

2016 Annual Report



**Ministry of Local Government,
Housing and Environment**



PARLIAMENTARY PAPER NO.13 OF 2021

STRATEGIC DIRECTION



Excellence in urban and environment management for a Prosperous Fiji



To promote socio-economic growth towards resilient urban communities, good local governance and decent housing opportunities whilst sustaining ecosystem services



CORE VALUES

Customer Focus Civic Pride

Flexibility Safety & Security

Team Work & Commitment Human Rights & Security

Environment Sustainability Respect & Fairness

Accountability

Transparency

Integrity & Honesty

Innovative Leadership



The Ministry of Local Government, Housing and Environment has four main Departments under its portfolio: the Department of Local Government, Department of Housing, Department of Town and Country Planning and Department of Environment. The Ministry is responsible for the formulation and implementation of Local Government, Urban Planning, Housing and Environment policies and programmes. The Ministry also has additional responsibilities to the Municipal Councils, National Fire Authority, Housing Authority and Public Rental Board.

ACRONYMS

CAP	Compliance Assistance Programme
CITES	Convention on International Trade of Endangered Species of Wild Flora and Fauna
EIA	Environment Impact Assessment
EMA	Environment Management Act
EPS	Endangered and Protected Species
GEF	Global Environment Facility
GF	Government of Fiji
HCFC	Hydrochlorofluorocarbon
HPMP	Hydrochlorofluorocarbon Phase-out Management Plan
LPO	Litter Prevention Officers
MLF	Multilateral Fund
NBSAP	National Biodiversity Strategy and Action Plan
NGO	Non-Government Organization
NWMS	National Waste Management Strategy
ODS	Ozone Depleting Substances
PICs	Pacific Islands Countries
PMU	Project Management Unit
RAC	Refrigeration and Air-Conditioning
RMU	Resource Management Unit
SA	South Asia
SGP	Small Grants Program
SEAP	South East Asia/Pacific
UNCBD	United Nations Convention on Biological Diversity
UNCCD	United Nations Convention to Combat Desertification
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework on the Convention on Climate Change
WPCU	Waste Management and Pollution Control Unit

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ABOUT THE REPORT

This report details our performances and commitments in areas of our focus during the 2016 financial year.

It also attempts to provide data and examples that highlight our progress and describe our approach and achievements.

The Report has been prepared in line with the Financial Management Act and Section 14 of the Amended of the Public Service Act 1999.

This report includes the following:

- The Organization Structure in the Office of the Ministry
- Outlines the contribution of the respective Department outcomes, outputs and Key Performance Indicators, and,
- Highlights the achievements and results in the Ministry of Local Government, Housing, and Environment.

REFERRAL LETTER FROM PERMANENT SECRETARY

MINISTRY OF LOCAL GOVERNMENT HOUSING AND ENVIRONMENT
FFA BUILDING GLADSTONE ROAD
SUVA

3rd August 2018.

Honorable Parveen Bala Kumar
Minister for Local Government Housing and Environment
FFA Building Gladstone Road
Suva

Dear Sir,

In accordance with the Financial Management Act 2004 requirements, I hereby submit for your information and presentation to Parliament, the Annual Report for the Ministry of Local Government, Housing and Environment for the 2016 financial years.



Joshua Wycliffe

Permanent Secretary for Local Government, Housing and Environment

THE YEAR IN REVIEW

2016 was a year of challenges for Fiji, we were severely affected by Tropical Cyclone Winston-one of the most powerful cyclones ever recorded in the Southern Hemisphere. It was not a very good year and projects were postponed due to the concerted effort by Government for cyclone relief measures. Depict being a challenging year, I would like to express my gratitude to the staff and our partners for their continual efforts. This year's annual report highlights the complexity and diversity of the work undertaken by the Ministry.

The Department of Local Government has continued its efforts through FJD 19.6M worth capital projects to strengthen, modernize and strengthen the economic base in towns and cities and take the lead role in making local communities more disaster resilient. While the Department of Town and Country Planning processed 58 rezoning applications, 974 building permits with 787 approved, and 100% improvement in compliance with conditions imposed at the Subdivision Scheme plan approval stage.

The Department of Housing successfully administrated Government grants to social housing providers while assisting 159 First Home Buyers, 20 fire victims' applicants worth \$100,000.00 and upgraded 5 Squatter settlements, 5 town-wide settlements, and 4 city-wide squatter projects. The Department of Environment continued to ensure that Fiji's environment is protected and natural resources are managed sustainably via issuing 164 CITES permits, 144 ODS permits 300 ODS licenses, and 11 EIAs approvals.

With the number of projects and programmes, it is important to remain focused on results and strengthening partnerships. The 2016 Annual report maintains the commitment of the Ministry whilst ensuring quality, safety, and timely services at all times.

1. ROLES AND RESPONSIBILITIES

The Ministry is responsible for the formulation and implementation of local government and urban planning policies, housing policies through the integrated program and approach to eradicate poverty. Its Department of Environment is responsible for the development and implementation of policies for the protection and policing of the environment and its sustainable use. The Ministry also has responsibilities for the National Fire Authority. To achieve this, the Ministry defines the core business and responsibilities of each department/unit for 2016 as follows:

LOCAL GOVERNMENT

Monitor the performance of local government and the National Fire Authority by providing advice to the Minister in terms of the Local Government Act Cap. 125 and National Fire Act (1995) and support services through the Permanent Secretary.

TOWN AND COUNTRY PLANNING

Responsible for the overall administration, planning, and regulation of land use in Fiji through the Town Planning Act Cap 139 and Subdivision of Land Act Cap 140.

HOUSING AND SQUATTER SETTLEMENT

Administer the provision of grants to social housing providers (Housing Authority, Public Rental Board, and HART) and the development of National Housing Policy Programmes.

ENVIRONMENT

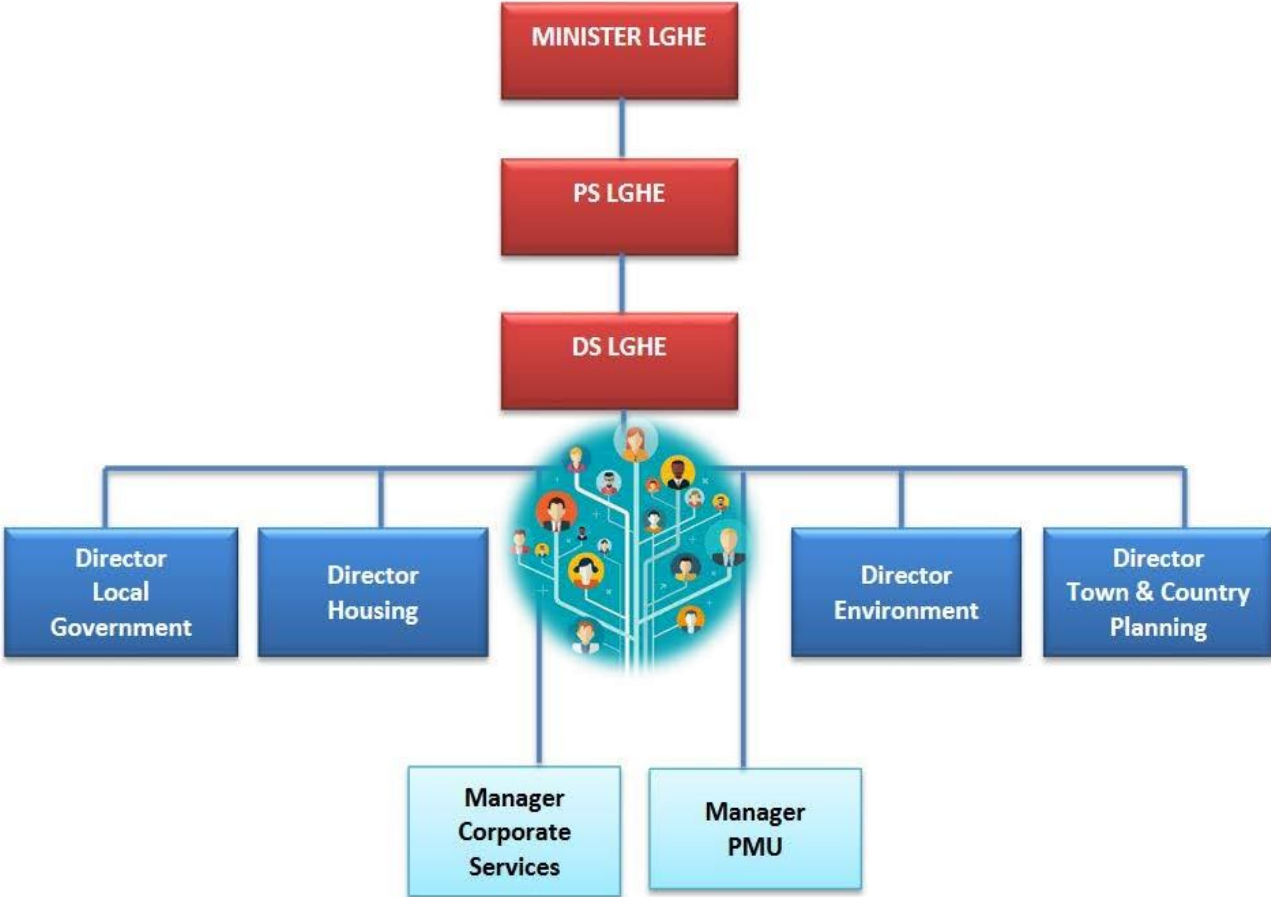
Formulate, coordinate and monitor the implementation of Fiji's national environmental policies, programmes and legislation to ensure a sustainable environment in accordance with the Ozone Depletion Substances Act 1998, Endangered and Protected Species Act 2002, Environmental Management Act 2005 and Litter Promulgation 2010.

CORPORATE SERVICES

Implementation of policy decisions for the overall administration of the Ministry's budgeting, planning, financial, and accounting control and managing of human resources.



2. ORGANIZATIONAL STRUCTURE



3. DEPARTMENT OF LOCAL GOVERNMENT

The primary responsibility of the Department of Local Government is to improve local governance through the effective implementation of the Local Government Act 2005 [Cap. 125]. This is in line with Pillar 4 of the People's Charter for Change, Peace & Progress - Enhancing Public Sector Efficiency, Performance Effectiveness, and Service Delivery.

It is also responsible for the provision of policy advice and supports services to the National Fire Authority to ensure the effective delivery of its core services through the National Fire Service Act 1995.

The 6 member teams provide leadership policy advice and secretarial support services to the management team and the thirteen municipal councils and the National Fire Authority in terms of the effective implementation of the Local Government Act [Cap125] and the National Fire Service Act 1995.

Korolevu NFA Station Opening by Hon. Prime Minister 23rd February 2016



The main focus for the Department of Local Government for the 2016 financial year and beyond is to strengthen and modernize municipal operations, improve well-being programs, strengthen the economic base in towns and cities and take the lead role in making local communities more disaster resilient. This is in addition to the continued support granted to the National Fire Authority is expanding the number of fire stations around the country and equipping them with the necessary tools to conduct operations.

In 2016 the Department of Local Government was allocated \$21.1m, where \$1.5m was budgeted for operational expenditure and \$19.6m for Capital Expenditure.

3.1 DEPARTMENT OF LOCAL GOVERNMENT OVERVIEW

The first seven months of the 2016 financial year was a challenging one for the **Department of the Local Government** in trying to achieve some of our targets due to the devastating effects of Cyclone Winston. This greatly affected most of our municipalities around the country in terms of their infrastructure within town boundaries and the impact on the welfare of our ratepayers.

Despite the challenge faced, the Department of Local Government managed to achieve some of the expected Local Government Administration targets set out in the Ministry's Annual Corporate plans in regards to the outputs highlighted below;

- i. Portfolio Leadership, Policy Advice, and Secretariat Support*
- ii. Local Government Administration*
- iii. Improved Service Delivery*
- iv. Administration of Government Grant to Implementing Agencies*

The four outputs outlined above have been the driving factors for the Department of Local Government in guiding its operations for the year 2016. The details of the achievement under the four outputs above are as follows:

3.1.1. PORTFOLIO LEADERSHIP, POLICY ADVICE, AND SECRETARIAT SUPPORT

The Department of Local Government has provided support to the National Fire Authority (NFA) in liaising with the Office of Solicitor General on the vetting of the Review of National Fire Service Act. The Department also involved in attending NFA Board meetings and other meeting concerning NFA matters. Under this portfolio, the Department provides secretariat support to the Local Government Committee in terms of consultation meetings and site visitations to the Municipalities. The Department was also involved in organizing Local Government Forums with the aim to promote greater efficiency for the Special Administrators and Chief Executive Officers at local government level.

3.1.2. LOCAL GOVERNMENT ADMINISTRATION

The Department continued to provide the necessary policy support to all municipal councils for the first seven months of 2016 by gathering and evaluating the Councils respective annual corporate plans, assessing financial performance, assessing Clean and Green Town Competition, facilitating community services provided by the Councils and emphasizing Council Participation in Productivity Improvement Programmes.

3.1.3. IMPROVED SERVICE DELIVERY & GOVERNANCE

The Ministry of Local Government continued to emphasize the importance of improving service delivery through the Department; the Municipal Councils and the National Fire Authority. For the first seven months of 2016, the Ministry took the initiative to commence with the reviewing of the Local Government Act Cap.125 to strengthen our Department's monitoring framework towards the Councils.

The Ministry developed policies and standard templates to monitor the council's performance such as the Assessment of SA's and CEO's, Monthly Revenue and Expenditure performance, Green Town Assessment, Capital Project Assessment, Human Resource Monitoring framework, and Town Boundary Extension Framework and a Standard Operating Procedure. The department also reviewed its structure and business plans from 2015 onwards to reflect the exact planned activities to be implemented in a given year.

In addition, the Department developed a performance measurement framework to assess the performance of local government in delivering various services to their respective communities. Green Town Assessment is a very detailed framework used to assess the performance of all municipal councils where the award is then given to the highest scorer at the end of the year. The Ministry had given the directive to all councils to have a customer feedback form to be provided to ratepayers as a basis of gauging their service delivery from time to time.

Lastly, the Ministry developed a Grievances Policy Management for Municipal Councils covering all grievance register, grievance recording, grievance inspection, references to agencies, and grievance management. The framework highlighted the importance of municipal councils in addressing grievances and complaints received from its stakeholders including ratepayers, business houses, government agencies, media, and staff.

3.1.4 ADMINISTRATIONS OF GOVERNMENT GRANT TO MUNICIPAL COUNCILS

The Department was provided \$21.1m for the year 2016, where \$1.5m was budgeted for operational expenditure and \$19.6m for Capital Expenditure. The department was tasked to utilize at least 60% of the budget by the end of July 31st, 2016.

3.2. DEPARTMENT LOCAL GOVERNMENT ACTIVITIES FOR 2016

The Table below shows how the department administers all the grants provided to Municipal Councils and National Fire Authority. This is to support governance and policy and infrastructure development to Municipal Councils and NFA.

Table 1: Funds utilization for the financial year 2016

ITEM	BUDGET ALLOCATION	ACTUAL EXPENDITURE	BUDGET UTILISATION RATE	ACHIEVEMENTS
National Fire Emergency Ambulance Services	\$ 400,000.00	\$ 400,000.00	100%	Funds fully released to support NFA on their ambulance services for the administrative and operational expenditure of the twelve (12) Ambulances to the communities in Suva, Nasinu, Nausori, Sigatoka, Ba, Labasa, Rakiraki, Lautoka, Savusavu, Navua, Korolevu, and Korovou.

ITEM	BUDGET ALLOCATION	ACTUAL EXPENDITURE	BUDGET UTILISATION RATE	ACHIEVEMENTS
CEO Salaries	\$ 150,000.00	\$ 150,000.00	80%	This allocation was utilized to subsidize the salaries of the five small Councils such as Lami, Tavua, Rakiraki, Savusavu, and Levuka. These Councils were financially challenged in 2016 and they received \$30,000 each.
SEG 06	\$ 550,000.00	\$ 520,000.00	95%	
Local Government Review & Special Administration	\$ 500,000.00	\$ 333,748.00	67%	This allocation caters for the salaries of the municipal council's Special Administrators. Each Council has been allocated \$50,000. Also caters for their allowances, travel & accommodation expenses of the Local Government Committee and the Green Town assessment staff.
SEG 07 -	\$ 500,000.00	\$ 333,748.00	67%	
Total Opex	\$ 1,050,000.00	\$ 853,748.00	57%	
Fire Hydrant for National Fire Authority	\$ 900,000.00	\$ 825,688.00	92%	This allocation was used to purchase 257 Underground Fire Hydrants for strategic locations around the Country and pay the Water Authority of Fiji to install these hydrants with their water mains.
SEG 08	\$ 900,000.00	\$ 825,688.00	92%	
National Fire Authority Grant	\$ 4,000,000.00	\$ 4,000,000.00	100%	The funding was released to National Fire Authority for their following Capital projects; <ol style="list-style-type: none"> 1. Construction of Fire Stations; <ol style="list-style-type: none"> a. Nabouwalu - \$1,200,000 b. Rakiraki - \$1,200,000 2. Purchase of one Water Tanker - \$1,000,000 3. Purchase of Second Hand Fire Trucks - \$400,000 4. Purchase of Fire Fighting Equipment - \$200,000
Challenge Fund & Investment Fund Town/City Council	\$ 4,000,000.00	\$ 4,000,000.00	100%	This funding was fully released to Councils to provide support for their infrastructure development in terms of upgrading sports facilities, market upgrades, and property development. The details breakdowns and updates are highlighted in the table below.
SCC - Redevelopment of Albert Park	\$ 7,000,000.00	\$ 7,000,000.00	100%	This \$7m was released to Suva City Council to complete the redevelopment of the Albert Park project. This includes the construction of a new 1,000 modern sitting capacity pavilion, car park,

ITEM	BUDGET ALLOCATION	ACTUAL EXPENDITURE	BUDGET UTILISATION RATE	ACHIEVEMENTS
				kiosk, and improvement of the ground leveling. This is an additional amount to the \$10m released in 2015.
Redevelopment Churchill Park	\$ 2,814,240.00	\$ 2,814,240.00	100%	This \$2.8m was given to Lautoka City Council to provide IAAF Standard athletic facility for the youths and athletes in the Western Division and to host national & regional games. The project activities were Site Mobilization and set-out, filling and compaction, Drainage works, Asphaltting, Synthetic Tracks, and concrete structures.
SEG 10	\$ 17,814,240.00	\$ 17,814,240.00	100%	
Total CAPEX	\$ 18,864,240.00	\$ 18,667,988.00	99%	
GRAND TOTAL	\$ 19,914,240.00	\$ 19,521,736.00	98%	

Table 2:2016 Municipal Council Grant

COUNCILS	PROJECTS	AMOUNT RELEASED	ACHIEVEMENTS
Ba Town Council	Redevelopment of Govind Park	\$1,148,928	This \$1.4m was released to Ba Town Council for the redevelopment of the Govind Park Stadium which was heavily damaged by Cyclone Winston. The project consists of the building of the new pavilion with the seating capacity of 9,000. The total tendered project cost for this development was \$4.1m. The project will go to benefit 1,379 ratepayers and the general public from using this ground facilities.
	Rehabilitation of Maururu Rubbish Dump	\$315,000	This \$315,000 was disbursed to Ba Town Council for the upgrading works of the existing dumpsite. The dump was also extended to a much bigger size to cater for the amount of rubbish taken to the dump. Some portion of the funding was used for the upgrading of the roads leading to the dump.
Lami Town Council	Upgrading of Johnny Singh Park	\$198,072	The funding was for the upgrading of the Johnny Singh playground where the project activities of site clearance, excavation work, and fencing of the whole park. The upgraded ground will be useful to all nearby residents such as Qauia Settlement and Lami Village where they can use the facilities healthy living through sports engagement.

COUNCILS	PROJECTS	AMOUNT RELEASED	ACHIEVEMENTS
Nadi Town Council	Upgrading of Namaka Market	\$755,000	This initial funding was provided to Nadi Town Council for the preliminary stage of the project that is land acquisition, tender documentation, site preparation, and part of civil works. The new markets will be benefiting around 350 – 400 market vendors and the Namaka residents.
Sigatoka Town Council	Sigatoka Riverbank Development	\$845,000	The Ministry had provided the grant of \$855,000 to Sigatoka Town Council to construct a seawall at the riverbank which will enable soil retention during floods. The foreshore shall be further backfilled to create space for commercial developments and physical and leisure activities and also to sustainably develop the area in such a manner to maintain its flora and fauna. The project will also feature a ramp that can be used by NFA in emergencies and all boat operators. Upon completion, the targeted area will be used by people from all walks of life, and instill and promote a sense of belonging and civic pride within the citizens.
Tavua Town Council	Upgrading of Garvey Park	\$488,000	This grant of \$488,000 was provided to Tavua Town Council for the extension of Garvey park pavilion, upgrading of fences around the park, and installation of floodlights. With the proposed extension of the existing Garvey Park Pavilion, it will increase the sitting capacity for audiences. The project will greatly boost the service that is provided to the occupants of the town as well as those in the surrounding areas. Garvey Park can host other major sporting activities as well as other activities that are only held in other major ground. Upgrading of the existing fencing and installation of flood-lights will give a complete appearance to the Garvey Park.
Savusavu Town Council	Upgrading of Ganilaa Park	\$250,000	The purpose of this project is to upgrade Ganilau Park into a standard sports ground through improving the current facilities. The current facilities have deteriorated and needs repaired. Total cost of the project is \$250,000. Project activities include the upgrading and extension of the current pavilion capacity to accommodate approximately 1,000 people.
Total Challenge Fund		\$4,000,000	

Table 3 Fund Utilization for Capital Projects for the financial year 2016

Project	Budget Allocation (\$)	Actual Expenditure (\$)	Budget Utilization (%)	Achieved
Re-development of Albert Park- Suva City Council	17,000,000	\$17,000,000	100	The \$20m redevelopment project where \$17m was funded by the Fijian Government and \$3m by the Suva City Council was officially opened during this financial year. The redevelopment was phased over two years and involved in the relocation of the Stadium and upgrade of the playground.
Synthetic Athletics Track Churchill Park- Lautoka City	5,400,000	5,400,000	100	The \$5.4m project co-funded by the Government of Fiji \$2.8m and Lautoka City Council \$2.6m saw a new synthetic athletic track constructed to the international standard being completed. This is the first such
				athletic track to be constructed outside Suva and the aim is to promote sports development at Lautoka City.
Tikaram Recreational Park – Lami Town	680,000	680,000	100	The \$680,000 [Government Grant \$630000] redevelopment of Tikaram Park has seen volleyball, leisure walk, function area, Children Park and BBQ area constructed. The redevelopment has realized face uplift for Lami Town.
Davuilevu MultiSports Purpose- Nausori Town	370,000	370,000	100	he \$370,000 [Government Grant \$350,000] is a multi-purpose sports facility constructed in a high residential area zone. Following the opening, the facility has been very popular amongst the youths of the residential area.
Fire Stations – Korolevu & Korovou	2,400,000	2,400,000	100	The two new Fire Stations constructed through Government to serve the people of Korolevu were opened during the fiscal year 2016/17
Total	25,850,000	25,850,000	100	

4. DEPARTMENT OF TOWN AND COUNTRY PLANNING

To ensure sustainable development and a coordinated growth the Department of Town and Country Planning (DTCP) is responsible for the overall administration, planning, and regulation of land use in Fiji through the Town Planning Act Cap. 139 and Subdivision of Land Act Cap 140.

The key functions of DTCP are:

- (i) Strategic Planning of Urban and Rural Areas
- (ii) Regulation and Compliance to Development Law

DTCP also offer physical planning and land development advice to the overall decision-making process of government and the private sector as well as promote town planning in Fiji, to increase its understanding and guide Fiji towards a coordinated growth. Within these deliverables, the department facilitates two main pillars (Pillars 5 & 6) of the Road Map and People's Charter for Peace, Change and Pillar 7 being a new inclusion through the preparation of New Town Developments.

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Activities undertaken during the fiscal year 2016 include;

4.1 IMPLEMENTATION OF PART OF URBAN POLICY ACTION PLAN (UPAP)

The Ministry through DTCP in the reporting period from 1st January 2016 to 31st July 2016 implemented at least three (3) of the main thematic areas of the Urban Policy Action Plan (2007):

I. Legal and Regulatory Framework

The nationwide consultation in relation to the revision Town Planning Act Cap. 139 and the Subdivision of Lands Act Cap. 140 began with the completion of the Central and Western Divisions with the Northern Division. From an allocation of \$90,000, a total of \$34, 557 was utilized in the fiscal year. The iTaukei community consultation is expected to be completed within the 2016 financial year.

II. Institutional Strengthening and Capacity Building

The return of two (2) serving officers from professional training on urban planning in the 3rd and 4th quarter has boosted the Department's performance in its service delivery.

The first phase on the implementation of the MOU between the Government of Fiji and the Government of the Republic of Indonesia began with the signing of Areas of Cooperation (AoC) and a 2-weeks Study Visit in Indonesia by a 10-member Fijian delegation. The AoC consists of capacity building, the deputation of experts in fields of engineering, urban planning, GIS, and heritage.

III. Urban Policy & Action Plan (UPAP)

Phase 2 of the Urban Growth Management Plans (UGMAP) for Greater Western and the Northern Corridor has been completed consisting of spatial plans to reflect land uses, approved to survey uses, and draft zoning plans. From a budget allocation of \$805,517, a total of \$183, 853 was spent on the UGMAP project.

4.2. SCHEME AMENDMENTS & RURAL REZONING

Table below illustrates the number of rezoning applications received and considered from January 2016 to July 2016.

Table 4: Rezoning Summary 2016

Rezoning Applications	Central	Western	Northern	Total
Received	62	75	31	168
Approved	11	38	9	58
Refused	14	7	5	26
Deferred	9	15	3	27

Table Shows the rezoning summary for January-July 2016

Source (DTCP 2016)

4.2.1. MASTER PLANS

A total of five (3) master plans were received relating to land development, two (2) of which were in the Central Division whilst the 3rd was proposed in the Western Division. The Department also received a revised zoning plan on the Nausori Town Centre from Nausori Town Council, for the expansion of its Central Business District.

4.2.2. GOVERNMENT (CAPITAL) PROJECTS AND POLICY ADVICE

DTCP plays a participative role in providing policy advice to a number of projects undertaken by the government between January-July 2016 and this includes the following:

- Sports Integrated Complexes: Vunidawa, Seaqaqa, Rakiraki,
- Proposed 4-lane road in Nadi and Nausori
- Proposed Airport Runway Extension – Nausori and Nadi International
- New Nausori Hospital
- Regional Police Academy
- Nadi-Lautoka Corridor Road Widening

There are two (2) notable boards that DTCP was a member of as a representative of the Ministry of Local Government i.e. Central Board of Health and Forestry Board. DTCP is also a member of the Private Hospital Board.

4.3. LAND AND BUILDING DEVELOPMENT

The table below shows the number of building applications received and considered for the period of January-July 2016.

Table 5: Building Application Summary - 2016

DIVISION	RECEIVED	PROCESSED	DECISION		
			Consented	Refused	Deferred
Central	520	449	335	24	85
Western	451	409	367	2	40

DIVISION	RECEIVED	PROCESSED	DECISION		
Northern	127	115	85	0	29
Total	1098	974	787	26	154
-2015	507	540	335	61	145

Out of the 1098 building applications received, 974 applications were processed compared to 507 being received for the same period in 2015 and the number processed then was 540. This fiscal year has seen an increase in the number of building applications being received and considered by DTCP.

4.3.1. MAJOR DEVELOPMENTS

As illustrated in Fig. 1, a total of Forty-two Major development proposals with a value of \$1,000,000 or more were received between January-July 2016. A summary of the major developments per division is shown below.

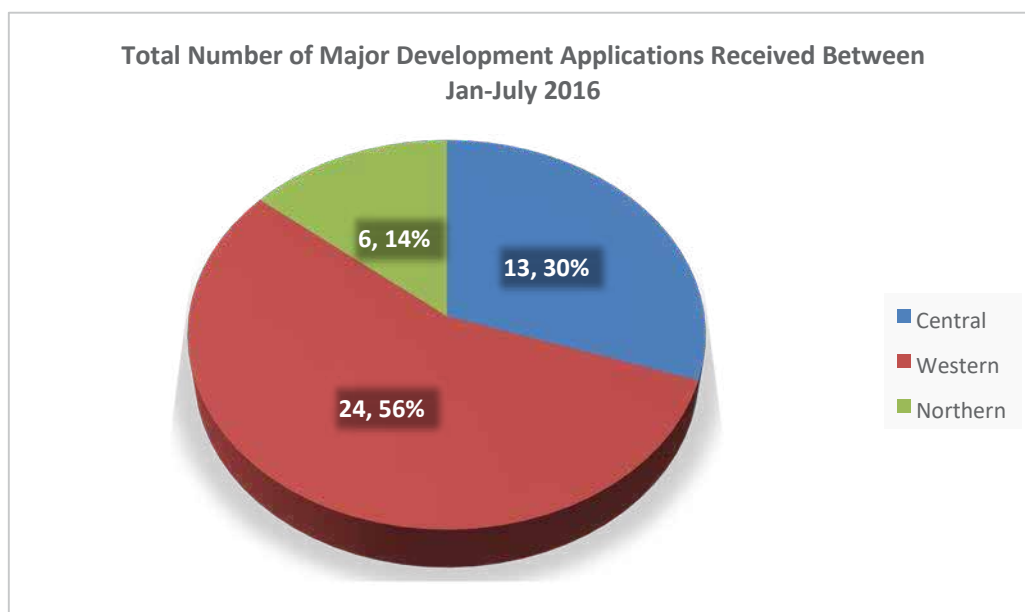


Figure 1: Major Development applications received by Divisions.

The Western division continued its dominance as a region where major developments are proposed and tourism remains as most highly demanded use or activity.

Table 6: Major building approvals and their values for Jan-July 2016.

DIVISION	RECEIVED	TOTAL PROCESSED	TOTAL VALUE
Central	13	7	\$7,476,065
Western	24	23	\$139,330,000
Northern	6	5	\$16,855,000
Total	43	35	\$163,661,065

Compared to the 40 major projects in 2015, a total of 43 major building applications proposals were received and considered, having a total value of \$163,661,065 million, reflecting major investor confidence.

Notable investment included the P.Meghi Limited Outline Proposal for a hotel in Lautoka valued at \$35 million.

4.3.2. ENVIRONMENT MANAGEMENT UNIT (EMU)

The Unit is responsible for its technical advice on foreshore applications as forwarded by the Director of Lands and makes recommendations to the Director of Environment on any EIA as part of its consultation process. All meetings and EIA consultations for development consents are attended by the unit. The unit also screens applications for development approvals issued by DTCP and refers them to the Department of Environment with recommendations on the most appropriate environment documents that need to be furnished. A total of 30 environment study reports were reviewed between January-July 2016. Table 7 provides some detailed statistics on the work carried out by the EMU for the period of January-July 2016 reporting period the following reports were assessed by the EMU unit:

Table 7: EMU for the period of January-July 2016 reporting period

MONTHS	Environment Impact Assessment	Construction Environment Management Plan	Operational Environment Management Plan	Environment Management Plan	Special Environment Impact Assessment	TOTAL
JANUARY	0	0	0	0	0	0
FEBRUARY	0	0	0	0	0	0
MARCH	0	0	0	0	0	0
APRIL	4	3	0	2	0	9
MAY	3	1	0	1	0	5
JUNE	4	2	1	2	0	9
JULY	5	0	0	2	0	7
TOTAL	16	6	1	7	0	30

4.4. GEOGRAPHICAL INFORMATION SYSTEM UNIT

Table below illustrates the types of Subdivision applications that were received and considered from January to July 2016.

Table 8: Breakdown of subdivision applications by types from January-July 2016

Subdivision Applications Summary January-July 2016		
Type Of Applications	Applications Received	Applications Considered
New Applications	533	522
Engineering Plans	12	9
Survey Plans	357	373
GRAND TOTAL	902	877

Majority of the new subdivision proposals and land releases were for Residential and Commercial purposes and most were proposed in the Western Division.

4.4.1. SURVEY PLANS AND ENGINEERING PLANS

The completion of a subdivision is determined by the level of compliance to conditions. Out of the 357 survey plans received, 346 were cleared; 16 additional survey plan was considered within the 2016 January-July reporting period. There was a 100% improvement in compliance with conditions imposed at the Subdivision Scheme plan approval stage compared to 83.6% for the 2015 period.

A total of 9 Engineering plans were approved in the reporting period. The clearance of survey plans indicates the subdivision process and works being fully completed on the ground. Majority of these were for Commercial, Tourism, and Residential purposes.

The total revenue received by the Department is derived from fees charged under the Town Planning Act Cap 139 and the Subdivision of Land Act Cap 140. The total fees received were \$165,536.30 in 2016. This reflects the increasing number of applications being received and indicates the corresponding investment confidence. A summary is shown in the Table below.

Table 9: Total fees received by section in between January-July 2016

Activity	Revenue
Forward Planning	\$25,022.26
Subdivision of Land	\$137,762.38
Development Control	\$42,626.85
TOTAL	\$205,411.49

4.5. AWARENESS ON TOWN PLANNING IN FIJI & FORGING PARTNERSHIP WITH STAKEHOLDERS

Stakeholder feedback to DTCP is a critical component of the planning process. As a strategy to improve efficiency, an integrated technical committee, consisting of infrastructure agencies of WAF, FRA, Ministry of Works and CBH was established in following the targeted turnaround times to be effective from 2016:

- On-Site Building Development – 20 working days
- Rezoning – 45 working days
- Subdivision – 30 working days

The committee was mooted by the Minister with the commitment by the Ministers of both Infrastructure and Health. The Department of Town and Country Planning Training and Awareness Programs is threefold, as a capacity-building initiative, increasing greater understanding of town planning in Fiji and to increase interest in the town planning profession.

Table 10: Activities undertaken in 2016

Activity	Number
Presentations & Seminars	9
Careers Expo	9
Exhibitions	3
TOTAL	21

Three (3) new brochures were developed, covering various topics on processes of land and building development as a guide and tool to coordinate urban development and growth.

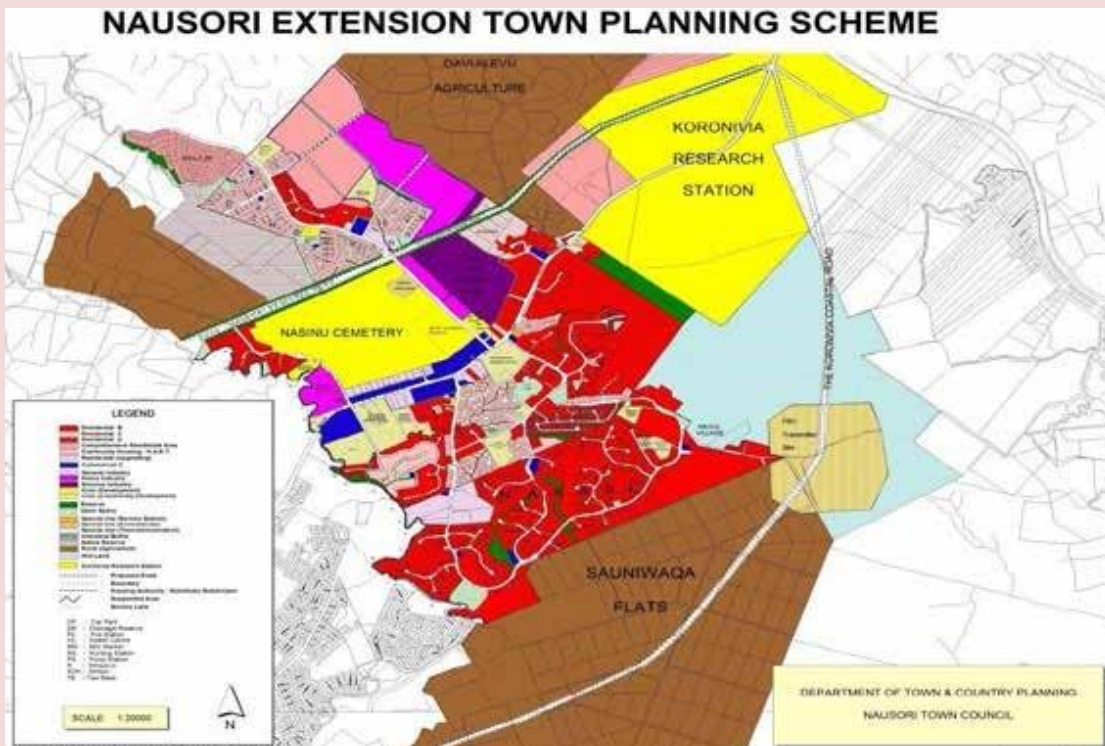
4.6. NEW TOWN DEVELOPMENT PROJECTS

The three (3) growth centers earmarked for New Town Development i.e. Keiyasi, Nabouwalu and Seaqaqa had little progress other than preliminary work towards documentation and planning. Matters relating to iTaukei lands are the main contributing factor to the slow implementation of this program. Table 6 highlights the activities and targets achieved for the Three (3) New Town Development projects.

Table 11: Provides a breakdown of activities and budget utilization for the New Town Project

Programme	Project	31st July	Status of the Project
New Town Development (\$2 million budget)	1.Nabouwalu, Bua, Vanua Levu	<p>1. Scheme Plan, Control & Topo Map has been submitted by Cadastrals to DTCP for approval. Approval is still pending as awaiting details from TLTB</p> <p>2. Reconciliation for payments done in 2015 is now complete with MOF desk officer(s)</p> <p>3. Consultancy Contract for EIA consultant has been drafted, awaiting a response from SG's office before it is submitted for vetting.</p> <p>4 Draft TOR for Engineering Consultant is being compiled, however, it will need further input on the scope of works once EIA study begins.</p>	<p>The Position of The Project Engineer who is to undertake The New Town development Program has been filled</p> <p>-Budget 2016/17 announcement on 23/06/16 relayed that \$1million has been earmarked for the Nabouwalu Town Project Development</p> <p>-Discussions with The surveyor, Cadastral highlighted several items that need to be ironed out before The engagement of The EIA and Civil Engineering Consultants which include AFL leasing issues to sitting tenants within The development lease.</p> <p>- It was discussed with the Surveyor on the practicality of the scheme when It will come to the design phase which will include the existing Nabouwalu Hospital Road and Lot 45 Public Access Road. The resolution was that the EIA assessment is critical before the design is carried out therefore to minimize re-designs/costs. it was also highlighted that slight amendments will be possible to the scheme if such issues arise during the Civil Design Planning Phase.</p> <p>- Draft EIA consultancy contract has been completed and upon its vetting, by SG's office, the consultant and Ministry can get the agreement done for the Environment Assessment study works to start.</p> <p>Total Utilization on Consultant Contract: \$23,000.00 Committed Sum: \$23,000.00</p>

	<p>2. Keiyasi, Valley Road, Nadroga</p>	<p>1. Development Lease for the proposed development area has been obtained from TLTB</p> <p>2. Scheme Plan, Control & Topo Map is currently being prepared by Weseng Consultant</p>	<p>The Consultant is currently in progress with survey works producing the Topo and Scheme Plan</p> <p>Total Utilization till Date on Consultant Contract: \$24,667.00 Committed Sum: \$23,633.00</p>
	<p>3. Seaqaqa, Macuata, Vanua Levu</p>	<p>1. Development Lease for the proposed development area has been obtained from TLTB</p> <p>2. Scheme Plan, Control & Topo Map is to be prepared by Quality Development</p>	<p>The Consultant work progress with producing the Topo and Scheme Plan is not clear at the moment as the Contract agreement is yet to be signed due to consultant not submitting mandatory Documentation</p> <p>Total Utilization till Date on Consultant Contract: \$0.00 Committed Sum: \$42,500.00</p>



5. DEPARTMENT OF HOUSING

The Constitution requires the Government to use the available resources to progressively realize the right of every person to accessible and adequate housing. To do this, Government has adopted a holistic approach to housing that is in large part carried out by the Department of Housing, which is responsible for providing access to adequate and affordable accommodation for all citizens, especially the disadvantaged. The Department plays an important role in the Government's efforts to combat poverty through the effective administration of the National Housing Policy, which has a specific emphasis on upgrading and resettlement programs.

The Department is also responsible for administering Government grants to social housing providers such as the Public Rental Board, the Housing Authority, and the Housing Assistance Relief Trust. The Department's 2016 program is based on an inclusive and integrated approach between Government and key housing providers. It will focus on strengthening Fiji's various social housing programs; assisting the Public Rental Board, the Housing Assistance Relief Trust and the Housing Authority of Fiji to provide the best possible services to the Fijian people; providing accessible and affordable mortgage financing for both rural and urban communities; enhancing the Ministry's squatter settlement upgrading programs; and enabling more people to graduate from rental accommodation to homeownership.

For 2016, the Department of Housing is provided with a total allocation of \$30.8 million, an increase of \$3.1 million.

Some of the major successes of the Department of Housing during this reporting period are highlighted below.

5.1. ACHIEVEMENTS ON ESTABLISHING AND IMPLEMENTING THE NATIONAL HOUSING POLICY

The Department of Housing continued with the implementation of the National Housing Policy Action Plan [NHPAP]. The Department has completed 21 of the 24 activities, the remaining activities which will continue to be implemented are completing the National Housing Act; merger of the Public Rental Board and Housing Authority; and Institutional strengthening & capacity building for the Squatter Settlement Upgrading Unit.

5.1.1. HELPING FIJI TO RECOVER FROM THE DEVASTATION OF TROPICAL CYCLONE WINSTON

On 20th and 21st, February 2016 Category 5 Tropical Cyclone Winston cut a path of destruction across Fiji. The Fiji Government estimated that almost 350,000 people living in the cyclone's path were affected. The Government declared a 30-day State of Natural Disaster which expired 21 March 2016, which was subsequently extended to 19th April 2019. At least 42 people were confirmed to have died and by 21st February 2016, an estimated 56,000 people were sheltering in evacuation centers and required housing assistance.

To address this need, fifty-three agencies and other organizations contributed to the response which was coordinated through Fiji Shelter Response Cluster Meetings, starting on the 27th of February 2016 and ending 14th September 2016.

Through this response a total of 36,609 households received emergency shelter assistance including Tarpaulins; Tents or Shelter Kits and Toolkits. A further 3,871 households received Shelters Fixing Kits. 19,765 households received construction materials, repair assistance, and technical support from 2,300 Semi-Skilled Builders/Carpenters.

5.1.2. BUILDING A BETTER FIJI FOR THE FUTURE – THE BUILD BACK SAFER INITIATIVE



The response to TC Winston involved both immediate assistance in providing shelter, however, it was also recognized that preventing widespread destruction in the future should also be a priority. Accordingly, the Build Back Safer initiative was introduced to help Fijians create more sustainable, disaster-resistant housing for the future.

Through this initiative, communities had access to Emergency Shelter Awareness, a three-day training programme for trainers for Build Back Safer, and a booklet and poster with 7 key messages for Build Back Safer.

5.2. ACHIEVEMENTS IN ADMINISTRATION OF GOVERNMENT GRANT FUNDS FOR HOUSING PROGRAMMES

The Department of Housing monitors and administers government grants for the following:

5.2.1. PUBLIC RENTAL BOARD:

The following capital projects were undertaken/on-going;

- The government had provided capital grants in 2014 & 2015 of \$2.24m for the 36 units Kalabu housing project at Nasinu and \$3.87m for the 48 units Naqere housing project in Savusavu. Both projects were ongoing throughout 2016;
- Public Rental Board - \$457,327 in rental subsidies was released to the Public Rental Board to assist 710 financially disadvantage rental customers on a quarterly basis in 2016.



Figure 2: Kalabu Housing Project



Figure 3: Naqere Housing Project

5.2.2. CAPITAL PROJECT FOR HOUSING AUTHORITY

The government had provided the Social Housing Policy Grant of \$389,456 to the Housing Authority, where a further thirty (30) customers were assisted in retaining their homes under its Social Housing Policy in 2016.

84

New units at Kalabu housing project at Nasinu units and Naqere housing project in Savusavu.



48

New units at Naqere housing project in Savusavu.



36

New units at Kalabu housing project in Nasinu.



5.2.3. GOVERNMENT GRANT TO HOUSING ASSISTANCE RELIEF TRUST

The Department of Housing a total of \$144,025 to the Housing Assistance Relief Trust in 2016. The HART community throughout Fiji sustained damages from TC Winston, five communities were the worst affected as they sustained major damages to the infrastructures. In the Central/Eastern Division two communities namely the New Town HART community and Nakasi HART community were badly affected in terms of the damages sustained. In the Western Division, the worst affected communities were Lovu HART in Lautoka, Namosau HART in Ba, and Naqoro HART in Rakiraki.



Figure 4: Pictures showing the damages sustained by 2 x 4 flat buildings at Lovu, HART Community, Lautoka.

5.2.4. GOVERNMENT GRANT TO PEOPLES COMMUNITY NETWORK OF \$3.2M

The Lagilagi Housing Project continued in 2016; \$5,431,347 million was provided in 2015. There was no Capital Grant paid to Peoples Community Network in 2016. The Lagilagi Housing Project continued in 2016.

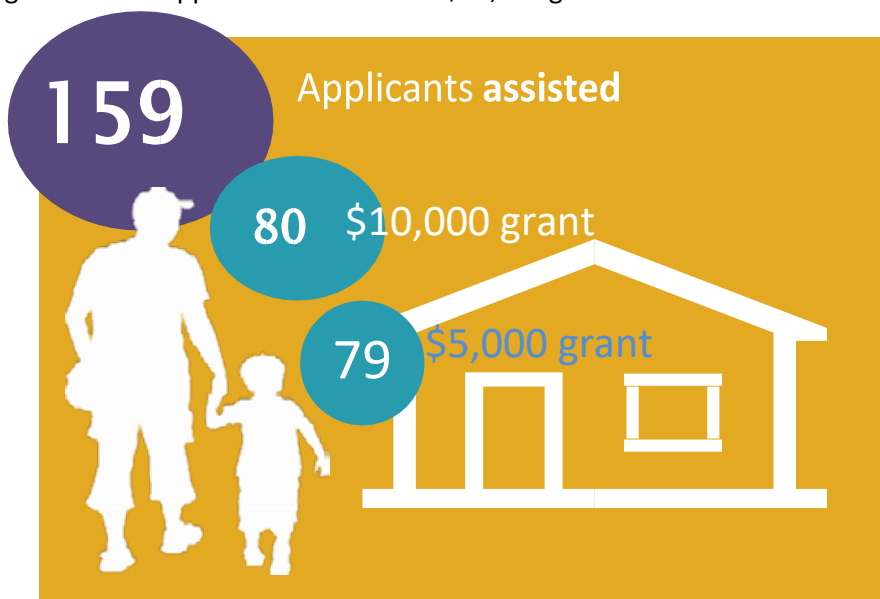


Figure 5: Lagilagi Housing Development Project, Suva

5.2.5. FIRST HOME BUYERS GRANT

Housing Assistance Grant – The Government allocated \$10 Million to financial institutions through the Housing Assistance Grant (HAG) to assist first time home buyers.

In 2016, 159 first homeowners were able to access total funding of \$1,195,000, where 79 applicants received the \$5,000 grant and 80 applicants received the \$10,000 grant.



5.2.6. FIRE VICTIMS ASSISTANCE GRANT

The Government allocated \$1 Million for the Fire Victims Assistance Grant, where 20 recipients' benefitted totaling \$100,000 were paid.

5.2.7. ACHIEVEMENTS IN MANAGEMENT OF SQUATTER SETTLEMENT UPGRADING PROJECTS

The Department of Housing was allocated \$3m in 2016 to facilitate the completion of the Squatter Upgrading and Resettlement Programme aimed at improving living conditions on squatter settlements by properly developing their physical environment. Part of the programme has involved creating regularised subdivisions incorporated under the existing local government or statutory authority's jurisdiction as legitimate subdivisions. As a consequence, people living in these squatter settlements will have the benefit of regulatory controls and regular services, such as power and water.

In 2016, a total of 731 families living in five squatter settlements received improvements in services from the \$4m funding for the Squatter Settlement Upgrading and Resettlement Project including:

- OMKAR, Narere, 87 Lots – currently at final vetting of the Consultancy Contract and a Revised Scheme Plan is to be submitted by NRW Macallan;
- SASAWIRA, Nakasi, 156 Lots - Engineering plans have been lodged to DTCP, with amendments made to engineering drawings due to the complexity of the site conditions.
- CAUBATI, Nasinu (307 Lots) – work was completed on the construction of gabion baskets for the retention/protection of the riverbank which had unstable material caused by deep execution of sewer pipes and manholes risers;
- CUVU, Nadroga (105 Lots) – work was completed construction of roads, sewer line, water reticulation, fire hydrants & communal septic tanks completed
- LEDRUSASA, Nadi (76 Lots) – completion of construction of roads, sewer reticulation, water reticulation, stormwater drainage & fire hydrants

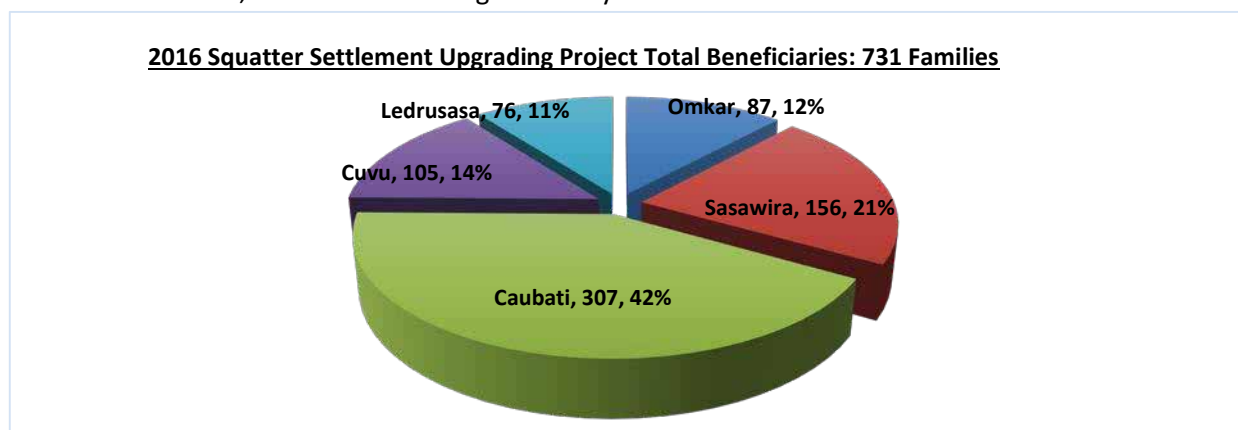


Figure 6 Pie chart showing squatter settlement upgrading project

In 2016, a total of 1,182 families living in four squatter settlements received improvements in services from the \$3m funding for the Town Wide Informal Settlement Upgrading Project, these include:

- Qauia, Lami (436 Lots) - Subdivision Scheme Plan for 436 residential lots was submitted to the Ministry, including Topographical and Control Plan and Geotechnical Report.
- Nadonumai, Lami (270 Lots) - DTCP processed the Subdivision Scheme plan. Referral comments to LTC, WAF, FRA NFA&FEA. Rezoning Application from Residential C to Residential Upgrading Development lodged to Lami Town Council

- Wakanisila, Kalabu (120 Lots) - *Jone Luveniyali Engineering Consultant finalizing the Subdivision Scheme Plan.*
- Waidamudamu, Nakasi (270 Lots) - Subdivision Scheme Plan for 270 residential lots submitted to Ministry. Topographical and Control Plan and Geotechnical Report submitted to the Ministry.

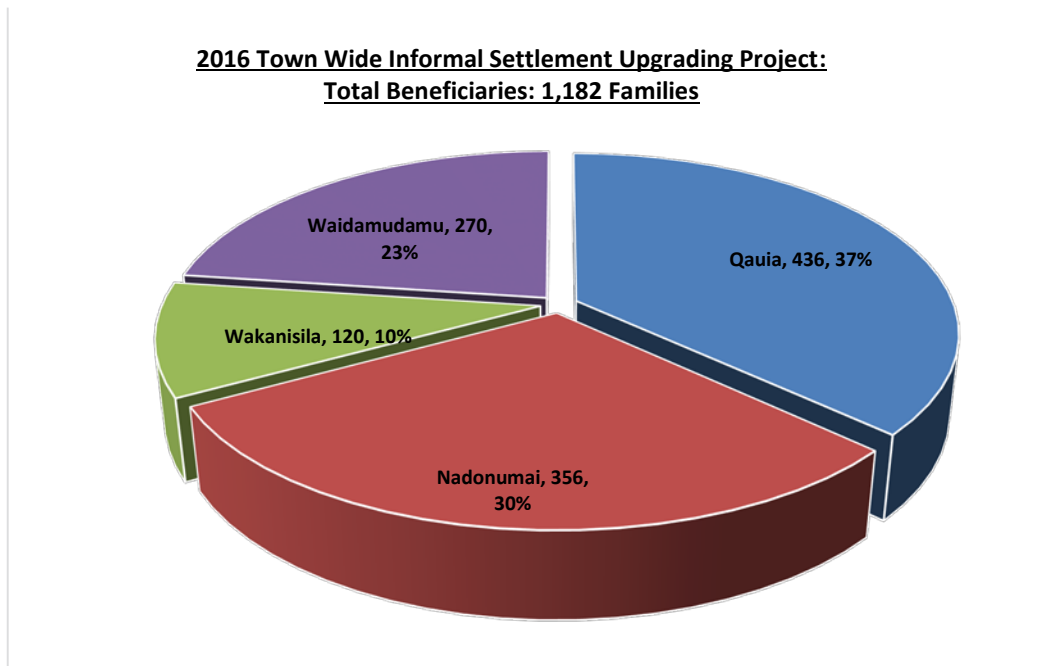


Figure 7: Pie chart showing Town Wide Informal Settlement upgrading project

Furthermore, the department also administered four City Wide Squatter Upgrade Projects involving incremental upgrading with funding of \$100,000 per project site for the upgrading of roads, driveway access, footpaths and railings, and sanitary blocks. The four city-wide informal settlement upgrading projects carried out in 2016 which will benefit 400 families in the following areas;

- Lami- Matata & Valenicina Settlement (100 families): Driveway access and footpaths.
- Suva- Nauluvatu (100 families): Footpaths and railings.
- Nasinu- Beaumont Road Settlement (100 families): Driveway access and footpaths.
- Lautoka - Vunato Settlement (100 families): Road Upgrading and Kaleli Sanitary Blocks.

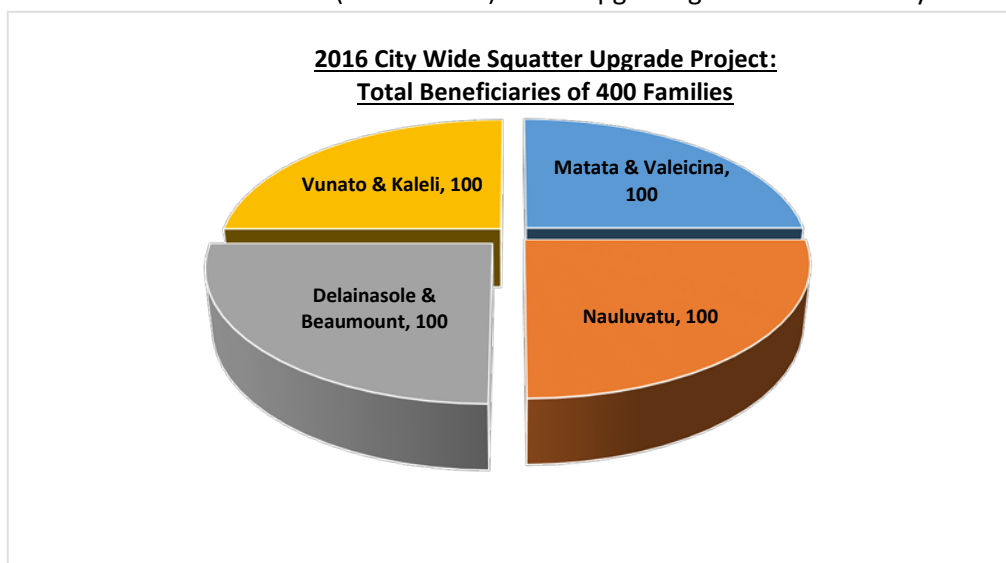


Figure 8: Pie chart showing City Wide Squatter Upgrading project

5.3. SOCIO-ECONOMIC SURVEYS

In 2016, the Department of Housing carried out Socio-Economic Surveys for 2 settlements at Laqere and Wakanisila. These surveys tabulate and support the assessment for the number of households to be assisted in individual settlements. These settlements are located in the Central Division.

Table 12: Socio Surveys Carried Out in 2016

Settlement Name	Division	Number Houses	Population
Laqere Stage 10	Central	9	47
Wakanisila	Central	88	445
Total		97	492

5.3.1. SHELTER CLUSTER PARTNERS

Representatives from more than 53 organizations and agencies have attended Shelter Cluster Fiji meetings for TC Winston response, and received regular information sharing and updates: the representatives included;

ADF, ADRA, All Hands Volunteers, Chris Cole architect, Care, Caritas, DFAT, Disaster Aid International, Division Central, Division Eastern, Division Northern, Division Western, ECHO, Entec/South Pacific Engineers Association, EU, FCOSS (Fiji Council of Social Services), Fiji Disabled Peoples Federation, Fiji Institution of Engineers, Fiji Red Cross, Fiji National University, Foundation for Rural Integrated Enterprises & Development (FRIEND), Grace Road, Habitat for Humanity Fiji, IFRC, IOM, IsraAID, Kiwanis, Lifeline, Live & Learn, MFAT, Ministry of Local Government, Housing & Environment, Ministry of Foreign Affairs, NDMO, NGOCC, OCHA, OLA FOU, Pacific Disability Forum, PCN, UN-Habitat, Protection Cluster, ShelterBox, SPC, UNDP, UNISDR, UN Women, USP, Victoria University, WASH Cluster, WFP, WHO, World Bank, WWF Fiji.

29 organizations and agencies have reported shelter activities for TC Winston response: included;

ADF, ADRA, Care, Caritas, CID, Disaster Aid International, FCDP, Fiji Red Cross, Fiji Community Development Program (FCDP), Foundation for Rural Integrated Enterprises & Development (FRIEND), French Casa, Government of Fiji, Habitat for Humanity Fiji, IOM, Live and Learned, NZAID, PCN, RCAS, CID, IsraAID, NDMO, NZDF, PIA, Rotary, Rugbee Plus, Salvation Army, Sea Mercy, SMEC Youth (SDA), ShelterBox, Tonga Red Cross, World Vision.

Shelter Cluster Fiji Timeline Activities (20th February to 8th July 2016).

- 20th/21st February, 2016 – TC Winston impact on Fiji & declaration of State of Natural Disaster.
- 27th February – Shelter Cluster Fiji (SCF) activated.
- 28th February – SCF coordinator deployed with team members phasing in.
- 3rd March – Flash Appeal released, covering 21 February to 21 May and requesting US\$38.6m for 350,000 people affected overall (Shelter = \$5.3 million requested to reach 112,800 people)
- 21st March – SCF Humanitarian Action Plan, with 3 shelter objectives.
- 9th April – Launch of GoF Help for Homes Initiative, \$70m FJD voucher.

- 19th April – End of State of Natural Disaster.
- 9th May – Recovery Survey, outlining programming intentions.
- 10th to 12th May – SCF “Training of Trainers” pilot BBS workshop.
- 21st May – End of Flash Appeal
- 7th June – 2nd revision SCF Humanitarian Action Plan, adding Shelter Recovery Guidelines.
- 8th July – SCF Lessons Learned workshop.

5.3.2. GOVERNMENT GRANT TO SUSTAINABLE INCOME GENERATION PROJECT

In 2016, the department administered five sustainable income generation projects which aim to contribute to reducing rural-urban migration, improving community well-being, and reducing poverty benefitting 163 rural families. The projects include:

- Vunisinu Village, Rewa (39 families; the population of 212) - Established Village Trust Fund and achieved continued community savings balance of \$30,000;
- Naboutini Village, Cakaudrove (40 families; the population of 167) - Established Village Trust Fund and achieved community savings balance of \$15,000;
- Nakama Village, Macuata (34 families; the population of 246) - Established a community workable commercial system; established Village Trust Fund Account and a community savings Insurance Policy of \$24,000.00;
- Nakoro Village, Navosa (47 families; the population of 154) - Established community workable Commercial system. Project Community Lease on 300 acres of the farm; and
- Vanuakula, Naitasiri - 3 established families established with five acres of farmland; 3 start-up families.

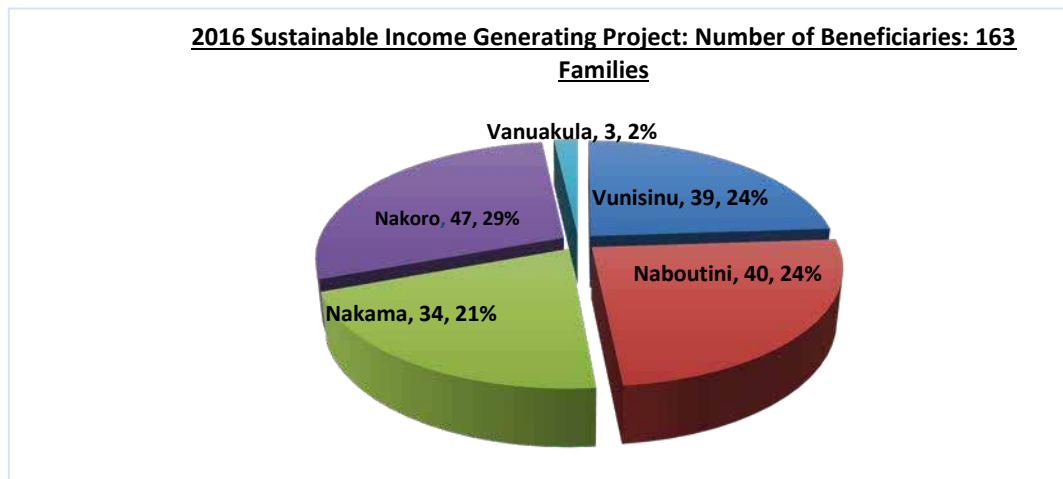


Figure 9: Pie chart showing Sustainable Income Generating Project

The Department also facilitated a three-day Sustainable Housing and Income Generation Workshop at Centre for Appropriate Technology and Development (CATD), Nadave from 27th to 29th April 2016.



Figure 10: 3 Day Workshop held on 27 to 29 April 2016 at CATD, Nadave

6. DEPARTMENT OF ENVIRONMENT

The Department of Environment administers four legislations - Environment Management Act 2005, Ozone Depleting Substances Act 1998, the Endangered and Protected Species Act 2002, and the Litter Act 2008. The purpose of these legislation is to ensure that Fiji's environment is protected and natural resources are managed sustainably. The legislations are aligned to Fiji's international obligations and commitments. Key achievements of the Department during the January to July period are listed below:

- 164 CITES permits were issued.
- 144 ODS permits were issued; 300 ODS licenses were issued.
- 11 EIAs were approved.
- 4 waste management training was conducted.
- 75 facilities were inspected for compliance under the Ozone-Depleting Substance Act 1998.
- 7 Small Grants Projects funded by the Global Environment Facility (GEF) were approved. By the Small Grants Project National Steering Committee while 10 projects commenced implementation.
 - Hosted Pacific Island Country and South East Asia Pacific Network meeting.
- Awareness and Advocacy programs were implemented including through the commemoration of World Environment Day.

6.1 Finance

The Department of Environment was allocated the following as per the budget:

Table 13: DoE Budget Breakdown

TOTAL BUDGET ALLOCATION	\$9,237,500
Budget Breakdown	
Awareness	\$102,000
Waste Management and Pollution Control	\$5,403,632
Resources Management	\$1,010,720
Environment Impact Assessment	\$230,000
Ozone Depleting Substances	\$88,900
Project Management	\$50,000
Operational Costs	\$2,353,348

6.2 Operations

The department of Environment is subdivided into 6 units, as follows:

6.2.1 Waste Management and Pollution Control

Waste Management and Pollution Control activities are mandated under Part 5 of EMA 2005, Environment Management (Waste Disposal and Recycling) Regulations 2007, Litter Act 2008, and the Customs (Prohibited Imports and Exports) (Amendment)(No.3) Regulations 2012.

In this fiscal year the Department carried out the following activities:

- Conducted environmental management compliance inspections & monitoring work.
- Implemented and facilitated the enforcement of the Litter Act 2008 and conducted. Training for Litter Prevention Officers (LPO's) mandated to enforce the Litter Act 2008.
- Enforced the Customs (Prohibited Imports and Exports) (Amendment) (No.3) Regulations 2012 & Section 45 of EMA.
- Implemented the JPRISM Project for solid waste management in Fiji. Three divisional level training was held.
- Facilitated the review of the National Implementation Plan (NIP) as required under the Stockholm Convention and conducted national training related to chemical management.
- Implemented environmental awareness and advocacy programs at the community level.
- The training was conducted on solid and hazardous waste management (The purpose of this training was to train trainers on regional solid and hazardous waste management and in identifying the different waste types and their subsequent disposal methods).

6.2.2 Resource Management

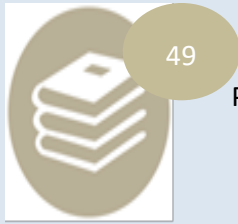
The Resource Management responsibilities are mandated under section 13(2) and 13(3) of the EMA 2005. The Department is also responsible for the enforcement of the Endangered and Protected Species Act (2002). The EPS Act 2002 is the domestic legislation that regulate and control the international trade, domestic trade, possession, and transportation of species listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) to which Fiji is a party too. The EPS Act also list Schedule 1 and Schedule 2 listed species that are indigenous to the Fiji Islands and are protected under the EPS Act.

During January to July timeframe, the Department processed and issued 164 CITES related permits and carried out awareness and advocacy work through the different stakeholders including schools, community and NGO groups, and Youth and Sporting partners. The Environment Day was celebrated on June 5 with the theme "Go Wild for Life". This theme focused on the diverse and abundance of wildlife in the world and reflected the importance and uniqueness of these species in a web of life showing the interconnection from one species to another including human beings.

6.2.3 Environment Impact Assessment

The EIA is mandated under Part 4 of the EMA 2005. EIA is a tool used to determine the environmental, social, and economic impacts on any development project before approvals or decisions are made. The objective of the EIA is to predict the environmental impacts and potential degradation at the earliest stage possible i.e. it's planning and design stages and to identify methods to reduce adverse impacts, shape projects to suit the local environment, and present the predictions and options to the decision-makers.

In 2016 between January to July timeframe, the Department processed 49 applications and approved 11 EIAs.



Processed



Approved

6.2.4 Ozone-Depleting Substance

The Department is responsible for the enforcement of the ODS Act 1998 and its subsequent Regulations of 2010.

The Department endeavors to ensure compliance by companies that utilize ozone-depleting substances. The Department issues import and export permits as part of its licensing and permitting systems under the ODS Act 1998.

The following activities were carried out:

- Hosted the Pacific Island Country (PIC) and South East Asia Pacific (SEAP) Network Meeting from June 14 to 20. The annual meetings are hosted by different countries whereby Ozone Officers gather and share experiences, build on their capacity, and discuss work done in accordance with the Montreal Protocol.
- Conducted Good Practices in Refrigeration training to improve the code of practice with industries and institutions Fiji wide. The training provides a free flow of shared information and the strengthening of proper record keeping and documentation for refrigerant management.
- 75 facilities were inspected for compliance.
- The following Permits and Licenses were processed:
 - Export- 7
 - Import-8
 - New Storage Permit- 16
 - Renewal of Permit – 113
 - New Handling license- 37
 - Renewal of License- 263



16

New Storage Permit



37

New Handling license



113

Renewal of Permit

6.2.5 Project Management

The Department is responsible for the overall monitoring and evaluation of projects that are funded by the Global Environment Facility (GEF) including the GEF Small Grants Program (SGP). Between January and July 2016, 7 SGP Projects were approved by the SGP National Steering Committee, while 10 projects commenced implementation.

6.3 Staffing

The Department of Environment had a total of 38 staff (includes established, unestablished and Project staff).

Staff Resignation

- Project Manager PMU - Sele Tagivuni resigned.
- Technical Officer (Waste Management and Pollution Control) - Shilpa Singh
- Project Officer (Resource Management/MESCAL) - Mafa Wilson

7. CORPORATE SERVICE DIVISION

THE Corporate Service Division is responsible for the implementation of policy decisions for the overall management of the Ministry's budgeting, planning, financial, accounting control, and human resources unit.

Division two (2) units: Administration (Personnel) and Finance.

7.1 ADMINISTRATION SECTION

The Administration Section ensures that the Ministry's standard policies and processes are aligned to the Civil Service Regulations. Administration delivers requirements in accordance with the 2013 Constitution of the Republic of Fiji, Public Service Commission (PSC) and the Ministry of Finance (MOF) to ensure the compliance to General Order (GO) 2011, Public Service Code of Conduct, Financial Management Act (FMA), Agency Financial Manual, Financial Management Instructions (FMI), Government Wage Earners Conditions as well as the approved changes issued through Circulars from the central Agencies and reporting agencies for the adherence of the entire workforce.

7.1.1 STAFF ESTABLISHMENT

The Ministry employs a total of 165 staff, 133 were established Staff while 15 were Government Wage Earners, and 17 Project Officers. During the year there was 2 appointment made – Deputy Secretary and Director of Environment.

Table 14: Staff Profile

Department/Units	Total	Established	Project	Government Wage Earners
Local Government	165	12	0	1
Town and Country Planning		48	0	2
Housing		13	0	2
Environment		40	17	4
CSD		20	0	6

7.1.2 OFFICE ACCOMMODATION AND VEHICLES

Proposal submitted to relocate the Western Division Office at Lautoka to the ground floor of the building for easy access to customers. North Office had been successfully re-located to the Local Timber Building. No additional office space acquired to accommodate our increasing workforce the headquarters in Suva. However, continuous liaison with CIU Unit, Office Accommodation for alternate office space.

The Ministry administers 16 vehicles;

1. Corporate: 5
2. Town Planning: 2
3. Housing: 2
4. Environment: 2
5. Local Government: 1
6. Northern Division: 2
7. Western Division: 2

7.1.3 OTHER ACTIVITIES

The Wellness Committee organized a medical check-up for Ministry Staff. The Ministry continues to participate in various sports activities as part of the Wellness Program.

7.1.4. FINANCE DEPARTMENT

The Finance section provides financial administrative support to the four departments of the Ministry administers the utilization of the approved budgetary allocation of \$35.0 million in the 2016 Budget plus \$30.8 million for Department of Housing.

The role of the Finance Division is to provide financial support services to other departments as per prevailing Financial Regulations and monitor that goods and services are efficiently delivered on time as per the budgetary provision.

The Unit's objectives include:

- i. Proper management of budget allocation which is fundamental to ensuring value for money in delivering services to the public as well as having cost-effective internal controls within the purchasing and payments system. This plays an important role to ensure that wastage of funds, over expenditure, misuse, and corruption does not happen.
- ii. Ensure Internal Control measures are in place, maintained, and identified areas for improvements where appropriate and recommendations designed to assist the Ministry to improve the system and compliance with the Finance regulation.
- iii. Effective use of the Financial Management Information System (FMIS).

The Accounts Section carries out its key responsibilities through the following:

1. Management of payments (accounting and financial function) through:

- a. Payments beneficiaries of 1st Homebuyers
- b. Payments of the assistance of Fire Victims
- c. Closing of Accounts
- d. Meeting financial requirements of the Ministry in support of its Business Operations

2. Compliance and Monitoring

- a. Adhering to financial regulation through the provision of Financial Statement to the Ministry of Finance (salary reconciliation, petty cash, and bank reconciliation, IDC and Drawings)
- b. Adapting to Ministry of Finance instructions through Finance Circulars
- c. Attend to Audit queries.

7.2. REVISED BUDGET AND YEAR TO DATE EXPENDITURE

This is to provide an overview of the Ministry's total Revised Budget and its Year to Date Expenditure (YTD) at the end of the 2016 financial year. The below table and graph displays the utilization for the Ministry's total revised budget and YTD budget expenditure as at 31st July 2016.

Table 15 Utilization of revised budget and YTD budget expenditure 2016

Ministry/Department	Head	2016 Budget (FJD\$)	Revised	2016 Expenditure (FJD\$)	Actual	2016 Balance (FJD\$)	2016 % utilization
Local Government, Town and Country Planning & Environment	37	35,041,515		25,228,885		9,812,630	72%
Department of Housing	23	30,848,070		6,806,668		24,041,402	21%
		65,889,585		32,035,553		33,854,032	49%

The Ministry managed to utilize 49% of its total budgetary funds and 51% of the said funds were not utilized.

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File: 625

18 May 2017

Hon. Parveen Kumar
Minister for Local Government, Housing and Environment, Infrastructure & Transport
Ministry of Local Government, Housing and Environment, Infrastructure & Transport
FFA House
4 Gladstone Road
SUVA

Dear Hon. Kumar

AUDITED AGENCY FINANCIAL STATEMENTS FOR MINISTRY OF LOCAL GOVERNMENT,
TOWN & COUNTRY PLANNING AND ENVIRONMENT
FOR THE SEVEN MONTH PERIOD ENDED 31st JULY 2016

Audited Financial Statements for the Ministry of Local Government, Town & Country Planning and Environment for the for the seven month period ended 31 July 2016 together with my audit report on them are enclosed.

Particulars of errors and omissions arising from the audit have been forwarded to the Management of the Ministry for its action.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

cc: Mr. Joshua Wycliffe, Permanent Secretary.

Encl.

**MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY
PLANNING AND ENVIRONMENT**

AGENCY FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
AGENCY FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

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INDEPENDENT AUDITOR'S REPORT

Audit Opinion

I have audited the financial statements of the Ministry of Local Government, Urban Development and Environment, which comprise the Statement of Receipts and Expenditure, Appropriation Statement, Statement of Losses and Trust Account Statement of Receipts and Payments for the 7 months period ended 31 July 2016, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, except for the matter described in the basis for qualified opinion paragraph, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.

Basis for Qualified Opinion

1. The Environment Trust Fund account for the Ministry had a closing balance of \$2,781,989 for period ended 31 July 2016. The Ministry did not maintain proper records including cash books. Proper bank and trust reconciliations were also not performed for the trust account. As a result, I was not able to ascertain the accuracy and correctness of the amount reflected in the trust account.

Without further qualifying the opinion expressed above, I draw attention to the following:

- The Ministry did not carry out an annual board of survey to verify the existence and condition of all assets under its authority contrary to Section 49 of Finance Instructions 2010. The last survey was carried for the financial period 1 January 2015 to 31 December 2015.

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the *Auditor's Responsibilities* paragraph of my report. I am independent of the Office in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other 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 audit opinion.

Management's Responsibilities for the Financial Statements

The management of the Ministry of Local Government, Urban Development and Environment are responsible for the preparation of the financial statements in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

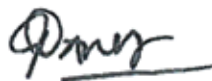
Auditor's Responsibilities

My objectives are to obtain reasonable assurance about whether the financial 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and 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 the financial statements.

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

- Identify and assess the risks of material misstatement of the financial 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 control.
- 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 Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and related disclosures made by the Ministry.

I communicate with the Ministry 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.



Ajay Nand
AUDITOR GENERAL

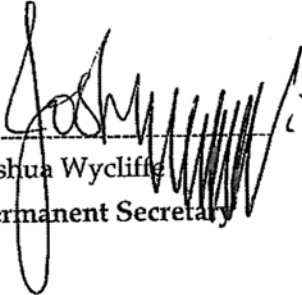


Suva, Fiji
18 May 2017

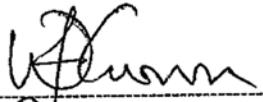
MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
MANAGEMENT CERTIFICATE
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Local Government, Town & Country Planning and Environment for the period ended 31 July 2016; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.


Joshua Wycliffe
Permanent Secretary

Date:


Julia Morovou
Deputy Secretary

Date: 16/05/2017

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

	Notes	2016 (\$)	2015 (\$)
RECEIPTS			
State Revenue			
Town and Country Planning Fees		174,574	244,691
Commission		4,639	5,752
Total State Revenue		<u>179,213</u>	<u>250,443</u>
Agency Revenue			
Miscellaneous		165,213	253,788
TOTAL REVENUE		<u>344,426</u>	<u>504,231</u>
EXPENDITURE			
Operating Expenditure			
Established Staff		1,591,961	2,754,337
Unestablished Staff		118,901	140,795
Travel & Communication		150,819	197,771
Maintenance & Operations		165,289	252,868
Purchase of Goods & Services		61,609	140,179
Operating Grants and Transfers		1,310,402	1,315,831
Special Expenditure		1,064,429	1,524,562
Total Operating Expenditure		<u>4,463,410</u>	<u>6,326,343</u>
Capital Expenditure			
Capital Construction	3 (b)	1,838,461	429,765
Capital Purchases		825,688	856,781
Capital Grants and Transfers	3 (c)	<u>17,814,240</u>	<u>16,474,957</u>
Total Capital Expenditure		<u>20,478,389</u>	<u>17,761,503</u>
Value Added Tax		287,086	497,263
TOTAL EXPENDITURE		<u>25,228,885</u>	<u>24,585,109</u>

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
 APPROPRIATION STATEMENT
 FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

SEG	Item	Budget Estimate	Appropriation Changes (Note 4)	Revised Estimate	Actual Expenditure	Lapsed Appropriation
		(\$)	(\$)	(\$)	(\$)	(\$)
				(a)	(b)	(a-b)
	Operating Expenditure					
1	Established Staff	3,206,032	-	3,206,032	1,591,961	1,614,071
2	Unestablished Staff	148,936	-	148,936	118,901	30,035
3	Travel & Communication	201,030	-	201,030	150,819	50,211
4	Maintenance & Operations	301,200	-	301,200	165,289	135,911
5	Purchase of Goods & Services	203,836	-	203,836	61,609	142,227
6	Operating Grants & Transfers	1,807,620	-	1,807,620	1,310,402	497,218
7	Special Expenditure	3,380,489	-	3,380,489	1,064,429	2,316,060
	Total Operating Costs	9,249,143	-	9,249,143	4,463,410	4,785,733
	Capital Expenditure					
8	Capital Construction	3,722,232	-	3,722,232	1,838,461	1,883,771
9	Capital Purchases	900,000	-	900,000	825,688	74,312
10	Capital Grants & Transfers	20,484,240	-	20,484,240	17,814,240	2,670,000
	Total Capital Expenditure	25,106,472	-	25,106,472	20,478,389	4,628,083
13	Value Added Tax	685,900	-	685,900	287,086	398,814
	TOTAL EXPENDITURE	35,041,515	-	35,041,515	25,228,885	9,812,630

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
STATEMENT OF LOSSES
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

Loss of Money

There was no loss of money recorded for the financial period ended 31 July 2016.

Loss of Revenue

There was no loss of revenue recorded for the financial period ended 31 July 2016.

Loss (other than money)

The Board of Survey was not carried out by the Ministry for the financial period ended 31 July 2016.

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
 ENVIRONMENT TRUST FUND ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS
 FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

	Notes	2016 (\$)	2015 (\$)
RECEIPTS			
Ozone Depletion Substance (ODS) Fines		233,080	455,628
Waste & Environment Impact Assessment		1,201,105	2,200,699
Environment Trust		88,467	276,904
Convention on International Trade in Endangered Species		7,007	193,982
Total Receipts		<u>1,529,659</u>	<u>3,127,213</u>
PAYMENTS			
Ozone Depletion Substance (ODS) Fines		22	773
Waste & Environment Impact Assessment		1,256,149	2,500,490
Environment Trust		245,750	601,067
Convention on International Trade in Endangered Species		140,355	1,369
Total Payments		<u>1,642,276</u>	<u>3,103,699</u>
Net (Deficit)/Surplus		(112,617)	23,514
Balance as at 1 January		2,894,606	2,871,092
Closing Balance as at 31 July	5	<u>2,781,989</u>	<u>2,894,606</u>

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

NOTE 1: REPORTING ENTITY

The Ministry of Local Government, Town & Country Planning and Environment oversee the Department of Local Government, Department of Town and Country Planning, and the Department of Environment. The Ministry is responsible for formulating and implementing local government and urban planning policies, developing and policing government policy for the protection of the environment to ensure compliance with government Poland its sustainable use.

The primary responsibility of the Department of Local Government is to improve local governance through the effective implementation of the Local Government Act 2005 [Cap 125]. It is also responsible for the provision of policy advice and support service to the National Fire Authority to ensure effective delivery of its core services.

The Department of Environment spearheads environmental management in the country with the main objective of promoting sustainable use and development of Fiji's environment and efficient implementation of policies, legislations and programs.

The Department of Town and Country Planning is responsible for the overall administration, planning and regulating the land use in Fiji to ensure sustainable development and coordinated growth. Its key functions are strategic planning of urban and rural areas and regulation and compliance with development laws. It also offers physical planning and land development advice to government and promotes town planning in Fiji.

The Ministry also partners with other authorities such as National Fire Services, Municipal Councils nationwide, as well as with international donor agencies that conduct environment and climate change programs.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting / Presentation

In accordance with Government accounting policies, the financial statements of the Ministry of Local Government, Town & Country Planning and Environment is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71(1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Continued...)
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

NOTE 2: STATEMENT OF ACCOUNTING POLICIES (Continued...)

(b) Accounting for Value Added Tax (VAT)

All income and expenses are VAT exclusive. The Ministry on a monthly basis takes out VAT output on total money received for expenditure from the Ministry of Finance. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to FIRCA. Actual amount paid to FIRCA during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

The Ministry changed its reporting period from 1 August to 31 July as per the Ministry of Economy circular number 04/16 due to a change in the whole of government reporting period.

Hence, the 2016 financial reporting period is for 7 months effective from 1 January 2016 to 31 July 2016. In comparison, the 2015 financial reporting period is for 12 months effective from 1 January 2015 to 31 December 2015. This was provided for in the Financial Management (Amendment) Act 2016.

(d) Revenue Recognition

Revenue is recognised when actual cash is received by the Ministry of Local Government, Urban Development and Environment.

(e) Change in Fiscal Year

As per the change in the Government Fiscal year from January - December to August to July, the current Annual Financial Statements depicts financials for seven months. The figures of the last seven months are illustrated against December 2015 figures.

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Continued...)
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

NOTE 3: SIGNIFICANT VARIATIONS

- (a) For the purpose of comparison of results for the seven (7) months period covering January to July 2016, the corresponding result for the previous financial period (fiscal 2015) can be prorated by dividing the respective figure by twelve (12) and multiplying by seven (7).
- (b) The capital construction expenditures for the Ministry of Local Government, Urban Development and Environment increased by \$1,408,696 in 2016 compared to 2015 due to contractual payments towards the construction of Naboro Landfill (stage 2) and consultancy payment for Waste Transfer Station.
- (c) The capital grants and transfers expenditures for the Ministry of Local Government, Urban Development and Environment increased by \$1,339,283 or 8% in 2016 compared to 2015 due to significant payments made for the re-development of Albert Park and Churchill Park projects, capital grants disbursed to the National Fire Authority and payments of challenge and investment funds to various municipal councils.

NOTE 4: APPROPRIATION MOVEMENTS

There were no redeployments of the Ministry of Local Government, Town & Country Planning and Environment funds during the year. Other movements were made through virement as follows.

The Permanent Secretary approved the following virement under delegation from the Minister of Economy.

Virement No.	From	To	Amount (\$)
01/16	SEG 7	SEG 7	118,349
02/16	SEG 7	SEG 7	5,200
03/16	SEG 7	SEG 7	25,000
04/16	SEG 7	SEG 7	2,430

NOTE 5: TRUST FUND ACCOUNT

Section 55 of the Environment Management Act 2005 establishes the Environment trust fund account into which shall be paid, money appropriated by Parliament, any environmental bond, any contribution or donation, fines of fixed penalties or any other money required under the Act or any other written law to be paid into the fund.

The Department of Environment administer the trust fund for various purpose including payment for debts for nature swaps, payment for necessary expenses incurred in the negotiation, monitoring, investigation or analysis of any matter or the undertaking of any environmental monitoring or audit programme, payment for environmental rehabilitation work, research programmes, refund of environmental bonds and security of costs and rewards under the act.

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File: 625

18 May 2017

Hon. Parveen Kumar
Minister for Local Government, Housing and Environment, Infrastructure & Transport
Ministry of Local Government, Housing and Environment, Infrastructure & Transport
FFA House
4 Gladstone Road
SUVA

Dear Hon. Kumar

AUDITED AGENCY FINANCIAL STATEMENTS FOR MINISTRY OF HOUSING FOR THE SEVEN MONTH PERIOD ENDED 31st JULY 2016

Audited Financial Statements for the Ministry of Housing for the for the seven month period ended 31 July 2016 together with my audit report on them are enclosed.

Particulars of errors and omissions arising from the audit have been forwarded to the Management of the Ministry for its action.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

cc: Mr. Joshua Wycliffe, Permanent Secretary.

Encl.

DEPARTMENT OF HOUSING

AGENCY FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

DEPARTMENT OF HOUSING
AGENCY FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

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INDEPENDENT AUDITOR'S REPORT

Audit Opinion

I have audited the financial statements of the Department of Housing, which comprise the Statement of Receipts and Expenditure, Appropriation Statement, Statement of Losses and and Trust Account Statement of Receipts and Payments for the 7 months period ended 31 July 2016, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, except for the matter described in the basis for qualified opinion paragraph, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.

Basis for Qualified Opinion

1. The City Wide Informal Settlement Upgrading Trust Fund account for the Department had a closing balance of \$7,269 for period ended 31 July 2016. The Department did not maintain proper records including cash books. Proper bank and trust reconciliations were also not performed for the trust account. As a result, I was not able to ascertain the accuracy and correctness of the amount reflected in the trust account.

Without further qualifying the opinion expressed above, I draw attention to the following:

- The Department did not carry out an annual board of survey to verify the existence and condition of all assets under its authority contrary to Section 49 of Finance Instructions 2010. The last survey was carried for the financial period 1 January 2015 to 31 December 2015.

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISA). My responsibilities under those standards are described in the *Auditor's Responsibilities* paragraph of my report. I am independent of the Office in accordance with the ethical requirements that are relevant to my audit of the financial statements in Fiji and I have fulfilled my other 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 audit opinion.

Management's Responsibilities for the Financial Statements

The management of the Department of Housing is responsible for the preparation of the financial statements in accordance with the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010, and for such internal control as the management determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibilities

My objectives are to obtain reasonable assurance about whether the financial 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud and 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 the financial statements.

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

- Identify and assess the risks of material misstatement of the financial 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 control.
- 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 Department's internal control.
- Evaluate the appropriateness of accounting policies used and related disclosures made by the Department.

I communicate with the Department 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.



Ajay Nand
AUDITOR GENERAL

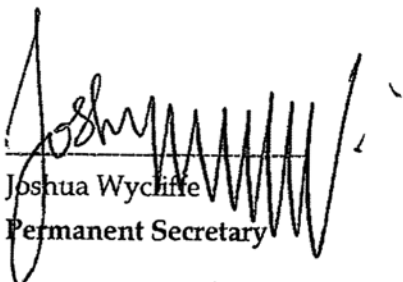


Suva, Fiji
18 May 2017

DEPARTMENT OF HOUSING
MANAGEMENT CERTIFICATE
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

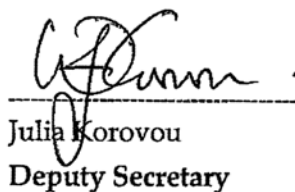
We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Department of Housing for the period ended 31 July 2016; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, Financial Management (Amendment) Act 2016 and the Finance Instructions 2010.



Joshua Wycliffe
Permanent Secretary

Date: 16/05/2017



Julia Korovou
Deputy Secretary

Date: 16/05/2017

DEPARTMENT OF HOUSING
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

	Notes	2016 (\$)	2015 (\$)
RECEIPTS			
State Revenue			
Operating Revenue		-	-
Total State Revenue		<u>-</u>	<u>-</u>
Agency Revenue			
Miscellaneous		12,904	18,090
TOTAL REVENUE		<u>12,904</u>	<u>18,090</u>
EXPENDITURE			
Operating Expenditure			
Established Staff		197,297	291,480
Unestablished Staff		12,095	17,308
Travel & Communication		25,816	50,232
Maintenance & Operations		21,044	38,249
Purchase of Goods & Services		5,608	8,052
Operating Grants and Transfers		457,327	793,969
Special Expenditure		22,401	132,787
Total Operating Expenditure		<u>741,588</u>	<u>1,332,077</u>
Capital Expenditure			
Capital Construction		1,513,049	7,080,087
Capital Grants and Transfers		4,408,600	7,925,377
Total Capital Expenditure		<u>5,921,649</u>	<u>15,005,464</u>
Value Added Tax		143,431	1,111,142
TOTAL EXPENDITURE	3 (b)	<u>6,806,668</u>	<u>17,448,683</u>

DEPARTMENT OF HOUSING
 APPROPRIATION STATEMENT
 FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

SEG	Item	Budget Estimate (\$)	Appropriation Changes (\$)	Revised Estimate (\$) (a)	Actual Expenditure (\$) (b)	Lapsed Appropriation (\$) (a-b)
Operating Expenditure						
1	Established Staff	347,898	-	347,898	197,297	150,601
2	Unestablished Staff	17,053	-	17,053	12,095	4,958
3	Travel & Communication	56,000	-	56,000	25,816	30,184
4	Maintenance & Operations	60,000	-	60,000	21,044	38,956
5	Purchase of Goods & Services	24,000	-	24,000	5,608	18,392
6	Operating Grants & Transfers	1,000,000	-	1,000,000	457,327	542,673
7	Special Expenditure	174,000	-	174,000	22,401	151,599
	Total Operating Costs	1,678,951	-	1,678,951	741,588	937,363
Capital Expenditure						
8	Capital Construction	7,653,801	-	7,653,801	1,513,049	6,140,752
10	Capital Grants & Transfers	20,798,218	-	20,798,218	4,408,600	16,389,618
	Total Capital Expenditure	28,452,019	-	28,452,019	5,921,649	22,530,370
13	Value Added Tax	717,100	-	717,100	143,431	573,669
	TOTAL EXPENDITURE	30,848,070	-	30,848,070	6,806,668	24,041,402

**DEPARTMENT OF HOUSING
STATEMENT OF LOSSES
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

Loss of Money

There was no loss of money recorded for the financial period ended 31 July 2016.

Loss of Revenue

There was no loss of revenue recorded for the financial period ended 31 July 2016.

Loss (other than money)

The Board of Survey was not carried out by the Department for the financial period ended 31 July 2016.

DEPARTMENT OF HOUSING
 CITY WIDE INFORMAL SETTLEMENT UPGRADING TRUST FUND ACCOUNT
 STATEMENT OF RECEIPTS AND PAYMENTS
 FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

	Notes	2016 (\$)	2015 (\$)
RECEIPTS			
Receipts		-	-
Total Receipts		<u>-</u>	<u>-</u>
PAYMENTS			
Payments		-	-
Total Payments		<u>-</u>	<u>-</u>
Net Surplus/(Deficit)		-	-
Balance as at 1 January		7,269	7,269
Closing Balance as at 31 July	4	<u><u>7,269</u></u>	<u><u>7,269</u></u>

**DEPARTMENT OF HOUSING
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016**

NOTE 1: REPORTING ENTITY

The Department of Housing is responsible for providing access to adequate, quality and affordable accommodation for all citizens and especially the disadvantaged. The Department plays an important role in the Government's effort to combat poverty through the effective administration of the National Housing Policy, which has a specific emphasis on upgrading and resettlement programs for the less fortunate in Fiji.

The Department is also responsible for administering Government grants to social housing providers such as the Public Rental Board, the Housing Authority and the Housing Assistance Relief Fund.

NOTE 2: STATEMENT OF ACCOUNTING POLICIES

(a) Basis of Accounting/Presentation

In accordance with Government accounting policies, the financial statements of the Department of Housing is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 71(1) of the Finance Instruction 2010. The preparation and presentation of a Statement of Assets and Liabilities is not required under the current Government policies, except for that of the Trade and Manufacturing Accounts.

(b) Accounting for Value Added Tax (VAT)

All income and expenses are VAT exclusive. The Department on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Finance. VAT input on the other hand is claimed on payments made to the suppliers and sub-contractors for expenses incurred.

The VAT payment as per the statement of receipts and expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to FIRCA. Actual amount paid to FIRCA during the year represent the difference between VAT Output and VAT Input.

(c) Comparative Figures

The Department changed its reporting period from 1 August to 31 July as per the Ministry of Economy circular number 04/16 due to a change in the whole of government reporting period.

Hence, the 2016 financial reporting period is for 7 months effective from 1 January 2016 to 31 July 2016. In comparison, the 2015 financial reporting period is for 12 months effective from 1 January 2015 to 31 December 2015. This was provided for in the Financial Management (Amendment) Act 2016.

DEPARTMENT OF HOUSING
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (*Continued...*)
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2016

(d) Revenue Recognition

Revenue is recognised when actual cash is received by the Department of Housing.

(e) Change in Fiscal Year

As per the change in the Government Fiscal year from January - December to August to July, the current Annual Financial Statements depicts financials for seven months. The figures of the last seven months are illustrated against December 2015 figures.

NOTE 3: SIGNIFICANT VARIATIONS

- (a) For the purpose of comparison of results for the seven (7) months period covering January to July 2016, the corresponding result for the previous financial period (fiscal 2015) can be prorated by dividing the respective figure by twelve (12) and multiplying by seven (7).
- (b) The overall expenditure of the Department declined by \$10,642,015 or 61% due to change in government financial reporting period and hence the 2016 financial period is for 7 months effective from 1 January 2016 to 31 July 2016 in comparison to 2015 which comprised of 12 months period (1 January 2015 to 31 December 2015).

NOTE 4: TRUST FUND ACCOUNT

The City Wide Informal Settlement Upgrading trust fund account was established in 2013 to facilitate the provision of funds over a 3 year period for the City Wide Informal Settlement Upgrading Programme which is a housing partnership programme between the Ministry of Local Government, Urban Development, Housing and Environment, the People Community network (PCN) and the Asian Coalition Housing Rights (ACHR).

There were no transactions in the account in 2015 and 2016 financial period.

