

2016-2017 Annual Report



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



PARLIAMENTARY PAPER NO.14 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
Gof	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 2016-2017 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 Ministry of Local Government, Housing and Environment 2016-2017 financial years.



Joshua Wycliffe
Permanent Secretary for Local Government, Housing and Environment

THE YEAR IN REVIEW

During the 2016-17 reporting period the Ministry of Local Government, Housing and Environment (MLGHE) delivered on key Government priorities to continue to strengthen Fiji's local government sector, has worked with stakeholders in ensuring affordable housing, and bolster social and economic development.

This year's annual report highlights the complexity and diversity of the work undertaken by the Ministry as we administer and enforce multiple pieces of legislation. The Department of Local Government has continued its efforts through multiple projects undertaken during the year to strengthen, modernize and strengthen the economic base in towns and cities and take the lead role in making local communities more disaster resilient. Apart from consultation on the review of the Local Government Act, the Ministry has also assisted municipal councils in organizing multiple events. Capital projects worth more than FJD 25M has also being undertaken by the Ministry.

The Department of Town and Country Planning continued its obligation to 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 guide Fiji towards a coordinated growth. Major achievements include; 284 rezoning application approved, 1923 building permits processed with 1846 approved, and approval of 987 subdivision applications.

The Department of Housing continued administration Government grants to social housing providers such as the Public Rental Board, the Housing Authority, and the Housing Assistance Relief Trust. Apart from grants, multiple government initiatives were implemented by the department including; \$10 million Housing Assistance for First Home Buyers and as of 31 July, 2017 and \$3,610,000 was utilized under the First Time Home Buyers Grant. A total of 436 applicants received grants, of which 150 applicants received a \$5,000 grant, and 286 applicants received a \$10,000 grant and upgrading of five Squatter Settlement Upgrading Projects in 2016-2017 which benefitted 668 families.

The Department of Environment continued to ensure through enforcement of appropriate legislation that Fiji's environment is protected and natural resources are managed sustainably. Major highlights of the department include; completion of the Naboro Landfill Stage 2 Cell 1, distribution of 1,950 compost bins, repatriation of 148 tabua from the NZ Government, processing of 181 CITES permits, and 170 EIA permits, and implementation of GEF Star Fiji R2R Project worth US\$7.39m.

These are only some of the Ministry's achievements, there are many more highlighted in this report that I am very proud of and that would not have been possible without the hard work and dedication of the staff. I would like to thank all departmental staff for their outstanding contribution over the year. Delivering excellent outcomes for Fijian communities gives us an extraordinary sense of satisfaction in the work we do, and the Ministry will continue to commit our focus on creating enlivened and successful communities and the economy for all to enjoy.

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 2012 as follows:

1. DEPARTMENT OF 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.

2. DEPARTMENT OF TOWN AND COUNTRY PLANNING

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

3. DEPARTMENT OF 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.

4. DEPARTMENT OF ENVIRONMENT

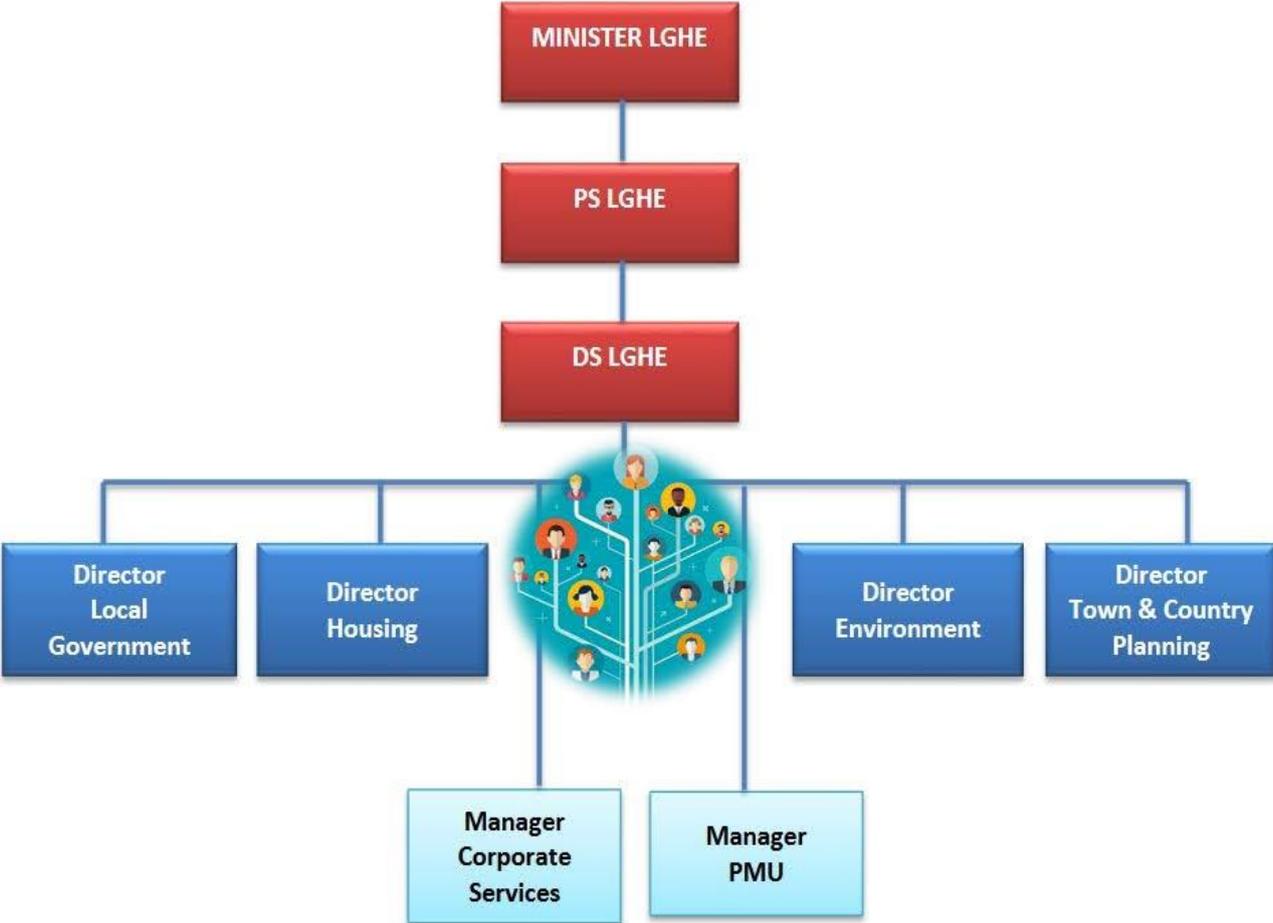
Formulate, coordinate, and monitor the implementation of Fiji's national environmental policies, programmes, and legislation to ensure a sustainable environment in accordance with the Ozone Depletion Substances Act 1998, Endangered and Protected Species Act 2002, Environmental Management Act 2005, and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

5. CORPORATE SERVICES DEPARTMENT

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 [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.

The Department is also responsible for the provision of policy advice and support 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 team provides leadership policy advice and secretarial support services to management 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.



Figure 1: Korovou NFA Station Opening by Hon. Prime Minister 28th October 2016

3.1. DEPARTMENT OF LOCAL GOVERNMENT OVERVIEW

The main focus for the Department of Local Government for the 2016-2017 financial year and beyond is to strengthen, modernize 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.

For the 2016-17 fiscal year, the Department of Local Government was allocated \$25m.

3.2 MAJOR ACHIEVEMENTS

Some of the Core activities for the department during the year 2016/17 include:

- a. Coordinating Grants and Monitoring progress of Capital Projects undertaken by Municipal Councils and the National Fire Authority.
- b. Carrying out assessments of Municipal Councils operations including Service Delivery Reviews using the approved Green Town Assessment guideline approved by the Ministry in 2013.
- c. Evaluating and recommending to Permanent Secretary for consent on Human Resource, Procurement Matters and on other matters requiring consent before Municipal Councils taking action.
- d. Supporting Municipal Councils in Events Management.
- e. Providing Secretarial Support to the Local Government Committee.
- f. Organizing Municipal Forums.

3.2.1 GOVERNANCE

The following activities were carried out for the 2016/17 fiscal year:

- a. Leave for Special Administrators and Chief Executive Officers continued to be managed by the Permanent Secretary office. All official overseas travel was approved by the Permanent Secretary office.
- b. A work plan was developed to progress outstanding Municipal audit works over a threeyear period ending 31st December 2019. Councils were informed of the Ministry's intention to switch Council fiscal year as that of National Government by 2020.
- c. An assessment of all Municipal Councils, through the Green Town Assessment, was carried out by the Department under the supervision of the Principal Administrative Secretary. The assessment included field visitation, meeting with the Council, assessing Council reports and discussing with the Head of Departments challenges they encounter. Two reports following visitations and assessment was generated by the team. During the fiscal year, Special Administrators and Chief Executive Officers were assessed and reports tabled.
- d. Appointment of National Fire Authority Board members.

3.2.2 LOCAL GOVERNMENT ADMINISTRATION

The Department continued to provide the necessary policy support via successful completion of the following:

a. Navua Town Declaration

The Local Government Committee established under the Local Government Act completed report on the Navua Town declaration and handed it over to the Honourable Minister for Local Government, Housing and Environment. The Honourable Minister later opened an appeal period in accordance with the Local Government Act Cap. 125. There was no appeal received. It was decided that the Town Proclamation will await infrastructure upgrade works that was undertaken by Fiji Roads Authority.

b. Nadi Town Boundary Extension

Local Government Committee, following endorsement by the Minister for Local Government, Housing and Environment, commenced work on hearing objections for the proposed Nadi Town boundary extension application during the fiscal year.

c. Consultation on Local Government Act Review and Municipal Operation

Local Government Committee visited the 13 Municipal Councils to discuss terms of reference for the Local Government Act Review, proposed Town Boundary Extension and discuss challenges in relation to Municipal operation. Reports were tabled to the Permanent Secretary for consideration and action.

3.2.3 LOCAL GOVERNMENT FORUM

Two such forums were organised during the fiscal year. These were;

- a. In August 2016, a Municipal Local Government Forum was organized. During the forum the Special Administrators and Chief Executive Officers made presentations in the areas of Governance, Service Delivery and Capital Projects. Special Administrators and Chief Executive Officers had an opportunity to highlight challenges to the Honourable Minister during the forum. On the final day external stakeholders were invited.
- b. In December 2016, the 2nd Municipal Local Government Forum was organized. It followed similar protocol as the 1st forum, with Special Administrators and Chief Executive Officers making presentations in the areas of Governance, Service Delivery and Capital Projects on the progress and issues faced from the 1st presentation. On the final day of the forum, external stakeholders were invited to speak and discuss issues and find amicable solutions. An awards night was organized at the end of the Forum.

3.2.4 FIJI PAGEANT CONTEST

Department continued to support various Township festival committees. Fiji Pageant Contest 2016 was organized at Lawaqa Park-Sigatoka and it saw 12 Township 2016 festival queens vying for the title. The winner Anne Dunn- Miss Hibiscus Suva went on to win the Miss South Pacific Island Pageant contest.

3.2.5 GIRMIT REMEMBRANCE

On 14th May, 2017 Ministry in partnership with Municipal Councils organized Girmit Remembrance Day celebration at 11 Town Centres.

Figure 1: Centennial Celebration Sutlej V Last Shipload of Girmit from British India, November 2016



Figure 2: Reception night for Centennial Celebration held at Thurston Garden.

3.2.6 CENTENNIAL CELEBRATION – SUTLEJ V LAST SHIPLOAD OF GIRMIT FROM BRITISH INDIA

In November, 2016, following Cabinet approval, the Ministry in conjunction with the Municipal Councils on a Public Private Partnership organized the biggest Girmit Remembrance in history across the nation at 13 districts. The main celebration was at Albert Park, Suva where an estimated 8000 people including school students had gathered to mark the last Ship Sutlej V arrival centennial remembrance. Chief Guest for the remembrance was His Excellency the President of Fiji. More than 400 plaques were distributed to Fijian Citizens of Girmit descent over 80 years as a mark of respect. The main event for the West was held at Girmit Centre Lautoka where close to 2000 people had congregated and speakers included His Excellency High Commissioner of India and Fijian Attorney-General and Minister for Economy. A similar turnout was recorded at Labasa Civic Auditorium where the Chief Guest was Fijian Attorney-General and Minister for Economy, Hon. Aiyaz-Sayed Khaiyum.

MAJOR CAPITAL PROJECTS UNDERTAKEN

Year 2016/17 the following major capital projects were completed and officially opened by the Honourable Prime Minister of

Table 1 Department of Local Government Capital Project 2016-17

Project	BUDGET ALLOCATION	ACTUAL EXPENDITURE	BUDGET UTILISATION RATE	ACHIEVEMENTS
Redevelopment 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 \$630,000] 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 %	The \$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 the 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 regulating 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.

4.1. TOWN PLANNING ACT CAP 139

The Department prepares, revises and amends town planning schemes; prepare local advisory plans of potential growth areas; determine rezoning proposals from rural town planning areas; provide planning advice to town councils, rural local authorities, government authorities and statutory bodies, stakeholders, private sector, the public; provides strategic physical planning for Fiji's growth in both the urban and rural areas and; Internally provide strategic direction to both Subdivision and Development Control Sections.

4.2. IMPLEMENTATION OF PART OF URBAN POLICY ACTION PLAN (UPAP)

The Ministry through DTCP implemented at least three (3) of the main thematic areas of the Urban Policy Action Plan (2007):

I. Legal and Regulatory Framework

The iTaukei Community consultation culminated in 2017 covering 12 out of the 14 provinces. The information gathered was collated and sent to the office of the Solicitor General together with the 1st Draft of the Town Planning Act & the Subdivision of Lands Act for comments. From the allocation of \$35,000 in the 2016/17 budget only \$2, 730 was utilized.

II. Urban Policy & Action Plan (UPAP)

The Greater Western Urban Growth Management Action Plan (GWUGMAP) was completed as a first draft. However, it was not officially launched as the Government of Fiji through the Ministry of Local Government and the Ministry of Economy had signed on an agreement with the Singapore Corporation Enterprise to prepare the Strategic Spatial Master Plan for Viti Levu and the Concept Master Plan for Greater Suva, Nadi and Lautoka. From an allocation of \$463,517.00 an amount of \$354,401.00 had been utilized for the UPAP programme, bulk of the allocation was spent on consultations/workshops with stakeholders on the Greater Western Urban Growth Management Action Plan (GWUGMAP).

4.3 SCHEME AMENDMENTS & RURAL REZONING

For the reporting period for the fiscal year from 1st August 2016 to 31st July 2017 a total of 324 rezoning applications were received and a total of 284 applications were decided.

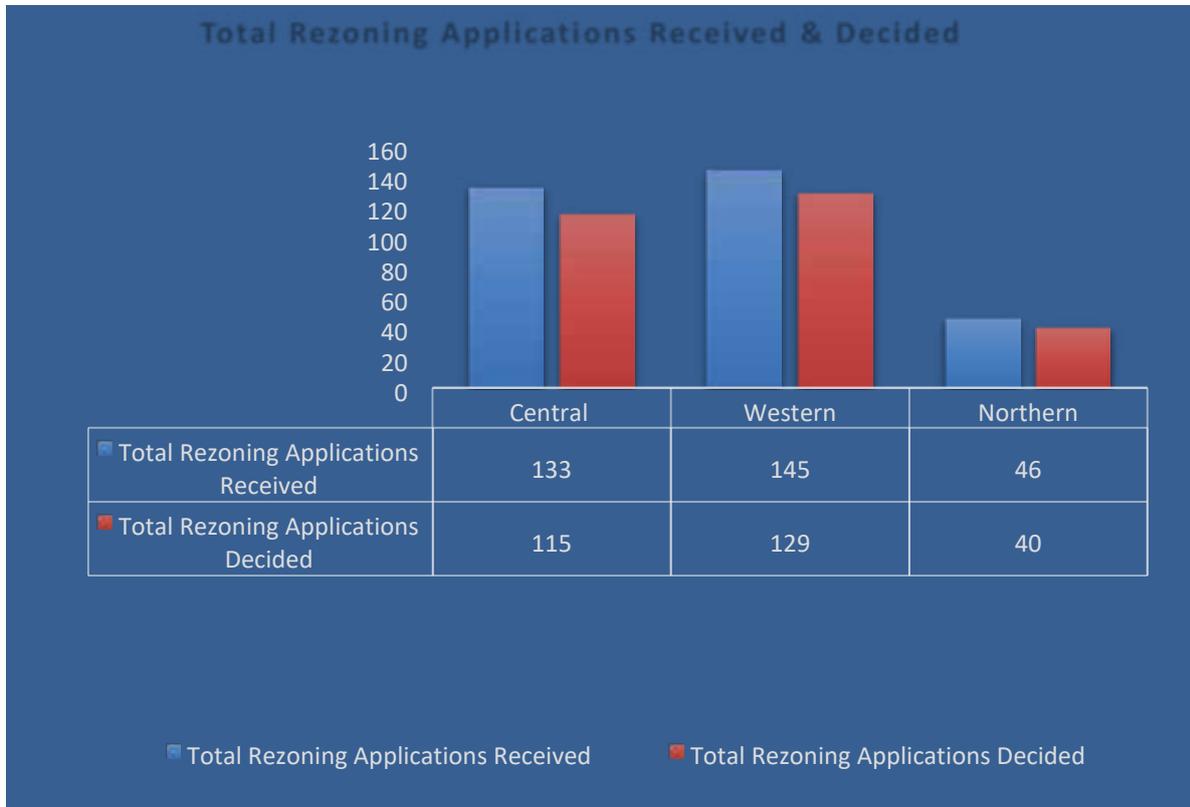
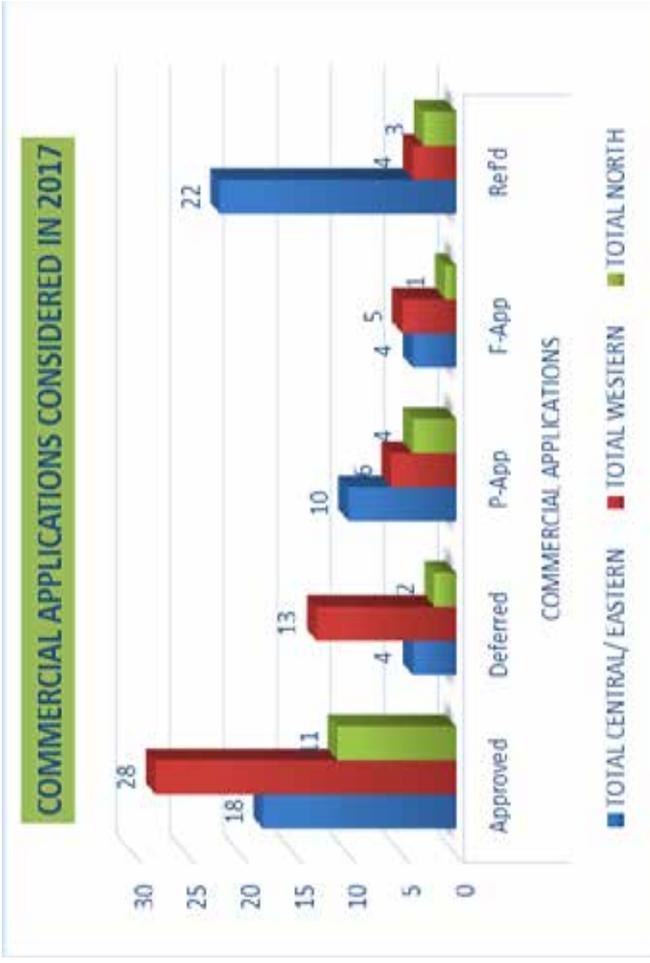
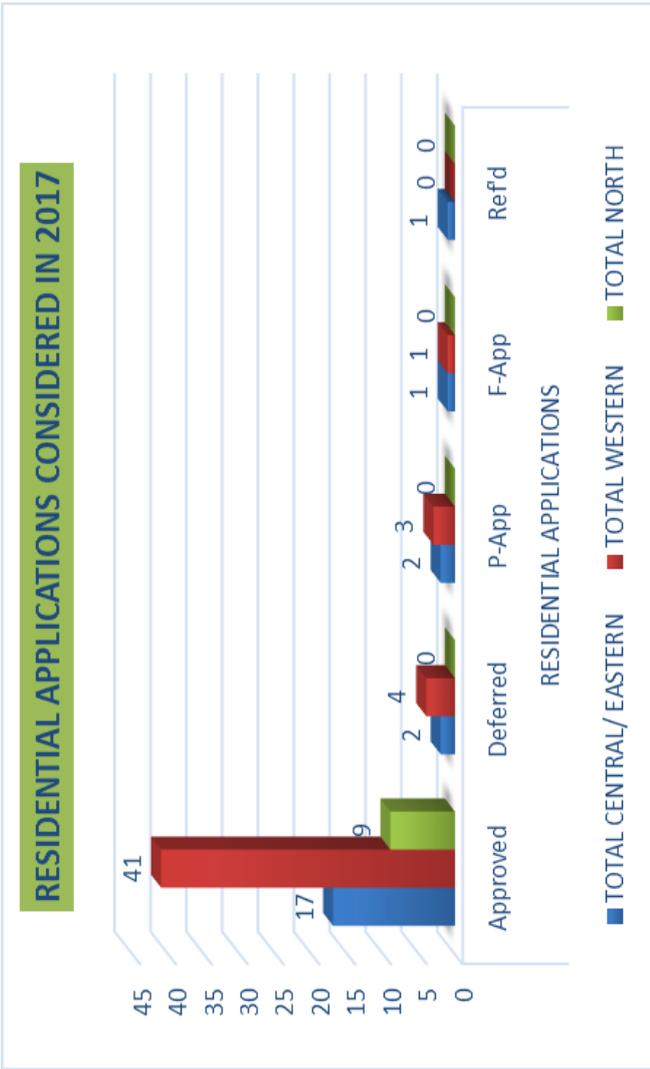


Figure 3: Status of Rezoning Applications

Illustrates a set of charts that reflects the changes in zoning in the respective Divisions. Residential and Commercial zones are dominant followed by Industrial. Most of the rezoning were approved for the Western Division for the 2016/17 period.



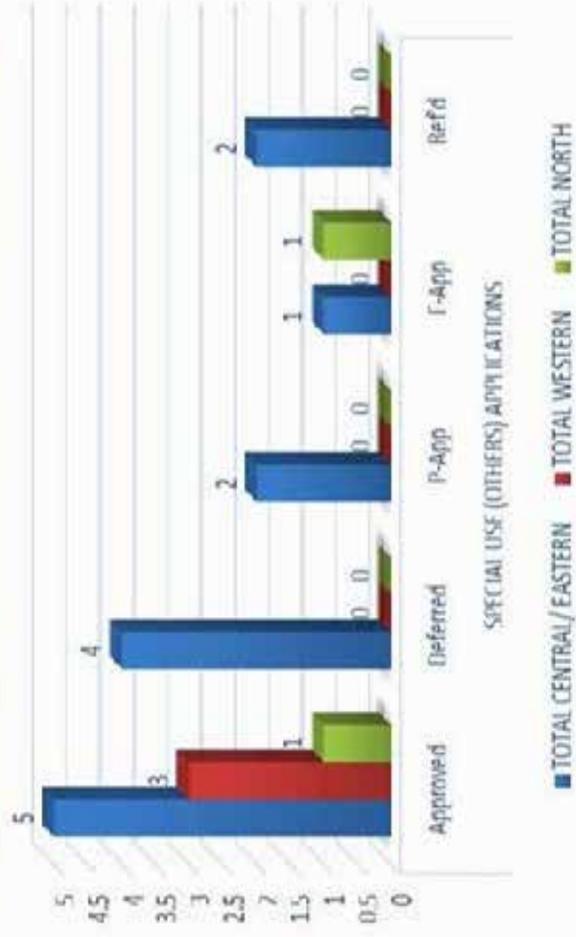
SPECIAL USE - TOURISM APPLICATIONS CONSIDERED IN 2017



INDUSTRIAL APPLICATIONS CONSIDERED IN 2017



APPLICATIONS FOR SPECIAL USE (OTHERS) CONSIDERED IN 2017



CIVIC APPLICATIONS CONSIDERED IN 2017



4.4 MASTER PLANS

One Master Plan was approved in the Central Division for the year 2017, while they were none received or considered for the Western and Northern Divisions respectively.

4.5 GOVERNMENT (CAPITAL) PROJECTS AND POLICY ADVICE

DTCP plays a participative role in providing policy advice to a number of projects undertaken by the government in the 2016/17 fiscal year and this includes the following:

- i. Ministry of Health : Health Centre Nalawa Flats
- ii. Ministry of Health : Hospital Keiyasi

4.6 LAND AND BUILDING DEVELOPMENT

Table 2: Building Application Summary for 2016/2017

Building Application Summary For 2016/2017					
Division	Received	Processed	Decision		
			Consented to	Refused	Deferred
Central	787	759	564	56	139
Western	885	837	728	17	92
Northern	321	327	188	6	76
Total	1993	1923	1480	79	307
(2015/16)	1098	974	335	61	145

Out of the 1923 building applications processed, 96% were Approved compared to 88% in the 2015/16 fiscal year, 4% of building applications were Refused in contrast to 6% in the 2015/16 fiscal year and 15% of the applications were Deferred or returned pending further action by applicants. The Town Planning Compliance Workshops for Architects & Draftsman was held in Suva in the last quarter of 2015/16 to improve submissions of building plans to the Municipal Councils and DTCP for processing.

4.6.1 MAJOR DEVELOPMENTS

A total of Eighty-six major development proposals were received for the 2016/17 reporting period with a value of \$457,447,309. A summary of the major developments per division is shown below.

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

Table 3 Major developments received and consented by Divisions in 2016/2017 period

Division	Total Received	Total Processed	Value
Central	9	9	\$40,900,000.00
Western	68	68	\$427,347,309.00
Northern	9	9	\$7,2000,000.00
Total	86	86	\$457,447,309.00

The total value of major building development proposals approved in the 2015/16 period was \$163,661,065, compared to \$457,447,309 worth of major building development proposals being approved for the current financial year. As shown in the table above, 100% of these proposals were consented to.

Notable major building development approvals that were granted from 1st August 2016-31st July 2017 included:

- Guangdong Silk Road Ark Investments for a Hotel development in Komave, Nadroga worth: \$40,000,000
- Michelley Investment Limited for a Commercial complex along Queens Road Nadi worth: \$50,000,000.

4.7 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. 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 needs to be furnished. For the 2016/17 financial year the unit recorded an increase in the number of EIA applications that had been forwarded to DTCP for assessment. The number had increased to 41 compared to 26 in the 2015/16 financial year.

4.8 GEOGRAPHICAL INFORMATION SYSTEM UNIT (GIS UNIT)

The Geographical Information System (GIS) and I.T Unit Division is responsible for the production of plans, maps, records and information of DTCP in digitized and electronic format. The responsibilities of the unit have been extended to services within the Ministry as part of the IT Strategic Plan 2015-2019. In 2017 the unit has contributed by conducting a 4 day in house training with technical staff on the use of the Arc GIS software for the purpose of creating maps and plans and also plotting of applications received digitally to assist the Department in moving away from manual plotting. The unit also managed to electronically digitize the zoning of all 13 Town Planning Schemes using the Arc GIS software. The GIS unit had also managed to assist the Municipal Councils in mapping Mangrove designated areas.

4.9 SUBDIVISION OF LAND

Table 4: Provides summary on types of applications received and considered by the Subdivision section 2016/2017.

Subdivision Summary For 2017				
Application Type	Application Received	Decisions		
		Approved	Refused	Deferred
New Application	888	757	27	104
Amended Plans	61	37	3	5
Reconsideration	14	1	1	
Waiver & Relaxation	5			
Extension Of Approval	19	3	1	0
Engineering Plans	50	18		14
Survey Plans	333	211	0	66
Total	1370	1024	32	189

In 2016/17 financial period, a total of 1370 subdivision related applications were received, out of 1024 were approved, 32 were refused, and 189 applications were deferred. Compared to the 2015/16 period, the number of applications received has increased from 902 to 1370 applications.

Figure 5 shows the distribution of land surveyed by area (ha) according to the survey plan approvals.

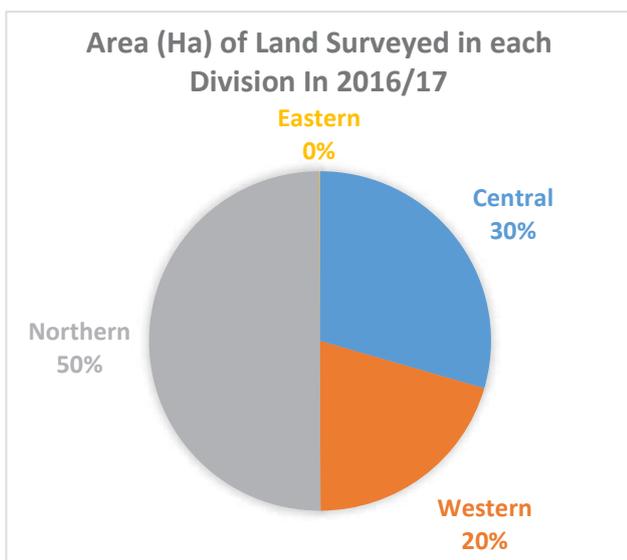


Figure 5: Land surveyed by Divisions in 2016/2017

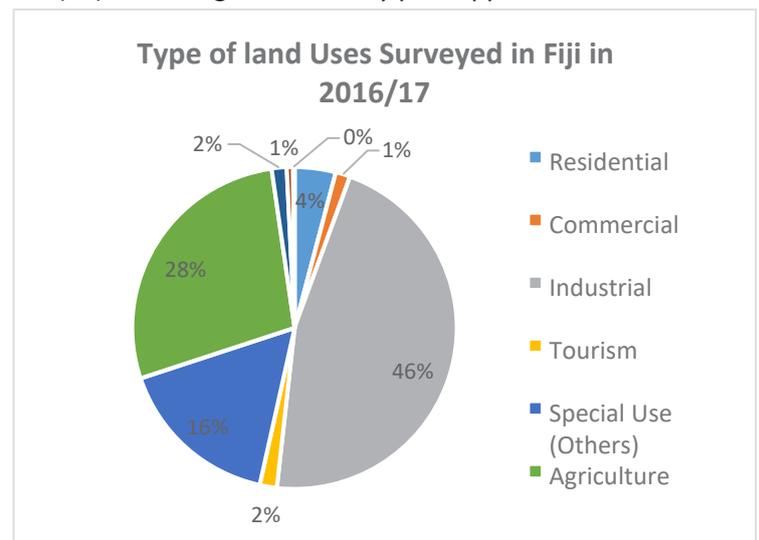


Figure 4: Approved Survey by use in 2016/2017

As shown in the first pie chart, over half of the land surveyed was in the Northern Division. This is due to the large mining project in the North. In addition, the second pie chart shows most of the land surveyed in 2016/17 was for Industrial, Agricultural, and Special Use (Others) Purposes.

4.10 TOWN PLANNING FEES

The 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 for the 2016/17 period are \$491,923.52 in contrast to \$205,411.49 in the 2015/16 reporting period, this reflects an increasing number of applications and corresponding investment confidence. A summary is shown in the Table below.

Table 5 Total Fees received

Activity	Revenue
Forward Planning	\$ 43,499.99
Subdivision of Land	\$229,959.47
Development Control	\$186,459.48
TOTAL	\$506,834.10

4.11 NEW TOWNS DEVELOPMENT PROGRAMME

Project Title: New Town Development

Implementing Agency: Department Of Town & Country Planning 2016/17

Head/Programme/Activity/SEG: 37/2/1/10

Budget: \$1,000,000

Table 1 Annual Work Programme for Fiscal Year 2016-2017

Annual Work Programme				Reporting template	
Expected Outputs	Planned Activities	Timeframe		Progress Report by Implementing Agency	
		Start	Finish	Expenditure	General remarks on activities undertaken in achieving outputs
				Is the activity on track? Yes or No. Explain.	
Output 1: Facilitation of rural development – Newtown Development 1.NABOUWALU Indicator: 100% Baseline: To initiate Civil Works in 2016/17	1.1 Approval Of Scheme Plan	01-07-16	Accomplished 31-01-17	\$21,800.00	Yes
	1.2 Engagement of EIA Consultant (Contract vetting by SG's office and signing of agreement)	01-07-16	Accomplished 23-12-16		Yes
	1.3 Preparation of EIA related study and reports	31/08/16	31/10/16	\$42,335.16	\$45,000.00

Output 1: Facilitation of rural development – Newtown Development		1.1 Approval Of Scheme Plan		Current	30/09/16	\$0.00	\$25,000.00	No	Surveyor has submitted copies of the Scheme Plan and Topography Survey to DTCP for approval after making changes as per DTCP's Discretion PSLGHE has requested for the advertisement of the Tender
2. KEIYASI Indicator: 100% Baseline: To initiate works on Engineering Design and Drawings in 2016/17 Target: Project Completed by 2018/19	1.2	Advertisement and selection of EIA Consultant	30/09/16	31/10/16				No	
	1.3	Engagement of EIA Consultant (Contract vetting by SG's office and signing of agreement)	11-01-16	12-01-16				No	
	1.4	Preparation of EIA related study and reports	12-01-16	31/01/17			\$45,000.00		
	1.5	Tender and subsequent engagement of Consultant Engineer	02-01-17	04-01-17					
	1.6	Preparation of Engineering Drawings, Specifications and Civil Works Contract	04-01-17	31/08/17			\$80,000.00		
							Sub-Total 2	\$150,000.00	
3. Seaqaqa Indicator: 100% Baseline: To initiate Works on Engineering Design and Drawings in 2016/17 Target: Project Completed by 2018/19	1.1	Approval Of Scheme Plan	Current	31/10/16		\$0.00	\$45,000.00	No.	Tender to Be Advertised soon after the Development Lease has been issued to MLGHE
	1.2	Engagement of EIA Consultant (Contract vetting by SG's office and signing of agreement)	Current	31/11/16					
	1.3	Preparation of EIA related study and reports	12-01-16	31/01/17			\$25,000.00		
	1.4	Tender and subsequent engagement of Consultant Engineer	02-01-17	04-01-17					
	1.5	Preparation of Engineering Drawings,	04-01-17	31/09/17			\$80,000.00		

5. DEPARTMENT OF HOUSING AND SQUATTER SETTLEMENT

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.

Some of the major successes of the Department of Housing in improving Fijian people's access to suitable housing during this reporting period are highlighted below.

5.1 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 18 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.

5.2 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 CAPITAL PROJECT FOR PUBLIC RENTAL BOARD:

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 2016-2017; the Government had provided capital grants of \$1,299,109 for the 36 units at Simla Housing Project in Lautoka. The Department of Housing facilitated the release of a \$1 million Rental Subsidy to Public Rental Board to assist 810 financially disadvantaged rental customers on a quarterly basis in 2016-2017.



Figure 7: Ongoing Project: Kalabu Housing Project



Figure 6: Ongoing Project: Naqere Housing Project



5.2.2 CAPITAL PROJECT FOR HOUSING AUTHORITY

The government had provided a Capital Grant of \$2.45 million to Housing Authority for Matavolivoli Housing Development Project where 402 families' will benefit having access to 399 affordable new modern subdivision residential lots of 99 years leases; 1 commercial lot; 1 mini-mart and 1 taxis stand lot.



Figure 8: Matavolivoli Housing Development Project, Nadi.

5.2.3 GOVERNMENT GRANT TO HOUSING ASSISTANCE RELIEF TRUST

The Department of Housing facilitated the release of \$287,500 to Housing Assistance Relief Trust for renovation, minor repair of HART homes throughout Fiji which housed a total of 766 destitute families.

Major Housing Project Construction and Renovation included:

- In Quarters 1 and 2 of 2016-17 - Construction of 1 New Building (4 Flats) at Makoi, Nasinu and Major Upgrading of 21 Villages; General Maintenances;
- In Quarters 3 and 4 of 2016-17 – Operation Costs for HART.

5.2.4 GOVERNMENT GRANT TO PEOPLES COMMUNITY NETWORK

The Lagilagi Housing Project continued in 2016-2017; \$3.2 million was paid to Peoples Community Network. The Total Grant of \$ 12.6 million was paid to the Peoples Community Network to construct 77 Housing Units in Phase 1 and 76 Housing Units in Phase 2 at the Lagilagi Housing Project.



Figure 9: Lagilagi Housing Development Project, Suva.

5.2.5 FIRST HOME BUYERS GRANT

The Government allocated \$10 million Housing Assistance for First Home Buyers and as of 31 July, 2017 and \$3,610,000 was utilized under the First Time Home Buyers Grant. A total of 436 applicants received grants, of which 150 applicants received a \$5,000 grant, and 286 applicants received a \$10,000 grant.

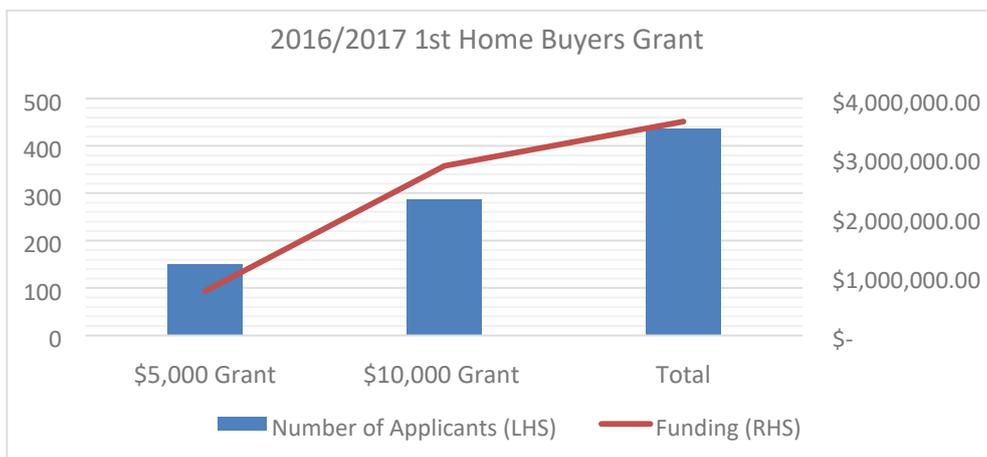
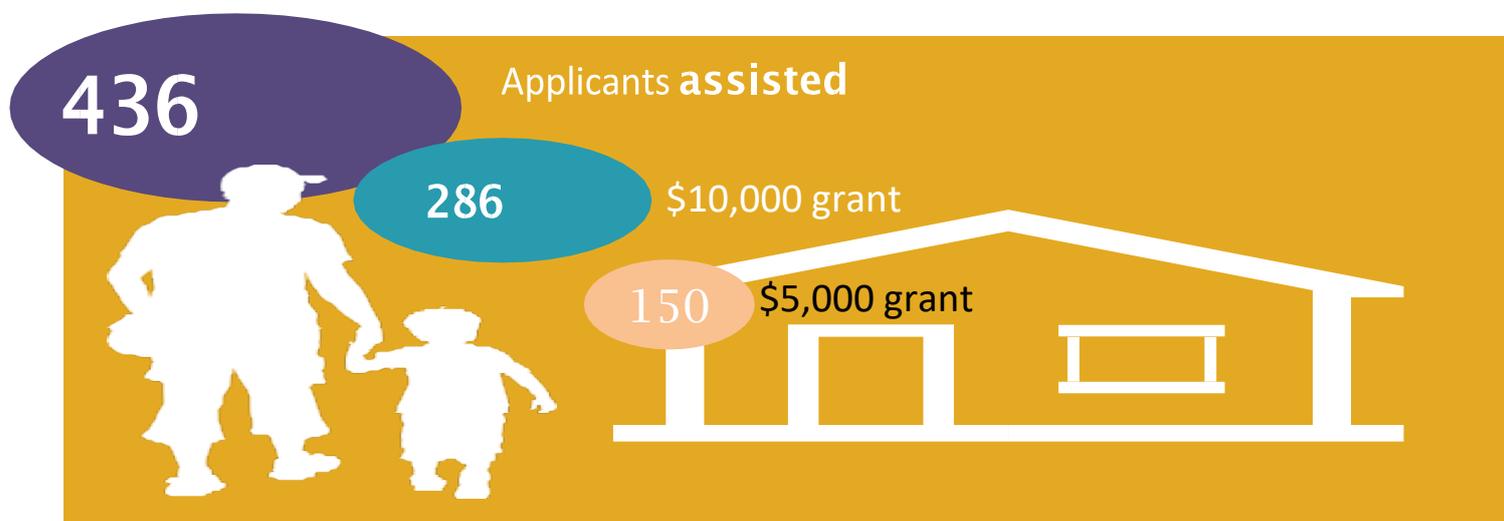


Figure 10: Graph showing 1st home buyers in 2016/2017



5.2.6 FIRE VICTIMS ASSISTANCE GRANT

Fire Victims Assistance Grant- the Government allocated \$500,000 for the Fire Victims Assistance Grant, where 36 recipients' benefitted, and the total grant of \$180,000 was paid.

5.3 ACHIEVEMENTS IN MANAGEMENT OF UPGRADING PROJECTS

5.3.1 SQUATTER SETTLEMENT

The Department of Housing was allocated \$2 million in 2016-2017 to facilitate the completion of the Squatter Upgrading and Resettlement Programme to enhance living conditions with a properly developed physical environment and regularized subdivisions incorporated under the existing local government or statutory authority's jurisdiction.

Work was carried out on five Squatter Settlement Upgrading Projects in 2016-2017 which benefitted 731 families, 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;
- Cuvu, Nadroga, 105 Lots – construction underway on roads, sewer line, water reticulation, fire hydrants and communal septic tanks;

- Caubati, Nasinu, 307 Lots - construction commenced on gabion baskets for the retention/protection of the river bank which had unstable material caused by deep execution of sewer pipes and manholes risers;
- Ledrusasa, Nadi, 76 Lots – construction underway for roads, sewer reticulation, water reticulation, storm-water drainage and fire hydrants; and
- 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.

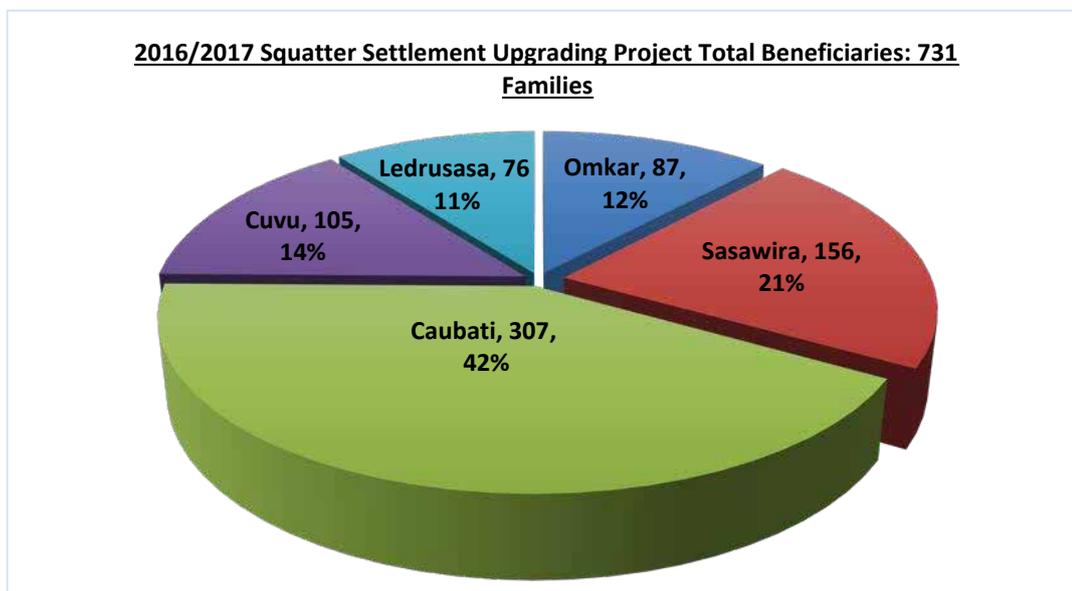


Figure 11: Pie chart showing squatter settlement upgrading project

5.3.2 TOWN-WIDE UPGRADING PROGRAMMES

The Department of Housing was allocated \$3m in 2016 to facilitate the completion of the Town Wide Informal Settlement Upgrading Programme to enhance living conditions with a properly developed physical environment and regularized subdivisions will be incorporated under the existing local government or statutory authority's jurisdiction.

The four Town-wide Upgrading Programmes carried out in 2016-2017 which benefitted 1126 families were:

- Qauia, Lami, 436 Lots - Subdivision Scheme Plan for 436 residential lots submitted to Ministry. Topographical and Control Plan and Geotechnical Report submitted to Ministry;
- Nadonumai, Lami, 356 Lots - DTCP currently processing the Subdivision Scheme plan. Referral comments to LTC, WAF, and 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; and
- 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.

2016/2017 Town Wide Informal Settlement Upgrading Project:
Total Beneficiaries: 1,126 Families

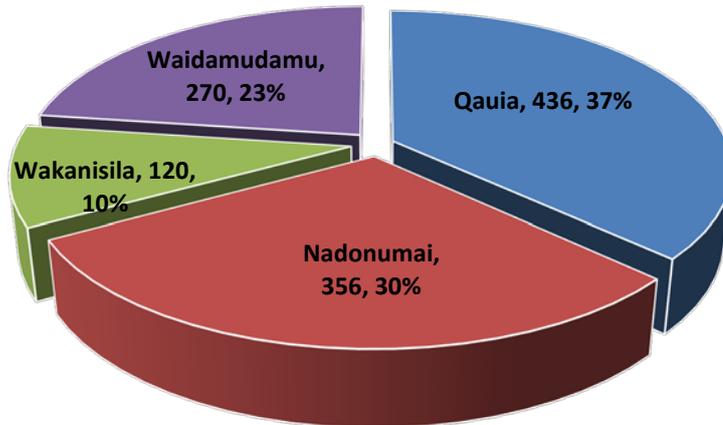


Figure 12: Pie chart showing town-wide informal settlement upgrading project

5.3.3 CITYWIDE INFORMAL SETTLEMENT

In 2016-2017, the department administered six City Wide Informal Settlement Upgrading Projects involving incremental upgrading with funding of \$100,000 per project site for the construction of roads and construction of drainage upgrading & laying of v drains.

The four approved city-wide informal settlement upgrading project carried out in 2016-2017 which benefitted 400 families were:

- Vuci and Nausori Settlement, Nausori – Construction of Drainage Upgrading & laying of v drains;
- Baba Settlement, Levuka – Construction of Concrete Driveway Access;
- Elevuka Settlement, Ba – Construction of Concrete Driveway Access and Drainage;
- Valenicina Settlement, Lami – Construction of Concrete Driveway Access.

**City Wide Squatter Upgrade Project:
Total Beneficiaries of 400 Families**

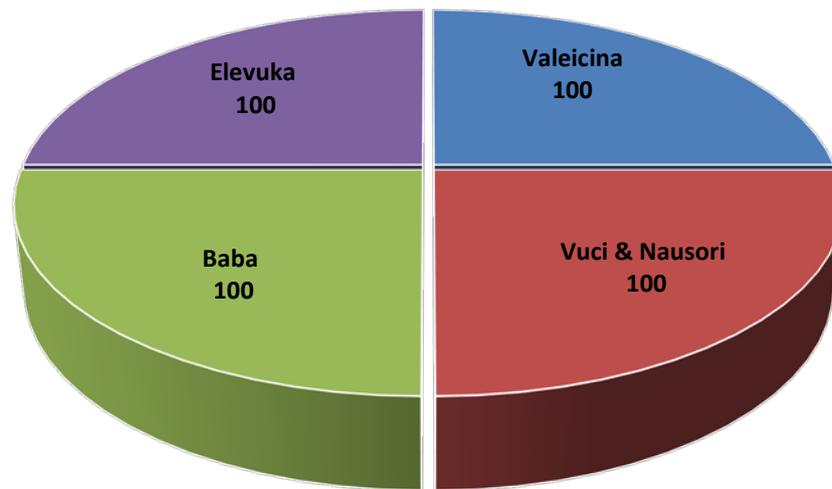


Figure 13: Pie chart showing citywide squatter settlement upgrade project

5.3.4 SOCIO-ECONOMIC SURVEYS

In 2016-2017, the Department of Housing carried out seventeen settlement Socio-Economic surveys. The socio-economic survey will assist to tabulate and provide an assessment for the number of households to be assisted in individual settlements. Of the fifteen settlements, fourteen were carried out in Western Division and one was carried out in Central Division.

Table 7: Socio-Surveys Carried Out

Settlement Name	Division	Number of Houses	Population
Korovatu, Ba	Western	22	110
Jamal Khan Road	Western	24	120
Race Course Ba	Western	17	85
Tauvegavega FNU Rd	Western	191	575
Orisi St A	Western	41	160
Orisi St B	Western	71	171
Nabua Muslim League	Central	260	577
Field 11	Western	11	46
Navia	Western	25	91
Tavakubu	Western	46	146
Lovu Seaside Part 1	Western	280	1235
Lovu Seaside Part 2	Western	58	169
Korovuto	Western	68	277
Field 4	Western	77	261

Tomuka	Western	496	2480
TOTAL		1687	6503

5.4 GOVERNMENT GRANT TO SUSTAINABLE INCOME GENERATION PROJECT

In 2016-2017, 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 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 farm; and
- Vanuakula, Naitasiri - 3 established families established with five acres of farm land; 3 startup families.

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.

The Department of Environment during this financial year achieved the following:

- Naboro Landfill Stage 2 Cell 1 Construction was completed.
- 1,950 compost bins were given to the 11 Municipal Councils in support of the Home Composting Program valued at FJ\$97,975.
- 2 chemical management training was conducted (as part of the Stockholm Convention).
- A Persistent Pollutant Organic Pollutants (POPs) National Stakeholder Consultation was held to discuss the National Implementation Project.
- Waste management training was conducted.
- CITES Annual report submitted to the CITES Secretariat.
- Repatriation of 148 tabua from the NZ Government. Tabua was received by Hon. PM on behalf of the Fijian Government.
- Roundtable discussions were held with environmental NGOs and CSOs regarding national priorities.
- 2 CITES training was conducted (for enforcement officers) for compliance with the Endangered and Protected Species Act.
- 181 CITES permits were processed.
- 12 Small Grants Projects were approved by the SGP National Steering Committee.
- GEF Star Fiji R2R Project worth US\$7.39m was approved and implementation commenced.
- GEF R2R International Waters Regional Project was approved for implementation (to be implemented in collaboration with the Secretariat of the Pacific Community (SPC)).
- Hosted the GEF Expanded Constituency Workshop (ECW) for Asia and the Pacific Islands.
- 139 technicians were trained as part of the Good Practices Refrigeration training.
- 103 participants were trained as part of the Hydrocarbon training.
- 187 facility inspections were carried out to ensure compliance with the Ozone-Depleting Substance Act 1998.
- 247 ODS storage permits and 361 licenses to handle controlled substances were issued in accordance with the ODS Act 1998.
- Hydrocarbon training manuals were launched.
- 170 EIA permits were processed.
- Department's Standard Operating Procedures (SOPs) for EIA, Waste Pollution Control, CITES, and ODS was formulated and finalized.

6.1 FINANCE

The Department of Environment was allocated the following budget:

Table 8: DoE Budget Breakdown

TOTAL BUDGET ALLOCATION		\$9,613,400
Budget Breakdown		
Awareness		\$102,000
Waste Management and Pollution Control		\$5,829,275
Resources Management		\$1,192,846
Environment Impact Assessment		\$250,000
Ozone Depleting Substances		\$70,000
Project Management		\$50,000
Operational Costs		\$2,119,279

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:

- Implementation of International Conventions (Stockholm Convention and Waigani Convention). 2 trainings were conducted to strengthen Fiji's capacity to address and handle chemical waste and stakeholder consultation was held to review and update the National Implementation Plan (required under the Stockholm Convention).
- Naboro Landfill Stage 2 Cell 1 Construction was completed. The Naboro Landfill is the only sanitary landfill in Fiji to promote responsible and environmentally sustainable solid waste disposal. The Naboro Landfill was commissioned in 2005 to receive wastes from the Greater Suva Area for a life of approximately 70 years. A construction contract was awarded to HG Leach (Fiji) Pte Ltd. All earthworks, in-situ compaction, and linings were completed.
- 1,950 compost bins were given to the 11 Municipal Councils in support of the Home Composting Program valued at FJ\$97,975. This initiative was to encourage home composting and the use of organize methods for planting.
- SOPs for Waste Disposal and Recycling Permitting was formulated and finalized.

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 regulating 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 to and species listed under schedule 1 and 2 of the Act.

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

- Processed and issued 181 CITES related permits.
- Conducted 2 CITES training for border enforcement officers and a capacity building training for 14 Provincial Conservation Officers. This was jointly done with the Ministry of iTaukei Affairs and the iTaukei Affairs Board.
- Roundtable discussions were held with environmental NGOs and CSOs regarding national priorities.
- Repatriation of 148 tabua from the NZ Government to the Fiji Government. The Tabua or sperm whale's tooth is a Schedule 1 listed species and can be imported or exported for cultural purposes only by Fijians. 148 tabua were confiscated items by the New Zealand Government and these were returned to Fiji.
- Commenced the review of the 2013 NBSAP.
- CITES Annual report submitted to the CITES Secretariat.
- Fiji CITES Management Authority and Scientific Council met twice to discuss the way forward for Fiji's CITES and EPS listed species. The Management Authority approved the export quota for the year.
- CITES Permitting SOPs were formulated and finalized.

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 this fiscal year, the Department:

- Processed 170 EIA applications.
- Approved 93 EIAs
- Declined 2 EIAs
- Issued 4 Prohibition Notices to companies for non-compliance.
- Developed EIA standard Operating Procedures (SOPs). The SOPs are to guide Officers in processing EIA applications.



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:

- 139 technicians were trained as part of the Good Practices Refrigeration training.
- 103 participants were trained through the Hydrocarbon training. These training were conducted to assist the transition of the industry from high global warming potential to low global warming potential refrigerants i.e. from HCFC to non-ODS gases.
- 187 facility inspections were carried out as part of the permitting processes.
- The following Permits and Licenses were processed/issued:
 - ✓ Export-14
 - ✓ Import-21
 - ✓ New Storage Permit- 16
 - ✓ Renewal of Permit – 196
 - ✓ New Handling license- 67
 - ✓ Renewal of License- 294
- On-going implementation of the HPMP Strategy to ensure the systematic reduction in dependence on HCFC based technologies and products, timely phase-down of HCFC in line with Fiji’s targets as per the Decision XIX/6; and assist the industry through supportive measures for the adoption of ozone and climate-friendly alternatives. The Strategy will be in effect until 2030.
- Commemoration of World Ozone Day on September 16.
- Hydrocarbon training manuals were launched.



16

New Storage Permit



67

New Handling license



196

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).

In this fiscal year, 12 SGP Projects were approved by the SGP National Steering Committee, while 10 projects commenced implementation. GEF Star Fiji R2R Project and GEF R2R International Waters Regional Project were approved and implementation commenced. Fiji also hosted the GEF Expanded Constituency Workshop (ECW) for Asia and the Pacific Islands.

6.3 STAFFING

The Department of Environment had a total of 50 staff (includes established, unestablished and Project staff).

The following staff resigned:

Project Coordinator (ODS) - Vika Rogers

Project Assistant (ODS) - Elvin Sharma

7. CORPORATE SERVICE DEPARTMENT

The Ministry's Corporate Service Division comprises of the human resource management and administrative services and financial services for the proficient and operative performance of the Ministry's daily operational functions.

7.1 ADMINISTRATIVE SECTION

The Ministry's standard policies and processes are aligned to the Civil Service Regulations. These guidelines are developed to ensure the Ministry adheres to the standards processes towards:

- Recruitment and selection
- Disciplinary procedures
- Promotion
- Performance Assessment
- Training & Development
- Job Evaluation Exercise

The Unit is also responsible for the administration of the:

- Registry section
- Asset management (Annual Board of Survey)
- Occupational Health and Safety (OHS)

7.1.1 STAFFING

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 1 appointment made.

Table 9: 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

Post Processing Unit: continued to identify vacant positions that exist in the Ministry and facilitate requirements to choose suitable candidates to fill those positions in accordance with the new Open Merit Recruitment & Selection Guideline (OMRS) which was introduced across the Civil Service.

Training Section: Continued to identify Local & Overseas courses/training available in consultation with the Ministry of Civil Service, according to the training needs of the Ministry and Staff to address skills and knowledge gaps at individual and organization level. In addition, the staff was trained on Open Merit Recruitment & Selection Guideline.

7.1.2 OFFICE ACCOMMODATION

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 was acquired to accommodate our increasing workforce the headquarters in Suva. However, continuous liaison with CIU Unit, Office Accommodation for alternate office space.

7.1.3 VEHICLES

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

7.1.4. 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.

7.1.5. FINANCE DEPARTMENT

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:

- A. 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.
- B. 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.
- C. 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. ACHIEVEMENTS

Comparison – Revised Budget versus 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 end of the 2016 - 2017 financial year. The below table and graph displays the utilization for the Ministry's total revised budget and YTD budget expenditure as of 2016 – 2017 financial year.

Table 10 Utilization of revised budget and YTD budget expenditure 2016-2017

Ministry/Department	Head	2016-2017 Revised Budget (FJD\$)	2016-2017 Actual Expenditure (FJD\$)	2016-2017 Balance (FJD\$)	2016-2017 % utilization
Local Government & Environment	37 & 38	25,093,133	18,231,575	6,861,558	73%
Housing	23	25,372,629	15,543,028	9,829,601	61%
		50,465,762	33,774,603	16,691,159	67%

The Ministry managed to utilize 67% of its total budgetary funds and 33% of the said funds were not utilized.

8. AUDITOR GENERALS REPORT

OFFICE OF THE AUDITOR GENERAL

Excellence in Public Sector Auditing



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File:625/2

30 July 2018

Hon. Praveen Bala
Minister
Ministry of Local Government, Housing and Environment
FFA House
4 Gladstone Road
SUVA.

Dear Hon. Bala

**AUDITED FINANCIAL STATEMENTS
MINISTRY OF LOCAL GOVERNMENT AND ENVIRONMENT
FOR THE YEAR ENDED 31 JULY 2017**

Audited financial statements for Ministry of Local Government and Environment for the year ended 31 July 2017 together with my audit report on them are enclosed.

Particulars of the errors and omissions arising from the audit have been forwarded to the Management for necessary actions.

Yours sincerely

Ajay Nand
AUDITOR-GENERAL

Encl.

cc: Mr. Joshua Wycliffe, Permanent Secretary, Ministry of Local Government, Housing and Environment

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

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2017

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND
ENVIRONMENT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

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INDEPENDENT AUDITOR'S REPORT

MINISTRY OF LOCAL GOVERNMENT, TOWN AND COUNTRY PLANNING AND ENVIRONMENT

Audit Opinion

I have audited the financial statements of the Ministry of Local Government, Town & Country Planning and Environment which comprise the Statement of Revenue and Expenditure, Appropriation Statement, Statement of Losses and Trust Account Statement of Receipts and Payments for the year ended 31 July 2017, and the notes to the financial statements including a summary of significant accounting policies.

In my opinion, except for the effects on the matters described in the Basis of Qualified Opinion paragraphs, the accompanying financial statements are prepared, in all material respects, in accordance with the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.

Basis for Qualified Opinion

1. Revenue totalling \$444,780 reported in the Statement of Revenue and Expenditure could not be substantiated as the Ministry could not provide the journal vouchers to support the amount recorded in the general ledger. As such, I was unable to verify the completeness and accuracy of revenue recorded in the Statement of Revenue and Expenditure.
2. The Ministry was unable to provide appropriate supporting documents including payment vouchers to substantiate payments totalling \$874,931 and \$1,171,987 for Operating Account and Main Trust Account, respectively. As such, I was unable to satisfy myself if these payments were properly processed and recorded in the Statement of Revenue and Expenditure and Environment Trust Fund Account.
3. Expenditure totalling \$302,733 relating to Operating Grants and Transfers were recorded as Capital Construction Expenditure in the Statement of Revenue and Expenditure. As such, the Operating Grants and Transfers Expenditure is understated and Capital Construction Expenditure is overstated in the Statement of Revenue and Expenditure by \$302,733.
4. The Environment Trust Fund account had a closing balance of \$4,530,939 for year ended 31 July 2017. The Ministry did not maintain proper records including cash book, journal vouchers and payment vouchers. As a result, there was unreconciled variance of \$2,500,755 between the general ledger balance and the bank reconciliation. Due to the variance I was unable to ascertain the accuracy of the closing balance of the Environment Trust Fund Account.

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

Necessary internal controls including timely reconciliations were not performed for Drawings Account, SLG 84 Account, Operating Trust Fund, Environment Trust Fund Account, Advances and Salaries Account during the year. These are critical areas of the Ministry's operation and if not addressed promptly may result in financial losses or financial irregularities in the near future.

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 Ministry 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, Town & Country Planning and Environment are responsible for the preparation of the financial statements in accordance with the Financial Management Act 2004, Finance Instructions 2010 and Finance (Amendment) Instructions 2016, 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.

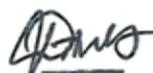
Auditor's Responsibilities

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

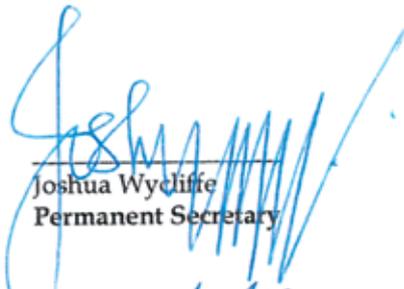


Suva, Fiji
30 July 2018

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2017

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Local Government and Environment for the year ended 31 July 2017; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act, Finance Instructions 2010 and Finance (Amendment) Instructions 2016.


Joshua Wycliffe
Permanent Secretary
Date: 27/7/18


Navin Chandra
Principal Accounts Officer
Date: 24/7/18



MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND
ENVIRONMENT
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2017

Notes	12 months 2017 (\$)	7 months 2016 (\$)
REVENUE		
State Revenue		
Town and Country Planning Fees	256,537	174,574
Commission	3,430	4,639
Total State Revenue	<u>259,967</u>	<u>179,213</u>
Agency Revenue		
Miscellaneous	184,813	165,213
TOTAL REVENUE	<u>444,780</u>	<u>344,426</u>
EXPENDITURE		
Operating Expenditure		
Established Staff	3,308,090	1,591,961
Government Wage Earners	292,857	118,901
Travel and Communications	218,889	150,819
Maintenance & Operations	277,215	165,289
Purchase of Goods and Services	147,854	61,609
Operating Grants and Transfers	910,715	1,310,402
Special Expenditures	1,702,929	1,064,429
Total Operating Expenditure	<u>6,858,549</u>	<u>4,463,410</u>
Capital Expenditure		
Capital Construction	721,796	1,838,461
Capital Purchases	810,867	825,688
Capital Grants and Transfers	9,700,886	17,814,240
Total Capital Expenditure	<u>11,233,549</u>	<u>20,478,389</u>
Value Added Tax	139,477	287,086
TOTAL EXPENDITURE	<u>18,231,575</u>	<u>25,228,885</u>

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2017

SEG	Item	Budget Estimate (\$)	Appropriation Changes (\$)	Revised Estimate (\$) a	Actual Expenditure (\$) b	Lapsed Appropriation (\$) (a-b) Note 4
	Operating Expenditure					
1	Established Staff	3,231,836	87,552	3,319,388	3,308,090	11,298
2	Government Wage Earners	165,016	134,594	299,610	292,857	6,753
3	Travel & Communication	211,200	61,287	272,487	218,889	53,598
4	Maintenance & Operations	326,200	49,000	375,200	277,215	97,985
5	Purchase of Goods & Services	206,560	(9,858)	196,702	147,854	48,848
6	Operating Grants & Transfers	1,807,620	-	1,807,620	910,715	896,905
7	Special Expenditure	3,325,626	(395,211)	2,930,415	1,702,929	1,227,486
	Total Operating Costs	9,274,058	(72,636)	9,201,422	6,858,549	2,342,873
	Capital Expenditure					
8	Capital Construction	4,247,875	-	4,247,875	721,796	3,526,079
9	Capital Purchases	840,000	72,636	912,636	810,867	101,769
10	Capital Grants & Transfers	9,994,100	-	9,994,100	9,700,886	293,214
	Total Capital Expenditure	15,081,975	72,636	15,154,611	11,233,549	3,921,062
13	Value Added Tax	737,100	-	737,100	139,477	597,623
	TOTAL EXPENDITURE	25,093,133	-	25,093,133	18,231,575	6,861,558

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
 APPROPRIATION STATEMENT (CONTINUED)
 FOR THE YEAR ENDED 31 JULY 2017

Details of Appropriation Changes

The Ministry of Economy approved the following transfer of funds during the period.

From	To	Amount (\$)
SEG 1	SEG 1	179,638
SEG 1	SEG 2	107,770
SEG 7	SEG 2	10,000

The Permanent Secretary for Ministry of Local Government, Housing and Environment approved the following transfer of funds under delegation of power from the Ministry of Economy.

From	To	Amount (\$)
SEG 1	SEG 3	56,000
SEG 1	SEG 4	44,000
SEG 4	SEG 4	6,000
SEG 7	SEG 3	10,000
SEG 7	SEG 4	5,000
SEG 7	SEG 7	50,000
SEG 7	SEG 9	72,636

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2017

Losses of Money

There was no loss of money recorded for the year ended 31 July 2017.

Losses of Revenue

There was no loss of revenue recorded for the year ended July 2017.

Losses (other than Money)

Following the approval for write-off from Ministry of Economy, the Ministry of Local Government, Town Country Planning and Environment reported the loss of assets worth \$60,755 for the year ended 31st July 2017.

Asset Classification	Amount (\$)	Remarks
Office Equipment	53,745	All assets were beyond repair
Office Furniture and Fittings	7,010	
Total	60,755	

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND
ENVIRONMENT
ENVIRONMENT TRUST ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE YEAR ENDED 31 JULY 2017

	Note	12 months 2017 (\$)	7 months 2016 (\$)
<u>RECEIPTS</u>			
Ozone Depletion Substance (ODS) Fines		217,917	233,080
Waste & Environment Impact Assessment		3,525,874	1,201,105
Environment Trust		319,539	88,467
Convention on International Trade in Endangered Species		44,368	7,007
Total Receipts		<u>4,107,698</u>	<u>1,529,659</u>
<u>PAYMENTS</u>			
Ozone Depletion Substance (ODS) Fines		200	22
Waste & Environment Impact Assessment		2,358,548	1,256,149
Environment Trust		0	245,750
Convention on International Trade in Endangered Species		0	140,355
Total Payments		<u>2,358,748</u>	<u>1,642,276</u>
Net Surplus/(Deficit)		1,748,950	(112,617)
Balance as at 1 August		2,781,989	2,894,606
Closing Balance as at 31 July	5	<u>4,530,939</u>	<u>2,781,989</u>

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017

NOTE 1: REPORTING ENTITY

The Ministry of Local Government, Housing and Environment has four main Department under its portfolio; the Department of Local Government, Department of Housing, Department of Town and Country Planning, and the Department of Environment. The Ministry is responsible for formulating and implementing 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.

The primary responsibility of the Department of Local Government is to improve local governance through effective implementation of the local Government Act 2005 [Cap. 125]. It is also responsible for the provision of policy advice and support services to the National Fire Authority to ensure effective delivery of its core services through the National Fire Service Act 1995.

The main focus for the Department of Local Government for the 2016-2017 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 lead role in making local communities more disaster resilient. This is in addition to the continued support granted to the National Fire Authority in expanding the number of fire stations around the country and equipping them with the necessary tools to conduct operations.

The Department of Environment spearheads environmental management in the country. The Department's main objective is to promote sustainability through the development and implementation of policies, legislations and programmes. Improving waste management will be a key programme that will be implemented in 2016-2017 financial year.

The Department of Town and Country Planning 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]. Its key functions are strategic planning of urban and rural areas and compliance with development laws. It also offers physical planning and land development advice to Government and promotes town planning in Fiji.

The Ministry's priorities for 2016-2017 financial year are to improve local governance, promote greater security for all urban dwellers, streamline the processors for land development and spatial harmony and promote sustainable use of all natural resources.

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 JULY 2017

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 purchase 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 and the Finance (Amendment) Instructions 2016. 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 Ministry on a monthly basis takes out VAT output on total money received for expenditure from Ministry of Economy. 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 Revenue and Expenditure relates to the VAT input claimed on payments made to the suppliers and sub-contractors for expenses incurred and VAT payments to Fiji Revenue and Customs Services. Actual amount paid to Fiji Revenue and Customs Services during the year represents the difference between VAT Output and VAT Input.

c) Comparative Figures

The Ministry changed its reporting period from 31 December 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 2016-2017 financial reporting period is for 12 months effective from 1 August 2016 to 31 July 2017. In comparison, the 2016 financial reporting period is for 7 months effective from 1 January 2016 to 31 July 2016. 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.

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND ENVIRONMENT
 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)
 FOR THE YEAR ENDED 31 JULY 2017

e) Change in Fiscal Year

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 2017 financial reporting period is for 12 months effective from 1 August 2016 to 31 July 2017. This was provided for in the Financial Management (Amendment) Act 2016.

NOTE 3: SIGNIFICANT VARIATIONS

For the purpose of comparison for the results of the seven (7) months covering January to July 2016, the corresponding result for the fiscal period can be pro-rated by dividing the respective figures by twelve (12) and multiplying by seven (7).

NOTE 4: APPROPRIATION MOVEMENTS

The Ministry recorded the following savings for the financial year end 31 July 2017.

SEG	Item	Revised Estimate	Actual Expenditure	Lapsed Appropriation		Remarks
		(\$)	(\$)	(\$)	(%)	
1	Established Staff	3,319,388	3,308,090	11,298	0	Sum of \$11,298 is unutilized amount under the said SEG due to vacant positions not being filled.
2	Government Wage Earners	299,610	292,857	6,753	2	Sum of \$6,753 is unutilized amount under the said SEG due to allowances are not being fully utilized.
3	Travel & Communication	272,487	218,889	53,598	20	Savings were due to controls measures put in place for travelling expenses, subsistence allowance and Telecommunication bills for Landline and Official Vodafone bills to reduce operational cost.
4	Maintenance & Operations	375,200	277,215	97,985	26	Savings arises from fuel & oil, spare parts and maintenance as controls measures put in place to reduce operational cost.
5	Purchase of Goods & Services	196,702	147,854	48,848	25	Savings were due to controls measures put in place to reduce operational cost.
6	Operating Grants & Transfers	1,807,620	910,715	896,905	50	The Naboro Landfill subsidy grant were not fully utilised as payment were released according to the claim received from the contractor.
7	Special Expenditure	2,930,415	1,702,929	1,227,486	42	Savings arises from cross cutting cap building project totalling \$380,997, Nagoya ABS project of \$218,781, urban policy action plan of \$109,116 and unutilised town council management support of \$116,000.
8	Capital Construction	4,247,875	721,796	3,526,079	83	Saving of \$3,526,079 consist of the unutilized amount of \$500,000 for the waste transfer station due to land issue with the landowners and the \$3,026,079 contractual payment for construction of Stage 2 Naboro Landfill as payment were released according to the claim received from the contractor.
9	Capital Purchases	912,636	810,867	101,769	11	Saving of \$101,769 consist of the \$85,255 for the IT Equipment and \$16,514 for the fire hydrant
10	Capital Grants & Transfers	9,994,100	9,700,886	293,214	3	Saving of \$293,214 consist of the \$255,077 for the New Town Development.

MINISTRY OF LOCAL GOVERNMENT, TOWN & COUNTRY PLANNING AND
ENVIRONMENT
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (*continued*)
FOR THE YEAR ENDED 31 JULY 2017

NOTE 5: TRUST FUND ACCOUNT

Section 55 of Environment Management Act 2005 establishes the Environment Trust Fund Account into which shall be paid, money appropriated by Parliament, any environment 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 environment bonds and security of costs and rewards under the act.

OFFICE OF THE AUDITOR GENERAL

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Website: <http://www.oag.gov.fj>



File Ref: 625/2

16 October 2018

The Honourable Praveen Kumar Bala
Minister for Local Government, Housing and Environment
FFA House
4 Gladstone Road
SUVA

Dear Honourable Bala

DEPARTMENT OF HOUSING
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

The audited financial statements for the Department of Housing for the year ended 31 July 2017 together with my audit report on them are enclosed.

Particulars of the errors and omission arising from the audit have been forwarded to the management of the Ministry for necessary action.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Ajay Nand'.

Ajay Nand
AUDITOR-GENERAL

cc: Mr. Joshua Wycliffe, The Permanent Secretary, Ministry of Local Government, Housing and Environment

Encl.

DEPARTMENT OF HOUSING

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2017

**DEPARTMENT OF HOUSING
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

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INDEPENDENT AUDITOR'S REPORT

DEPARTMENT OF HOUSING

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 Trust Account Statement of Receipts and Payments for the year ended 31 July 2017, and notes to and forming part of the financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

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

Responsibilities of the Management and Directors for the Financial Statements

The management of the Ministry is responsible for the preparation of the financial statements in accordance with Section 50 of the Financial Management Act 2004 and Section 71(1) of the Finance Instructions 2010 and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatement, 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 or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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:

INDEPENDENT AUDITOR'S REPORT (Continued)

Auditor's Responsibilities (Continued...)

- 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 Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

I communicate with the management of the Ministry, 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
16 October 2018

**DEPARTMENT OF HOUSING
MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 JULY 2017**

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Department of Housing and its financial position for the year ended 31 July 2017; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act, Finance Instructions 2010 and the Finance (Amendment) Instructions 2016.



Joshua Wycliffe
Permanent Secretary
Date: 15/10/2018



Navin Chandra
Manager Finance
Date: 12/10/2018

DEPARTMENT OF HOUSING
STATEMENT OF RECEIPTS AND EXPENDITURE
FOR THE YEAR ENDED 31 JULY 2017

	Note (3)	12 Months 31 July 2017 (\$)	7 Months 31 July 2016 (\$)
RECEIPTS			
Agency Revenue			
Miscellaneous		-	12,904
TOTAL REVENUE		<u>-</u>	<u>12,904</u>
EXPENDITURE			
Operating Expenditure			
Established Staff		336,167	197,297
Unestablished Staff		23,267	12,095
Travel & Communication		52,941	25,816
Maintenance & Operations		36,192	21,044
Purchase of Goods & Services		20,826	5,608
Operating Grants and Transfers		1,000,000	457,327
Special Expenditure		(8,275)	22,401
Total Operating Expenditure		<u>1,461,118</u>	<u>741,588</u>
Capital Expenditure			
Capital Construction		5,365,174	1,513,049
Capital Grants and Transfers		8,355,155	4,408,600
Total Capital Expenditure		<u>13,720,329</u>	<u>5,921,649</u>
Value Added Tax		361,581	143,431
TOTAL EXPENDITURE		<u>15,543,028</u>	<u>6,806,668</u>

**DEPARTMENT OF HOUSING
APPROPRIATION STATEMENT
FOR THE YEAR ENDED 31 JULY 2017**

Item	Budget Estimate (\$)	Appropriation Changes (Note 4) (\$)	Revised Estimate (\$)	Actual Expenditure (\$)	Carry Over (\$)	Lapsed Appropriation (\$)
Operating Expenditure						
Established Staff	352,898	(1,806)	351,092	336,167	---	14,925
Unestablished Staff	22,053	1,806	23,859	23,267	---	592
Travel & Communication	56,000	---	56,000	52,941	---	3,059
Maintenance & Operations	60,000	---	60,000	36,192	---	23,808
Purchase of Goods & Services	24,000	---	24,000	20,826	---	3,174
Operating Grants & Transfers	1,000,000	---	1,000,000	1,000,000	---	---
Special Expenditure	174,000	---	174,000	(8,275)	---	182,275
Total Operating Costs	1,688,951	---	1,688,951	1,461,118	---	227,833
Capital Expenditure						
Capital Construction	2,537,528	2,985,139	5,522,667	5,365,174	---	157,493
Capital Grants & Transfers	20,889,550	(3,253,802)	17,635,748	8,355,155	---	9,280,593
Total Capital Expenditure	23,427,078	(268,663)	23,158,415	13,720,329	---	9,438,086
Value Added Tax	256,600	268,663	525,263	361,581	---	163,682
TOTAL EXPENDITURE	25,372,629	---	25,372,629	15,543,028	---	9,829,601

**DEPARTMENT OF HOUSING
STATEMENT OF LOSSES
FOR THE YEAR ENDED 31 JULY 2017**

Loss of Money

There was no loss of money recorded for the year ended 31 July 2017.

Loss of Revenue

There was no loss of revenue recorded for the year ended 31 July 2017

Loss (other than money)

There was no loss of fixed asset recorded for the financial year ended 31 July 2017. However, items worth \$1,960 were written off by the Permanent Secretary of Economy, following the Ministry's Board of Survey conducted for the period ended 31 July 2017.

Asset	Amount (\$)
Office Equipment	1,960
Total	1,960

DEPARTMENT OF HOUSING
 TRUST ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS
 FOR THE YEAR ENDED 31 JULY 2017

	Note	12 Months 31 July 2017 (\$)	7 Months 31 July 2016 (\$)
RECEIPTS			
Receipts		---	---
Total Receipts		<u>---</u>	<u>---</u>
PAYMENTS			
Payments		<u>(7,269)</u>	<u>---</u>
Total Payments		<u>(7,269)</u>	<u>---</u>
Net Surplus/(Deficit)		(7,269)	---
Balance as at 1 August 2016		7,269	7,269
Closing Balance as at 31 July 2017	5	<u>---</u>	<u>7,269</u>

**DEPARTMENT OF HOUSING
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

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 Economy. 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 FRCS. Actual amount paid to FRCS 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 04/16 due to a change in the Whole of Government reporting period.

Hence, the 2016-2017 financial reporting periods is for 12 months effective from 1 August 2016 to 31 July 2017. In comparison, the 2016 financial reporting period is for 7 months effective from 1 January 2016 to 31 July 2016. This was provided for in the Financial Management (Amendment) Act 2016.

**DEPARTMENT OF HOUSING
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2017**

(d) Revenue Recognition

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

NOTE 3: SIGNIFICANT VARIATIONS

For the purpose of comparison of results, the current financial result (Fiscal 2017) can be prorated by dividing the respective figure by twelve (12) and multiplying by seven (7); compared to the corresponding result for the previous financial period (Fiscal 2016) consisting of seven (7) months only (January to July 2016).

NOTE 4: APPROPRIATION CHANGES

The virements were approved by the Permanent Secretary for Ministry of Economy in accordance with section 10 of the Finance Instructions 2010.

Virement No.	Transfer From	Transfer to	Amount (\$)
V23001	SEG 10	SEG 8	2,985,139
	SEG 10	SEG 13	268,663
V23002	SEG 1	SEG 2	1,806
	SEG 1	SEG 1	7,917
	SEG 2	SEG 2	1,596

There were no redeployments of the Department's funds during the year.

NOTE 5: 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 Peoples Community Network (PCN) and the Asian Coalition Housing Rights (ACHR).

There has been not transaction in the trust fund account since 2015. Peoples Community Network withdraw a sum of \$7,000 in June 2014 and the balance of \$206 was exhausted through bank charges from June 2014 to November 2017. An adjustment was made to correctly reflect cash figure in FMIS general ledger. The general ledger balance for cash and liability account is nil and the bank account has been closed off.

