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Rehabilitation of Regional Referral Hospitals in Uganda: What should be done differently?

Overview

Uganda has a total of 14 Regional Referral Hospitals (RRHs) which include Arua, Fort Portal, Gulu, Hoima, Jinja, Kabale, Lira, Masaka, Mbale, Mbarara, Moroto, Mubende, Naguru and Soroti.

The Rehabilitation of Referral Hospitals project was introduced in 2008 and is expected to end in June 2020 (PIP, FY 2013/14-2015/16). The main objectives of the project are; to rehabilitate dilapidated and construct vital infrastructure including accommodation for staff; adequately equip hospitals with medical, office equipment and furniture; and to provide alternative/backup power and water sources.
Thirteen referral hospitals were monitored (2009-2014) by the Budget Monitoring and Accountability Unit (BMAU), with the exception of Naguru. During these visits, a number of challenges were established that hinder effective project implementation.

This policy brief highlights critical challenges to rehabilitation of RRHs and makes recommendations on what should be done differently to foster effective project implementation within the stipulated timelines.

Key Issues

- Delays in procurement especially clearance from the Solicitor General hampers timely commencement of planned works.
- Poor planning by hospital administrations on the number of projects to be undertaken annually with available funds.
- Budget cuts leading to persistent rollover of construction projects in subsequent financial years.
- Limited capacity of local contractors to construct health facilities to desired standards
- Limited capacity of local consultants to generate appropriate designs and comprehensive Bills of Quantities. This was worsened by the inadequate scrutiny by the Ministry of Health that approved some of these designs and BOQs.

Introduction

Regional Referral Hospitals offer specialist clinical services such as psychiatry; Ear, Nose and Throat (ENT); ophthalmology, higher level surgical, medical services, and clinical support services (laboratory, medical imaging, and pathology). They are also involved in teaching and research. All regional hospitals face a number of challenges including lack of vital equipment and infrastructure like staff housing.

In February 2013, it was established that Soroti Regional Hospital had 222 of the 287 staff living outside the hospital and moved over 12 kilometres daily to work. In Gulu Regional Hospital, only 50 out of the 359 staff live in the hospital houses. Fort Portal Regional Hospital has accommodation for only 70 out of 338 Staff. In Masaka Regional Hospital, only 86 out of 315 staffs are accommodated in the hospital's poor structures. Such shortfalls led to introduction of rehabilitation of referral hospitals project in Uganda.

Since 2008, Over Ug shs 91.91bn was released to the project (See table 1) and a number of achievements have been registered including construction of all medical wards at Masaka Hospital, a private wing at Kabale hospital, staff houses at Fort portal, Arua, Hoima, and Gulu RRHs among others.

Restocking of RRHs with assorted medical equipment, office furniture and vehicles has also been done to some extent.

Table 1: Budgets and releases for rehabilitation of RRHs (2009-2013)

FY	Budget (Ugshs Bn)	Release (Ug shs Bn)	Difference between Budget & Release *(Ug shs Bn)*
2008/09	16.00	15.36	0.637
2009/10	17.00	16.81	0.19
2010/11	18.43	15.91	2.52
2011/12	17.05	15.77	1.28
2012/13	16.7	11.16	5.54
2013/14	16.9	16.9	-
Total	102.08	91.91	10.167

***Source:* IFMS, Legacy system and BMAU monitoring reports (2000-2014)**

Despite the achievements, project implementation has faced several challenges discussed below;

Critical challenges affecting rehabilitation of RRHs

- **Poor planning;** a number of hospitals undertake several construction projects with limited financial capacity. This compromises timely completion of projects since resources are spread across a number of activities. For example Kabale RRH undertook a number of rehabilitation and construction works as well as restocking of the hospital with assorted medical equipment, furniture and vehicles during FY 2011/12. This partly led to rolling over of construction works of the private wing to date (June 2014).

  The 160 bed medical ward completed three years ago in Arua RRH could not be used due to lack of an adjacent lagoon. The planning process left out some stakeholders like local communities in the neighborhood who have since protested against establishment of the lagoon.

- **Poor quality or inappropriate designs and Bills of Quantities** (BoQs) submitted and approved by project consultants. For example in Hoima RRH, designs for staff houses missed key aspects such as windows. This resulted in contract variations amounting to over Ug shs.400 million to cater for unbudgeted works.

- **Delayed payment of contractors** leading to accumulation of interest and project cost overruns. A total of Ug shs 67,742,593 worth of interest accrued to the contractor for the construction of staff quarters at Mbale Referral Hospital. It remained unpaid as at the end February 2014 hence attracting more interest. This anomaly was worsened by absenteeism of the senior accountant to effect timely payments to contractors.

- **Inadequate financial and technical capacity of contractors** to undertake construction works within the specified timeframes. This has over the years affected both the quality of works and timely completion of projects. Examples of poor quality works include; Large cracks in the walls and floors of the newly constructed staff houses in Moroto Referral Hospital.

- **Delayed procurement in several hospitals:** commencement of a number of contracts was awaiting clearance from the Solicitor General. Under staffing of Procurement and Disposal Units (PDU) within the hospitals partly contributed to the delays and implementation of planned activities.

- **Budget cuts** undermine planning processes leading to persistent rolling over of projects into subsequent financial years. Table 1 indicates the difference between budgets and releases over the years. This led to rolling over of construction projects and disorganized implementation of planned projects.

CONCLUSION

The main bottlenecks to rehabilitating RHHs are poor planning, procurement delays, and inadequate capacity of contractors among others. The implementing agencies could do things differently by properly prioritizing activities, early initiation of procurement processes and effective scrutiny of the competencies of contractors prior to contract award. All stakeholders involved in project planning and implementation should collaborate to facilitate timely implementation of planned activities.

Key Recommendations

- The Ministry of Finance should ring fence funds for rehabilitating RRHs so that all approved budgets are actually released.

  Failure to do so should be communicated to implementing agencies in a timely manner to allow them adjust their work plans. This will improve the planning and budgeting processes at hospital level as well project implementation.

- Boards of Referral hospitals should approve well prioritized work plans to ensure that hospitals focus on a few construction activities each FY based on available funds.

- Ministry of Health should ensure that design consultants develop adequate designs and BoQs. Hospitals should also closely monitor contractors to ensure good quality works in line with set designs and standards.

Left; Newly constructed 6 unit staff quarters. Middle; Cracks in the walls of the staff quarters and Right; incomplete VIP latrine at Moroto Referral Hospital.

- Accounting officers that fail to adhere to PPDA timelines should be reprimanded by appointing authorities.
- Accounting officers of Referral Hospitals who have inadequate PDUs should hire services of neighbouring institutions.
- Ministry of Health in collaboration with the Public Procurement and Disposal of Public Assets Authority (PPDA) should develop a punitive mechanism for design consultants who fail to include all critical aspects in their designs. For example, they could be blacklisted and banned from offering their services for a specified period of time.
- Accounting officers and appointing authorities should reprimand officials causing losses to government resulting from accumulation of interest on delayed payments to contractors. Contract management should be part of the performance appraisal of the concerned officials.
- Contractors that persistently fail to deliver good quality works in specified timeline should be forwarded to PPDA for black listing.

References

1. BMAU: Quarter 2 Budget Monitoring Reports FY 2013/14

2. HURINET: The State of Regional Referral Hospitals in Uganda-February 2013

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