes College</i>		
	The Works Order were to be completed in February 2022. However, only 75 per cent works were completed as of April 2022. The delay was attributed to the fact that the electric poles were yet to be displaced.	Extension of time has been approved and completion date revised to 15 June 2022. On 9 August 2022, the Practical Completion Certificate was issued wherein mention was made that the work was partially completed on 30 May 2022.	Matter Resolved
5.2	Concrete Circular Reservoirs at Hauteur Accacia and Montagne Cabris – Not Yet Operational		
5.2.1	Concrete Circular Reservoir at Hauteur Accacia		
	In May 2021, the Project Manager requested the Contractor to submit a revised program of works in respect of outstanding remedial works to cracks/seepages identified, fixing of air release valve, testing and commissioning of altitude control valve and electromagnetic valves and water tightness tests. However, same had not been submitted as of April 2022.	As of September 2022, the revised program of works was still not submitted.	No Action Taken
	As of April 2022: <ul style="list-style-type: none"> ▪ The reservoir was still not handed over to the Commission, 22 months after the rescheduled completion date. ▪ A final assessment of liquidated damages was not yet undertaken. ▪ The Performance Security which expired on 31 January 2022, had not been renewed. The Insurance Cover which was valid up to 31 January 2021 has also not been renewed. 	As of September 2022, the following outstanding works were yet to be attended by the Contractor: <ol style="list-style-type: none"> a) Remedial works to cracks. b) Remedial works to high-density polyethylene outflow pipe. c) Testing and commissioning of Electromagnetic Flow Meters. d) Testing and commissioning of altitude control valve. The Contractor had not yet applied for extension of time. Therefore, no assessment was undertaken. The extended insurance policies and performance security was not yet submitted.	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	Audit visit on 31 March 2022 revealed that the altitude control valve and electromagnetic valves were not yet tested and commissioned. Evidence of the water tightness test undertaken and the results thereof, were not available.		
5.2.2	<i>Concrete Circular Reservoir at Montagne Cabris</i>		
	As of April 2022: <ul style="list-style-type: none"> ▪ Some 19 months since the revised completion date, the project was still not completed. The altitude control valve and electromagnetic valves were still not tested and commissioned. ▪ Maximum liquidated damages of Rs 1,920,758 were not yet charged to the Contractor for delay in completion of works. ▪ The Performance Security had not been renewed since its expiry on 28 February 2022. 	As of September 2022, the status of the project was as follows: a) Test for electromagnetic flow meters have been done and witnessed by Consultant. Test sheets not yet submitted by Contractor. b) Test for altitude control valve not done. Liquidated damages were not yet charged to the Contractor. The Contractor has not yet submitted the extended Performance security.	Action Initiated No Action Taken No Action Taken
Commission for Health, Community Development, Fire Services, Meteorological Services, Judicial Services and Civil Status			
6.1	Dual Reverse Osmosis for Haemodialysis Water Purification - Equipment Not Operational over One Year after Acquisition		
	The Commission approved to extend the delivery date on three occasions up to 14 January 2021, that is, by some six months and waived the applicable liquidated damages of some Rs 427,000.	As of August 2022, the equipment was still not installed.	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	The equipment was neither installed nor commissioned. As of April 2022, the old equipment of over 10 years was still being used.	As per Audit site visit made on 8 September 2022, the old reverse osmosis equipment was replaced by a new one, following tender procedures though open advertised bidding made in July 2021 at a cost of Rs 986,125.	No Action Taken
	During an audit visit on 16 April 2022, the equipment was seen lying together with bags of reagents that were stacked on the floor of a shed annexed to the Haemodialysis Unit.	The equipment was placed under a shed under lock and key.	Matter Resolved
6.2	Lack of Control Over Payment of On-Call and In-Attendance Allowances		
	<ul style="list-style-type: none"> ▪ As of March 2022, the Electronic Attendance System was still not properly used by the Specialists and Medical Health Officers of the Commission. 	Electronic Attendance System was still not being used by the Specialists and Medical Health Officers.	No Action Taken
	<ul style="list-style-type: none"> ▪ Allowances totalling some Rs 2.5 million were paid to 22 Specialists during the financial year 2020-21. The allowances paid could not be verified as the Specialists had not signed in the Attendance Register. 	Few Specialists continued to record their time of arrivals and departures for their short tour period once on one page instead on a daily basis.	No Action Taken
	<ul style="list-style-type: none"> ▪ Some claims submitted by the Specialists for the payment of On-call and In-attendance allowances were not examined prior to payment. 	In 2022, claims were examined prior to effecting payments. However, all claims were not supported by a copy of attendances.	Action Initiated

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	<ul style="list-style-type: none"> ▪ In March 2021, some Rs 167,000 were paid to a Specialist as “On-call and In-attendance” allowance for two months in 2018 but no In-attendance Register for that period was available nor any certification was seen in the claim. 	Neither the In-attendance Register for that period nor any certification was produced to NAO in September 2022.	No Action Taken
	<ul style="list-style-type: none"> ▪ Discrepancies totalling some Rs 1.2 million were noted between the list submitted by the Commission and that as per claims received for the period January 2020 to June 2021. 	No investigation of the discrepancies of Rs 1.2 million was initiated by the Commission. For financial year 2021-22, no such discrepancies were noted.	Action Initiated
6.3	Construction of Fire Station and Disaster Risk Reduction and Management Centre at Mon Plaisir – Lapses in Contract Management		
	<ul style="list-style-type: none"> ▪ In January 2021, the Consultant reported the poor performance of the Contractor. 		
	<ul style="list-style-type: none"> ▪ As of April 2022, no handing over of site had been effected although more than 46 months had elapsed since the initial scheduled completion date of June 2018. 	As of September 2022, handing over of the Fire Station had been effected	Matter Resolved
	<ul style="list-style-type: none"> ▪ A Performance Review Committee was not set up by the Commission. 	Performance Review Committee was not set up.	No Action Taken
	<ul style="list-style-type: none"> ▪ The All Risk Insurance Policy was not renewed as of April 2022. 	As site was handed over, insurance policy was no longer required.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
Commission for Social Security, Housing, Labour and Industrial Relations, Employment and Consumer Protection			
7.1	Domiciliary Medical Visits - Weaknesses in Expenditure Control		
	<ul style="list-style-type: none"> ▪ The Medical Board responsible for carrying out assessments of eligibility for Basic Invalid Pension at the applicants' residences consisted of only one MHO. 	As of August 2022, the Medical Board was still being represented by one MHO for carrying out assessments of eligibility for Basic Invalid Pension at the applicants' residences.	No Action Taken
	<ul style="list-style-type: none"> ▪ In certain applications for Basic Invalid Pension, medical certificates were issued by the MHOs who also served on the Medical Board. 	No change was noted.	No Action Taken
	<ul style="list-style-type: none"> ▪ The 18 MHOs not only served the Medical Board but also effected monthly domiciliary visits. 	As at August 2022, 22 MHOs were performing monthly domiciliary visits and some of them were called to serve the Medical Board.	No Action Taken
	<ul style="list-style-type: none"> ▪ The number of domiciliary medical visits assigned per MHO varied between 23 and 142. 	As at August 2022, the number of domiciliary medical visits assigned per MHO submitted by the Medical Unit of the Commission varied between 0 and 62. However, as per claims for May 2022 examined, up to 132 domiciliary visits were made by some visiting doctors.	No Action Taken
	<ul style="list-style-type: none"> ▪ The database of the Medical Unit was not complete and accurate. Out of 1,558 cases, the age of 963 persons, date of birth of 1,487 persons and the National Identity Card (NIC) numbers of 1,053 persons, were missing. 	No action was initiated to input the missing database of the Medical Unit. Out of 1809 cases as at August 2022, the age/date of birth of 739 persons and the National Identity Card (NIC) numbers of 216 persons, were still missing. In 18 cases, incomplete NIC numbers were recorded.	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	<ul style="list-style-type: none"> ▪ Some patients were assigned more than one visiting MHO, contrary to the policy of the Ministry of Social Integration, Social Security and National Solidarity. 	As per database submitted in August 2022, cases of patients assigned to more than one visiting MHO were still noted.	No Action Taken
	<ul style="list-style-type: none"> ▪ No Complaint Register was kept to record complaints made by severely disabled persons regarding monthly visit not effected. 	As of August 2022, no Complaint Register was introduced.	No Action Taken
	<ul style="list-style-type: none"> ▪ Dates of visits effected were not always recorded in the Domiciliary Medical Visit book. 	No improvement was noted.	No Action Taken
	<ul style="list-style-type: none"> ▪ Contrary to Ministry's policy, in some cases, two domiciliary medical visits to the same patient were effected during the same month. 	Audit was informed that few MHOs were still visiting a patient twice monthly.	No Action Taken
	<ul style="list-style-type: none"> ▪ As per the records of the Civil Status Office, a patient was declared dead on 27 February 1994 but she was last visited by a MHO on 7 April 2022 as per records of the Medical Unit. As of May 2022, monthly Basic Retirement Pension and Carer's Allowance totalling some Rs 1.5 million were paid on account of the deceased during the period September 1995 to May 2022. 	On 23 May 2022, following an enquiry, the Principal Social Security Officer (PSSO) informed the Commission that the beneficiary " <i>is still alive as per our records and investigations</i> ". However, this information was not communicated to the NAO. The PSSO's report was handed over to NAO only in August 2022 after the issue of the Audit Report.	Matter Resolved
7.2	Rehabilitation of Administrative Building at La Ferme – Defects Not Yet Remedied		
	<ul style="list-style-type: none"> ▪ It was only in March 2019, that is 16 months after award of contract, that a private Consultant was appointed to prepare drawings and tender documents. 	No such cases was noted in 2022.	Matter Resolved

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	<ul style="list-style-type: none"> ▪ In February 2020, the Commission approved variation works for an amount of Rs 1,324,235, that is 24 per cent of the initial contract value. 	The variation works was within the threshold of 25 per cent.	Matter Resolved
	<ul style="list-style-type: none"> ▪ Despite issues of water leakages were reported by the User Departments since July 2020, no action has been taken by the Commission during the defects liability period. 	NAO visit effected on 27 August 2022 revealed that the issues of water leakages were not resolved.	No Action Taken
	<ul style="list-style-type: none"> ▪ Some recently fixed false ceiling tiles in the Library, located at the first floor, were severely damaged due to water leakages. 	The damaged false ceiling tiles in the Library were not replaced.	No Action Taken
Commission for Agriculture, Environment, Fisheries, Marine Parks and Forestry			
8.1.2	<i>Honey Research Centre and the Crop Gene Bank Not Operational due to Lack of Equipment</i>		
	As of April 2022, the Honey Research Centre and the Crop Gene Bank which were substantially completed and taken over by the Commission on 11 May 2021, were not operational due to the non-purchase of equipment.	In June 2022, tender was launched for procurement of specialized equipment for the Honey Research Centre & Crop Gene Bank.	Action Initiated
	157 m ² out of the surface area of 221 m ² of the newly constructed building was not in use since its construction in May 2021.	As of September 2022, decision not yet taken for the use of the Honey Research Centre.	No Action Taken
8.2	Fisheries Protection Service – Lapses in Service Delivery		
	<ul style="list-style-type: none"> ▪ Out of 106 illegal activities reported at three Fisheries Posts since 2017, only five were referred to the Court for prosecution, despite training on prosecution matters had been conducted by the Police Department during November 2020. 	During period July 2021 to 30 June 2022, 13 new contraventions were drawn. In August 2022, a second training session on prosecution was delivered to the Fisheries Officers. As of September 2022, attempt to prosecute seven defaulters were initiated.	Action Initiated

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	<ul style="list-style-type: none"> ▪ Two fast inflatable boats costing some Rs 2.9 million, used for rapid intervention at sea, were awaiting repairs since 2019. 	As of September 2022, the two fast inflatable boats were still lying in the yard at Pointe Monier Station.	No Action Taken
	<ul style="list-style-type: none"> ▪ Three drones acquired in May 2017 for some Rs 510,000 were out of use as of April 2022. 	The three drones were in an unusable condition and no assessment for their repairs was made as there was no qualified Technician.	No Action Taken
8.2.1	<i>Re-possession of Boats Without Settlement of Dues by Beneficiaries</i>		
	In April 2021, the RRA took possession of the five vessels due to non-reimbursement of the loan, and non-utilisation of same. As of April 2022, the five vessels were found in the mooring bay at Pointe Monier with the risk of further deterioration.	A Marine Surveyor was yet to be appointed for a complete assessment of conditions of the vessels.	No Action Taken
8.3	Payment of Bad Weather Allowances Eligibility Criteria Not Verified		
	BWA paid for the financial year 2020-21 totalling Rs 84.7 million far exceeded the budgetary provision of Rs 30 million. Compared to last year's expenditure totalling Rs 58.7 million, there is an increase of 44 per cent.	All shortcomings observed were still prevailing as of September 2022.	No Action Taken
	Control over the payment of BWA was not satisfactory. Except for the verification of regular stamping of Registration Card, no check was carried out in respect of the four other criteria, prior to effecting payment.	The NAO was informed that as far as a Fisherman is stamping his card from 1 st to 8 th day of each month, the Fisheries Protection Service has an obligation to pay the BWA. There is no control over fishermen from the 9 th to the end of each month.	No Action Taken
	No oversight was performed by the FPS at the 23 prescribed Fish Landing Stations to monitor fishermen's catch.	As per the FPS, oversight control was not done due to shortage of staff.	No Action Taken

* See Note on Page 117

Matters Reported in Audit Report 2020-21			
Ref	Issues/Findings	How matters addressed during Period Under Review	* Current Status
	There was a lack of coordination between the Commission responsible for Fisheries and the Ministry of Social Integration, Social Security and National Solidarity to control payment of BWA and other social benefits.	Payment of BWA to beneficiaries of Social benefits were still prevailing as of September 2022.	No Action Taken
Commission for Youth and Sports, Arts and Culture, Library Services, Museum, Archives and Historical Sites and Buildings			
9.1	Relocation of Lessees at Roche Bon Dieu - Compensation Exceed Amount Assessed by Valuation Department		
	The Contractor was selected by the beneficiaries themselves instead of the RRA. No tender procedures were followed for the award of the contract.	Beneficiaries were still selecting Contractors to carry out additional works.	No Action Taken
	The three inhabitants were ultimately provided newly constructed houses which had cost the RRA some Rs 7.8 million, that was more than the compensation of Rs 3.2 million as assessed by the Valuation Department.	No action has been taken.	No Action Taken
	As per the agreement, any additional cost should have been borne by the beneficiaries. However, as of March 2022, the additional works, were paid to the Contractor by the RRA.	Additional cost had not been claimed from beneficiaries.	No Action Taken

*** Note**

Matter Resolved: The issue has been resolved and requires no further action.

Matter Not Yet Resolved: The issue has not yet been resolved despite action(s) taken.

Action Completed: RRA has already completed actions at its end, but the matter has yet to be resolved as it is dependent on outcomes, advice or decisions from other stakeholders.

Further Action Taken: RRA has taken further action(s) towards resolving the issue in respect of which it had already initiated action.

Action Initiated: RRA has taken some actions at its end but not all under its purview.

No Action Taken: The RRA has not taken any action to address the issue.

Action Still Not Initiated: No action was yet initiated by the RRA

**AUDIT CERTIFICATE
AND
ANNUAL STATEMENTS**

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NATIONAL AUDIT OFFICE

CERTIFICATE OF THE DIRECTOR OF AUDIT ON THE ANNUAL STATEMENTS OF THE RODRIGUES REGIONAL ASSEMBLY

Report on the Audit of the Annual Statements

Opinion

I have audited the Annual Statements of the Rodrigues Regional Assembly, submitted in accordance with Section 19(4) of the Finance and Audit Act and which comprise the statement of assets and liabilities as at 30 June 2022, and the abstract account of revenue and expenditure of the Rodrigues Consolidated Fund for the year then ended, other statements as required under Section 19(6) of the Act, and notes to the accounts, including a summary of significant accounting policies.

In my opinion, the accompanying Annual Statements give a true and fair view of the financial position of the Rodrigues Regional Assembly as at 30 June 2022, and of its financial performance for the year then ended in accordance with Section 19(6) of the Finance and Audit Act, and the accounting basis as disclosed in Note 2 to the accounts.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Statements* Section of my report. I am independent of the Rodrigues Regional Assembly in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the Annual Statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the Annual Statements of the current period. These matters were addressed in the context of my audit of the Annual Statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there are no Key Audit Matters to communicate in my report.

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Responsibilities of the Commissioner responsible for the subject of finance and Those Charged with Governance for the Annual Statements

The Commissioner responsible for the subject of finance is responsible for the preparation and fair presentation of these Annual Statements in accordance with Section 19(6) of the Finance and Audit Act, and the accounting basis as disclosed in Note 2 to the accounts, and for such internal control necessary to enable the preparation of Annual Statements that are free from material misstatement, whether due to fraud or error.

Those charged with governance are responsible for overseeing the financial reporting process in the Rodrigues Regional Assembly.

Auditor's Responsibility for the Audit of the Annual Statements

I am required under Section 20 of the Finance and Audit Act to issue a certificate of audit on the Annual Statements of the Rodrigues Regional Assembly, submitted in accordance with Section 19 of the Finance and Audit Act, within eight months of the close of every fiscal year.

My objectives are to obtain reasonable assurance about whether the Annual Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Annual Statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Annual Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Rodrigues Regional Assembly's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the Annual Statements, including the disclosures, and whether the Annual Statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the Annual Statements of the current period and are therefore the Key Audit Matters. I describe these matters in my auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Management's Responsibility for Compliance

Management is responsible for controlling expenditure on any service in respect of which public funds have been appropriated and for collecting revenue and paying that revenue into public funds, as well as putting in place a sound system of internal control designed to provide reasonable assurance regarding, amongst others, the effectiveness and efficiency of operations, the safeguarding of assets and data, the prevention of fraud and irregularities, and the compliance with applicable laws, regulations and instructions, policies and established procedures.

Auditor's Responsibility

Finance and Audit Act

I am required under Section 16 of the Finance and Audit Act to satisfy myself that:

- (a) all reasonable precautions have been and are taken to safeguard the collection of public money;
- (b) all laws, directions or instructions relating to public money have been and are duly observed;
- (c) all money appropriated or otherwise disbursed is applied to the purpose for which Parliament intended to provide and that the expenditure conforms to the authority which governs it;
- (d) adequate directions or instructions exist for the guidance of public officers entrusted with duties and functions connected with finance or storekeeping and that such directions or instructions have been and are duly observed; and

- (e) satisfactory management measures have been and are taken to ensure that resources are procured economically and utilised efficiently and effectively.

I am also required, under Section 20 of the Finance and Audit Act, to submit a Report upon my examination and audit of the accounts of the Rodrigues Regional Assembly.

I have obtained all information and explanations I have required for the purpose of my audit.

Based on my examination of the records of the Rodrigues Regional Assembly, except for the matters mentioned in my Report for the financial year 2021-22, nothing has come to my attention that causes me to believe that the financial management principles laid down at Section 16 of the Finance and Audit Act have, in all material respects, not been adhered to.

Public Procurement Act

I am required to state whether the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with.

In my opinion, except for the matters mentioned in my Report for the financial year 2021-22, the provisions of Part V of the Public Procurement Act regarding the bidding process have not been complied with as far as it could be ascertained from my examination of the relevant records.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14, Air Mauritius Centre
Port Louis

28 February 2023


STATEMENT A

Statement of Assets and Liabilities as at:

ASSETS	NOTE	30 June 2022	30 June 2021
		Rs	Rs
Cash and Bank balances	6	130,281,106.50	91,591,676.68
Advances	7	95,470,034.77	89,169,917.90
		<u>225,751,141.27</u>	<u>180,761,594.58</u>
LIABILITIES			
Rodrigues Consolidated Fund	8	16,835,364.42	16,822,262.44
Deposits	9	122,716,991.27	80,729,418.53
Loan - Government of Mauritius	10	86,198,785.58	83,209,913.61
		<u>225,751,141.27</u>	<u>180,761,594.58</u>

The accompanying notes 1 to 10 form part of these accounts.

27 September 2022


Johnson ROUSSEY, GOSK
 Chief Commissioner

NOTES TO THE ACCOUNTS

1. GENERAL

The Statement of Assets and Liabilities and other Annual Statements of Rodrigues Regional Assembly (RRA) are prepared in accordance with Section 19 of the Finance and Audit Act.

2. ACCOUNTING POLICIES

The accounts of the RRA are Public Accounts of Mauritius for the purposes of Section 110 of the Constitution as specified at Section 48 of the RRA Act. The accounts are prepared on a cash basis. Transactions are recorded only when monies are received and are paid within the given period, whether or not the receipts and payments are in respect of goods supplied or services rendered during that period and whether they relate to expenditure or revenue. The Statement A - Assets and Liabilities as at 30 June 2022 does not include Non-Current Assets and Investments which are reflected at Statement F.

3. Reporting Entity

The accounts are for the RRA which include Office of the Clerk and Commissions.

4. Reporting Period

The accounts cover the financial year 01 July 2021 to 30 June 2022.

5. Reporting Currency

The accounts are denominated in the currency of Mauritian Rupee (Rs) which is also the functional currency.

6. CASH AND BANK BALANCES

These include cash in hand and cash balances with banks.

Details	30 June 2022	30 June 2021
	Rs	Rs
Bank of Mauritius	104,048,387.04	72,298,307.84
State Bank of Mauritius/ICE	1,742,487.74	2,660,499.77
ABSA Bank (Mauritius) Limited	4,934.50	8,585.81
State Bank of Mauritius/CCRF and Others	24,485,297.22	16,624,283.26
Total	130,281,106.50	91,591,676.68

7. ADVANCES

This represents balances outstanding as at year end in respect of:

Details	30 June 2022	30 June 2021
	Rs	Rs
RRA Members	2,165,182.84	3,968,252.75
RRA Officers	72,810,851.93	64,707,665.15
Fibre Glass Boat	14,694,000.00	14,694,000.00
Advance RTMC	5,800,000.00	5,800,000.00
Total	95,470,034.77	89,169,917.90

8. RODRIGUES CONSOLIDATED FUND

This represents the accumulated surplus of money appropriated to the Rodrigues Consolidated Fund (RCF) by the National Assembly, together with all recurrent revenue of the RRA (established by Section 42 of the Rodrigues Regional Assembly Act) over the expenditure incurred by the RRA for the period under review.

	30 June 2022		30 June 2021	
	Rs	Rs	Rs	Rs
Balance of the Rodrigues Consolidated Fund at start		16,822,262.44		18,549,245.10
Transfer to Recurrent		-		(1,996,798.25)
		16,822,262.44		16,552,446.85
Contribution from Government and Funds	4,332,158,477.93		3,881,375,283.00	
Additional Contribution from Government	263,973,627.00		176,247,246.00	
Total Contribution from Government and Funds	4,596,132,104.93		4,057,622,529.00	
Transfer from Rodrigues Consolidated Fund			1,996,798.25	
Revenue - RRA		48,311,033.57		46,149,741.01
Total Revenue		4,644,443,138.50		4,105,769,068.26
Total Expenditure		(4,644,430,036.52)		(4,105,499,252.67)
Surplus of Revenue over Expenditure		13,101.98		269,815.59
Balance of the Rodrigues Consolidated Fund at end		16,835,364.42		16,822,262.44

9. DEPOSITS

These are monies deposited with the Rodrigues Regional Assembly by individuals and organisations under Section 8 of the Finance and Audit Act.

Commission	30 June 2022	30 June 2021
	Rs	Rs
Chief Commissioner's Office	75,462,261.96	53,040,402.38
Deputy Chief Commissioner's Office	127,483.02	3,021,806.98
Commission for Women Affairs, Family Welfare, Child Development, Industrial Development, Information and Communication Technology, Vocational Training, Cooperatives, Trade, Commerce and Licensing and Prisons and Reforms Institutions	1,505,073.70	1,437,834.84
Commission for Health, Community Development, Fire Services, Meteorological Services, Judicial Services and Civil Status	14,537,353.13	6,109,693.13
Commission for Social Security, Housing, Labour and Industrial Relations, Employment and Consumer Protection	21,085,138.45	9,402,165.00
Commission for Agriculture, Environment, Fisheries, Marine Parks and Forestry	9,677,690.73	7,375,968.18
Commission for Youth and Sports, Arts and Culture, Library Services, Museum, Archives and Historical Sites and Buildings	321,990.28	341,548.02
Total	<u>122,716,991.27</u>	<u>80,729,418.53</u>

10. LOAN - GOVERNMENT OF MAURITIUS

This represents loan made to Rodrigues Regional Assembly for the issue of advances to Members and Officers of the Rodrigues Regional Assembly and to other bodies.

	30 June 2022	30 June 2021
	Rs	Rs
RRA Members	1,334,937.50	3,340,904.72
RRA Officers	70,169,848.08	65,175,008.89
Fibre Glass Boats	<u>14,694,000.00</u>	<u>14,694,000.00</u>
Total	<u>86,198,785.58</u>	<u>83,209,913.61</u>

Fibre Glass Boat

Interest of Rs 7,753,109.31 and Penalty Fee of (2% above applicable repo rate) of Rs 6,198,526.74 due to the Government of Mauritius as at 30 June 2022 has not been recognized in the Account.

STATEMENT B

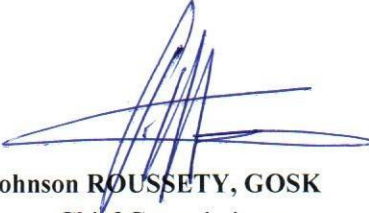
**Abstract Account of Revenue and Expenditure of the Rodrigues Consolidated Fund
for the financial year 2021 - 2022**

REVENUE

Analysis of total revenue by Revenue Items

Code	Description of Revenue Items	Jul 21-Jun 22	Jul 21-Jun 22	Jul 20-Jun 21
		Estimates	Actual Revenue	Actual Revenue
		Rs	Rs	Rs
11	TAXES			
114	Licence Fees	3,200,000.00	2,548,086.20	2,937,807.00
	TOTAL - TAXES	3,200,000.00	2,548,086.20	2,937,807.00
12	SOCIAL CONTRIBUTIONS			
122	Other Social Contributions	700,000.00	-	636,012.00
	TOTAL - SOCIAL CONTRIBUTIONS	700,000.00	-	636,012.00
13	GRANTS			
131	Contribution from Central Government	4,440,000,000.00	4,507,014,984.93	4,057,622,529.00
	COVID Projects Development Fund	100,000,000.00	71,436,688.00	-
	National Environment Fund	60,000,000.00	17,680,432.00	-
	TOTAL - GRANTS	4,600,000,000.00	4,596,132,104.93	4,057,622,529.00
14	OTHER REVENUE			
141	Property Income	30,935,000.00	13,703,034.19	19,580,301.35
142	Sales of Goods and Services	10,065,000.00	11,528,618.63	12,244,452.54
143	Fines, Penalties and Forfeits	4,500,000.00	6,629,010.00	6,582,000.00
145	Miscellaneous Revenue	600,000.00	13,902,284.55	4,169,168.12
	Transfer from Rodrigues Consolidated Fund	-	-	1,996,798.25
	TOTAL - OTHER REVENUE	46,100,000.00	45,762,947.37	44,572,720.26
	TOTAL-REVENUE	4,650,000,000.00	4,644,443,138.50	4,105,769,068.26

27 September 2022


Johnson ROUSSETY, GOSK
 Chief Commissioner

STATEMENT B

**Abstract Account of Revenue and Expenditure of the Rodrigues Consolidated Fund for the
Period July 2021 to June 2022**

EXPENDITURE

Analysis of Expenditure by Sub-Heads

Sub-Head	Description	Original Estimates	Total Provisions after virement	Actual Expenditure	(Over) / Under Estimates	(Over) / Under Provisions
		(a) Rs	(b) Rs	(c) Rs	(a-c) Rs	(b-c) Rs
1-1	OFFICE OF THE CLERK	21,092,000.00	18,567,607.43	18,452,210.88	2,639,789.12	115,396.55
1101	Parliamentary Affairs	21,092,000.00	18,567,607.43	18,452,210.88	2,639,789.12	115,396.55
2-1	CHIEF COMMISSIONER'S OFFICE	1,257,680,000.00	1,249,570,653.90	1,237,602,775.10	20,077,224.90	11,967,878.80
	CENTRAL ADMINISTRATION	271,119,000.00	286,472,105.52	286,393,337.44	(15,274,337.44)	78,768.08
2101	Central Administration	261,040,000.00	274,914,116.42	274,911,684.04	(13,871,684.04)	2,432.38
2102	Registration of Deeds and Conservation of Mortgages	2,048,000.00	2,690,292.15	2,668,970.14	(620,970.14)	21,322.01
2103	Transport	7,893,000.00	8,674,520.97	8,619,520.97	(726,520.97)	55,000.00
2104	Companies Division	138,000.00	193,175.98	193,162.29	(55,162.29)	13.69
	STATE LAND	135,614,000.00	146,807,209.06	134,924,172.45	689,827.55	11,883,036.61
2201	Management of State Land	37,718,000.00	30,446,402.65	30,298,168.11	7,419,831.89	148,234.54
2202	Civil Aviation	33,415,000.00	24,026,412.96	23,819,837.55	9,595,162.45	206,575.41
2203	Tourism Development	60,401,000.00	87,890,126.95	76,361,900.29	(15,960,900.29)	11,528,226.66
2204	Marine Services	4,080,000.00	4,444,266.50	4,444,266.50	(364,266.50)	-
	EDUCATION	850,947,000.00	816,291,339.32	816,285,265.21	34,661,734.79	6,074.11
2301	General	23,282,000.00	25,923,396.72	25,923,382.31	(2,641,382.31)	14.41
2302	Pre-Primary Education	40,600,000.00	33,919,970.80	33,919,969.92	6,680,030.08	0.88
2303	Primary Education	337,381,000.00	343,993,803.55	343,987,894.05	(6,606,894.05)	5,909.50
2304	Secondary Education	449,684,000.00	412,454,168.25	412,454,018.93	37,229,981.07	149.32
3-1	DEPUTY CHIEF COMMISSIONER'S OFFICE	575,209,000.00	506,359,324.15	477,150,114.40	98,058,885.60	29,209,209.75
3101	General	33,177,000.00	29,655,635.96	29,054,294.88	4,122,705.12	601,341.08
3102	Maintenance of Buildings and Other Assets	46,269,000.00	49,105,431.87	49,104,427.52	(2,835,427.52)	1,004.35
3103	Maintenance of Vehicles	22,608,000.00	20,718,490.38	20,707,486.41	1,900,513.59	11,003.97
3104	Construction and Rehabilitation of Roads and Bridges	157,295,000.00	108,752,138.25	108,748,362.09	48,546,637.91	3,776.16
3105	Maintenance of Roads and Bridges	10,736,000.00	12,998,878.70	12,988,579.49	(2,252,579.49)	10,299.21
3106	Land Transport Services	12,895,000.00	8,125,256.90	8,121,494.85	4,773,505.15	3,762.05
3107	Improvement of Public Infrastructure	147,696,000.00	156,152,619.90	127,587,908.48	20,108,091.52	28,564,711.42
3108	Water Production	105,108,000.00	79,076,428.44	79,069,845.71	26,038,154.29	6,582.73
3109	Water Distribution	39,425,000.00	41,774,443.75	41,767,714.97	(2,342,714.97)	6,728.78

STATEMENT B

**Abstract Account of Revenue and Expenditure of the Rodrigues Consolidated Fund for the
Period July 2021 to June 2022**

EXPENDITURE

Analysis of Expenditure by Sub-Heads

Sub-Head	Description	Original Estimates	Total Provisions after virement	Actual Expenditure	(Over) / Under Estimates	(Over) / Under Provisions
		(a) Rs	(b) Rs	(c) Rs	(a-c) Rs	(b-c) Rs
4-1	COMMISSION FOR WOMEN'S AFFAIRS, FAMILY WELFARE, CHILD DEVELOPMENT, INDUSTRIAL DEVELOPMENT, INFORMATION AND COMMUNICATION TECHNOLOGY, VOCATIONAL TRAINING, COOPERATIVES, TRADE, COMMERCE AND LICENCING AND PRISONS AND REFORMS INSTITUTIONS	310,293,000.00	257,495,489.70	256,106,788.86	54,186,211.14	1,388,700.84
4101	General	22,392,000.00	21,742,229.06	21,726,320.59	665,679.41	15,908.47
4102	Women's Affairs, Family Welfare and Child Development	14,446,000.00	13,161,052.68	13,146,002.08	1,299,997.92	15,050.60
4103	Industrial Development and Handicraft	19,688,000.00	18,690,162.42	18,683,674.37	1,004,325.63	6,488.05
4104	Information and Communication Technology	116,920,000.00	98,545,919.91	98,535,059.57	18,384,940.43	10,860.34
4105	Development of Human	79,003,000.00	54,712,216.74	54,065,451.59	24,937,548.41	646,765.15
4106	Promotion and Development of Cooperatives	5,028,000.00	4,697,232.96	4,680,829.79	347,170.21	16,403.17
4107	Trade, Commerce and Licensing	2,042,000.00	1,992,674.00	1,990,773.72	51,226.28	1,900.28
4108	Management and Maintenance of Prison	45,423,000.00	41,614,342.19	41,335,000.37	4,087,999.63	279,341.82
4109	Probation and Social Rehabilitation	5,351,000.00	2,339,659.74	1,943,676.78	3,407,323.22	395,982.96
5-1	COMMISSION FOR HEALTH, COMMUNITY DEVELOPMENT, FIRE SERVICES, METEOROLOGICAL SERVICES, JUDICIAL SERVICES AND CIVIL STATUS	610,766,000.00	766,525,599.26	765,885,202.73	(155,119,202.73)	640,396.53
5101	General	95,981,000.00	125,650,113.86	125,642,588.12	(29,661,588.12)	7,525.74
5102	Curative Services and Primary Health Care and Public Health	432,025,000.00	561,987,519.74	561,498,293.87	(129,473,293.87)	489,225.87
5103	Treatment and Prevention of HIV and AIDS, Non-Communicable Diseases and Proliferation of	800,000.00	791,061.87	780,478.17	19,521.83	10,583.70
5104	Promotion of Community Development	20,160,000.00	15,915,724.09	15,897,578.01	4,262,421.99	18,146.08
5105	Firefighting, Rescue and Fire Prevention	42,512,000.00	40,615,858.98	40,606,895.83	1,905,104.17	8,963.15
5106	Meteorological Services	8,445,000.00	10,467,987.12	10,424,790.88	(1,979,790.88)	43,196.24
5107	Judicial Services	6,885,000.00	7,191,286.37	7,179,051.61	(294,051.61)	12,234.76
5108	Civil Status	3,958,000.00	3,906,047.23	3,855,526.24	102,473.76	50,520.99
6-1	COMMISSION FOR SOCIAL SECURITY, HOUSING, LABOUR AND INDUSTRIAL RELATIONS, EMPLOYMENT AND CONSUMER PROTECTION	1,287,728,000.00	1,277,560,586.30	1,277,489,264.29	10,238,735.71	71,322.01
6101	General	51,193,000.00	28,393,788.28	28,341,074.13	22,851,925.87	52,714.15
6102	Social Protection	1,085,222,000.00	1,111,060,574.09	1,111,057,134.85	(25,835,134.85)	3,439.24
6103	Housing	133,950,000.00	122,268,314.93	122,266,762.98	11,683,237.02	1,551.95
6104	Labour and Industrial Relations	4,697,000.00	5,805,383.25	5,804,457.34	(1,107,457.34)	925.91

STATEMENT B

**Abstract Account of Revenue and Expenditure of the Rodrigues Consolidated Fund for the
Period July 2021 to June 2022****EXPENDITURE**

Analysis of Expenditure by Sub-Heads

Sub-Head	Description	Original Estimates	Total Provisions after virement	Actual Expenditure	(Over) / Under Estimates	(Over) / Under Provisions
		(a) Rs	(b) Rs	(c) Rs	(a-c) Rs	(b-c) Rs
6105	Empowerment and Placement of Job Seekers	8,276,000.00	6,392,988.11	6,385,790.78	1,890,209.22	7,197.33
6106	Consumer Protection	4,390,000.00	3,639,537.64	3,634,044.21	755,955.79	5,493.43
7-1	COMMISSION FOR AGRICULTURE, ENVIRONMENT, FISHERIES, MARINE PARKS AND FORESTRY	411,883,000.00	485,867,846.68	453,558,768.82	(41,675,768.82)	32,309,077.86
7-1	AGRICULTURE	162,063,000.00	182,683,322.84	167,474,014.63	(5,411,014.63)	15,209,308.21
7101	General	16,303,000.00	22,153,524.80	22,105,827.59	(5,802,827.59)	47,697.21
7102	Crop Production	80,927,000.00	77,535,848.39	62,528,217.80	18,398,782.20	15,007,630.59
7103	Livestock Production	45,433,000.00	67,912,528.94	67,887,473.72	(22,454,473.72)	25,055.22
7104	Extension and Marketing Services	19,400,000.00	15,081,420.71	14,952,495.52	4,447,504.48	128,925.19
7-2	ENVIRONMENT	249,820,000.00	303,184,523.84	286,084,754.19	(36,264,754.19)	17,099,769.65
7201	General	10,211,000.00	9,177,254.13	9,151,473.18	1,059,526.82	25,780.95
7202	Environment Protection and Conservation	78,932,000.00	93,712,241.95	88,366,359.36	(9,434,359.36)	5,345,882.59
7203	Sustainable Fisheries Development	104,511,000.00	140,022,546.67	139,662,018.37	(35,151,018.37)	360,528.30
7204	Marine Parks	9,416,000.00	9,024,010.95	8,974,704.75	441,295.25	49,306.20
7205	Reafforestation and Protection of Endangered Species	46,750,000.00	51,248,470.14	39,930,198.53	6,819,801.47	11,318,271.61
8-1	COMMISSION FOR YOUTH AND SPORTS, ARTS AND CULTURE, LIBRARY SERVICES, MUSEUM, ARCHIVES AND HISTORICAL SITES AND BUILDINGS	145,349,000.00	159,130,519.58	158,184,911.44	(12,835,911.44)	945,608.14
8101	General	16,370,000.00	17,523,470.57	17,465,499.82	(1,095,499.82)	57,970.75
8102	Youth Empowerment, Youth Recreational and Community Based Programmes	25,601,000.00	27,771,062.40	27,724,510.92	(2,123,510.92)	46,551.48
8103	Promotion of Sports and Sports for All	74,621,000.00	81,779,129.70	81,443,930.52	(6,822,930.52)	335,199.18
8104	Promotion of Arts and Culture	18,725,000.00	18,961,776.57	18,565,964.65	159,035.35	395,811.92
8105	Library Services	7,277,000.00	9,455,589.91	9,393,334.76	(2,116,334.76)	62,255.15
8106	Museum, Archives, Historical Sites and Buildings	2,755,000.00	3,639,490.43	3,591,670.77	(836,670.77)	47,819.66
9-1	CONTINGENCIES AND RESERVES	30,000,000.00	-	-	30,000,000.00	-
9101	Contingencies	30,000,000.00	-	-	30,000,000.00	-
	TOTAL EXPENDITURE	4,650,000,000.00	4,721,077,627.00	4,644,430,036.52	5,569,963.48	76,647,590.48

27 September 2022



Johnson ROUSSEY, GOSK
Chief Commissioner

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