



**MAURITIUS NATIONAL ASSEMBLY**

# **First Report of the Public Accounts Committee Report**



Sixth National Assembly  
First Session  
First Report  
13 October 2015

## ***Table of Contents***

	<b><i>Pages</i></b>
<b>1.0 Establishment of the Committee</b>	<b>3</b>
<b>2.0 Secretarial Assistance</b>	<b>4</b>
<b>3.0 Meetings</b>	<b>4</b>
<b>4.0 Introduction</b>	<b>5</b>
<b>5.0 Findings and Recommendations</b>	<b>6</b>
<b>5.1 Prime Minister's Office</b>	<b>6</b>
<b>5.1.1 Police Department</b>	<b>6</b>
<b>5.1.2 Rodrigues</b>	<b>8</b>
<b>5.2 Ministry of Public Infrastructure, National         Development Unit, Land Transport and Shipping</b>	<b>10</b>
<b>5.2.1 National Development Unit</b>	<b>10</b>
<b>5.3 Ministry of Housing and Lands</b>	<b>11</b>
<b>5.4 Ministry of Health and Quality of Life</b>	<b>13</b>
<b>6.0 Conclusion</b>	<b>17</b>
<b>7.0 Acknowledgement</b>	<b>19</b>
<b>Appendices -</b>	
<b>I. Extract of the Standing Orders and Rules of the         National Assembly</b>	
<b>II. Pictures of Medical Stores in Coromandel!!</b>	

## 1.0 ESTABLISHMENT OF THE COMMITTEE

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

1.1 At the sitting held on Thursday 26 February 2015, Madam Speaker announced the appointment by the Committee of Selection which met on the same day, of nine Honourable to serve Your Committee as follows -

1.	Honourable Purmanund Jhugroo, MP, Chief Government Whip	Member
2.	Honourable J. H. Thierry Henry, MP, Parliamentary Private Secretary	Member
3.	Honourable Sangeet Fowdar, MP	Member
4.	Honourable Mrs M. C. Jeanne Monty, MP	Member
5.	Honourable Gowkaran Oree, MP	Member
6.	Honourable Kalyan Tarolah, MP	Member
7.	Honourable S. M. Aadil Ameer Meea, MP	Member
8.	Dr the Honourable M. Raffick Sorefan, MP	Member
9.	Honourable Ezra S. Jhuboo, MP	Member

1.2 Madam Speaker also nominated Honourable Alan Ganoo, MP, as Chairperson of Your Committee.

1.3 At the sitting held on Thursday 05 May 2015, Madam Speaker announced that Hon Alan Ganoo, MP, and Hon. Mohamud Raffick Sorefan, MP, had, by letters dated 24 April 2015, resigned from Your Committee. Madam Speaker thereafter announced that she had appointed Honourable Vedasingam Vasudevachariar Baloomoody, MP, as Chairperson of Your Committee and that the Committee of Selection, which met on 05 May 2015 in the morning, appointed Hon. Jean Claude Barbier as Member of Your Committee.

1.4 At the sitting held on Thursday 15 September 2015, Madam Speaker announced that Honourable Jean-Claude Barbier, MP, had, by letter dated 02 September, 2015 resigned from Your Committee. Madam Speaker thereafter announced that the Committee of Selection, which met on 15 September 2015, in the morning, appointed Hon. Jean Patrice France Quirin, MP, as Member of Your Committee.

## 2.0 SECRETARIAL ASSISTANCE

- 2.1 Your Committee was served by Mrs Bibi Safeena Lotun, Clerk of the National Assembly and Clerk to the Committee and was assisted by Ms Urmeelah Devi Ramchurn, Deputy Clerk.
- 2.2 Your Committee was also assisted in its duty by the Director of Audit and his representatives, the representatives of the Ministry of Finance and Economic Development and the Accountant General and his representatives.
- 2.3 Your Committee proceedings were taken down *verbatim* by officers of the Official Report (*Hansard*) Office.

## 3.0 MEETINGS

- 3.1 Your Committee held 21 Meetings on the following dates -

<u>Meetings</u>	<u>Date</u>
1 <sup>st</sup> Meeting	23 March 2015
2 <sup>nd</sup> Meeting	15 May 2015
3 <sup>rd</sup> Meeting	21 May 2015
4 <sup>th</sup> Meeting	28 May 2015
5 <sup>th</sup> Meeting	11 June 2015
6 <sup>th</sup> Meeting	18 June 2015
7 <sup>th</sup> Meeting	25 June 2015
8 <sup>th</sup> Meeting	02 July 2015
9 <sup>th</sup> Meeting	09 July 2015
10 <sup>th</sup> Meeting	16 July 2015
11 <sup>th</sup> Meeting	23 July 2015
12 <sup>th</sup> Meeting	30 July 2015
13 <sup>th</sup> Meeting	20 August 2015
14 <sup>th</sup> Meeting	3 <sup>rd</sup> September 2015
15 <sup>th</sup> Meeting	10 September 2015
16 <sup>th</sup> Meeting	17 September 2015
17 <sup>th</sup> Meeting	01 October 2015
18 <sup>th</sup> Meeting	08 October 2015
19 <sup>th</sup> Meeting	09 October 2015
20 <sup>th</sup> Meeting	12 October 2015
21 <sup>st</sup> Meeting	13 October 2015

## 4.0 INTRODUCTION

4.1 At its first meeting, Your Committee unanimously agreed to work collectively to fulfill its duty as provided for under Standing Order 69(2) which is as follows -

*“It shall be the duty of the Committee to examine the audited accounts showing the appropriation of the sums granted by the Assembly to meet public expenditure and such other accounts laid before the Assembly as the Assembly may refer to the Committee together the Director of Audit’s Report thereon.*

4.2 Your Committee reflected that its main work was to examine the Director of Audit’s Reports which are concerned with the economy, efficiency and effectiveness with which Government departments and other bodies have used their resources to further their objectives.

4.3 After having taken cognizance of the Reports of the previous Public Accounts Committees whereby the restricted mandate of the Public Accounts Committee was highlighted, Your Committee undertook an overview of the practice and procedure currently in place in the Southern African Development Community and in the Commonwealth legislatures, unanimously resolved that both the Standing Orders and Rules of the Standing Orders and the National assembly (Powers, Privileges and Immunities) Act needed to be revisited in order to make the Public Accounts Committee more effective.

4.4 Your Committee held meetings with the Director of Audit, the Solicitor General, the representatives of the Financial Secretary, the Accountant General, the Director of the Independent Review Panel, the Director of the Procurement Policy Office, the Director of the Central Procurement Board to have their views.

4.5 Your Committee examined the Reports of the Director of Audit for the years ended 31 December 2012 and 2013 respectively on the accounts of selected Ministries.

4.6 Your Committee invited the Accounting Officers of the following Ministries while examining the Reports of the Director of Audit on the Accounts of the Republic of Mauritius for the years ended 30 December 2012 and 2013 in relation to their respective Ministries -

- (1) Prime Minister’s Office - Police Department ;
- (2) Ministry of Public Infrastructure, National Development Unit  
Land Transport and Shipping - National Development Unit;
- (3) Ministry of Housing and Lands ; and
- (4) Ministry of Health and Quality of Life

4.7 Your Committee had, in the course of the examination of the different Ministries, made some findings and proposes recommendations accordingly.

## **5.0 FINDINGS AND RECOMMENDATIONS**

### **5.1 Prime Minister's Office**

#### **5.1.1 Police Department**

5.1.1.1 Your Committee noted that, in both Reports of the Director of Audit for the years 2012 and 2013, serious adverse remarks were made with regards to procurement at the Police Department, namely -

- the procurement process at the Mauritius Police Force continue to use the same inappropriate procedure which led to excessive cancellation of bids;
- extensive delays between launching of bids and delivery of items;
- inappropriate specifications of bid items ;
- cost estimates not properly calculated; and
- incomplete database of potential suppliers.

5.1.1.2 Your Committee was alarmed at the extent of weaknesses and shortcomings of the Procurement Department's Financial and Project Management System.

5.1.1.3 Your Committee noted with serious concern that the present procedure is inefficient, thus leading to cancellation of nearly 30% of the procurement exercises resulting in waste of significant resources and variances between the cost estimates and the bids.

5.1.1.4 Your Committee viewed with concern the number of cancellation of bids, the more so, when it was informed by the Police Department that whenever bids are cancelled, purchases are carried out on a fast track, thus not necessarily transparent, leaving it uncertain as to whether value for money is being obtained.

5.1.1.5 However, Your Committee was informed that on the 6<sup>th</sup> August 2013, guidelines were issued to the Procurement Department of the Police Department and that, following remarks made by the auditors recently, the Procurement Department has been provided with a Tender Register. Your Committee is disappointed that it took so long for the said department to be issued with such a register.

5.1.1.6 Given the substantial amount of public funds involved at the Procurement Department of the Police Department, Your Committee expects clear evidence that in future whatever procurement process is adopted it must be ensured that it represents the best and most effective option that would lead to the optimum use of public funds.

### **Records of Assets**

- 5.1.1.7 Your Committee noted with concern the extent of weaknesses and shortcomings with regard to the record of the assets owned by the Police Department.
- 5.1.1.8 According to the Reports of the Director of Audit 2012 and 2013, the Police Department did not hold a Master Inventory or Assets Register showing a complete list of all its assets.
- 5.1.1.9 Your Committee found this state of affairs unacceptable, the more so, as Your Committee was informed that, since 2008, there was at the Police Department, an Asset Management Office which recorded the assets manually and that, it was only now that it was in the process of being computerised and that they were still looking for the appropriate software.
- 5.1.10 Your Committee was deeply concerned with the unacceptable delay in undertaking the computerisation of the Asset Management Office, being given that more than one billion rupees of public funds are involved in the acquisition of assets for the Police Department every year.

### **RECOMMENDATION**

- 5.1.1.11 Your Committee strongly recommends that, as a matter of urgency, the Police Department should take immediate actions so as to computerise the Asset Management Office, at the earliest, and to ensure that the officers are sufficiently trained to manage and operate same.

### **Helicopters**

- 5.1.1.12 Your Committee noted with concern that due to the old age of the five helicopters owned by the Mauritius Police Force, to the unavailability of spare parts and to the high costs of maintenance thereof, the operating capacity of the said helicopters has been reduced.
- 5.1.1.13 Your Committee was informed that a project for the acquisition of new helicopters is being envisaged.

### **RECOMMENDATION**

- 5.1.1.14 Your Committee strongly recommends take all appropriate actions be taken for the prompt acquisition of new helicopters, as a matter of urgency.

## **5.1.2 Rodrigues**

- 5.1.2.1 Your Committee visited to Rodrigues where several meetings and site visits were held with regard to the departments mentioned in the Director of Audit Reports of fiscal years 2012 and 2013.
- 5.1.2.2 Your Committee wishes to thank the Rodrigues Regional Assembly for all the support provided during our visit.
- 5.1.2.3 Your Committee also paid a courtesy call on the Chief Officer of Police, after which meetings were held with the Acting Island Chief Executive and the Departmental Heads.
- 5.1.2.4 Your Committee also had a meeting with the Members serving on the Public Accounts Committee of the Rodrigues Regional Assembly and they were reassured that the queries of Your Committee would be strictly limited to those departments mentioned in the Reports of the Director of Audit.
- 5.1.2.5 Your Committee agreed with the Members of the Public Accounts Committee of Rodrigues Regional Assembly to build a closer working relationship between the two Public Accounts Committees with regard to capacity building and to enhance the effectiveness of both Committees.

### **Agriculture**

- 5.1.2.6 Your Committee visited the St Gabriel Breeding Station and was concerned with the fact that all the equipment was standing idle and had remained un-utilised since August 2012.
- 5.1.2.7 Your Committee was further informed that even if cows were available for milking, these apparatus would never be used to full capacity.
- 5.1.2.8 Your Committee found it unacceptable that public funds had been used in such a project which is being mismanaged now.

### **RECOMMENDATION**

- 5.1.2.9 Your Committee recommends a fundamental review of the whole process and of its strategy.

### **Slaughter House**

- 5.1.2.10 Your Committee notes with concern that although Rs 44 million of public funds have been paid for a project of a contractual value of Rs 56.2 million, the slaughter house is still not in operation.
- 5.1.2.11 Considering the cost of the said project, Your Committee is not convinced that we are getting value for money.

## RECOMMENDATION

5.1.2.12 In view of the exorbitant amount of public funds already injected in the project, Your Committee recommends that urgent actions be taken in order to make the slaughter house become operational.

### Health

5.1.2.1. Your Committee was impressed by the management, the standard of care, the cleanliness and by the Catering Department of the Queen Elizabeth Hospital, the more so, in spite of the limited human resources available, both medical and non-medical.

## RECOMMENDATION

5.1.2.14 Your Committee recommends that a qualified and registered pharmacist be recruited urgently and that the storage of pharmacy stock be computerised for better control.

### Procurement of five fibre glass fishing boats - Rs 52.8 m.

5.1.2.15 Your Committee found it unacceptable the way these projects were handled by the authorities and noted that no robust action is being taken by the authorities to get back the loan.

5.1.2.16 Your Committee noted with much concern that there is no record or any register to justify the amount of fish and that management and oversight of the said project is unacceptably poor.

## RECOMMENDATION

5.1.2.17 Your Committee recommends that the whole project be reviewed, professionally managed and monitored.

### Procurement of Six Outer Lagoon fishing boats

5.1.2.18 Your Committee noted with deep concern that the project has been handled in an amateurish way and that public fund has been used abusively giving the impression that it was a tailor-made project to protect a few with complete disregard of the public at large.

## RECOMMENDATION

5.1.2.19 Your Committee recommends that urgent actions be taken to review the whole project in order to ensure that no additional public funds are wasted in this project.

5.2. **Ministry of Public Infrastructure, National Development Unit,  
Land Transport and Shipping**

**National Development Unit**

5.2.1 Your Committee noted with much concern that there have been substantial delays with regard to the numerous projects undertaken by the National Development Unit.

5.2.2 Your Committee found it unacceptable that, with regard to projects implemented under the Emergency Rehabilitation Programmes –

- there had been delays up to 675 days – for example, out of 17 projects which were allocated without competition, in February 2013 and amounting to 569 millions, 8 of them amounting to 307 millions had not been completed by December 2013;
- 6 other projects awarded during July 2011 to March 2013, contracts amounting to 48 millions were not completed by 31 December 2013 thereby causing considerable delay 29 months.

5.2.3 Your Committee could only come to the conclusion that the authorities used the flash floods of 2013 as an excuse to make an abuse of the Emergency Rehabilitation Programmes, thereby allocating contracts without any competition and feasibility study.

5.2.4 Your Committee noted the lack of coordination between the different departments, namely, the Central Water Authority, the Central Electricity Board, the Waste Water Management Authority, the Ministry of Housing and Lands and the local authorities which contributed to the inordinate delays in the completion of works.

5.2.5 Your Committee noted with serious concerns the principle adopted by the authorities to allocate contracts only to zonal contractors which resulted in bottlenecks thereby further contributing to the delays.

5.2.6 Your Committee noted with concern that, although in certain contracts, it was clearly stipulated that liquidated damages could be claimed in case of delay, the authorities failed to avail themselves of such a clause, thereby resulting in a shortfall for government. However, in exceptional cases where liquidated damages were claimed, the amount was undervalued.

5.2.7 Your Committee noted that, with regard to certain contracts, the performance bonds submitted by the contractors were not compliant with the increasing value of the contracts resulting in inadequacy of funds available for compensation.

- 5.2.8 Your Committee took cognizance of the fact that delays were tolerated for a few contracts even without prior approval for the extension of time by the authorities concerned, thereby giving the impression that certain contractors were being favoured.

### **RECOMMENDATIONS**

- 5.2.9 Your Committee recommends that –
- the concept of Emergency Rehabilitation Programmes be revamped in order to ensure transparency and better use of public funds;
  - a proper mechanism be put in place in order to ensure a better coordination between the various departments concerned , namely, the Central Water Authority, the Central Electricity Board, the Waste Water Management Authority, the Ministry of Housing and Lands and the local authorities in order to ensure an effective management oversight of projects;
  - the whole process of allocating contracts to zonal contractors be reviewed in order as to ensure that the awards be more competitive and transparent; and
  - a Project Monitoring Committee be set up in order to ensure that management get the proper information to monitor projects in real time in order to avoid considerable delays and to ensure that the performance bond is adequate and that liquidated damages be claimed in cases where there are delays in the implementation of contracts.

## **5.3 MINISTRY OF HOUSING AND LANDS**

### **Missing Files**

- 5.3.1 Your Committee was informed by the auditors that they could not carry out a proper audit inasmuch as the files requested by them were not made available to them by the Ministry.

### **RECOMMENDATION**

- 5.3.2 Your Committee found it unacceptable that the auditors were impaired by the Ministry in carrying out the audit exercise and strongly recommends that the Ministry should ensure that the auditors get free access to all files and whatever information requested should be made available forthwith.

### **Arrears in Payments of State Land leases**

- 5.3.3 Your Committee noted that there was agreement between all the parties concerned that there was a total amount of arrears in the sum of Rs 409 millions owed to government.
- 5.3.4 Your Committee noted with concern the selective way in which reminders were sent to the occupiers of State Land when it came to the arrears, leaving the perception that some were more favoured than the others, especially, when Your Committee was informed by the auditors that a senior financial operations officer who is responsible for the revenue item was also the officer who selected the cases that had to be referred to the Attorney General Office for prosecution, which left no room for transparency and internal check.
- 5.3.5 Your Committee was alarmed by the extent of the accumulated arrears and as to the actual procedure and practice in place for the recovery thereof.

### **Recovering of arrears**

- 5.3.6 Your Committee noted that, although a new mechanism was set up with a view to putting pressure on the lessees to ensure compliance towards the payment of obligations, out of 62 cases entered in courts, only eight lessees had settled their arrears for an amount of Rs 483 000 only. The other cases are still being considered for judicial action as no proper follow-up is carried out at the level of the Ministry.

### **RECOMMENDATIONS**

- 5.3.7 Your Committee recommends that a special unit be set up at the Ministry and that it be sufficiently resourced by professionals in order to ensure that all the terms and conditions of the lease agreements are adhered to and that legal action be initiated, at the earliest, whenever so required.
- 5.3.8 Your Committee also recommends that a Register be kept where all the entries with regard to the lease agreements are entered for easy access in order to ensure that timely actions be taken, as appropriate.

### **Allocation of State Land**

- 5.3.9 Your Committee noted that there has been an abuse and lack of transparency in the allocation of State Land.
- 5.3.10 Your Committee was informed that, presently, forty-one such cases are being investigated, either by the Land Fraud Squad of the Central Criminal Investigations Division or by the Independent Commission against Corruption.

## **RECOMMENDATION**

5.3.11 Your Committee recommends that there be a fundamental review of the whole procedure for the allocation of State Land which should be more transparent and accountable.

### **5.4 MINISTRY OF HEALTH AND QUALITY OF LIFE**

#### **Capital Works**

5.4.1 Your Committee noted with serious concern the delays in the completion and handing over of Block C of the Flacq Hospital.

5.4.2 Your Committee noted that, although serious defects were left unattended, payments to the contractors were released and the Liquidated and Ascertained Damages were not deducted from the payments.

5.4.3 Your Committee also noted that there were much confusion regarding the role and responsibilities of the different parties involved.

## **RECOMMENDATIONS**

5.4.4 Your Committee recommends that clear guidelines be spelt out and made available to all so that immediate actions are taken to avoid delays and waste of money.

5.4.5 Your Committee further recommends that the roles and responsibilities of those concerned with projects be clearly defined and that the accountability and reporting lines be clearly stated.

#### **Rent of Building near the Dr A.G. Jeetoo Hospital**

5.4.6 Your Committee noted, with regards to the construction and refurbishment works carried out at the Dr A.G. Jeetoo Hospital, five storey building was rented since 2010 at Rs 310,000 per month without proper planning and that the said contract was subsequently renewed without the prior advice of the State Law Office being sought and obtained and without the financial clearance of the Ministry of Finance and Economic Development being sought and obtained.

5.4.7 Your Committee found that, by adopting such unreasonable courses of action, the Ministry had ended in renting two floors which remained unutilized, thereby causing considerable waste of public funds.

## **RECOMMENDATION**

5.4.8 Your Committee recommends that all contracts and agreements are sent to the State Law Office for advice and where appropriate, to the Valuation Office, before signature in orders to ensure that public funds are judiciously used.

### **Purchase of vehicles to be converted as ambulances**

5.4.9 Your Committee noted with dismay that, with regard to the ambulances, the Ministry acquired vehicles which were not equipped with passenger seats and subsequently, conversion works had to be carried out before the ambulances could be used.

5.4.10 Your Committee noted that the whole process, although qualified as urgent, took nearly two years and was incomplete. The vehicles, although not all converted as ambulances, were used for other purposes, such as, for the Vaccination Programmes and the Methadone Substitution Therapy Programme.

5.4.11 Your Committee noted that the converted vehicles were not legally recognized by the Police and the other authorities as ambulances running on the road.

5.4.12 Your Committee was not convinced as to whether, for the acquisition of an ambulance, the Ministry had to have recourse to such a procedure.

## **RECOMMENDATION**

5.4.13 In the light of the above, Your Committee recommends that the whole policy with regard to the acquisition of ambulances, most specifically the conversion of passenger vehicle into ambulances, be reviewed.

### **Procurement and storage of Pharmaceutical Products**

5.4.14 Your Committee noted with great concern that -

- ❖ due to lack of management information necessary to monitor the procurement exercise, the purchase of drugs was done in such a diversified way which might lead to malpractices and the perception that certain suppliers were being favoured at the expense of others;
- ❖ drugs were purchased on the local market at much higher prices and in certain cases the prices for procuring same at almost 72 times more had the said drugs being procured by the Central Supplies Division;

- ❖ in several cases, the Ministry had had recourse to split purchases in order to avoid quotation process contrary to existing procurement procedures;
- ❖ the stock control of drugs was done manually, that is, without the use of a proper computerised system, thus leading to inaccurate procurement and high level of stock;
- ❖ the system of procurement had therefore led to the fact that an accumulated amount of expired drugs to the tune of 95 million rupees are presently lying in the medical store, since 2006;
- ❖ drugs are being stored in a dilapidated building which is not fit for the purpose (Annexes II, III & IV)

#### Site visit at the medical store at Coromandel

Your Committee effected a site visit main store of the Ministry, in the presence of the officers of the Ministry of Health and Quality of Life, on the 14<sup>th</sup> of July 2015, at 1.30 p.m., located at the Sunray Buildings, in Coromandel, and noted the following, with much concern -

- (a) the warehouse was in a dilapidated state;
  - (b) no record of stock held was held;
  - (c) generally, the warehouse was poorly ventilated and the air conditioning system was out of order;
  - (d) the ceiling of the warehouse presented visible cracks resulting in water leakages, thereby representing potential hazards to the employees and to the stock;
  - (e) there were no appropriate racks to stock the boxes of drugs which were piled one upon the other on the floor;
  - (f) there was no power supply in Block B;
  - (g) some boxes containing drugs were wet and damaged and the expiry dates were not visible; and
  - (h) medical equipment donated by different organisations were never used and kept idle.
- ❖ expired drugs are still stored at the stores involving high storage costs and a waste of public funds.

### **RECOMMENDATIONS**

5.4.15 Your Committee recommends that it would be beneficial to all the parties concerned that the current procurement structures be reviewed in order to improve both the procurement and stock taking procedures.

- 5.4.16 Your Committee recommends that a proper stock control system be introduced urgently in order to minimize storage costs.
- 5.4.17 Your Committee recommends that a new building to be constructed in a region with appropriate climatic conditions that suit the storage of drugs.
- 5.4.18 Your Committee recommends that the purchase of an incinerator should be envisaged for the disposal of drugs in order to avoid unnecessary costs related to its storage.

#### **Procurement of Security Services**

- 5.4.19. Your Committee noted that despite numerous shortcomings the same service provider has been selected to provide security services. The Ministry has acknowledged the fact that the services provided were unsatisfactory.

#### **RECOMMENDATIONS**

- 5.4.20 Your Committee recommends that a bid for the provision of security services be launched, at the earliest, so that haphazard selection can be avoided.
- 5.4.21 Furthermore, Your Committee recommends that the decision to recruit its own security staff be reconsidered.

#### **Register of Fixed Assets**

- 5.4.22 Your Committee noted with concern that high value assets purchased were not properly recorded and cannot be traced after they have been put in use.

#### **RECOMMENDATION**

- 5.4.23 Your Committee recommends that a proper Fixed Assets Register be kept in order to have a proper control on the assets of the Ministry.

## 6.0 CONCLUSION

- 6.1 Your Committee observed that the mandates and practices of Public Accounts Committees vary from legislature to legislature amongst countries, within both the SADC and the Commonwealth.
- 6.2 Your Committee took note that the current Public Accounts Committee derives its powers under 69(2) of the Standing Orders and Rules of the National Assembly.
- 6.3 Your Committee -
- is constituted of ten Members of Parliament, both from Government and Opposition sides.
  - is chaired by a Member of the Opposition
  - examines audited accounts showing the appropriation of the sums granted by the Assembly to meet public expenditure
  - is mandated to examine such other accounts laid before the Assembly as the Assembly may refer to the Committee together with the Director of Audit's report thereon.
  - meets regularly and the proceedings are attended by the Director of Audit and/or her representatives, by the representatives of the Ministry of Finance and Economic Development, by the Account General and/or by his representatives and by the Accounting Officers of Ministries and Departments and their representatives to give evidence.
  - meetings are held in camera without any disclosure of the proceedings
  - the Clerk of the National Assembly currently service the meetings and act as Secretary.
- 6.4 Your Committee noted with regret that the mandate of the Public Accounts Committee of the Mauritius National Assembly has not been revised over the past 30 years and that its current mandate and legal powers no longer suit the current Public Finance Management Framework, especially, after the introduction of the Programme Based Budgeting.
- 6.5 Your Committee firmly believes that a successful Public Accounts Committee is one that is effective on exercising oversight over public finances and that the key to an effective Public Accounts Committee is a formal and clearly defined framework of powers and practices.

- 6.6 Your Committee observes that, both the Commonwealth and the Southern African Development Community have evolved as to the key features of the Public Accounts Committees in order to be more effective, in view of the over changing public finance management so as to be in line with international good practices and good governance.
- 6.7 In the light of the worldwide developments in Public Accounts Committees and in view of the Public Finance Management Framework currently in place, Your Committee strongly feels that its mandate ought to be revised and broadened beyond examining National Audit Reports.
- 6.8 Your Committee therefore recommends the following proposed amendments to be introduced to the Standing Orders and Rules of the Standing Orders and the National Assembly (Powers, Privileges and Immunities) Act, as appropriate, to provide for the following -
- (1) Procedures for conducting public hearings and the press/media be allowed to cover the meetings.
  - (2) The Reports of the Public Account Committee which are laid on the table of the National Assembly to be debated in the House, so as to allow appropriate actions to be taken against officers who have breached standard practice and procedure, thereby causing a waste of public funds.
  - (3) The mandate of the Public Account Committee should include the examination of expenditure incurred by private companies which are wholly or partly owned by Government, by local authorities and by parastatal bodies, including, all the accounts audited by the National Audit Office, inasmuch as public funds are involved therein.
- 6.9 Your Committee also forcefully recommends that it be given the necessary means to carry out its mandate by being supported by a Secretariat which is adequately resourced in terms of professional and support staff.
- 6.10 Your Committee invites all those who have authority to bring in the necessary reforms, as highlighted in this Report, with the ultimate objective of rendering the Public Accounts Committee more efficient in its monitoring and evaluation function, to do so, in the best interests of the people whom we, as representatives of the people, have been elected to serve.

## 7.0 Acknowledgment

- 7.1 Your Committee would like to express its thanks to the Director of Audit and his representatives, the Financial Secretary and his representatives and the Accountant-General and his representatives who provided assistance to Your Committee
- 7.2 Your Committee is also thankful to the Clerk of the National Assembly and to the officers of the National Assembly who have attended Your Committee.

**Hon. Vedasingam Vasudevachariar Baloomoody, MP,**  
***Chairperson of the Public Accounts Committee***

***13 October 2015***

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

**(2) Public Accounts Committee**

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

**MEDICAL STORE AT COROMANDEL**



**DESALINATION PLANT AT ANSE AUX ANGLAIS**



**SLAUGHTER HOUSE**



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**Designed by the National Assembly**  
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