

STANDING COMMITTEE ON SOCIAL AFFAIRS

Review of Public Rental Board 2020 Annual Report



PARLIAMENT OF THE REPUBLIC OF FIJI Parliamentary Paper No. 133 of 2023

November 2023

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CHAIRPERSON'S FOREWORD

I am pleased to present the report of the Standing Committee on Social Affairs on the annual review of *Public Rental Board 2020 Annual Report*. This review was undertaken in accordance with SO 109 (2) (b) which mandates the committee to look into issues related to health, education, social services, labour, culture and media.

The Standing Committee on Social Affairs was referred the *Public Rental Board 2020 Annual Report* on 27 March 2023. As per the process for report scrutiny, the Committee was mandated by Parliament to review the annual report and report back on its findings.

Nevertheless, through its findings the committee commends the work performed by Public Rental Board (PRB) for the year 2020. It was noted, for the year ending 31st July 2020 PRB recorded an operating profit of \$1.5 million in its revenue collection. PRB has recorded profits in its books despite the economic crises that significantly impacted on its business. Though it was a difficult year as the global pandemic reaching our shores this did not deter PRB in achieving its mandate that was set 33 years ago which was to provide affordable rental accommodation to low-income earners.

PRB is evolving and modifying its products and services to adapt to the changing environment. It continues to provide affordable and accessible housing for all Fijians, for instance upgrading facilities in Kalabu and on Kia street in the central division. The development of the 3 storey-building in Simla, Lautoka in the western division. The new projects that are still in the approval process are Namelimeli, Navua and Waitovu, Ovalau currently in the planning stage.

The standing committee witnessed first-hand the work of PRB and its mandate to develop affordable and low-cost housing for Fijians despite the challenge of capital funding.

A new initiative that is still under the proposal phase is 'Rent to Own Home Schemes', this scheme will assist interested first home buyers in owning properties and this will assist PRB tenants to graduate from being a tenant to a homeowner.

Though the annual review was for 2020, the committee acknowledged the current data and information provided by the stakeholders. This assisted the committee in its review.

Therefore, I commend the work that is carried out by PRB and extend my deepest gratitude to the Chief Executive Officer (CEO) of PRB, Mr. Timoci Naleba and his staff for their timely assistance in this review process. In addition, I would like to thank the Hon. Members of the Standing Committee on Social Affairs, Hon. Ratu Rakuita Vakalalabure, Hon. Sashi Kiran, Hon. Parveen Bala and Hon. Viam Pillay for their valuable input and support. I would also like to extend my deepest appreciation to Hon. Ketan Lal as the alternate member substituting on certain occasions.

On behalf of the Standing Committee on Social Affairs, I commend this Report to Parliament and request all members of this August House to take note of the Report.

Hon. Alitia Bainivalu

Ackaininle

Chairperson

ACRONYM

Acronym	
CEO	Chief Executive Officer
MP	Member of Parliament
PRB	Public Rental Board
SDG	Sustainable Development Goal
SO	Standing Order

COMMITTEE REMIT AND MEMBERS

The Standing Committee on Social Affairs ('Committee') is established under Section 70 of the Constitution and Standing Order (SO) 109. The Committee's mandate and functions are provided under SO 109 (2) and 110 (1) (a)-(d) & (f). The Committee consist of the following members:



Chairperson Hon. Alitia Bainivalu, MP Government Member



Deputy Chairperson Hon. Ratu Rakuita Vakalalabure, MP Government Member



Member Hon. Sashi Kiran, MP Government Member



Member Hon. Viam Pillay, MP Opposition Member



Member Hon. Parveen Kumar Bala, MP Opposition Member

RECOMMENDATION

The Standing Committee on Social Affairs has conducted the review of the *Public Rental Board 2020 Annual Report* and recommends that Parliament take note of this report.

1. INTRODUCTION

The Standing Committee on Social Affairs ('Committee') was referred the *Public Rental Board 2020 Annual Report* on 27 March 2023 pursuant to SO 38 (2). Therefore, the Standing Committee was referred to review the annual report as pursuant to its mandate as stipulated in SO 110 (1) (c).

1.1. Committee Procedure

The standing committee reviewed the annual report through its committee meeting deliberation and formulated questions pertaining to the *Public Rental Board 2020 Annual Report* were undertaken. Hence, the executive management from PRB presented on the responses.

The responses and any supporting documents are available on the Parliament website, at the following link: https://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/

2. PUBLIC RENTAL BOARD (PRB)

2.1. Background

Public Rental Board (PRB) was established on 16th May 1989 under the Housing (Amendment) Decree No 12 of 1989. For the past 33 years PRB provided affordable rental accommodation to low-income earners on transitional basis and is committed to achieving its organisational goals together with its social obligations such as reduce squatter settlements and promote healthy living.

2.2. **Highlights**

- a) PRB current stock has 368 studio, 885 one-bedroom and 385 two-bedroom flats which totals to 1,638 flats in 2020;
- b) In August 2020, the head office of PRB shifted to the Housing Authority Building at Valelevu which is in line with the proposed operational merger of the two entities;
- c) Projects were delayed due to the COVID-19 outbreak in March 2020, which led to lockdowns, shortages of materials and labour. This was a difficult year for PRB, however, work continued as usual, working from home, meeting virtually, maintaining social distancing and maintaining the estates; and

d) The estates were well managed with regular monitoring checks that were conducted during the pandemic restrictions.

2.3. Achievements

- a) PRB recorded an operating profit of \$1.5 million for the year ending 31 July 2020 which was a great achievement during the year;
- b) PRB carried out maintenance work for Kia street flats with a total number of 24 units with an expenditure of \$48,254.83;
- c) The Kalabu Housing fencing and drainage works which was completed at a total expenditure of \$74,614.35; and
- d) Low-Cost Housing Project at Simla, Lautoka consisting of 36 rental units of one bedroom, the project was anticipated to be completed by 2021;

3. KEY FINDINGS

The committee through its deliberation, formulated the following findings:

- 3.1. The slow graduating of rental tenants to owning homes is an average of 5 every year;
- 3.2. PRB's facilities are accessible to persons living with disabilities; and
- 3.3. PRB's lack of funding to finance proposed housing estates.

4. COMMITTEE RECOMMENDATIONS

The committee recommends:

- 4.1. Timely submission of its annual reports;
- 4.2. PRB to develop more rental facilities that are accessible to persons living with disabilities; and
- 4.3. PRB to consider partnership with investors and stakeholders in financing proposed housing estates.

5. COMMITTEE SITE VISIT

5.1. LEVUKA AND KIA STREET, SUVA



(Standing Committee visited Public Rental Board Office and Kia/Levuka Street Raiwai on 18th September 2023)

5.2. WAITOVU PROPOSED PROJECT SITE AND DRAIBA PRB FLATS, LEVUKA, OVALAU





(Standing Committee visited Waitovu Proposed Project Site and Draiba PRB Flats, Levuka on 19th September 2023)

5.3. NAMELIMELI PROJECT SITE, NAVUA AND SIMLA HOUSING, LAUTOKA



(Standing Committee visited Namelimeli Project Site, Navua on 21st September 2023)



(Standing Committee visited Simla Housing, Lautoka on 22nd September 2023)

5.3.1.**BACKGROUND**

PRB builds approximately 330 flats with estimated costing of \$2.3 million per year. PRB concept of the project builds around community sustainable living. Therefore, recreational facilities, backyard gardening and facilities that allows tenants to live sustainably.

It is important to note that the new board members are diversifying its products from rental housing to residential housing and commercial development to assist sustainability for PRB in the coming future

with the fact that affordability will allow PRB to earn astounding income from community development projects.

As for tenants to graduate from rental to owning homes the time frame is up to 7 years, however tenants graduating from the scheme is not ideal, as estimated only average of 5 tenants graduate to owning homes. This is because of the affordability of rental housing that is provided by PRB, and most tenants are comfortable with the community scheme that PRB has maintained.

PRB proposed development for Waitovu, Levuka to address the issue of insufficient housing facilities. The site at Namelimeli, Navua is an approved project. This will assist the greater Suva region in redistributing population towards Suva-Navua corridor.

5.4. **KEY FINDINGS FROM THE SITE VISIT**

- a) Acquiring potential land for developing rental flats as well as residential housing to solve the issue of informal settlements and the lack of supply for affordable housing due to the customer needs.
- b) Housing development project is expensive; therefore, Fiji is rich in resources but capital funding for projects is a major hindrance this delays the process of keeping to the timeframe.
- c) Maintaining and upgrading of PRB flats is costly, however it's the duty of care of PRB to ensure that flats are safe and are in good working conditions to avoid disasters or emergencies that can be a liability for PRB. General maintenance is reduced to 3 years, daily maintenance is done by the in-house maintenance staff.
- d) Discussions and collaboration work is still underway for the existing projects by PRB like the Raiwai Ex-sewer and Raiwai Ex-4 Storey.
- e) Graduating tenants from rental to home ownership is still difficult to achieve.

5.5. **COMMITTEE RECOMMENDATIONS**

- a) Graduating tenants from rental to home ownership is an achievement. To address this, PRB and tenants to work closely together to ensure that owning a home is an investment and can ease burden for tenants who wish to graduate as rental housing is not ideal for a lifetime commitment.
- b) PRB to continue building the platform with Resource owners as well as the PPP initiative to continue providing affordable housing for its citizens.
- c) PRB to consider developing housing that will enhance community living and is disability friendly.

6. SUSTAINABLE DEVELOPMENT GOALS (SDGs) ANALYSIS

6.1. SDG 11 - Sustainable Cities and Towns

Urban migration can create overcrowding and poverty in cities. Sustainable cities and communities concentrate on reducing poverty in cities. PRB is contributing to this goal by creating affordable housing units so that low-income earners can afford. This also contribute to reducing population in squatters.

Achievement:

Due to scarcity of buildable land, PRB has developed some balance of land within its existing estates namely Savusavu, Simla and Kalabu. A total of 120 flats were built within these three estates with buildings ranging from three to four storeys high.

Challenges:

- a) While building high rise is the current solution, it is also expensive with the rise in cost of materials and labour.
- b) The availability of buildable land within the urban areas is quite scarce.
- c) Access to funding for PRB to meet its maximum yield is the biggest challenge.

Furthermore, PRB is inclusive and ensuring that flats are constructed to be accessible for persons living with disability as well as elderlies. Therefore, applications are scrutinized so that dedication to all ground floor flats are disable friendly with proper facilities.

6.2. **SDG 1 – No Poverty**

PRB contributes by reducing poverty as the flat rent is affordable to low-income earners this is made possible through the government subsidy grant.

6.3. SDG 5 – Gender Equality

PRB have over the years evolved in terms of its operations and have had ensured to maintain gender equality in all its departments however this is challenge due to the nature of work especially in the Properties and Development department.

Division	No. of Staff	Female	Male
Executive	3	1	2
Finance and Administration	8	7	1
Property	13	4	9
Waged	19	1	18
Total employees for the year 2020	43	13	30

(Figure from the PRB annual report for the year 2020, page 17)

6.4. SDG 6 – Clean Water and Sanitation

All PRB estates are built in town and cities with established water system. For Votua estate in Sigatoka, PRB supply's water to the 58 families meeting safety standards through a borehole system. There are also plans of implementing rainwater harvesting systems it's new and existing developments.

6.5. SDG 7 – Affordable and Clean Energy

All PRB estates are built in town and cities with established electrical system, however there are plans of implementing alternative power source in its new and existing developments through solar grid panels which is still under planning stage.

6.6. SDG 13 – Climate Action

Climate Action is about combating climate change and its impact. All PRB flats are built to cyclone standards. There are also halls built in most estates to assist with evacuation during any emergencies. We have also started implementing solar streetlights in some estates to reduce dependency on fossil fuel. New development sites are focused on keeping green which tries to preserve as much trees as possible.

7. CONCLUSION

In this review, the committee highlighted various areas that needs to be strengthened by PRB and relevant recommendations formulated for the resolution of issues.

COMMITTEE MEMBERS' ELECTRONIC SIGNATURE

We, the Members of the Standing Committee on Social Affairs, hereby agree with the contents of this report:

Committee Member	Electronic Signature		
Hon. Alitia Bainivalu, MP (Chairperson)	Ackaininle		
Hon. Ratu Rakuita Vakalalabure, MP (Deputy Chairperson)	Roxalaldre		
Hon. Sashi Kiran, MP (Member)			
Hon. Viam Pillay, MP (Member)	Dury		
Hon. Parveen Bala, MP (Member)	M		
Date: 6 November 2023			

ANNEXURE

Published evidence

Written evidence, transcripts and supporting documents can be viewed on the Parliament website at the following link:

 $\underline{https://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/}$