APPENDICES

Appendix I

Written Response by the Ministry Of Housing & Community Development

STANDING COMMITTEE ON SOCIAL AFFAIRS

Clarifications on Issues on the Ministry of Local Government , Housing and Environment 2017-2018, 2016-2017, 2016 & 2015 Annual Reports

1. What Housing Projects is the Ministry currently undertaking to cater to the increased demand for housing in Fiji?

The Ministry manages programmes to cater the increasing demand for housing in Fiji. These programmes are:

- i. First Home Purchase Programme (FHPP) introduced in 2014 to provide affordable and quality housing for all Fijians. The programme is in two categories:
 - Category 1 (HH annual Income of \$50K or below) can apply for grant assistance of \$30,000 to build their first home or. \$15,000 to purchase their first home.
 - Category 2 (HH Annual Income \$50K \$100K) can apply for grant assistance of \$20,000 to build their first home or \$5,000 to purchase their first home.
- ii. First Land Purchase Programme (FLPP) Introduced in 2018 for Fijians with household annual income of \$50K or below. The grant provided under this programme is up to \$10,000 per household to purchase their first residential land.
- iii. Social Housing Assistance Programme The one-third and two-third assistance under this programme was introduced in 2005 and the applicant pays one-third of the material costs and Government assists with the two-third balance of the material cost, procurement and delivery of materials. The programme is currently under review and the revised Policy aims to introduce a more sustainable and climate-resilient housing assistance with government grant up to \$10,000 per successful applicant build engineer certified house structures in rural and maritime areas. Ministry has also introduced a cyclone certified, two bed room house plan and material list that is available for free.
- iv. Public Rental Board (PRB) currently manages over 1600 rental flats in 21 estates. PRB provides housing assistance through its rental flats and receives grants from the Fijian Government for rental and social subsidies.
- v. Housing Assistance for Fire Victims introduced in 2015 to assist low and middle income earning Fijian household with total annual income of \$50,000 or below to rebuild their homes destroyed by accidental fires with government grant up to \$5,000 per applicant.
- vi. Housing Authority Fijian Government approved a Government guarantee of \$150 million to assist Housing Authority increase the housing and land stock.

2. What Conditions and plans are in place should first home buyers decide to sell their property?

Applicants who decide to sell their first homes will not qualify for the grant assistance again. Thorough title and deed searches are conducted for every applicant before approval of grant payments. A similar control mechanism is in place when issuing leases to settlers in formalized informal settlements. Accordingly, anyone who previously owned a property, sold it and then living in an informal settlement will not qualify for any Government subsidy.

The other aspect is that a first home grant recipient may decide to sell their first home at some stage to generate equity to progress towards a better home/ home and income, which is an important social benefit to these grant recipients.

Considering these reasoning, there is no restriction imposed on sale of a first home by a grant recipient.

3. With the Government's pledge to "leaving no one behind", how does the Ministry ensure that people living with disabilities are given equal opportunity to access it premises and employees with any impairments are sufficiently equipped with tools to assist in their day to day activities?

The Housing Assistance for Persons living with Disability was introduced in 2018-2019 financial year and was previously managed by Habitat for Humanity Fiji. From 2020/2021 the grant programme is managed by the Ministry that provides government grant up to \$5,000 to improve accessibility to the housing needs of people living with disability by retrofitting their existing homes to providing installation of ramps, handrails, accessibility to toilets including installation of grab bars.

Applicants will need to be Fijian Citizens, registered member with the Department of Social Welfare, annual household income below \$30,000 to apply for this assistance.

Ministry of Local Government and Housing 2017-2018 Annual Report

4. Page 33 of Annual Report (5.3 Socio-Economic Survey) – Provide update on any future plans of the Ministry with regards to settlements and whether there are any plans for extensions?

Settlement Name	Division	Update
Tauvegavega	Western	Scheme Plan Stage
Napoidi	Northern	Development Lease
Vunika	Northern	Scheme Plan Stage
Sakoca	Central	Tendered for Construction
Vunibau A	Northern	Scheme Plan Stage
Vunibau B Northern		Scheme Plan Stage

Lawaki	Western	Development Lease
Lovu Seaside Part 1	Western	Engineering Drawing Stage
Lovu Seaside Part 2	Western	Development Lease
Field 4	Western	Tendered for Construction
Tomuka	Western	Development Lease

In addition to, following projects have completed and in the process of Lot allocation:

Settlement Name	Division
Ledrusasa	Western
Cuvu	Western
Waidamudamu	Central

The following projects have been tendered out for construction:

Settlement Name	Division	
Tore	Western	
Tavela	Western	
Wakanisila	Central	
Sasawira	Central	

The following Projects have started with scheme plan stages:

Settlement Name	Division	
Delaisaweni	Western	
Nabare	Western	

5. Has the review of the National Housing Policy been completed? Inform us of the implementation process and what the review entailed?

The Policy review is still in progress. In 2019, a Policy Advisor was appointed with funding assistance from the New Zealand Ministry of Foreign Affairs and Trade (MFAT) to assist the Ministry. The NHP review had reached the consultation phase but was disrupted by the pandemic.

Department of Housing – Financial Statements for the Year Ended 31 July 2018

6. The auditor issued an unmodified audit opinion on the 2017/18 accounts of the Department of Housing due to an unreconciled variance of \$47,571 between FMIS general ledger and the Department's payroll report for Established Staff. Clarify whether this issue has been resolved and the internal controls put in place to prevent its recurrence.

A separate Finance team was established under the new the Ministry in 2018/2019. All the back logs have been cleared with proper monthly payroll reconciliation submitted to Ministry of Economy on a timely manner. The Ministry had already submitted the reconciliation up to March 2022.

The Ministry has further strengthened the finance team by recruiting a Manager Finance from April 2022.

7. Confirm whether the issue highlighted on Page 59 of the Annual Report under "Other Matter" has been resolved.

This has been resolved through the formation of separate finance team for effective payments in accordance with the Financial Management Act. The Ministry had cleared all the back logs and is submitting all reconciliation to Ministry of Economy in a timely manner.

This is now further supplemented with the recruitment of Finance Manager to ensure SOPs are adhered to and reconciliations are submitted before the due dates.

8. Note 3: Significant Variations: Item H – Confirm whether upgrading works at Ledrusasa, Waidamudamu and Cuvu Informal Settlements have been completed. We note the delay in the completion of the projects due to expiry of civil works contracts. How could this issue have been prevented and what measures are in place to ensure such issues do not transpire in future?

The upgrading works for Ledrusasa has been completed and in progress of Lot allocation process. Capital works for Cuvu and Waidamudamu settlement have completed and Final survey is in progress

9. Page 67 of Annual Report (SEG 10: Capital Grants and Transfer) – Have the residents of the Nabua Muslim League Settlement been relocated to the identified site at Waidradra, Baulevu?

The Ministry in collaboration with the Construction Implementation Unit from CIU inspected the site in 2019/2020. As per findings, it was ascertained that the infrastructure upgrade works to relocate the settlers to the Waidradra site would be significantly high and not financially viable. The Ministry is working with Fiji Muslim League to find an alternative site for relocation. Unfortunately, due to the pandemic, the progress on this has been slow.

10. Note 4: Trust Fund Account – Provide a breakdown of the funds deposited into this account since its establishment in 2013 and for what purpose. What projects were undertaken as part of the City Wide Informal Settlements Upgrading programmes and the costs incurred.

We are in contact with the Finance team of Ministry of Local Government who was handling the finance matters in 2013 to collate the requested information. We kindly request more time to revert on this matter.

Appendix II

Supplementary Response by the Ministry of Housing & Community Development

Ministry of Housing and Community Development

Supplementary Question

1. Response to Q4 – Is there enough awareness done on the extension of settlements and whether information are made available to the public to avoid inconvenience in getting such updated information?

Yes there is enough awareness done on the Informal Settlement Upgrade Programme.

- The Ministry carries out community meeting to update the progress of the development.
- The updates are published through the Ministry website
- The updates are posted through the Ministry Facebook page with 43300 followers
- The Ministry has been having talkback shows on the progress of the settlements.

Appendix III Written Response by the Ministry of Local Government

Response to Standing Committee on Social Affairs on Clarification of issues on the Ministry of Local Government, Housing and Environment 2017-2018,2016-2017,2016 & 2015 **Annual Reports** Ministry of Local Government Head 37 2022

1. Update the Committee on the status of HR Manual for all Municipal Councils in Fiji and whether this has been finalized.

The Ministry has recently developed both Human Resource Manual and Finance Manual for 13 Municipal Councils.

Municipalities are the agencies that are the closest to communities. The rapid transformation of municipalities has placed renewed emphasis on the employees in municipalities to be capacitated with the required competencies to meet the ever-increasing demands of people.

Human Resource manual is a fundamental component of human resource management. The effective management of human resource development activities and processes within municipalities has the potential to ensure that the municipalities continue to deliver services to their communities in an efficient and effective way.

The Finance Manual is intended to provide an overview of the accounting and financial policies and procedures for the Municipal Councils. The purpose of the manual is to provide step by step accounting procedures and policies, which govern the Municipalities in ensuring effective internal control mechanisms are in place. This Manual has replaced the existing Manual of Accounts that is being used by the Municipal Councils.

Both the Manuals have been finalised and adopted by the Municipal Councils. Training will be conducted for the finance teams, Chief Executive Officers and Special Administrators on the above Policies.

2. Provide an update on the status of the new Nabouwalu Fire Station and whether it is operational. If not, highlight the challenges faced in its establishment.

The Nabouwalu Fire Station was commissioned on 29 April 2022 by Hon. Prime Minister and Acting Minister for Local Government and is operational

3. For Town Boundary extension, highlight the process involved and also, provide us with the list of all newly extended town boundaries declared by the Ministry.

The town boundary extension is initiated by the Municipal Council by application to the Hon. Minister for Local Government who instructs the Local Government Committee to sit and deliberate. The Committee investigates the development in the subject area then requests the statutory section of the Lands Department to prepare the

proclamation plan and the description of the land for inclusion into the town boundary for advertisement and comments of the general public before making a decision. The Committee advises the Minister on the outcome and then the boundary is declared upon the Minister's decision.

During the reporting period there has not been any extension to existing municipal council boundaries.

4. With the Government's pledge to "leaving no one behind", how does the Ministry ensure that people living with disabilities are given equal opportunity to access its premises and employees with any impairments are sufficiently equipped with tools to assist in their day to day activities?

The MLG office offers wheelchair access through a drop off area at the rear of the Fiji FA house Building and can access the various levels from the lift. In addition to physical access to the building and as part of the Fijian Government's broader digitalisation initiative the Ministry offers online feedback on the Ministry website and Fijian Government website, email, to name a few.

The Municipal Councils around the country have been collaborating with the National Councils for Persons with Disabilities (NCPD) in the area of awareness programmes and training. All NCPD organised programmes are fully supported by the Municipal Council and officers are part of the programmes. Queries by NCPD are attended to by the Municipal Councils. The NCPD and the Municipal Councils in partnership with the Ministry of Employment, Productivity and Industrial Relations continue to create awareness on disabled friendly building's needs, as required under the National Building Code Regulations.

The Councils have also engaged the UN Women on projects such as ramps and/or lifts in the Municipal Markets under the Markets for Change Project of the UN Women. The Markets in the municipalities have disabled friendly washrooms and accessibility as well. (Please refer to "Annexure 2" for the data on disabilities facilities).

There are disability accesses in the Municipal Markets, the car parks and other public spaces owned by Municipal Councils within the towns and cities. Individuals who are physically challenged will find facilities such as ramps at key entry points at the Markets.

In addition, the Councils are collaborating with the Fiji Roads Authority in relation to road marking and placing of appropriate signage.

It is worth noting that disability access is also provided in the public conveniences around the respective municipalities for the use of wheelchairs.

All new Municipal Council Projects undertaken are designed to be disable friendly. The National Building Code section dealing with access for People with Disabilities for Public Buildings and Group Dwellings is being complied with.

The Municipal Councils and the Fiji Roads Authority are further collaborating to improve walkways in town centres.

Ministry of Local Government and Housing 2017-2018 Annual Report

5. On the Activities and Projects undertaken by the Ministry, we note that few of these major projects have yet to be completed. Explain why this was the case and plans of the Ministry to ensure that all these major projects are completed and their completion time.

Project Name	Project Status	Remarks
Nabouwalu Town Development	In Progress	The tender was readvertised as the selected bidder had issued a variation before the signing of the contract. Project is ongoing with civil works, to be completed by the 2023/24 financial year.
Keiyasi Town Development	In Progress	The Ministry had carried out the necessary studies (physical, social, geological, demographic) in regards to the Environment Impact Assessment. However, the approval was received in the 2018/19 financial year. The Ministry had engaged through a tender process for a Consultant to complete the Scheme and Engineering Plans.
		The construction tender will be advertised in May 2022, and construction is expected to be completed by the 2023/24 financial year.
Korovou Town Development	In Progress	The Ministry in consultation with the Lands Department and iTaukei Land Trust Board (TLTB) had to finalise the Agreement for Lease for Development. The Ministry of Lands has completed the survey works for the Two Sites at Korovou and will be submitting a
		scheme plan to DTCP for approval. To be completed by the Financial Years 24/25.

Seaqaqa Town Development	In Progress	The Ministry of Lands in conjunction with the Ministry of Local Government has surveyed the civic sites and will hand over to Labasa Town Council for development purposes by the next financial year.
Project Name	Project Status	Remarks
Laqere Municipal Market	Completed	The Laquere Municipal Market was completed on 13 May 2020. Vendors include root crops, vegetable sellers, fish and kai sellers, butcher and small businesses operating from the thirteen (13) kiosks.
Rakiraki Municipal Market	Completed	The Rakiraki Municipal Market was completed on 2 June 2020. Vendors include root crops, vegetable sellers and fish sellers with Kiosks.
Lautoka Swimming Pool	Not Completed	A Peer Review is being conducted by the Ministry of Local Government to audit and validate that the works carried out by the Lead Consultant and the Contractor are in line with the scope of works.
		An independent Consultant has been engaged to carry out the Peer Review. The way forward will be determined once the final report is submitted by the Consultant.
Namaka Municipal Market	Completed	The Namaka Municipal Market was completed on 28 February 2020.
Govind Park	In Progress	The phase 1 works for the park have been completed and the Council is reviewing the works with the Contractor.
		The Council is currently addressing the defects, in consultation with the contractor.
		Council will strategise phase 2 works in order to bring the park to operation. We are targeting to complete the project by next financial year 2022/2023.
Civic Centre Refurbishment – Suva City	Completed	The Civic Centre Refurbishment was completed on 13 Sept 2018.
Council		(This project was funded by the Chinese Government)
Sigatoka Riverbank Upgrade- Sigatoka Town	Not Completed	In 2020, the Council took legal action against the Consultant for the structural failure and to recover the payment to the Consultant and Contractor.

The matter is currently before the court and therefore,
sub judice.

- 6. Page 18 of Annual Report (Table on Total Number of Rezoning Applications Received and Divisions in 2017/2018 Period) Update the Committee on the following:
- i. How long does it take for the rezoning applications to be approved?

Rezoning applications are typically considered within 45 working days upon receipt at the Ministry.

ii. In the period under review, provide the total number of applications for rezoning that were approved and how many are still pending?

A total of 289 rezoning applications were approved for the reporting period while 88 applications were pending. The 88 applications that were pending are now approved.

7. Page 19 of Annual Report (4.4 Government (Capital) Projects and Policy Advice) – Enlighten the Committee on what kind of advice on the extension of Colonial War Memorial Hospital Maternity Ward Extension had been given and why there has been minimal upgrade done at the area?

The Department in its regulatory role, facilitated the building approval of the CWM Hospital Maternity Ward extension by imposing planning conditions of consent.

In this case DTCP is not the Project Managers nor are they the agency tasked with the project implementation, therefore, has no control on the upgrades on the building.

8. Page 21 of Annual Report (Subdivision of Land) – on the 340 deferred applications highlighted in the Annual Report, was this considered later on and highlight how many applications were approved and declined?

A total of 198 applications were approved from the 340 deferred cases while 142 applications remained undecided for the reporting period as further information was to be submitted by the surveyors for consideration and decision was made in the following financial year. From the pending cases there were nil refusals.

9. Confirm whether the major projects commencing in 2017/2018 fiscal year as highlighted on Page 14 were completed. If not, why the delay?

Please refer to the table above on question number 5.

Ministry of Local Government Financial Statements for the Year Ended 31 July 2018

10. We note that in spite of the issue highlighted repeatedly by the auditor, necessary internal controls including timely reconciliations were not performed for Drawings Account, SLG 84 Account, Operating Trust Fund, Advances and Salaries Account during the 2017-2018 FY. Explain whether these issues have been rectified.

Timely completion of underline reconciliation was affected due to high turnover of staff and internal investigations arising from disciplinary issues.

Since then, the Ministry has recruited four Accounts personnel; Senior Accounts Officer, Accounts Officer and two Assistant Accounts Officers. This was done to increase the staffing capacity to effectively and efficiently provide financial support services.

For the most part of the 2018 financial year, there were only two staff in the Accounts Section overseeing Local Government, Housing and Environment, which are now three separate Ministries.

The Ministry has also undertaken in-house capacity building within Accounts on procedures and processes pertaining to performance of underline reconciliations.

Specifically, the following measures were undertaken by the Ministry:

- 1. Conducted underline reconciliations and adjustment exercise to ensure the reconciliation report are true and fair.
- 2. Provided FMIS training for Accounts Personnel.
- 3. Conducted in-house capacity building training to motivate staff on procedures and processes pertaining to reconciliations.
- 4. Ensured preparation of timely monthly reconciliation.
- 5. Ensured all reconciliations were verified and signed copies submitted to the Ministry of Economy.
- 6. Closely monitored the Account Team to ensure the procedures and processes are adhered to at all times

Effective from the 2019-2020 financial year, all underline reconciliations were performed on a monthly basis and submitted to the Ministry of Economy before 15th of the following month.

11. Note 3: Significant Variations (Item K) – Explain why funds for Information System Equipment for Municipal Councils and Divisional Offices were not utilised.

After considering the economic value of the system and long term viability, the Ministry decided to review its initial decision to procure the system. The Ministry intended to carry out further consultation and research on this area.

12. Note 4: Appropriation Movements

a. SEG 9 (Capital Purchases) – Why were funds amounting to \$436,541 not utilised for procurement of Fire Hydrants – NFA and GIS Equipment when the lack of operational fire hydrants is a major issue faced by NFA.

The Fire Hydrant Grant was provided to the National Fire Authority to support the installation of fire hydrants around Fiji. The project was carried out by the National Fire Authority in partnership with the Water Authority of Fiji.

The non-utilisation of the government funding was to ensure that the fire hydrants purchased earlier were first installed before new hydrants were procured. This was a measure that was considered to prioritise the installation of past procured hydrants. On the GIS equipment please refer to the response on question 11.

- b. SEG 10 Capital Grants & Transfers Why were funds for the 6 capital projects not fully utilised. Confirm whether these projects have been completed.
 1. New Town Development Please refer to the table above on question number 5.
- **2. Lautoka Botanical Garden Pool -** Please refer to the table above on question number 5.

3. Challenge and Investment Funds

In the 2017-2018 fiscal year **\$4,689,554** was allocated under Challenge and Investment Funds to support the following Municipal Council projects. From the given budget of \$4, 689, 554, \$3,379,325.73 was released to Municipal Councils projects leaving a balance of \$1,310,228.27 un-utilized.

The un-utilized sum of \$1,310,228.27 was not released by the Ministry due to incomplete project submissions. The following projects' budget was either partially released or not released.

I.Nadi Town Council - Garbage Compactor Truck and Installation of Recycling Bin in the Central Business District (\$405,036.27)

From the \$405,036.27 budget allocated, only \$240,000 was released to Nadi Town Council for the procurement of the Garbage Compactor Truck. Whilst \$165,036.27 was not utilised for Recycling Bin in the Central Business District as the concept design was changed from the initial agreement to factor in the 3R concept (Reduce, Reuse and Recycle), hence, the Ministry had to further consult relevant Stakeholders to get the best model of the bins.

The project was further delayed due to Tropical Cyclone (TC) Joise in early April 2018, which caused flooding in the Western Division of Viti Levu. One week later, on 10 April 2018, TC Keni passed close to Viti Levu, a Category 3 system, overnight compounding the impact of TC Josie.

The Council resources were diverted towards the rehabilitation works to bring the Town back to operation.

II. Upgrading of Narain's Park (\$280,000)

The budget allocated for Narain's Park was not released to Savusavu Town Council for the park upgrade as the concept plan had to be reviewed to modernise the outlook with environment friendly features. Secondly, the Council had to review the master plan of the whole park rather than doing piecemeal upgrades.

The Council took time to conduct consultation and did not revert on time to the Ministry with the full documentation to support the request for funding released. Hence, the budget was not utilised.

III.Lami Town Council - Purchase of 2 Garbage Trucks (\$350,000)

The budget of \$350,000 was allocated to procure two Garbage Trucks, however, upon further consultations it was agreed by the Council that due to the priority needs of the Municipality in terms of the efficient waste service delivery, the Compactor truck was more appropriate to procure than the garbage truck.

Through, tender process, the Compactor truck was procured for \$240,000 leaving a balance of \$110,000 as un-utilised.

The funds were not un-utilised but were savings due to the prudent management and strategic thinking of the Ministry and the Council.

IV. Navua Town Council - Town Council Building (\$500,000)

The sum of \$500,000 was allocated to commence the establishment of Navua Town Council Office. Due to the pending infrastructure upgrade (footpath, Street light and Roads) the declaration of the Navua being a Town put on hold, the establishment of the Navua Town office did not progress, hence the funds were not utilised.

V.Rakiraki FSC sports ground (\$350,000)

The budget allocated of \$350,000 was to upgrade the Fiji Sugar Corporation (FSC) ground at Rakiraki to include a pavilion and Energy Fiji Limited (EFL) Sub-station. The Council installed a 3 phase power station after paying the appropriate fees to EFL.

Following the joint inspection by the Ministry and CIU, it was decided that the Rakiraki Town council will pursue the development of a master plan for the park. In addition, post assessment of capital projects and need to invest in the technical area all projects funded by Fijian Government to be supervised by CIU.

The Ministry has released \$94,808 out of the allocated budget of \$350,000 leaving a balance of \$255,192.

The sum of \$255,192 was not released to the Council as the project was further delayed in early April 2018 due to TC Josie (Category 1) and TC Keni (Category 3) causing extensive damages.

The Council resources were diverted towards the rehabilitation works.

4. Construction of New Swimming Pool at Nasinu

The Nasinu Swimming Pool project was allocated \$300,000 to facilitate the project design and preliminary works of site preparation. The Project Consultant completed the concept project design and detailed design. The sum of \$231,524.01 was utilised to pay the Project Consultant, HLK Jacob Ltd for the task.

The Council gave priority to income generation projects, such as municipal markets - for Laquere market.

5. Preparatory Works of New Indoor Sporting Facility – Lautoka City Council

The project was allocated \$1,000,000. The budget allocated was to complete the full concept and detailed drawings and commence the preliminary works. However, the project did not progress after the design phase, as the project site required further consultations with relevant stakeholders to align to the Master plan for the greater Lautoka.

No funds were utilised in the period under review.

6. Construction of Roadside Mini-Market

In the 2017-2018 fiscal year, \$960,000 was allocated to support the Mini-market Construction.

From the given budget of \$960,000 a sum of \$705,000 has been released to five Municipal Councils namely; (Lautoka City Council - \$240,000 (Tavakubu Mini Market); Suva City Council - \$120,000 (Mead Road Mini-Market), Ba Town Council - \$105,000 (Nailaga Mini-Market), Sigatoka Town Council - \$120,000 (Cuvu Mini-Market) and Savusavu Town Council - \$120,000 (Naibalebale Mini-Market) leaving a balance of \$255.000.

The un-utilized budget of \$255,000 was supposed to support the construction of two Nakasi Mini- Markets.

Considering the size of the land available, it was decided to relocate the Mini- market project to a new site, because the current site along the main road (in front of the RB South Point) was not considered feasible due to traffic congestion and safety of the vendors and general public.

Nausori Town Council has acquired a piece of land behind RB South Point, Nakasi for the construction of a mini market.