

Housing Authority Presentation Public Accounts Committee 2015 annual report.

Wednesday 6th June 2018

Role & Objectives

- “Helping Fijians own affordable homes”
- Reinforced by Government’s vision along with the objective of the Authority
- The Housing Act (Cap 267) sec 15 of 1955 with the **principal objective to provide housing accommodation to workers** in Suva, Lautoka and other prescribed areas while the act empowers the Authority to:
 - **to subdivide and develop any land acquired by or vested in it;**
 - to acquire land or buildings or any estate or interest therein
 - to let or lease any land or building vested in it, to be used for the purpose of any factory, warehouse, shop, workshop, school, place of worship or place of recreation which would, in the opinion of the Authority, be to the convenience or benefit of persons occupying houses provided by the Authority;
 - **by way of loan, guarantee or otherwise, to assist a worker to purchase a dwelling house, or discharge a debt secured on a dwelling-house, or erect, or effect substantial alteration, improvement or extension to.**
Salary threshold \$7,000.00 per annum from 1960, \$16,500 per annum than to \$50,000 per annum from 2003

Role & Objectives

- Further in Section 16 of the Housing Act stipulates that the Authority;
- **“Shall not be to make a profit but to enable the workers and their families to obtain accommodation suitable to their needs at the minimum cost without the Authority actually incurring a loss.”**

Role & Objectives

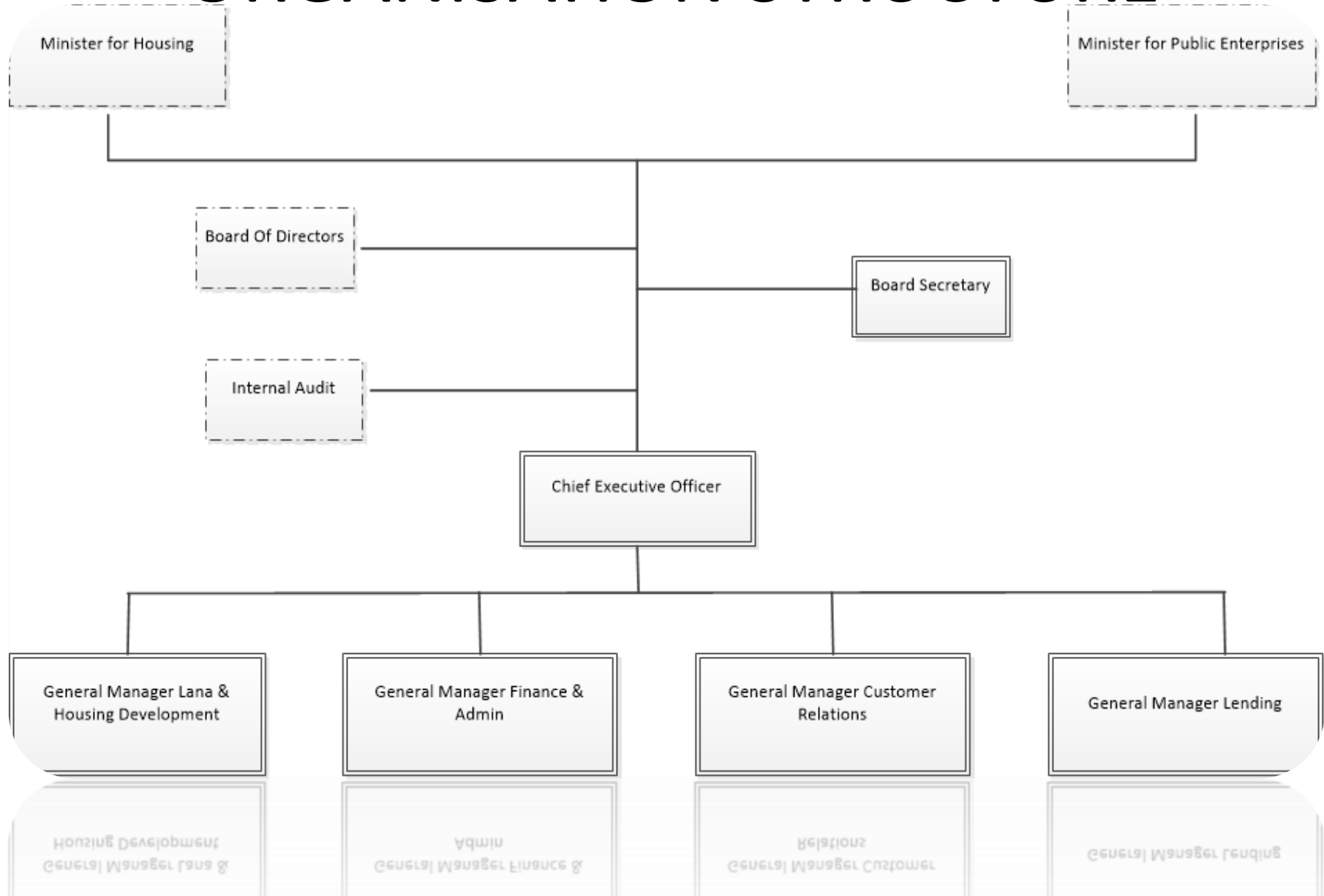
Public Enterprises Act, 1996

- The Authority was declared a **Commercial Statutory Authority (CSA)** and to be reorganized pursuant to Section 74 of the Public Enterprise Act 1996 operating along commercial principles. The purpose of the re-organization for the Authority:
- “To become more **efficient and productive, more accountable and better organized**”
- The Ministry of Public Enterprise is charged with the responsibility to monitor performance and some of their key expectations are as follows:
 - ✓ Housing Authority to **operate profitably**
 - ✓ Perform **social obligations** - government agency
 - ✓ Practise principles of good governance
 - ✓ Operate in a transparent and accountable manner

National Development Plan

- Authority corporate plan and strategic direction is aligned to the Governments 5year & 20 year development
- Supports long tern transformational plan
- Access to **affordable housing** through the construction of new housing units – self build/contractors. .
- Ensuring that more land is made available for **home construction and** help increase the supply of housing.
- Government will encourage both public and private investments in the provision of housing units with strata titles
- Vertical villages
- “The Housing Authority and Public Rental Board will ensure that more land is developed for residential lots and more affordable and accessible housing is provided”

ORGANISATION STRUCTURE



STRATEGIC DIRECTION

- Orbits around the vision, mission and corporate values

» Vision

- “Helping Fijians Own Affordable Homes”.

» Mission

- The purpose of Housing Authority is to be the premier producer of affordable and quality housing products and services through;
- - Development of affordable fully serviced lots and construction of affordable homes/units with - Affordable home loan packages to our low income customers - Building happy communities

» Corporate Values

- We will encounter all challenges to be the dynamic leader in housing
- We will provide excellent services promptly, effectively and courteously
- We will be innovative in meeting the needs of our customers and stakeholders
- We will understand, appreciate and involve all staff
- We will do business in a transparent, ethical and honest manner

STRATEGIC DIRECTION

- There are **financial and non-financial targets based on balance score card** structure representing the four perspectives which is aligned towards the strategic direction of the organization
 - to address the housing broken market breaking barriers that effect **“supply & affordability”**.
 - The focus is to ensure that lot prices and loan package are **“affordable”** and **“easily accessible”** to the low & middle income residents who are struggling to get on the housing ladder.
 - Concentration is to facilitate those earning \$17,500.00 to **\$30,000.00**.
(interest rates)

PLAN - STRATEGIC DIRECTION

- Provide affordable and equitable land supply and “design & build” houses including strata units.
 - Deliver and offer 1000 fully serviced lots per annum from its projects. -
 - 70% to 80% of the lots subsidized for the low & middles income residents.
 - Design and build houses/strata units are affordable to the low & middle income residents
- Provide innovative housing solutions to build integrated communities in the different urban centres around the country.
- Provide total financial solution for low income earners with household income of below \$50,000 per annum.
 - House plan
 - Services – Documentation & Registration

KPI

- Achieving the corporate objective which are social & commercial
- Focus on sustainability, growth/productive and service delivery
 - ✓ Operating surplus
 - ✓ Income stream
 - ✓ Growth – portfolio / Land bank
 - ✓ Projection execution
 - ✓ Working/Current ratio
 - ✓ Interest spread
 - ✓ Process improvement
 - ✓ Statutory Obligation
 - ✓ Customer satisfaction
- ✓ The matrix is being adopted for monitoring and assessment

CAPITAL PROJECT - 2017 to 2022

SUBDIVISION	DIV	Lot Yield	Project Cost (\$M)	Deliveries 2017	Deliveries 2018	Deliveries 2019	Deliveries 2020	Deliveries 2021	Deliveries 2022
Existing Project									
Matavolivoli	Western	402	13.91	401					
Nepani	Central	177	12.87	176					
Tacirua East - Phase 1A (Balance)	Central	120	3.20	120					
Tacirua East - Phase 3A (Site Office)	Central	15	2.00	15					
Tacirua East - Phase 2A (Site Office)	Central	346	15.29						
Strata Units- Wainibuku		176	24.28		88	88			
Sub - Total		1060	47.27	712	88	88	0	0	0
Projects Starting in 201718									
Davuilevu	Central	754	42.60		301	250	203		
Covata	Northern	108	3.80		108				
Koronisalusalu	Western	119	4.20		119				
Tavakubu	Western	541	29.81		372	169			
Sub - Total		1522	80.41	0	900	419	203	0	0
Projects at preliminary stages									
Veikoba	Central	856	40.00		100	250	250	256	
Waqadra	Central	653	28.20						200
Tulalevu	Western	106	4.59				106		
Natadola	Western	808	34.90			150	230	228	200
Waila City	Central	3636	157.07						
Nabuta	Central	212	9.18			212			
Caubati	Central	187	8.10				187		
Deuba	Central	35	1.53				35		
Sub - Total		6494	283.57	0	100	612	808	484	400
Subject To Land Acquisition									
Korovou (80 acres)	Central	648	24.47					340	348
Veikoba (300 acres)	Central	405	30.59					205	200
Tavakubu (64 acres)	Western	518	19.58						204
Sub - Total		1571	74.63	0	0	0	0	545	752
TOTAL		10647	486	712	1088	1119	1011	1029	1152

CAPITAL PROJECT - 2017 to 2022

SUBDIVISION	DIV	Lot Yield	Project Cost (\$M)	TOTAL 2017 (\$M)	TOTAL 2018 (\$M)	TOTAL 2019 (\$M)	TOTAL 2020 (\$M)	TOTAL 2021 (\$M)	TOTAL 2022 (\$M)
Projects Starting in 2017/18									
Davuilevu	Central	754	36.22	0.5	12	12	11.72		
Covata	Northern	108	5.00	0.5	2	2.5	0		
Koronisalusalu	Western	119	4.20	0.5	3.28	0.42	0		
Tavakubu	Western	541	29.81	0.5	7.5	16.83	4.98		
Strata Units- Wainibuku	Central	176	24.28		12.14	12.14			
Sub - Total		1698.00	99.51	2.00	36.92	43.89	16.70	0.00	0.00
Projects at preliminary stages								-	
Veikoba	Central	856	40.00	0.50	2.50	12.00	11.00	10.00	4.00
Waqadra	Central	653	28.20				-	-	8.40
Tulalevu	Western	106	4.59				4.13	0.46	-
Natadola	Western	808	15.00	0.50	2.00	3.00	5.00	4.50	
Waila City	Central	3636	157.07				-	-	-
Nabuta	Central	212	9.18			8.26	0.92	-	-
Caubati	Central	187	8.10			-	7.29	0.81	-
Deuba	Central	35	1.53			-	1.53	-	-
Sub - Total		6494	263.66	1.00	4.50	23.26	29.87	15.77	12.40
Subject To Land Acquisition						-			
Korovou (80 acres)	Central	648	24.47				-	12.00	12.00
Veikoba (300 acres)	Central	810	30.59				-	8.40	12.00
Tavakubu (64 acres)	Western	518	19.58				-	-	6.00
Sub - Total		1976	74.63				-	20.40	30.00
TOTAL		10168	438	3	41.42	67.15	46.57	36.17	42.4

LOT DELIVERY & SALES PROGRESS

[illegible]

LOAN PACKAGE INTEREST & RBF FACILITY

	TM3 - 5%	GHLP	TM1	DHL	DHL	TOTAL
2013	1,690,761.13	1,240,098.63				2,930,859.76
2014	3,304,315.55	2,659,035.40	2,645,342.14			8,608,693.09
2015	2,942,432.76	1,903,633.32	15,207,502.75			20,053,568.83
2016	2,615,635.43	1,584,065.02	26,629,318.84			30,829,019.29
2017	1,939,184.35	1,384,937.96	32,765,056.52	11,859.48		36,101,038.31
2018-May	1,825,923.60	1,182,804.05	31,161,187.87	2,584,865.82	10,998,018.11	47,752,799.45

No. of Customers-May	105	43	731	81	73	1033
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		GHLP	TM1	DHL	DHL	
1st Year		3.50%	3.95%	3.95%	3.95%	
2nd Year		4.40%	4.95%	4.20%	4.20%	
3rd Year		4.40%	4.95%	4.20%	4.20%	
4th Year		5.75%	4.95%	4.20%	4.20%	
5th Year		5.75%	4.95%	4.20%	4.20%	
6th Year- Variable		7.50%	7.50%	6.99%	6.99%	
2017		6.99%	6.99%	6.99%	6.99%	

HOUSING ASSISTANCE GRANT

HAG STATUS	2014		2015		2016		2017		2018 as at 04/6/18		TOTAL	
	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount
Year Approved												
2014	71	655,000									71	655,000
2015	16	145,000	81	640,000							97	785,000
2016			16	135,000	121	1,190,000					137	1,325,000
2017					75	685,000	121	1,095,000			196	1,780,000
2018					1	10,000	41	355,000	13	115,000	55	480,000
											0	-
Subtotal	87	800,000	97	775,000	197	1,885,000	162	1,450,000	13	115,000	556	5,025,000
Pending Approval									33	290,000	33	290,000
Pending Clarification											0	-
Subtotal	0	-	0	-	0	-	0	-	33	290,000	33	290,000
TOTAL	87	800,000	97	775,000	197	1,885,000	162	1,450,000	46	405,000	589	5,315,000

SOCIAL HOUSING POLICY

YEAR	NO	GOVT GRANT ASSISTANCE	HA ASSISTANCE	TOTAL
2011	90	530,483.06	865,823.64	1,396,306.70
2012	146	1,024,191.99	927,565.97	1,951,757.96
2013	73	886,915.77	742,190.57	1,629,106.34
2014	19	143,881.75	134,960.97	278,842.72
2015	30	201,753.31	272,367.53	474,120.84
2016	20	150,857.15	239,374.63	390,231.78
2017	19	160,429.66	405,184.19	565,613.85
TOTAL	397	3,098,512.69	3,587,467.50	6,685,980.19

STRATA UNITS

- Role as corporate body
 - Four strata unit locations
 - Edenville, Vesida, Cakau & Rogi
 -

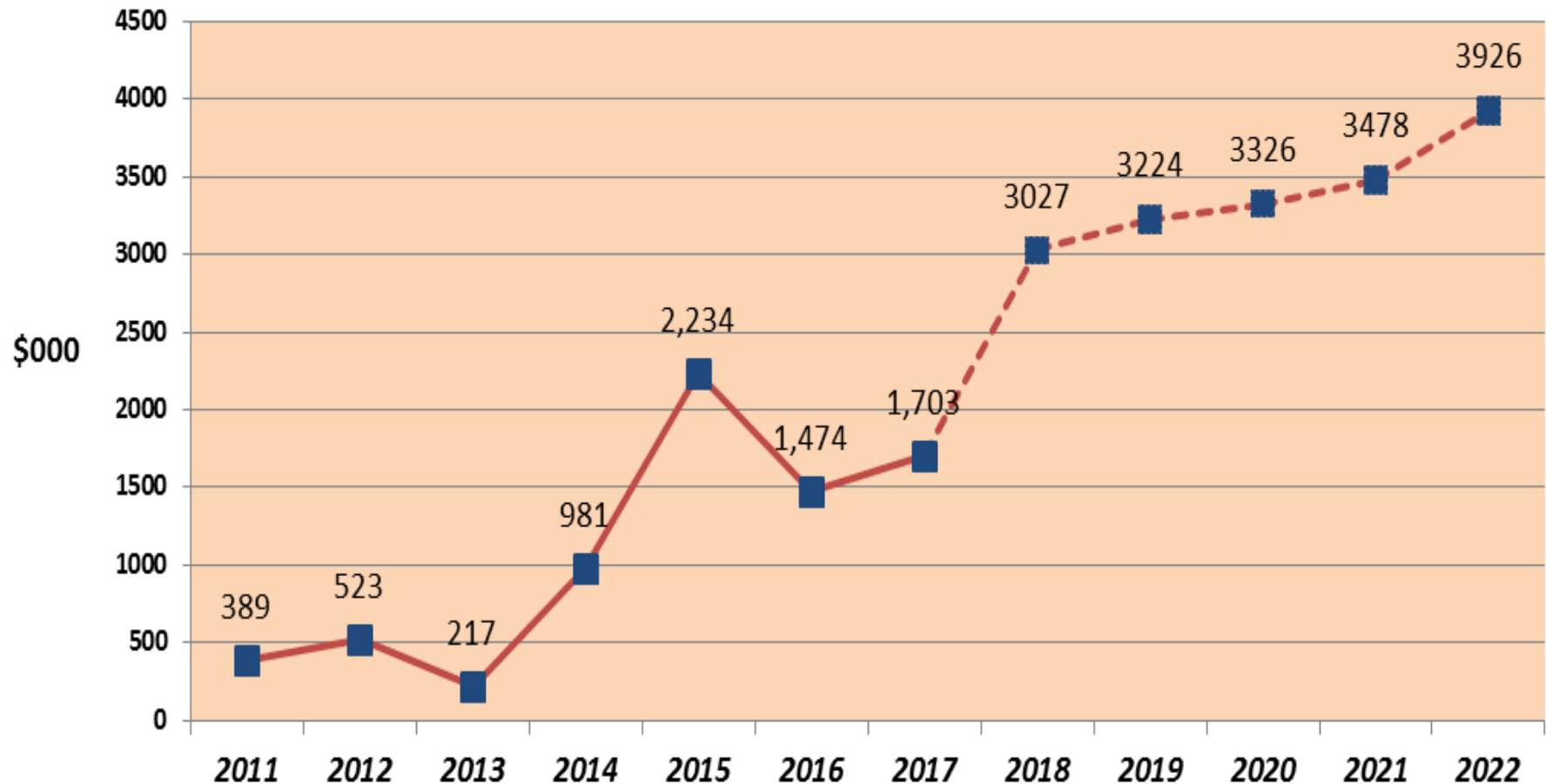
MARKET SEGMENT OVERVIEW

➤ Data Base reporting

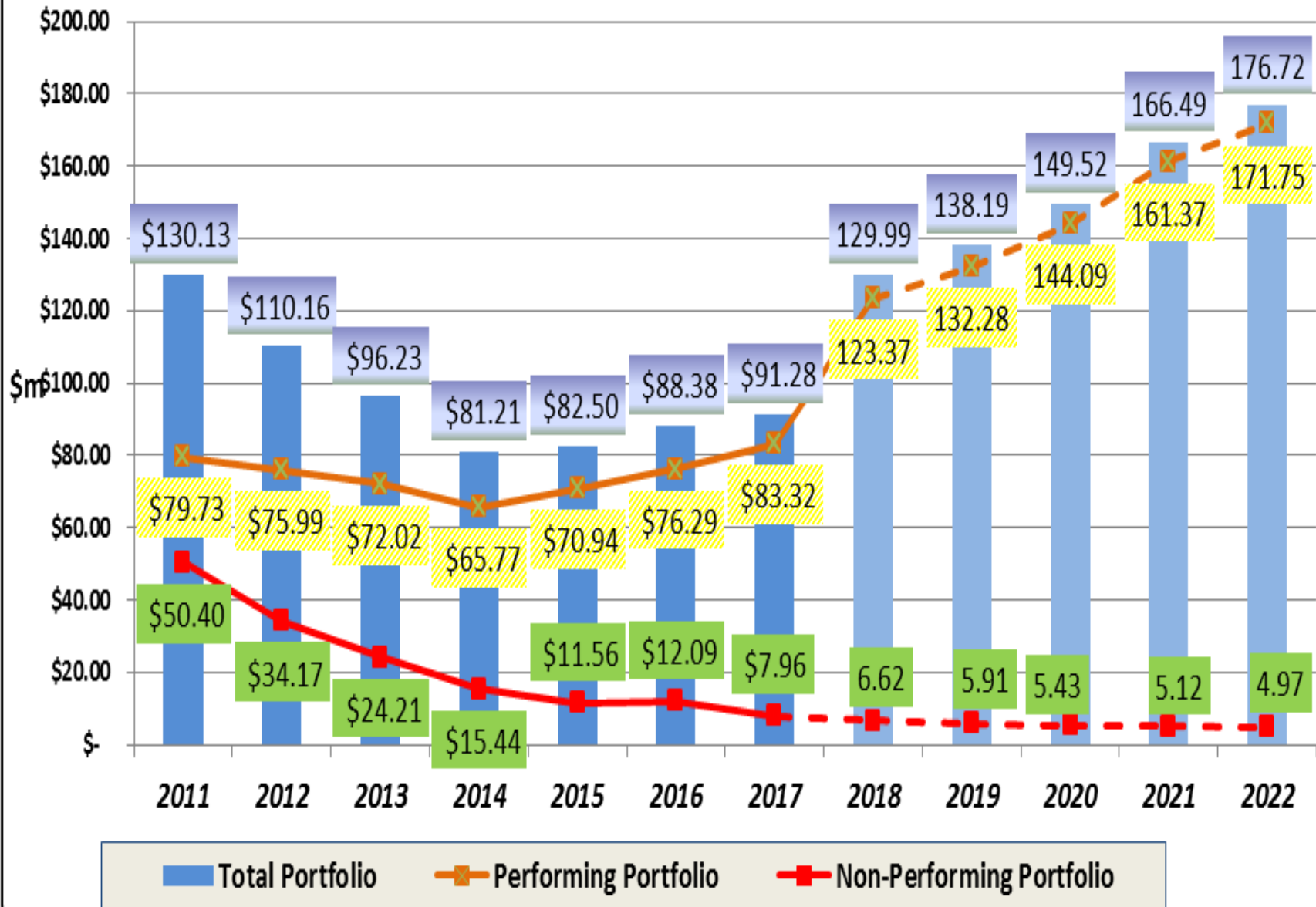
- Customers lodge their interest in any HA centres
- Forms are filled and updated in the SMS
- All customers are provided with a registration number
- Advertise expression of interest in the media
- Also collaborate with other centres

FINANCIAL PERFORMANCE

Operating Surplus Trend (ACT -2011 - 2017) & (FCST 2018 - 2022)

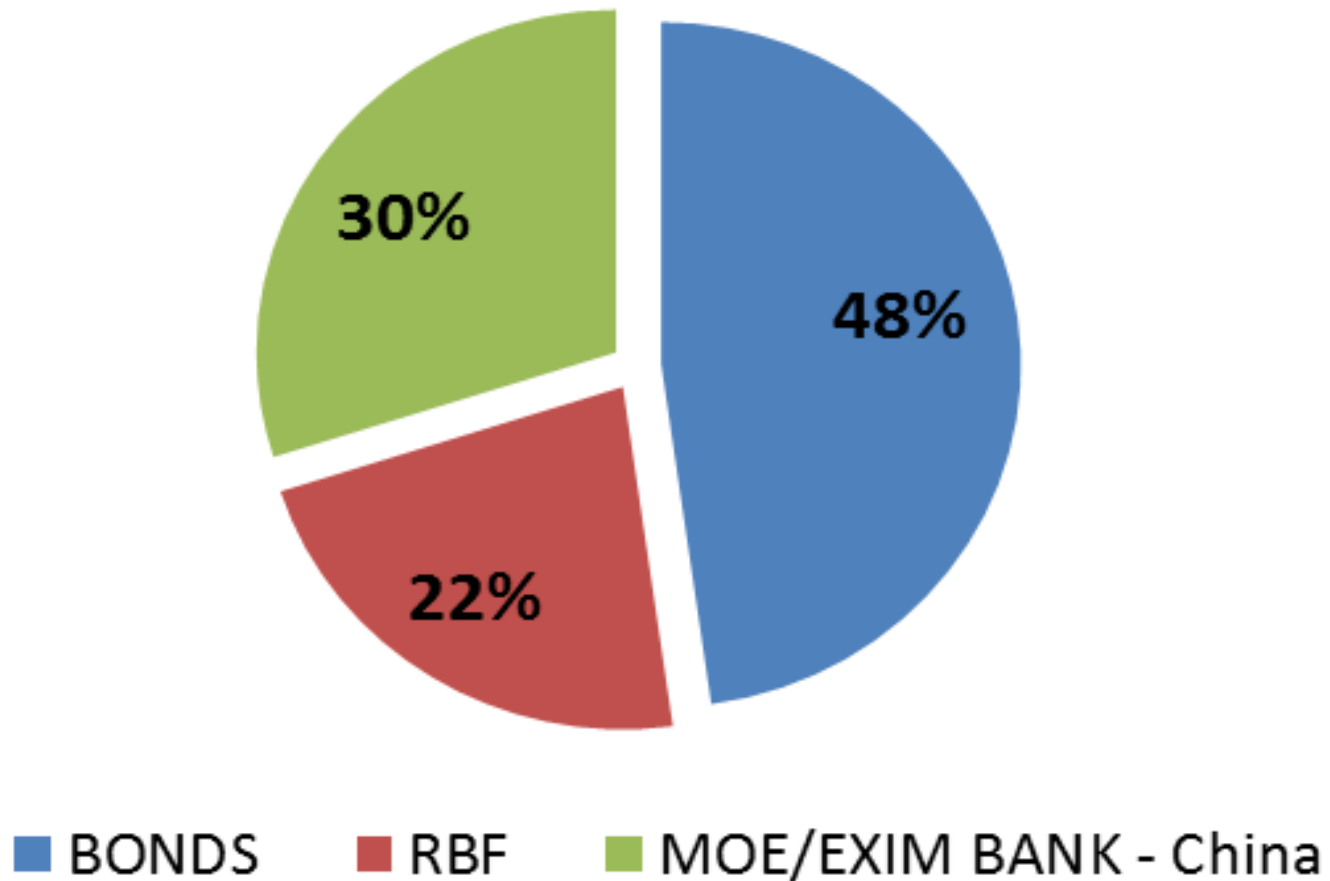


Mortgage Portfolio (2011- 2017) & Projection 2018 - 2022

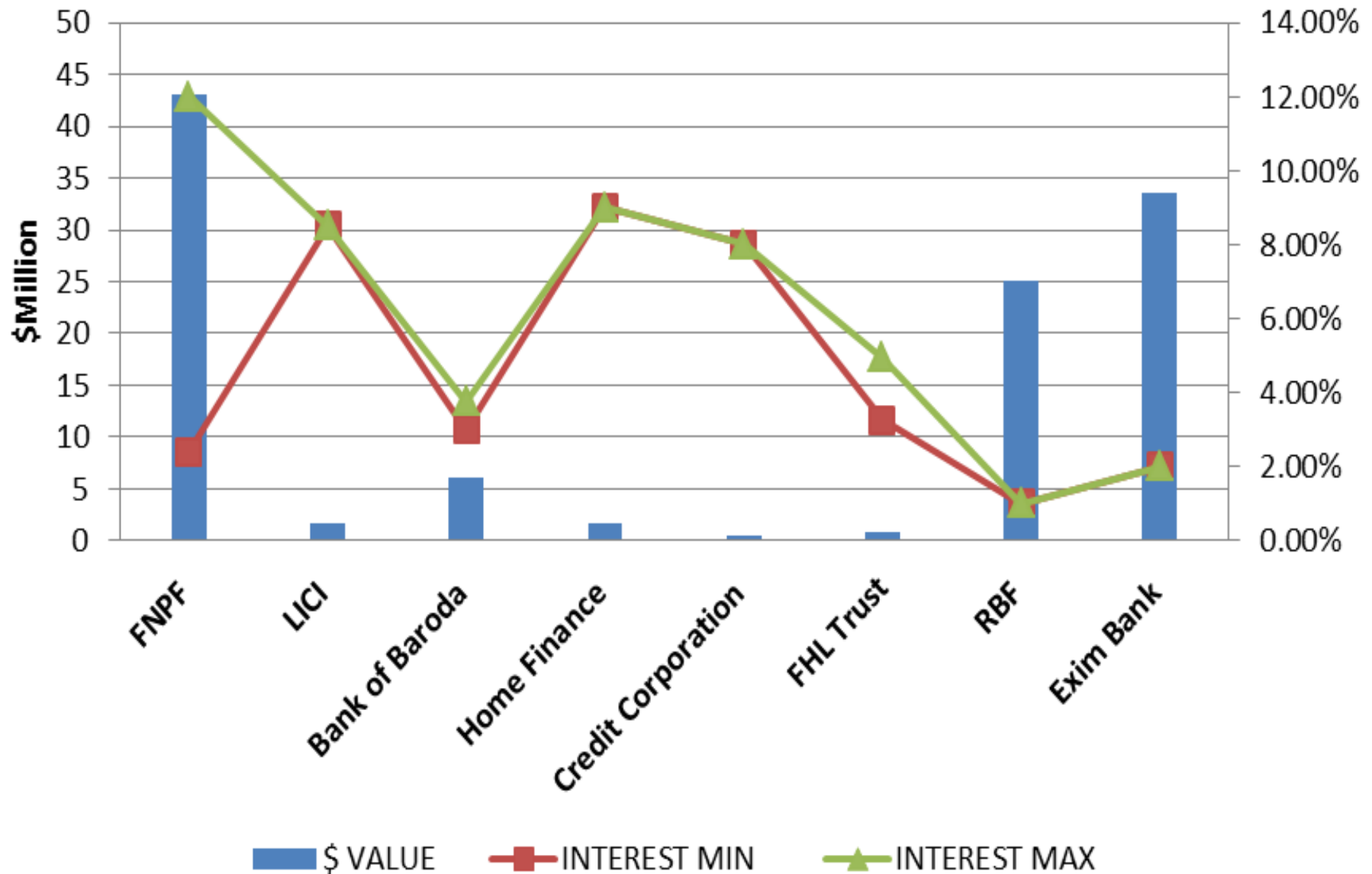


BORROWING - 2015

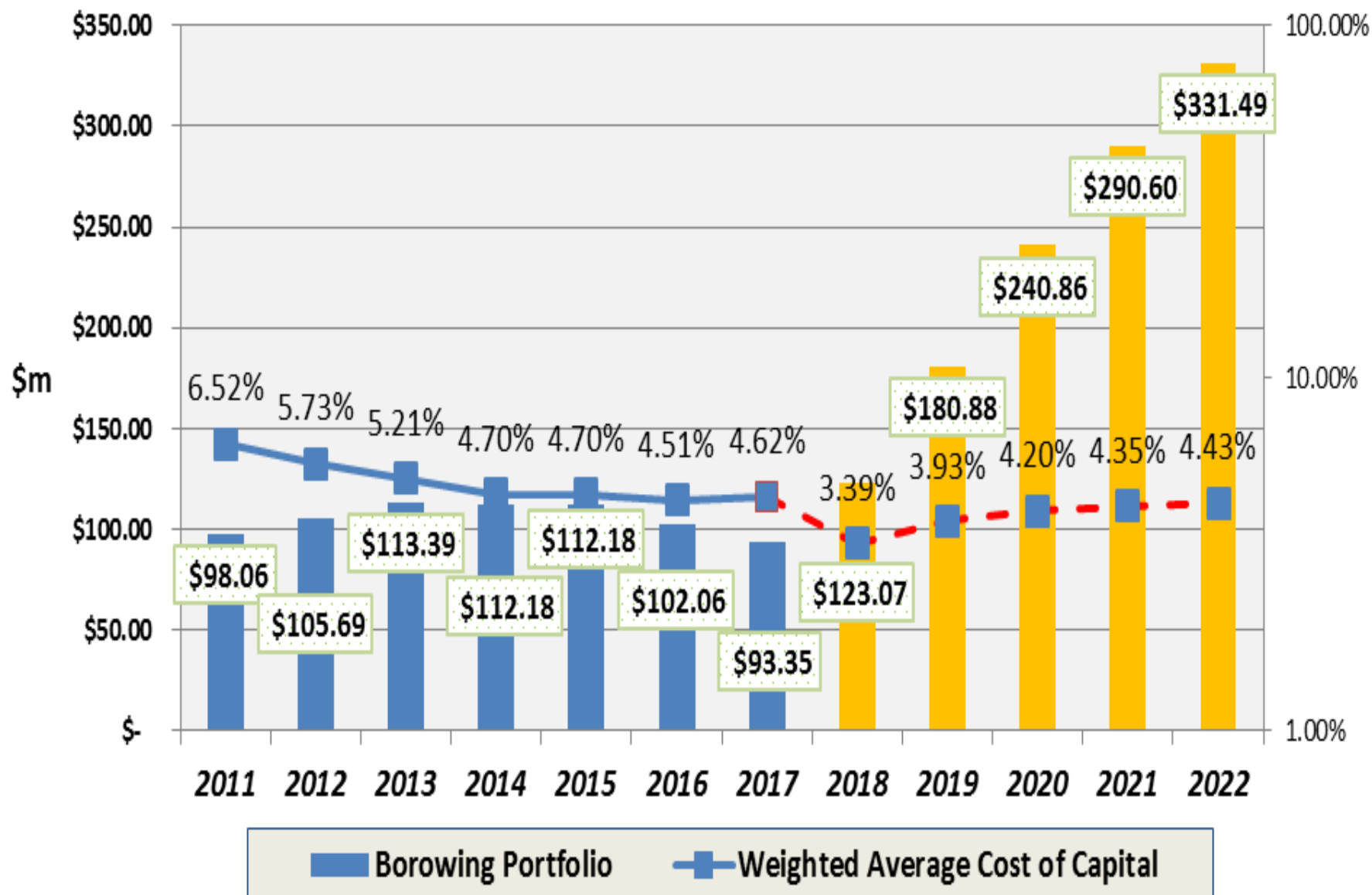
Borrowing Portfolio by Category



BORROWING – Value & Interest Rates



Borrowing Portfolio & WACC (2011 - 2017) Projections 2018 - 2022



Support Strategic Direction

- High interest rates
 - early redeem bonds in 2018
 - \$24 million - interest rates from 10% to 12%
- Recruit engineers & graduate engineers
- Review legacy business application
 - Approved for EOI
- Create synergies to break barriers affecting affordability
 - ✓ RBF – Housing Facility
 - ADB
 - IFC
- Increasing infrastructure cost – affecting affordability
 - ✓ Government Grant
- Innovative housing solutions – technology
- Acquire technology to support the Land Development Team.
- Tacirua Phase 2 – Court case – 343 lots
- Support from stakeholders

NOTES & PURPOSE

1. RESIDENTIAL LOTS 1-390
2. COMMERCIAL TYPE C LOTS 391 - 394
3. OPEN SPACE LOTS 395 - 402
4. CIVIC LOTS 403 - 406
5. PUMP STATION LOT 407
6. HA SRATA LOT 408
7. ACCESS ROADS LOT 409 - 423
8. LIGHT INDUSTRIAL LOTS 424 - 426
9. AREAS & DIMENSION SUBJECT TO SURVEY

ACTIONED	NAME	DATE	REV	DESCRIPTION	BY	ISSUE DATE
Surveyed	MV	JULY 2015	-	DTCP APPROVAL		
Designed	SG	JAN 2016	A	DTCP AMENDED SCHEME		
Drawn	MV	JAN 2016				
Checked	SG	JAN 2016				
Approved - MLD						
Approved - AGMD						

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TITLE
MATAVOLIVOLI STAGE 2
RESIDENTIAL SUBDIVISION NADI

DRAWING TITLE
ROAD NAMES

SCALE
1:1500 A2

DRAWING NO.
E348 / SCHM / 01revA

SHEET NO.
01

ACTIONED	NAME	DATE	REV	DESCRIPTION	BY	ISSUE DATE
Surveyed	MF	JLY 2015	-	DTCP APPROVAL		
Designed	SQ	JAN 2016	A	DTCP- AMENDED SCHEME		
Drawn	MF	JAN 2016				
Checked	SQ	JAN 2016				
Approved - MLD						
Approved - AGMD						

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DRAWING TITLE:

ROAD NAMES

SCALE:	1 : 1500 A2
DRAWING NO:	E348 / SCHM / 01revA
SHEET No:	01

Notes and Purpose of Lots

- Lots 1-3, 7 & 8 - High Density (Strata)
- Lots 4, 9 & 10 - Civic (Religious, Mini Market & Taxi Base)
- Lots 5, 185, 186 & 204 - Open Space Reserve
- Lot 6 - Commercial
- Lot 11 - Sewer Pump Station
- Lots 12 - 183 - Residential (171 Lots)
- Lot 184 - FEA Transmitter Site
- Lots 187 - 196 - Drainage Reserve
- Lots 197 & 198 - Access Road (9.00m Wide)
- Lot 199 - Access Road (12.00m Wide)
- Lots 200 - 202 - Access Road (16.00m Wide)
- Lot 203 - Access Road (Variable Width)
- Type of Land Surveyed - State Freehold Land
- Areas and Dimensions Subject to Final Survey

Locality Diagram (Not to Scale)

The locality diagram shows the project area in relation to the surrounding environment, including the Nasinu River, Kings Road, Damu Road, and the Vualevu Centre. The subject area is highlighted in yellow.

ACTIONED	NAME	DATE	REV	DESCRIPTION	BY	ISSUE DATE
Surveyed	TD	-	-	REVISED SCHEME PLAN	-	-
Designed	IR	-	-	INITIAL SCHEME PLAN APPROVED	-	-
Drawn	MB	-	-	DATED 05/10/2007	-	-
Checked	IR	-	-	(DTCP REF : SL 1640)	-	-
Approved - MLD						
Approved - AGMHD						

REVISOR'S AUTHORITY

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info@housing.com.fj

TITLE:
REVISED SCHEME PLAN
(DTCP REF : SL 1640)

DRAWING TITLE:
PROPOSED SUBDIVISION OF LOTS 116 & 117 DP 4082 & LOT 1 DP 4265, NEPANI.

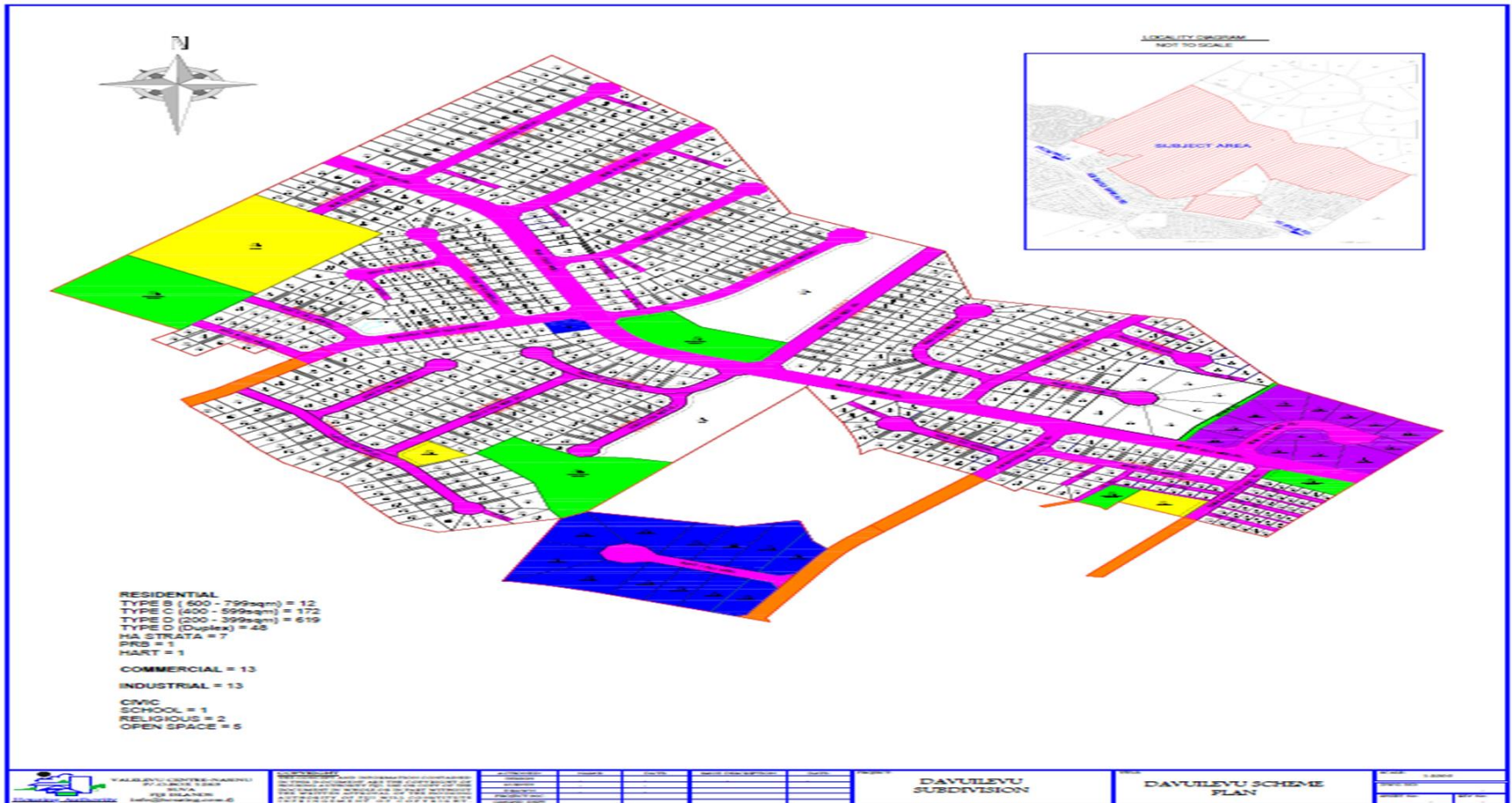
SCALE:
1 : 2000 A2

DRAWING NO:
E342 / REV SCHEM / 01

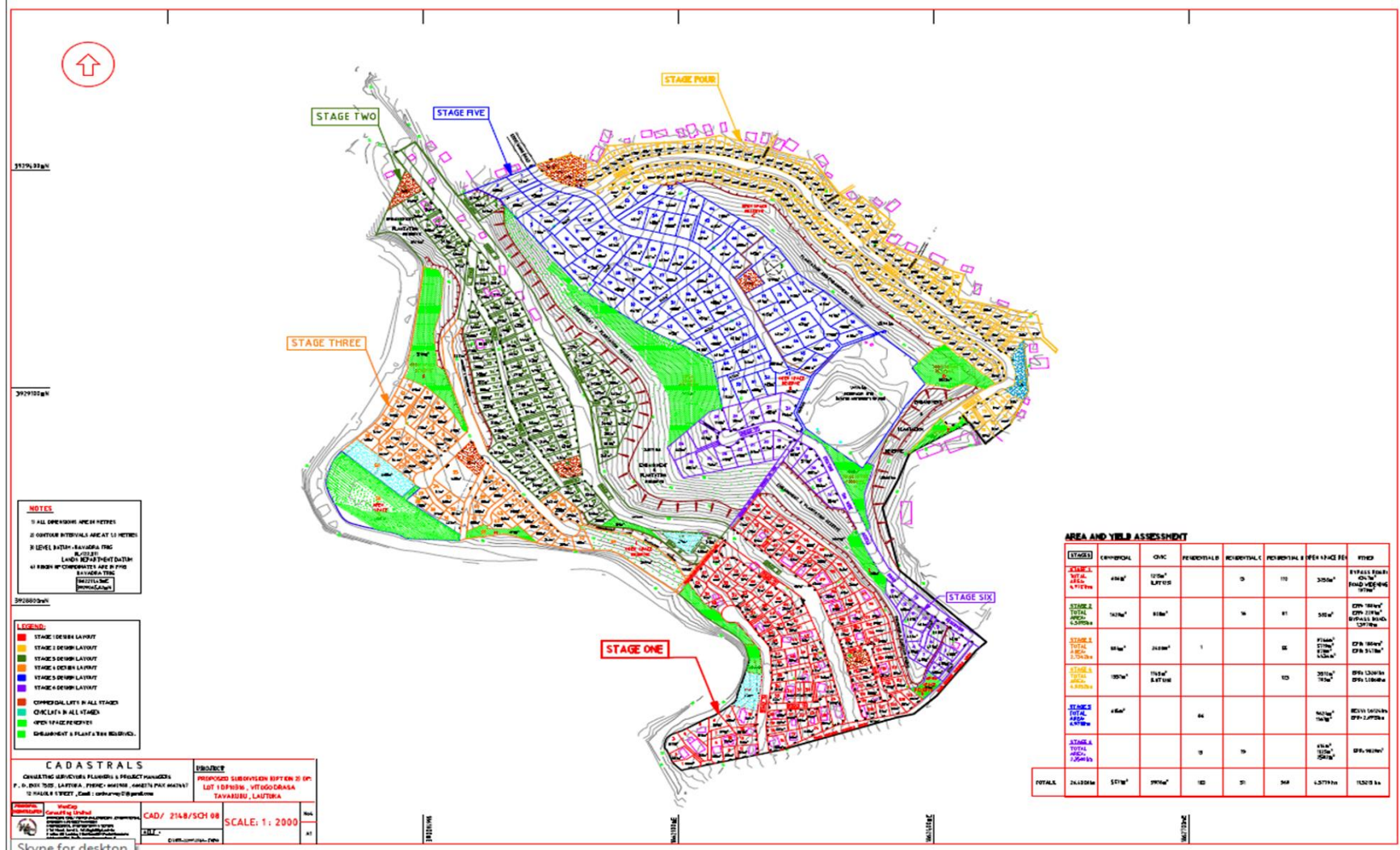
SHEET NO:
01

ACTIONED	NAME	DATE	REV	DESCRIPTION	BY	ISSUE DATE
Surveyed	TD	-	-	INITIAL SCHEME PLAN	-	-
Designed	IR	-		INITIAL SCHEME PLAN APPROVED		
Drawn	MB	-		DATED 05/10/2007		
Checked	IR	-		(DTPC REF : SL 1640)		
Approved - MLD.						
Approved - AGMHD						

DAVUILEVU



TAVAKUBU DEVELOPMENT



THANK YOU