

**Ministry for Local Government Urban
Development Housing and Environment**



**2013 ANNUAL
REPORT**



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Vision

A Prosperous Fiji

Mission

A Prosperous Fiji To promote and contribute to Fiji's socio-economic growth through improved living standards, spatial equity and sustainable environmental services in partnership with stakeholders

Values

The delivery of all services is based on the following core values:

<i>Constitution as Supreme Law</i>	<i>Respecting the freedom, rights, values and Code of Conduct as enshrined in the 2013 Constitution</i>
<i>Innovative Leadership</i>	<i>Participating in innovative thinking for innovative solutions to problems</i>
<i>Accountability and Transparency</i>	<i>Performing all duties with integrity, in a professional, apolitical, neutral and impartial manner</i>
<i>Integrity and Honesty</i>	<i>Being honest, transparent and respectful in our dealings with team members, all customers and the general public at all times</i>
<i>Customer Focus</i>	<i>Serving all customers in an efficient, effective and timely manner</i>
<i>Environmental Stewardship</i>	<i>To protect and promote environment sustainability</i>
<i>Productivity</i>	<i>Promoting productivity and improvement initiatives within our workplace</i>
<i>Safety and Security</i>	<i>Promoting good health, safety standards and work-life balance for everyone in the workplace</i>

Customer Charter

Our customers are our greatest asset. We take pride in serving them through the Ministry's Service Charter, which stipulates our commitment to Service Excellence through professional high quality standards & responsiveness beyond expectations. Our customers are:

- (i) Internally – Minister, Permanent Secretary and Employees of the Ministry; and
- (ii) Externally – Government Ministries and Departments, all other Government fully or partly owned entities, the general public, providers of goods & services, the private sector, non - Government organisations and regional and international organisations.

REFERRAL LETTER

**Mr Aiyaz Sayed- Khaiyum
Attorney General and Acting Minister for Local Government Urban Development
Housing and Environment
Suva House
Suva**

Dear Sir,

I have the pleasure of submitting the Ministry for Local Government Urban Development Housing and Environment Annual Report 2013.

It provides the activities of the Ministry and the highlights for the year.

The Annual Report 2013 has been prepared in accordance with the provisions of section 14 of the Public Service Act 1999 and the Finance Management Act 2004, the report has been prepared with the requirements for Annual Reports by the Fiji Government

Yours Sincerely



**Samuela Namosomalua
Permanent Secretary for Local Government Urban Development Housing and
Environment**



STATEMENT BY THE PERMANENT SECRETARY

We are pleased to present the 2013 Annual Report for the Ministry of Local Government, Urban Development, Housing and Environment.

The year has been a very challenging one for the Ministry because of the new challenges and priorities it had to meet with timelines against the number of support staff for all Departments including Corporate Service Division.

The Ministry did its level best to provide services to the Public including its Divisional offices and all the statutory bodies that come under its jurisdiction in accordance to its corporate values:

- Be responsive to community needs
- Continuously improve the quality of service by focusing on customers
- Provide value for money and at the same time remain within the budgetary provisions

The following are considered to be the key features of the Ministry's output for year 2013:

1. Appointment of new Special Administrators and improvement in revenue and rate collection by municipal councils.
2. Town Schemes, Urban Growth Management Plans for the western and northern division, strengthening of technical departments with GIS and dramatic increase in facilitation of investments and development and drafting of amendments to town planning laws.
3. Squatter upgrading projects, Re-location and integrated income generating projects
4. Phase 2 of Naboro Landfill project, Faith Based Environment Stewardship Summit, Hosting of the Environment and Climate Change MSG Meeting and 9th Conference of Conservation of Nature.
5. Launching of the Lagilagi Housing Project, Nativi Sustainable Income Generation Project, and Installation of electricity at the Villa Maria Settlement.

I reiterate that Year 2013 was very challenging and we expect 2014 to be the same as we prepare for the General/National Elections with the Government's directive for 60% completion of all major projects in the first quarter. The Ministry is confident to rise above the challenges and face them with confidence and enthusiasm.

To conclude, I must applaud the concerted efforts and team work of the Executive Management and support staff during the reporting period.

Sincerely,

Samuela Namosimalua

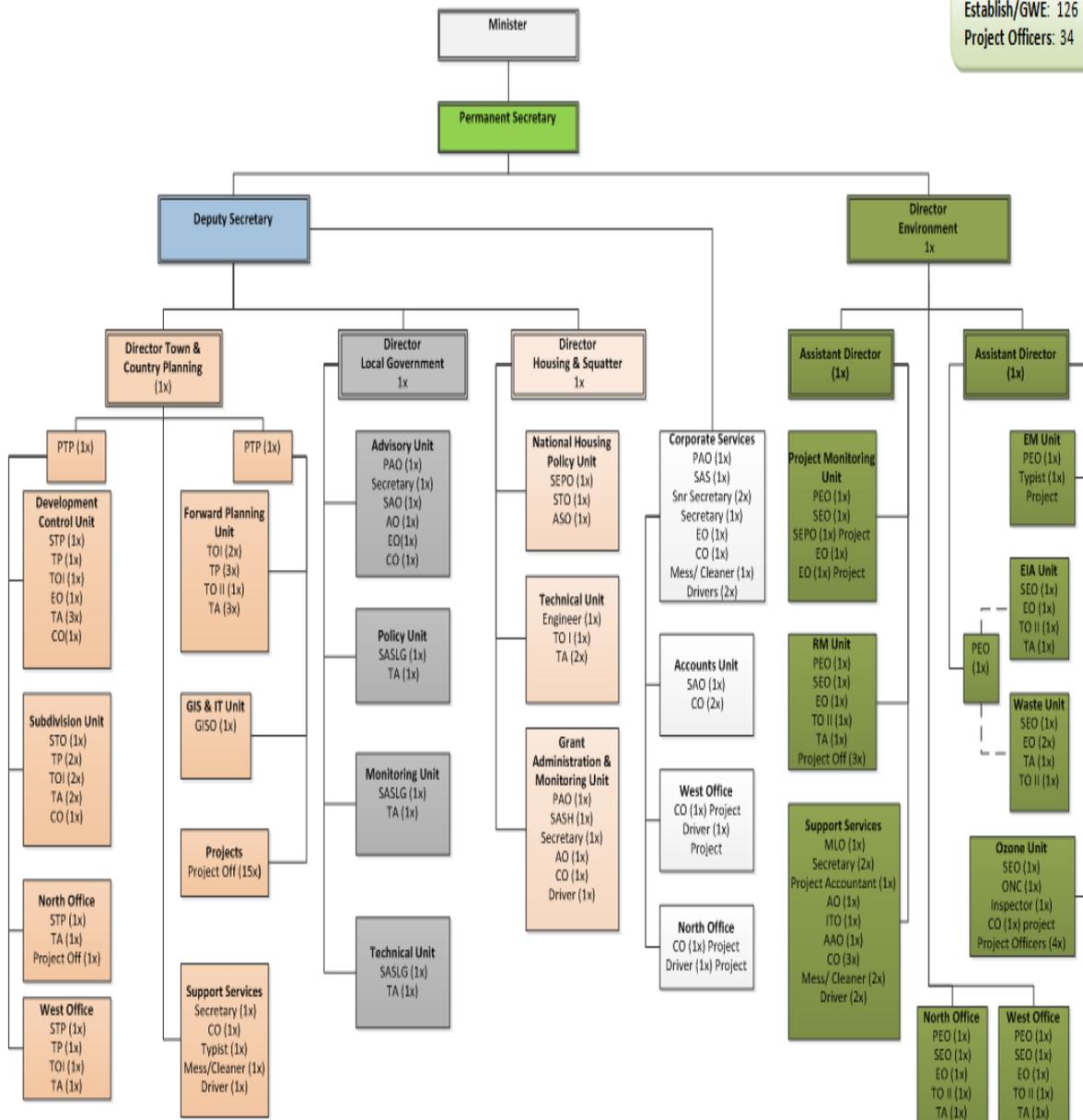
Permanent Secretary for Local Government, Urban Development, Housing and Environment

ORGANISATIONAL STRUCTURE

January to December 2013

Ministry of Local Government Urban Development Housing and Environment Organisation Structure (P2P)

MLGUDHE Staffing
Establish/GWE: 126
Project Officers: 34



ROLES AND RESPONSIBILITIES

The Ministry is responsible for the formulation and implementation of Local Government, Urban Planning, Housing and Environment policies and programs. The Ministry also has responsibilities for the National Fire Authority, Housing Authority and Public Rental Board.

FUNCTIONS

The Ministry's core business and responsibilities in 2014 is carried out by the following Departments:

(i) Corporate Service Division

Implement policy decisions for the overall management of the Ministry's budgeting, planning, financial, accounting control and human resources.

(ii) Department of Local Government

Monitor the performance of Municipal Councils under the Local Government Act Cap. 125 Rev (2005) and Business Licensing Act Cap 204 Rev (2006) and National Fire Authority under the National Fire Act (1995).

(iii) Department of Town and Country Planning

Administer, plan and regulate land use in Fiji through the enforcement of the Town Planning Act Cap 139 and Subdivision of Land Act Cap 140 (1978)

(iv) Department of Housing

Administer housing policy with specific emphasis on upgrading and resettlement programmes and provision of capital grants and social housing subsidy.

(v) Department of Environment

Formulate, coordinate and monitor the implementation of Fiji's national environmental policies, Programmes to enhance growth whilst ensuring sustainability in accordance with the Environmental Management Act 2005, Ozone Depleting Substances Act 1998, Endangered and Protected Species Act 2002, and Litter (Amendment) Decree 2010 and Fiji's Multilateral Environment Agreements (MEAs) commitments.

(vi) Project Management Unit (PMU)

Plan, facilitate, coordinate, monitor, evaluate, reviewing and report on all projects and major activities in the Ministry. It includes regular reporting on the implementation of the Strategic Plan, ACP, Cabinet Decisions and Capital Programmes.

LINKAGES OF OUTPUT WITH GOVERNMENT'S TARGETED OUTCOME

In alignment to the Peoples Charter for Change Peace and Progress, Roadmap for Democracy and Sustainable Socio-Economic Development 2009-2014, the Ministry for Local Government Urban Development Housing and Environment contributes to *Pillar 4: Enhancing Public Sector Efficiency, Performance Effectiveness and Service Delivery*, *Pillar 5: Achieving Higher Economic Growth While Ensuring Sustainability*, *Pillar 6: Making More Land Available for Productive and Social Purposes*, *Pillar 8: Reducing Poverty to Negligible Level by 2015*, *Pillar 9: Making Fiji a knowledge Based Society* and *Pillar 11: Enhance Global Integration and International Relations*.

2013 MANAGEMENT TEAM

The Minister for Local Government, Urban Development, Housing and Environment is responsible for the Ministry. The Senior Management consists of the Permanent Secretary for Local Government, Urban Development, Housing and Environment and the Deputy Secretary for Local Government, Urban Development, Housing and Environment.

In 2013, the Ministry saw the resignation of the Minister Col. Samuela Saumatua on 14 of June with the Attorney General and Minister for Justice & Anti-Corruption Mr. Aiyaz Sayed-Khaiyum taking on the ministerial responsibilities as acting Minister.

During the year there was also a change of reins at the helm of leadership within the Ministry with the retirement of Permanent Secretary Mrs Taina Tagicakibau on 31st of March and the Deputy Permanent Secretary Mr. Saverio Baleikanacea assuming the PS role in an acting capacity until the appointment of Mr. Samuela Namosimalua on 07 October.

Department of Local Government

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

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

MUNICIPAL COUNCILS

All municipal councils continued to improve their services to the ratepayers and business houses. Rakiraki Town Council started to collect rates for the first time since it was declared a Town in 2012. All other municipal councils focused on collecting rates owed by the ratepayers from past years and the response from the ratepayers was encouraging.

Policy

The Ministry together with the Ministry of Industry & Trade is reviewing the local government approval processes with the aim of removing bottlenecks in development, investment processes and facilitate growth of small to medium enterprises

Government endorsed the co-operation in technical areas between the National Fire Authority and the Jakarta Department of Fire and Disaster Handling, Republic of Indonesia through a Memorandum of Understanding.

The Local Government Committee (LGC) established under the Local Government Act met six times and reviewed the recommendations on the reform of local governance in Fiji.

On the revision of major legislation, the amendment of the Local Government Act Cap 125 (2005) and the National Fire Service Act (1994) commenced.

Improving Local Government System

Government continued with the program of improving the local government system and one of the priorities for 2013 was to ensure the continuity of municipal service delivery by the efficient appointment of executive management within councils. In 2013, Government made the

following appointments following reshuffles within the councils:

Council	Special Administrators
Ba & Tavua	Mr Pravin Bala
Nadi	Mr Robin Ali
Sigatoka	Mr Jay Whyte
Rakiraki	Mr Ralulu Cirikiyasawa (Interim)

The National Essential Industries Decree 2011 now covers all municipal councils including the National Fire Authority.

Council Roads

The Fiji Roads Authority has been given the role of maintaining all roads including council roads and street lights.

Eleven (11) Memorandum of Agreements (MOA's) signed between the Fiji Roads Authority and the Municipal Councils namely Suva; Lautoka; Nasinu; Nadi, Lami, Nausori; Sigatoka; Labasa; Savusavu, Ba and Tavua..

Business Licenses

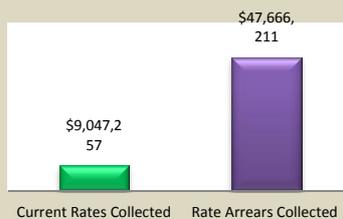
There were a total of 1,368 new business licenses in addition to the 14,531 existing licenses nationwide, from the previous years.

Council	Existing Registered Business	New Business Registration
Suva	4,662	302
Lautoka	2,234	102
Nadi	657	120
Sigatoka	2,273	394
Tavua	284	16
Lami	175	7
Nasinu	460	62
Labasa	1,432	207
Savusavu	396	9
Levuka	87	10
Rakiraki	240	18
Ba	535	18
TOTAL	14,531	1,368

Rates Collection

A total of \$56,713,470 was collected as rates by 13 municipal councils in 2013. From this total, 84% was recovery of arrears and 16% current rates due.

2013 City/Town Rates Collected



In view of hardships faced by ratepayers, the Ministry approved \$359,979 as write off rates in accordance with the provision of Section 80 of the Local Government Act Cap 125 (2005).

Rates Write Off



In line with the Ministry's role, complaints continue to be received from the public relating to local government services. The complaints registered in 2013 declined by 88% from the previous year from 370 to 45 as a result of closer cooperation between the Ministry and the councils.

Capital Grant Projects

The Ministry continued with the monitoring of municipal operations and utilization of capital grants or projects under the Public Sector Investment Programme (PSIP).

Government allocated total funding of \$3.86m for capital projects and grants of which \$0.21m was for the Levuka Town Council's administration and operations including the maintenance of heritage buildings and \$1.5m for the Inter Transport Project involving the relocation of the Nausori market and the bus station.

An additional funding of \$0.45m was allocated for the accommodation of women market vendors and shelter upgrading of the Suva market.

Regional Cooperation

A visitation was made by a delegation from the Solomon Islands District Councils in October to the Lami, Nasinu, Rakiraki and Lautoka municipal councils with the aim of learning and sharing local government best practices within the region.

HIGHLIGHTS – Municipalities

Suva Picnic Park

The Suva Picnic Park Project commenced and was opened on 7th November. The new facilities are a first for the capital city and 'My Suva Picnic Park' in Nasese is expected to attract local families and tourists to the area. This project costs approximately \$1.3 million and the total cost was funded by the council through the rates it collect.

Some of the features of the park are the entertainment bure which can be booked for functions, parties, weddings

and even fashion shows and zumba; barbeque facility, a bridge crossing a pond, children's and adults' playing facilities, convenience that are disabled friendly and security.



Newly Upgraded My Suva Picnic Park



Official Opening of the Suva Picnic Park by the Prime Minister of Fiji

Declaration of Levuka Town as a World Heritage Site

Levuka is among 14 new sites declared by the World Heritage Committee of UNESCO -the United Nations Educational, Scientific and Cultural Organisation -at its meeting in Cambodia on 22nd June 2013.



Picture of Levuka Town

Formerly the Capital of Fiji, Levuka is the economic hub and largest of the twenty four settlements on the island nation. As an outstanding example of a late 19th Century Pacific port settlement, Levuka and the island of Ovalau had been seeking recognition from UNESCO as a World Heritage Site for decades.

Upgrading of Terry Walk, Suva City Council

Upgrading of the Terry walk by the Suva City Council (SCC) commenced and was completed. With this improvement the Suva public are

provided with paid convenience and other amenities.

The \$35,000 project has been described as another milestone achievement by the Suva City Council. The Terry Walk project includes the renovation of the restrooms and the walkway along the Nubukalou Creek.



Newly re-furbished Terry Walk

Rakiraki Market Extension

The Rakiraki Market project which is an extension to the old market was completed in March and expected to open in early 2014. With the completion of this project, more vendors can be accommodated.



Photo of Rakiraki Market

The \$250,000 extension is expected to benefit vendors, particularly women vendors who sell at Rakiraki Market, who will be able to sell their produce in a more customer friendly environment.

Joint- Venture Projects

Four (4) Municipal Councils reported major joint venture projects in 2013 namely:

- 1) Nasinu on the environment mitigation works along Laucala Beach Foreshore with United Nations Development Programme;
- 2) Lautoka on construction of two story shopping mall with Tappoo Group of Companies;
- 3) Suva with New Zealand Investors on beautification and signage; and
- 4) Savusavu on the Health Board Walk project with Savusavu Tourism Association.

NATIONAL FIRE AUTHORITY



National Fire Authority continued to create public awareness to minimize structural fires during the year. The NFA also invested in fleet and fire fighting equipment to improve the fire fighting capability.

12 consultations and meetings were held with National Fire Authority Board.

\$1.7m was allocated to the National Fire Authority from the PSIP. The allocation was utilized for the purchase of fire ladder trucks and fire equipment, emergency ambulance service and installation of fire hydrants.

The Ministry was involved in the monitoring of progress of capital projects and provision of policy advice on relevant Government policy through active participation in the NFA Board. Quarterly updates are also provided to the Ministry on capital projects for the Minister's appraisal and also Cabinet.

HIGHLIGHTS- National Fire Authority

Provision of Ambulance Services

In July 2013, a Memorandum of Agreement (MOA) was signed by the Minister for Local Government Urban Development Housing and Environment with the Ministry of Health for the takeover of the Emergency Ambulance Service (EAS) by the National Fire Authority and receipt of three new ambulance vehicles at the Health Ministry's headquarters in Toorak, Suva.

This is a milestone achievement and a historic moment for NFA which no longer limits its services to only firefighting and fire related rescue services but to a broader emergency management service.

The provision of the emergency ambulance service was a testament to Government's commitment to look after the well-being of people through the NFA.

Department of Housing

The department is responsible for facilitating affordable housing for our people through effective administration of the national housing policy with specific emphasis on upgrading and resettlement programmes and provision of capital grants and social housing subsidy.

NATIONAL HOUSING POLICY

The department continued with the following activities of the National Housing Action Plan:

1. Appointment of the National Housing Council Secretariat;
2. Create a Secretariat with necessary staff for policy implementation;
3. Finalize a time bound implementation action plan;
4. Preparation of Budgetary Provision for Policy Implementation;
5. Appointment of the National Housing Council;
6. Prepare TOR for National Housing Council;
7. Appointment of Housing Technical Sub Committees [HTSC] on Land, Finance, Planning and Environment and Construction and Building Technology to address the five cross cutting issues of housing;
8. Explore potential for donor assistance to partially meet budgetary expenses;
9. Identify key stakeholders needed to support the policy process;
10. Restructure Squatter Settlement Upgrading Unit with powers and resources commensurate with its new responsibilities;
11. Create a facility to provide technical and financial advisory services to prospective house builders;
12. Coordinate and monitor the performance of the housing sector on a regular basis;
13. Promote Research and training.
14. Promotion of Alternative Building Technology;
15. Prepare Village and Rural Housing Improvement Plan;
16. Prepare a programme to engage all tiers of Government, NGO'S & community to play an effective role on housing development as a partner of Government;
17. Coordinate and monitor the performance of the housing sector on a regular basis;
19. Prepare a Cabinet Paper for the formulation of the National Housing Act; and
20. Review Housing sector Agency mandate to bring them in line with enabling principles.

URBAN Formal

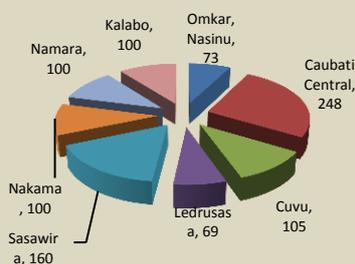
The Department of Housing also facilitated the release of \$1million to Housing Authority (HA) to assist financial disadvantaged customers who have paid one and half the principal home loan amount. HA has written off 224 housing loans thus benefiting 224 households (or 1,120 people). The Department of Housing have facilitated the release of \$1 million Rental Subsidy to Public Rental Board (PRB) for 1,054 financially disadvantaged rental customers on quarterly basis during which 80 PRB rental tenants graduated from rental accommodation to full home ownership.

The Department has facilitated the release of \$600,000 to Housing Assistance Relief Trust (HART) for the renovations and minor maintenance of existing homes for 364 destitute families. 15% of the grant covers for the operational cost.

Informal Squatter settlement upgrading projects

In the management of squatter settlements the department currently administers 8 projects locations of squatter settlement upgrading projects nationwide. From these, 5 were on-going and 3 new squatter settlement upgrading projects on the provisions of fully serviced residential lots and securing land tenure. Based on the relevant scheme plans, 955 households (or 4,775 people) are the targeted beneficiaries.

Squatter Settlement Upgrading Project Beneficiarie Numbers



The squatter settlement upgrading project involves the construction of sealed roads, provisions of water and sewerage reticulation, electricity, fire hydrants and residential allotment and issuance of a ninety nine year residential leases to sitting tenants.

Table below shows the progress of ongoing and new squatter settlement upgrading projects and the project value.

Location & Land Area	2013m Project Budget [\$m]	Works Completed & Budget Utilization (m)	Proportion of Works Completed in 2013 (%)
1. Omkar	\$0.752	Construction of Road, water, Sewerage, Electricity, Fire Hydrants and residential lots - \$0.630	70%
2. Caubati 8.491 hectares [20.89 acres]	\$0.657	Approval of subdivision and engineering plans - \$0.758	45%
3. Cuvu 9.715 hectares [24.06 acres]	\$0.446	Approval of geotechnical report; socio economic topographical survey and subdivision scheme plan - \$0.331	50%
4. Ledrusasa 4.064 hectares [10.04 acres]	\$0.573	Acquisition of development lease; geotechnical report; socio economic & topographical survey - \$0.540	38%
5. Sasawira 7.32 hectares [18.09 acres]	\$0.151	Acquisition of development lease and geotechnical report - \$0.510	18%
6. Nakama	-	Negotiation for lease with TLTB -	8%
7. Namar	\$0.080	Negotiation for development with TLTB -	8%
8. Kalabo	\$0.080	Negotiation for development with TLTB -	8%

City Wide Informal Settlement Upgrading Projects

The department administered 5 City Wide Informal Settlement Upgrading Project involving incremental upgrading projects to the sum of \$100,000 each for infrastructure upgrading works including:

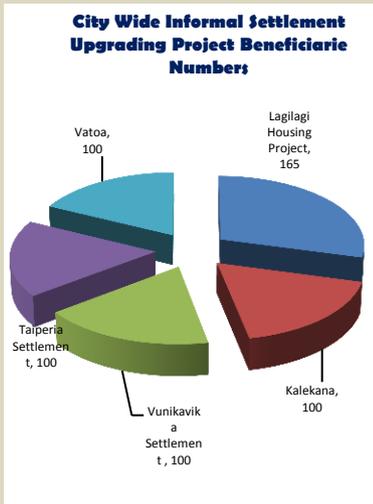
- (i) construction of homes for the elderly and disabled;
- (ii) sanitary facilities; and
- (iii) roads and drainage.

The above City Wide Upgrading projects has been initiated following approval by the Asian Coalition of Housing Rights on 5 sites to be carried out in Fiji in 2012.

The Table on the next page shows the details of the 5 city wide informal settlement upgrading project carried out in 2013.

Location	Nature of Project	Upgrading works completed
1 Lagilagi	Housing construction	5 Elderly and Disabled Homes
2 Kalekana	Sanitary construction	37 sanitary units and bathroom with rotamould septic tanks
3 Vunikavika	Roads and Drainage infrastructure upgrade	Settlement Road and Drainage Upgrade
4 Taiperia	Roads and Drainage infrastructure upgrade	Settlement Road and Drainage Upgrade
5 Vatoa	Sanitary construction	58 sanitary units with sewerage connection

While the main objective of the City Wide Programme are to undertake incremental upgrading of amenities within settlement, the Lagilagi projects undertakes the construction of family unit which would require tenants to contribute financially within their limited means and in return gaining a sense of ownership and pride.



A total of 565 families are expected to benefit from the 5 City Wide Squatter Upgrading projects implemented by the department of housing.

RURAL

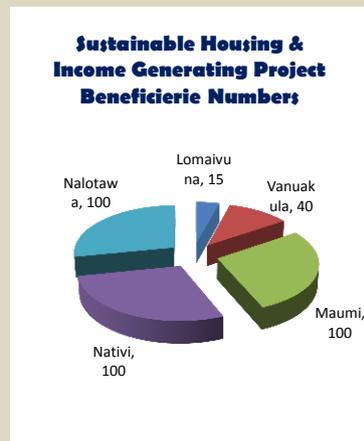
Village

Recognizing the importance of empowering squatters to afford their housing needs, the Ministry through the department of housing in collaboration with the Ministry of Agriculture and I Taukei Land Trust Board continued with the Integrated Agriculture Squatter Resettlement program in 2013 which aims to alleviate poverty, improve rural housing conditions and control squatter formation through sustainable farming and income generation. 5 locations have undergone resettlement programs.

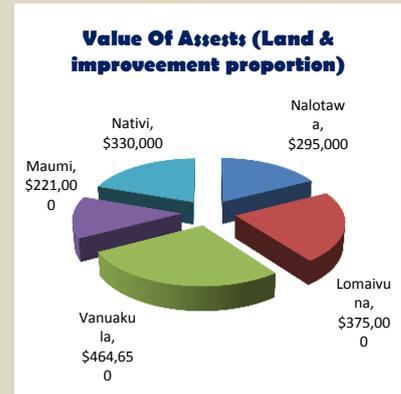
A total sum of \$100,000 was allocated for each project for a period of 3 years from 2011. Table below shows the status of this project in 2013.

Project	Total Land Area	Project Detail	Status of the Project	Value of Asset [Land and Improvement]
1 Lomaivuna	15 acres	ginger root crops and vegetables	50%	\$375,000
2 Vanuakula	89.93 ha	Acquisition of agricultural lease Construction of farm house , road and electricity and planting of 5 acres of cassava and ginger	25%	\$464,650
3 Maumi		Preparation of Civil Remedial Works for Maumi New Village Site, Water pipe relocation and Poultry Farming	25%	\$221,000
4 Nativi	10 acres	Planting of Sugar Cane , Vasi Plantation and construction of farm houses	25%	\$330,000
5 Nalotawa	17 acres	land clearing , planting of Vasi and construction of nursery	25%	\$295,000

The benefit of these projects is realized through the rural families that have been assisted.



A total of 355 families are expected to benefit from the 5 Sustainable Housing & Income Generating Projects. Government provides assistance through helping families in these areas start an income generation projects such as poultry farming, ginger farming etc.



2013 HIGHLIGHTS

Launching of Lagilagi project phase 1

The department achieved a milestone in Government's commitment to provide decent and affordable housing through the launching of the Lagilagi Housing Project.



The Lagilagi Housing Project is a joint partnership project between my Government through the Ministry of Local Government, Urban Development, Housing and Environment, People Community Networks [PCN] and Misereor, the German Catholic Organisation.

It has been a mammoth task - with a civil engineering phase that involved the relocation of squatters within the project site to other parts of the Jittu estate, to enable earth works and the provision of water and sewerage. And a building phase for the initial construction of 33 homes at a cost of almost \$3-million, with another 101 to come.

Of the 33 now completed, 24 are two bedroom units, four are three bedroom units and five have been specifically designed for the elderly and disabled. One of these will be allocated to the Ministry of Health for the next two years to provide health care for the whole community.

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 Laws

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.

TOWN PLANNING ACT CAP. 139

The Forward Planning Section which is the strategic arm of the Department has the following responsibilities:

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

Implementation of Part of Urban Policy Action Plan (UPAP)

The Ministry through DTCP implemented at least four (4) of the main thematic areas of the Urban Policy Action Plan (2007):

1. Devolution of Authority, Responsibilities and Institutional Realignment

The Director's power as consenting authority on developments is delegated to municipal councils by virtue of their approved town planning scheme. In the hope of improving the approval process in an effective and efficient way, DTCP through the UPAP has progressively mapped out a program of further delegating powers of the Director to the councils.

The existing capacity at municipal councils in terms of urban planning and urban management is identified as a contributing factor to weak implementation and

enforcement of approved town planning schemes. The Department has established town planning units (TPU's) in municipal councils as an initiative to support the devolution of authority process.

Table 1: Town Planning Units

TOWN COUNCIL	ACTIVITY
Rakiraki Town Council	Established TPU
Nasinu Town Council	Strengthening of TPU through the provision of GIS infrastructure

Source: DTCP (2014)

2. Legal and Regulatory Framework

Consultation was made with the main stakeholders. A draft for both Town Planning Act and Subdivision of Land Act was sent to the Office of the Solicitor General for vetting.

3. Institutional Strengthening and Capacity Building

6 officers were sent for short term courses overseas on fields of urban planning, strategic physical planning, disaster management and urban environment as part of Institutional Strengthening and Capacity Building.

A partnership to capacity building in the urban agenda with the Government of the Republic of Indonesia initiated in May.



In addition the Department has been fortunate in the approval of the Technical Assistance provided by Asian Development Bank (ADB) to undertake the updating of the Greater Suva Urban Growth Management Action Plan (UGMAP).

4. Urban Planning and Urban Growth Management

Phase 1 of the Urban Growth Management Plans (UGMAP) for Greater Western and the Northern Corridor has been completed consisting of land use surveys, research, consultation, data collation and spatial plans to reflect urban growth and development from Sigatoka to Rakiraki in the Greater Western and the urban corridor linking Savusavu, Labasa and Nabouwalu for the Greater Northern.

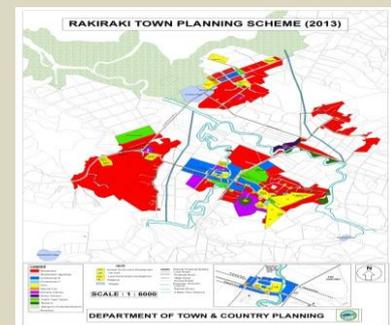


Three (3) growth centres were identified in the process namely Nabouwalu, Seaqaqa and Keiyasi which have been earmarked for New Town Development.

Integrating town planning principles into a village setting to facilitates an 'urban fit' sees Participatory Planning for six(6) villages located within the urban locality i.e. Nausori Village in the central division and 5 villages of Narewa, Nakavu, Namotomoto, Saunaka and Navoci in Nadi Town.

Town Planning Scheme & Revisions

Three (3) Town Planning Schemes were provisionally approved in 2013 i.e. Nasinu Town Planning Scheme, Revised Levuka Town Planning Scheme and Rakiraki Town Planning Scheme.



The revision of Levuka Town Planning Scheme is a contributing factor to it being declared as a World Heritage site.

Local Area Advisory Plans (LAAPs)

Preliminary zoning plans for Seaqaqa, Nabouwalu and Keiyasi were produced to support and strengthen the proposal of establishing new town centers in Fiji.

Scheme Amendments and Rural Rezoning

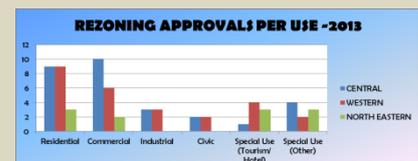
The Table shows the number of applications received and considered.

Table 2: Rezoning Summary

	REZONING SUMMARY 2013			TOTAL
	Central	Western	Northern	
REC'D	49	51	23	123
APPROVED	29	43	9	81
REFUSED	14	24	1	39

Source: DTCP (2014)

Below is a chart that reflects changes in zoning in the respective divisions. Residential and Commercial zones are dominant in both Central and Western Division.



Master Plans

A total of four (4) master plans were received relating to land development and two (2) growth development area plans were received.

The Department received growth plans for approval from Suva City Council for the expansion of its Central Business District in Toorak, Knolly Street and Mcgregor Road.

Government (Capital) Projects and Policy Advice

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

- (i) Sports Integrated Complexes: Vunidawa, Seaqaqa, Rakiraki,
- (ii) Proposed 4-lane road in Nadi and Nausori
- (iii) Proposed Airport Runway Extension – Nausori and Nadi International
- (iv) Nadi Basin Catchment
- (v) Regional Police Academy

There are two (2) notable boards which DTCP is a member of as a representative of the MLGUDHE i.e. Central Board of Health and Forestry Board.

Land and Building Development

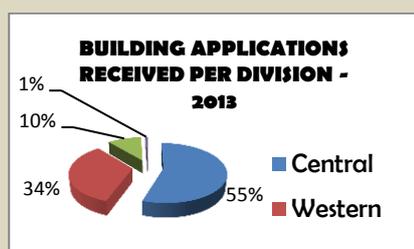
The Table shows the number of applications received and considered.

Table 3: Building Summary

BUILDING APPLICATION SUMMARY - 2013					
DIVISION	RECEIVED	CONSIDERED	DECISION		
			Consented to	Refused	Deferred
Central	1074	870	505	93	272
Western	656	621	452	36	133
Northern	201	248	150	19	79
Eastern	13	8	7	0	1
Total	1944	1747	1114	148	485

Source: DTCP [2014]

Out of the 1747 building applications processed, 63.8% were approved, 8.2% refused and 27.8% were deferred or returned pending further action by applicants.



Major Developments

Development projects valued at \$1million or above are considered as MAJOR DEVELOPMENT (MD). These are treated with a priority-processing timeline of 7-days. Forty (40) projects were received and considered.

A summary of type of major developments per use per division is shown below in Table 4.

Table 4: Building – Major Developments

MAJOR DEVELOPMENTS RECEIVED AND CONSIDERED - 2013					
Use / Division	Central	Western	Northern	Eastern	TOTAL
RESIDENTIAL	1	8	0	0	9
COMMERCIAL	3	2	1	0	6
INDUSTRIAL	2	1	0	0	3
CIVIC	1	1	0	0	2
TOURISM	5	12	1	0	18
OTHERS	1	1	0	0	2
TOTAL RECEIVED	13	25	2	0	40

Source: DTCP [2014]

Of those received, 25 were from the western division with dominant use being Tourism. This is a decline from past trends whereby the dominant use was residential, for property development at either Denarau or Nasoso.

Environment Management Unit (EMU)

The Unit is responsible for its technical advice on foreshore applications as forwarded by the Director of Lands and makes commendations to the Director of Environment on any EIA as part of its consultation process.

The table below provides a breakdown of its deliverables:

Table 5: EMU Deliverables

Environment Management	Divisions		
	Central	Western	Northern
DOE- Environment Impact Assessment Reports [EIA/EMP/CEMP & OEMP]	27	20	6
Commented	17	11	5
Foreshore Matters:			
DOL- Foreshore Applications	6	11	2
Commented	3	6	2

Source: DTCP [2014]

Information System

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. Beginning in 2012, the unit has scanned and digitized all town planning schemes and a verification program on the digitized plans begins in 2014 before it can be released for the Internal data-base registry.

SUBDIVISION OF LAND

The Subdivision of Land Division is responsible for processing of subdivision of land applications, approval of engineering plans, clearance of survey plans and provides advice to land developers & consultants on land subdivision matters.

Table 6: Applications Received

APPLICATIONS ON TYPE	RECEIVED	DECISIONS		
		APPROVED	REFUSED	DEFERRED
New Applications	305	306	112	77
Scheme Amendment	21			
Reconsideration	92			
Waiver & Relaxation	24			
Renewals	46			
Engineering Plans	11	8		
Survey Plans	200	138	-	123
TOTAL	699			

Source: DTCP [2014]

Majority of the proposals were for residential and commercial purposes and most were proposed in the western division. Table 3 shows the breakdown of subdivision of land by uses and by each division.

Of the 1412.5hectares of land released for urban development, 31.6% or 447hectares was released for residential, 50% for agriculture whilst the remaining 19.4% were distributed amongst the varied uses. The demand concentrated at the urban periphery for convenience and economy in the central and western division.

The uplift of the moratorium in September 2013 on both state and /Taukei agricultural lands also contributed to the approvals and release of agricultural land for urban use.

Survey Plans and Engineering Plans

The completion of a subdivision is determined by level of compliance to conditions. Out of the 200 survey plans received, 106 were Eleven of the 18 engineering plans were approved. The clearance of survey plan provides an indication of subdivision process and works being completed. Majority of these were for tourism and residential purposes.

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. Department of Town and Country Planning collected a total fee of \$175, 960.27 and summary shown in Table 7.

Table 8: Total Fees Collected in 2013

Activity	Revenue
Forward Planning	\$ 21, 557. 28
Subdivision of Land	\$ 53, 685. 87
Development Control	\$ 100, 517. 12
TOTAL	\$ 175, 960. 27

Source: DTCP [2014]

AWARENESS ON TOWN PLANNING IN FIJI & FORGING PARTNERSHIP WITH STAKEHOLDERS

The Department of Town and Country Planning Training and Awareness Programs is two-fold, both as a capacity building initiative as well as increasing greater understanding on town planning in Fiji.

Table 9: Awareness Programs on Town Planning

Activity	Revenue
Presentations & Seminars	7
Careers Expo	5
Exhibitions	7
TOTAL	19

Source: DTCP [2014]

World Town Planning Day prompted the Department to produce 8 brochures, covering various topics and processes of land and building development, as a guide and tool to coordinate urban development and growth in Fiji

Department of Environment

The Department of Environment spearheads environmental. The Department's main objective is to promote the sustainable use and development of Fiji's environment and efficient implementation of policies, legislation and programs.

The department administers the Environment Management Act (2005), Ozone Depleting Substances Act (1998), Endangered and Protected Species Act (2002),

ENFORCEMENT OF THE ENVIRONMENT MANAGEMENT ACT 2005:

Policy

The National Environment Council (NEC) is established under the Act to provide policy direction to the Department.

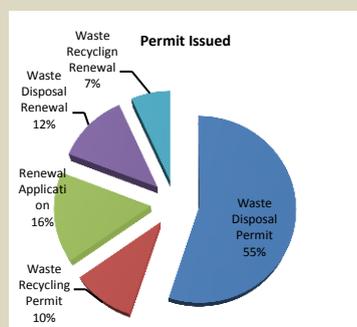
There were 3 meetings facilitated for the NEC for the year.

One of the major issues of discussion for the year was the Namosi Joint Venture development.

The Department also implements the following policies:

- National Solid Waste Management Strategy (2011-2014);
- Hydro chlorofluorocarbon Phase-out Management Plan; and
- National Biodiversity Strategy and Action Plan (2011-2014).

Waste Management and Pollution Control



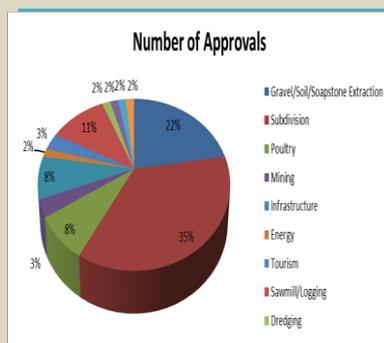
Majority of the applications were facilitated for Waste Disposal Permit under the following categories: Solid

Waste, Liquid Waste, Livestock, Air Pollution and Hazardous Waste Endorsement.

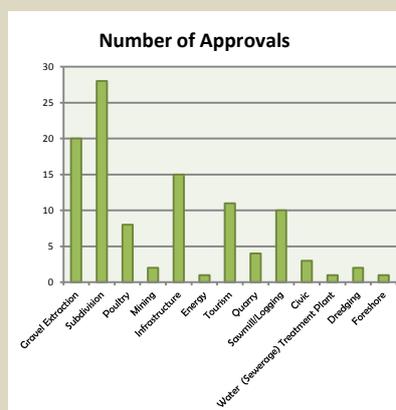
Environment Impact Assessment

A total of 232 applications for proposed developments were screened.

Months	Central	Western	Northern
January	2	3	4
February	15	6	8
March	3	6	13
April	4	8	10
May	2	10	9
June	6	6	8
July	7	7	2
August	5	5	13
September	3	10	4
October	1	7	6
November	6	5	1
December	9	7	3
TOTAL	63	80	89



Approvals of EIA reports were mainly from proposed subdivision of lands (35%) followed by river gravel extraction (22%).

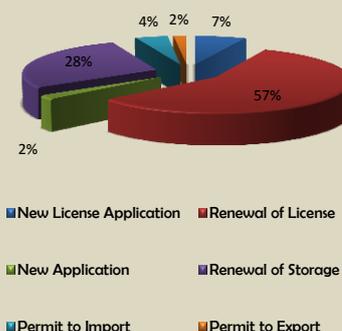


Most of the EIA Approval given by the Department in 2013 was for Subdivision developments. Foreshore development received the lowest number from the department for the year.

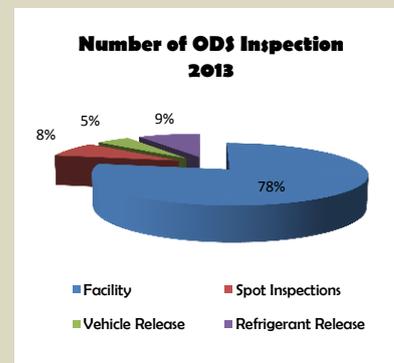
ENFORCEMENT OF THE OZONE DEPLETING SUBSTANCES ACT 1998:

ODS Permit;

Number of Permits;



57% of the work conducted facilitated the renewal of refrigeration/air-conditioning and fumigation technician's licenses.



78% of inspections were conducted for facilities as per pre-requisite requirement under the ODS Act.

ENFORCEMENT OF THE ENDANGERED AND PROTECTED SPECIES ACT 2002:

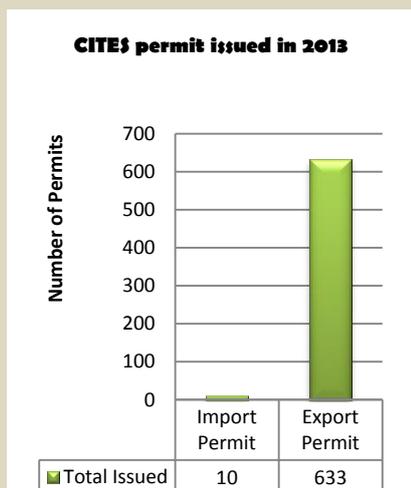
Registration

Implementation of Fiji's obligation to the Convention on International Trade of Endangered Species of Flora and Fauna

A total of 40 companies were registered under the EPS Act as follows:

Traders	# Registered	Revenue Collected
Aquarium companies	5	\$5,202
Pawnshop	7	\$7,282.80
Logging Companies	6	\$6,242.40
Handicraft Centers	0	0
Native Timber Trade	14	\$3,121.20
Retailers	5	\$5,202.00
Captive Breeders	0	\$1,040.40
Others (Oil Distill & Mangrove)	3	\$2,080.80
Total Revenue Collected		\$30,171.60

CITES Permits:



633 Export Permit and 10 Import Permit were issued for Tabua trade.

AWARENESS:

Environment Day Celebrations:

The Department commemorates the protection and sustainable use of the environment through:

- World Environment Day 5th June
- World Biodiversity Day 22nd May
- World Ozone Protection Day 16th September

Press Release, Talk Back shows, Television advertisement and the introduction of an “Eco-school

Competition” were few of the awareness activities facilitated to commemorate the significant days outlined above.



Pictured above is the launch of the eco-school competition materials.

Faith Based

A Faith Based Environment Stewardship Summit was facilitated in April as a means of introducing environmental awareness through religious gatherings.

Database

A database on the National Resource Inventory database was established and can be accessed online via www.chmfiji.com

TRAINING

Technical Training:

One of the core functions of the Department is to provide technical assistance to the Refrigeration and Air-conditioning Sector and Fumigation Sector through trainings and infrastructure developments.

A total of 35 Refrigeration and Air-conditioning technicians were trained. Of this, 17 were trained as Trainers, whereby only 13 were qualified and registered under the Department after assessment.



Training of Enforcement Officers:

The Department facilitated training for Enforcement Officers from the following organizations:

- Municipal Councils
- Rural Local Authority
- Fiji Revenue Authority
- Fiji Ports Corporation Limited
- Maritime Safety Authority of Fiji
- Biosecurity Authority of Fiji
- Fiji Navy
- Fiji Police Force
- Ministry of Rural & Maritime Development and National Disaster Management

Programme	Number of Participants
ODS	110
Litter Prevention	30
CITES	55
TOTAL	195

HIGHLIGHTS:

The following are some of the key highlights of the department:

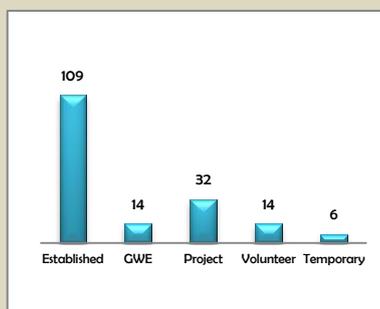
- Hosting of the 2nd Environment and Climate;
- Change MSG Meeting; and
- 9th Pacific Conference on Nature Conservation and Protected Areas
- Fiji being recognized and appointed as a Conference of the Party Bureau Member for the Convention of Biodiversity and co-opted member of the Executive Committee of the Montreal Protocol on Substances that Deplete the Ozone Layer

Corporate Services Division

Corporate Service Division is responsible for the implementation of policy decisions for the overall management of the Ministry's budgeting, planning, financial, accounting control and human resources unit. The division mainly consists of two (2) units, the Administration and the Accounts Section delivers requirements pertaining to the Public Service Commission (PSC) and the Ministry of Finance (MOF) to ensure the compliance to General Order (GO) 2010, Public Service Code of Conduct, Financial Management Act (FMA), Agency Financial Manual, Financial Management Instructions (FMI), Government Wage Earners Conditions as well as the approved changes issued through Circulars from the central Agencies and reporting agencies for the adherence of the entire workforce.

STAFF ESTABLISHMENT

A total of 138 staffs are employed in the Ministry which consists of 109 Established employees, 14 Government Wage Earners [GWE], 14 volunteers and 32 project officers. The agency engaged four (4) volunteers under the PSC/Fiji Volunteer Scheme and nine (9) attached from the National Employment Centre.

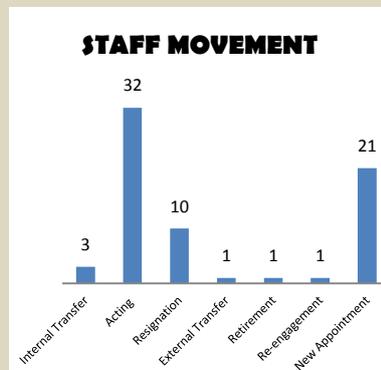


Recruitment

The Agency had twenty two (22) vacant positions as at January, 17 posts were approved and 14 of which are Project Officers, while the 5 remaining positions are still in process.

Staff movement

During the year 16 external and internal movements of staffs occurred, either in, retirement, resignation, transfer or study leave. A total of 29 acting appointments were also made.



Acting Appointments

No.	Department	Total
1	Local Government	3
2	Town and Country Planning	12
3	Housing	7
4	Environment	4
5	Corporate	3
TOTAL		29

Office accommodation

There was no additional office space acquired to accommodate our increasing workforce. However, continuous liaison with PSC Office Accommodation for the acquisition of ground floor at FFA House is in progress.

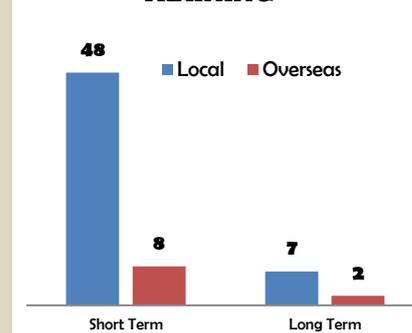
Vehicles

The Ministry administers 16 vehicles of which two are stationed at the west and north divisional offices.

TRAINING

There were 55 officers attended training locally either on short term workshops, training, and seminars and induction of which 6 were awarded local scholarships. 10 officers went on overseas training of which 2 were under long term scholarships training to pursue Masters Programme in Town Planning at the University of Sydney, Australia sponsored by AusAid and University of West Indies, Trinidad/Tobago sponsored by European Union will complete programme at the end of 2014.

TRAINING



ACCOUNTS

The Finance section provides financial administration support to the four departments of the Ministry administers the utilization of the approved budgetary allocation of \$40,086,955 which is an increase of \$9,962,955 from 2012 Budget.



The increase was due to allocation of \$2,972,431 to the five (5) Departments for Operational Expenditure and \$6,990,524 for Capital Grants and Transfers to Public Rental Board (PRB), Housing Authority (HA), Housing Assistance Relief Trust (HART) and Town Councils. The total expenditure for 2012 was \$24,563,500 representing 81.54% of the total approved budget.

2013 HIGHLIGHTS

2013 MINISTRY MAIN HIGHLIGHTS

Melanesian spearhead group environment and climate change minister's meeting

The Government of Fiji through the Ministry for Local Government Urban Development Housing and Environment and Ministry of Foreign Affairs and International Cooperation hosted the 2nd MSG Environment and Climate Change Ministers Meeting at the Tanoa International Hotel, Nadi from the 6-8th March 2013.

The four principles contained in the declaration that was discussed are the Melanesian Blue Carbon Initiative, Melanesian Terrestrial Commitment, Melanesian Green Climate Fund and the Melanesian Green Growth Framework.

The three-day meeting is attended not only by the MSG Environment Ministers but by senior environment and climate change officials of the MSG member countries and also regional and international partners International Union for Conservation of Nature (IUCN), UNESCAP, SPREP, Secretariat of the Pacific Community (SPC), USP and UPNG, who have been providing technical support to members since the establishment of the ECCTAC.



Figure 1: Acting Permanent Secretary for Local Government Urban Development Housing and Environment, Mr Baleikanacea; Minister for Local Government Urban Development, Housing and Environment Col Samu Saumabua and Acting Secretary General MSG, Mr Peni Sikivou during the MSG Environment Ministers meeting

The Environment and Climate Change Technical Advisory Committee (ECCTAC) of the Melanesia Spearhead Group met for the first two days of the 3 days meeting before the Ministerial meeting commenced on the last day.



Figure 2: Government Permanent Secretaries during the MSG Environment and Climate Change Ministers Meeting on 6th -7th March 2013

9th Pacific Conference on Nature Conservation and Protected Areas (2-6 December 2014)

The Pacific Island Conference on Nature Conservation and Protected Areas has been an important meeting since its inception in 1975. Countries have been guided by this Regional Conservation Conference for conservation programs which has been held every 4 years.



The President Ratu Epeli Nailatikau (front row with garland), and Acting Prime Minister and the Attorney-General, Aiyaz Jayed-Khaiyum with country leaders in the region after the opening of 9th Pacific Islands Conference on Nature Conservation and Protected Areas at the Vodafone arena.

Fiji through the Ministry for Local Government Urban Development Housing and Environment successfully hosted the 9th Pacific Island Conference on Nature Conservation and Protected Areas from the 2nd – 6th December at Laucala, Suva. The objectives of the Conference were:

- (i) To Review the Regional Framework Action Strategy for 2008 – 2012 and to formulate a revised Action Strategy for 2014 – 2020;
- (ii) To promote natural solutions to address the impacts of Climate Change;

- (iii) To review National Biodiversity Strategic and Action Plans (NBSAPs);
- (iv) To discuss the Convention on Biological Diversity (CBD) Programme of Work on Protected Areas (PoWPA) and Island Biodiversity Programme of Work (IBoW); and
- (v) To discuss capacity building, knowledge management and learning issues pertaining to conservation in the region.

The theme of the Conference was Natural Solution: Building Resilience for a Changing Pacific. The theme basically depicts what has been raised globally and that is in order to combat the rising issues on the environment and climate change, natural solution is the answer.

The Conference was able to meet its objectives; discussions collated during each component of the program formed the basis of the reviewed Regional Framework Action Strategy for 2014 – 2020. The outcomes of the 9th Conference are as follows:

Regional Framework Action Strategy for 2014 – 2020:

One of the key outcomes from the conference was the adoption of the Regional Framework Action Strategy 2014 – 2020 which will assist governments, communities, regional agencies and institutions, donors and NGO'S in the Pacific Island Countries and Territories to achieve proper coordination and planning with appropriate strategies for various conservation programs and activities. It is based on lessons learnt from best practices in the region shared by countries during the conference.

10 Key Action Statement:

The Action Statement was as an outcome by the Pacific Leaders during the High Level Session and it outlines all the key actions that the region has agreed to implement in view of issues surrounding conservation and climate change to ensure that Pacific Islands fragile ecosystem remains intact and sustainable.

**National Faith Based
Environment Stewardship
Summit:**



Participant at the FBO Summit

The national faith based environment stewardship summit is an initiative by the Fiji Government in recognition of our ecological crisis as a desperately urgent national priority. The Summit is a recognition that the Earth - our planet, Fiji - our islands, is our shared home, the only one we have.

Therefore; deep, integral ecology needs to include all aspects of personal, family, social, political, cultural and religious life. Each and every political and social institution needs to adopt “the salvation of our planet” as its basic program.

In all religions and humanisms, we need to create, stimulate, and strengthen a profound and total spirituality, one focused on giving a positive sign to all of Fiji, the world and one that brings a prophetic attitude towards liberation. These times demand a new relationship with the environment. We want to live this ‘ecological awakening’ moment of activism and mysticism with the God of all names and of all utopias.



President of Fiji, Ratu Epeli Nailatikau at the opening of the FBO Summit

WARWICK OUTCOME:

The Summit participants agreed that all things are divine created by God and humankind as stewards over the rest of God’s creation as per the People’s Charter, 2008:

“As Fiji’s foundation for the common good, based on our shared values, vision and principles, we believe in God as a higher power that is in every human and in all nature and creation. Therefore as trustees and guardians of our Creator, God, we are all one and inseparable the Source of All creation.

We seek to safeguard, preserve and value our environment as we benefit from it. We seek to achieve this through consensus, so that our people have a moral vision that will guide our development and governance that will give our people the responsibility to sustain the common good”

The Summit brought together 70 individual stakeholders and provided the opportunity to understand the growing environmental challenges in Fiji and the urgent need for greater collaboration of various stakeholders and government.

Pacific Island Development Forum:

The call for a “Pacific Island Development Forum” (PIDF) was endorsed by Pacific Island Leaders at the 2012 “Endorsed the convening of the Pacific Islands Development Forum for the purpose of engaging leaders from key sectors in implementing green economic policies in PSIDS...” (Source: Official Communiqué).

PIDF focus will not only be on socially inclusive growth or environmentally sustainable growth but on green/blue economy that enhances sustainable and inclusive growth.

The Ministry for Local Government Urban Development Housing and Environment successfully facilitated a Green Growth Expo at the Pacific Island Development Forum in August 2013.



Western School students with their display at the Environment green Growth model Competition during the PIDF Green Growth Expo facilitated by the MLGUDHE

PIDF provides the platform for multi stakeholder cooperation amongst Pacific Island Countries which will bring value added to regional governance and problem-solving in terms of sustainable development through the green economy.



Youth Volunteers engaged for the Green Growth Expo

The green economy which PIDF has been mandated to address promises a way forward by offering a system of economic development that ensures both growth and the long-term viability of human culture and the planet. It recognizes that by reformulating how we approach economic growth, we don’t have to sacrifice the natural world or human wellbeing in order to achieve true wealth.

AUDITED FINANCIAL REPORT

2013



8th Floor, Ratu Sukuna House,
MacArthur Street,
P. O. Box 2214,
Government Buildings,
Suva, Fiji Islands.

REPUBLIC OF FIJI

OFFICE OF THE AUDITOR GENERAL



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File: 625

27 May 2014

Mr. Aiyaz Sayad Khaiyum
Minister for Local Government, Urban Development, Housing and Environment
FFA House
Gladstone Road
SUVA

Dear Mr. Khaiyum

Audited Financial Statements – Ministry of Local Government, Urban Development, Housing and Environment for the Year Ended 31 December 2013

Audited Financial Statements for the Ministry of Local Government, Urban Development, Housing and Environment for the year ended 31 December 2013 together with my audit report on them are enclosed.

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

Yours sincerely

Tevita Bolanavanua
Auditor General

cc: Mr. Samuela Namosimalua – Permanent Secretary for Local Government, Urban Development, Housing and Environment

Encl.

**MINISTRY OF LOCAL GOVERNMENT, URBAN
DEVELOPMENT, HOUSING AND ENVIRONMENT**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND
ENVIRONMENT
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

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MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND ENVIRONMENT FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

INDEPENDENT AUDIT REPORT

Scope

I have audited the special purpose financial statements which have been prepared under the cash basis of accounting and notes thereon of the Ministry of Local Government, Urban Development, Housing and Environment for the year ended 31 December 2013, as set out on pages 13 to 16. The financial statements comprise the following:

- (i) Statement of Receipts and Expenditure;
- (ii) Appropriation Statement;
- (iii) Statement of Losses; and
- (iv) Statement of Receipts and Payments – Trust Fund Account.

The Ministry of Local Government, Urban Development, Housing and Environment is responsible for the preparation and presentation of the special purpose financial statements and the information contained therein.

My responsibility is to express an opinion on these special purpose financial statements based on my audit.

My audit was conducted in accordance with the International Standards on Auditing to provide reasonable assurance as to whether the special purpose financial statements are free of material misstatements. My audit procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the special purpose financial statements and evaluation of accounting policies. These procedures have been undertaken to form an opinion as to whether, in all material respects, the special purpose financial statements are fairly stated and in accordance with government accounting policies in Note 2 and the Financial Management Act 2004, so as to present a view which is consistent with my understanding of the financial performance of the Ministry of Local Government, Urban Development, Housing and Environment for the year ended 31 December 2013.

The audit opinion expressed in this report has been formed on the above basis.

Qualification

An unreconciled variance of \$358,893 exists in the Department of Environment Main Trust Fund Account bank statement balance and the General Ledger (FMIS) balance. As a result I was not able to ascertain that all receipts and payments had been accurately accounted and disclosed in the Main Trust Fund account.

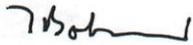
Qualified Audit Opinion

In my opinion

- a) except for the matter referred to in the qualification paragraph, the financial statements present fairly, in accordance with the government accounting policies stated in Note 2, the financial performance of the Ministry of Local Government, Urban Development, Housing and Environment for the year ended 31 December 2013.
- b) the financial statements give the information required by the Financial Management Act 2004 in the manner so required.

Without further qualifying the opinion expressed above, attention is drawn to that the Ministry did not reconcile the expenditure in the FMIS general ledger as no expenditure ledger was maintained. The Ministry prepared its financial statements from the FMIS general ledger. As a result I was not able to ascertain the accuracy of the amounts stated in the Statement of Receipts and Expenditure.

I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of my audit.



Tevita Bolanavanua

AUDITOR GENERAL

Suva, Fiji
27 May 2014

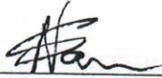


MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND ENVIRONMENT

**MANAGEMENT CERTIFICATE
FOR THE YEAR ENDED 31 DECEMBER 2013**

We certify that these financial statements:

- (a) fairly reflect the financial operations and performance of the Ministry of Local Government, Urban Development, Housing and Environment and its financial position for the year ended 31 December 2013; and
- (b) have been prepared in accordance with the requirements of the Financial Management Act 2004, the Finance Instructions 2010 and Finance Circular 16/2006.



Mr. Samuela Namosimalua
Permanent Secretary

Date: 14/05/14



Mr. Malakai Sosiceni
Senior Accountant

Date: 13.5.2014

MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND ENVIRONMENT
(HEAD 23)

STATEMENT OF RECEIPTS AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013	2012
		\$	\$
RECEIPTS			
Agency Revenue			
Miscellaneous Revenue	3 (a)	<u>170,283</u>	<u>4,694</u>
Total Agency Revenue		<u>170,283</u>	<u>4,694</u>
TOTAL RECEIPTS		<u>170,283</u>	<u>4,694</u>
EXPENDITURE			
Operating Expenditure			
Established Staff	3 (b)	279,143	238,051
Unestablished Staff	3 (c)	15,722	12,774
Travel & Communications	3 (d)	35,236	29,241
Maintenance & Operations	3 (e)	37,418	37,344
Purchase of Goods & Services	3 (o)	18,032	72,428
Operating Grants & Transfers	3 (g)	750,000	1,000,000
Special Expenditure	3 (h)	<u>140,258</u>	<u>173,768</u>
Total Operating Expenditure		<u>1,275,809</u>	<u>1,563,606</u>
Capital Expenditure			
Construction	3(i)	1,955,234	1,357,010
Grants & Operations	3(j)	<u>11,917,235</u>	<u>13,134,799</u>
Total Capital Expenditure		<u>13,872,469</u>	<u>14,491,809</u>
Value Added Tax	3(k)	<u>321,692</u>	<u>248,918</u>
TOTAL EXPENDITURE		<u>15,469,970</u>	<u>16,304,333</u>

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND
ENVIRONMENT (HEAD 37)**

**STATEMENT OF RECEIPTS AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER
2013**

Notes	2013 \$	2012 \$
RECEIPTS		
State Revenue		
	137,027	---
	<u>4,679</u>	<u>---</u>
3 (l)	<u>141,706</u>	<u>----</u>
Agency Revenue		
	<u>44,248</u>	<u>4,694</u>
3 (m)	<u>44,248</u>	<u>4,694</u>
TOTAL RECEIPTS		
	<u>185,954</u>	<u>4,694</u>
EXPENDITURE		
Operating Expenditure		
3 (n)	2,193,446	1,883,199
3(o)	132,212	123,840
3(p)	176,141	178,728
3 (q)	262,395	276,478
3 (r)	156,657	140,962
3 (s)	1,642,026	955,146
3 (t)	<u>1,917,027</u>	<u>2,043,157</u>
	<u>6,479,904</u>	<u>5,601,510</u>
Capital Expenditure		
3(u)	1,260,724	22,608
3(v)	300,000	469,836
3(w)	<u>3,002,500</u>	<u>1,695,800</u>
	<u>4,563,224</u>	<u>2,188,244</u>
3(x)	586,958	469,490
TOTAL EXPENDITURE		
	<u>11,630,086</u>	<u>8,259,244</u>

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND ENVIRONMENT
(HEAD 23)**

APPRIORATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

SEG	Item	Budget Estimate \$ a	Appropriation Changes \$ b	Revised Estimate \$	Actual Expenditure \$ (a-b)	Carry Over \$	Lapsed Appropriation \$
1	Established Staff	312,569	---	312,569	279,143	---	33,426
2	Unestablished Staff	15,722	---	15,722	15,722	---	---
3	Travel & Communication	36,000	---	36,000	35,236	---	764
4	Maintenance & Operations	50,000	---	50,000	37,418	---	12,582
5	Purchase of Goods & Services	24,000	---	24,000	18,032	---	5,968
6	Operating Grants & Transfers	1,000,000	(250,000)	750,000	750,000	---	---
7	Special Expenditure	174,000	---	174,000	140,258	---	33,742
	Total Operating Costs	1,612,291	(250,000)	1,362,291	1,275,809	---	86,482
	Capital Expenditure						
8	Construction	1,000,000	1,576,324	2,576,324	1,955,234	---	621,090
9	Purchases	---	---	---	---	---	---
10	Grants & Transfers	21,000,000	1,830,000	22,830,000	1,917,235	---	10,912,765
	Total Capital Expenditure	22,000,000	3,406,324	25,406,324	13,872,469	---	11,533,855
13	Value Added Tax	192,600	236,448	429,048	321,692.33	---	107,356
	TOTAL EXPENDITURE	23,804,891	3,392,772	27,197,663	15,469,970	---	11,727,693

Appropriation Movements

The Cabinet in 2013 approved the following redeployment funds.

Item	Project Name	Amount \$
Operating Grants & Transfers	Public Rental Board Subsidy	(250,000)
Capital Construction	Squatter Upgrading and Resettlement Lagilagi Project	610,000
	Squatter Upgrading and Resettlement Projects	966,323
Capital Grants & Transfers	Public Rental Board Value Added Tax Payment	1,830,000
Value Added Tax	Value Added Tax Payment	236,448
	Total	3,392,771

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND -
ENVIRONMENT (HEAD 37)
APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013**

SEG	Item	Budget Estimate \$ a	Appropriation Changes \$ b	Revised Estimate \$ -	Actual Expenditure \$ (a-b)	Carry Over \$	Lapsed Appropriation \$
1	Established Staff	2,648,947	---	2,648,947	2,193,446	---	455,501
2	Unestablished Staff	134,737	---	134,737	132,212	---	2,525
3	Travel & Communications	189,029	---	189,029	176,141	---	12,888
4	Maintenance & Oper	301,200	---	301,200	262,395	---	38,805
5	Purchase of Goods & Serv	170,505	---	170,505	156,657	---	13,848
6	Operating Grants & Trans	1,656,222	---	1,656,222	1,642,026	---	14,196
7	Special Expenditure	<u>2,074,652</u>	---	<u>2,074,652</u>	<u>1,917,027</u>	---	<u>157,625</u>
Total Operating Costs		<u>7,175,292</u>	---	<u>7,175,292</u>	<u>6,479,904</u>	---	<u>695,388</u>
Capital Expenditure							
8	Construction	1,350,000	(50,000)	1,300,000	1,260,724	---	39,276
9	Purchases	300,000	---	300,000	300,000	---	---
10	Grants & Transfers	<u>2,710,000</u>	<u>292,500</u>	<u>3,002,500</u>	<u>3,002,500</u>	---	---
Total Capital Expenditure		<u>4,360,000</u>	<u>242,500</u>	<u>4,602,500</u>	<u>4,563,224</u>	--	<u>39,276</u>
13	Value Added Tax	<u>654,000</u>	<u>(7,500)</u>	<u>646,500</u>	<u>586,958</u>	---	<u>59,542</u>
TOTAL EXPENDITURE		<u>12,189,292</u>	<u>235,000</u>	<u>12,424,292</u>	<u>11,630,086</u>	---	<u>794,206</u>

Appropriation Movements

The Cabinet in 2013 approved the following redeployment funds.

Item	Project Name	Amount \$
Capital Construction	Construction of Western Officer	(50,000)
Capital Grants & Transfers	Levuka Town Council Grant	(157,500)
	Suva City Council Grant - Market Shelter for Weekend Vendors	450,000
Value Added Tax	Value Added Tax Payment	(7,500)
Total		235,000

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND
ENVIRONMENT
STATEMENT OF LOSSES FOR THE YEAR ENDED 31 DECEMBER 2013**

Loss of Money

There was no loss reported for the Ministry in 2013.

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND
ENVIRONMENT
DEPARTMENT OF ENVIRONMENT TRUST ACCOUNT STATEMENT OF RECEIPTS AND
PAYMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

	Notes	2013 \$	2012 \$
RECEIPTS			
Ozone Depletion Substance (ODS) Fines		506,944	650,859
Waste and Environment Impact Assessment Environment Trust		1,977,707	2,435,402
Convention on International Trade in Endangered Species		919,198	481,128
		69,455	44,699
Total Receipts		<u>3,473,304</u>	<u>3,612,088</u>
PAYMENTS			
Ozone Depletion Substance (ODS)		37,596	753,261
Waste & EIA		1,802,520	1,120,249
Environment Trust		994,526	641,597
Convention on International Trade in Endangered Species		---	2,249
Total Payments		<u>2,834,642</u>	<u>2,517,356</u>
Net Surplus		638,662	1,094,732
Balance as at 1 January		1,455,569	360,957
Less Adjustment		---	120
Closing Balance as at 31 December		<u>2,094,231</u>	<u>1,455,569</u>

MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND ENVIRONMENT
DEPARTMENT OF HOUSING CITY WIDE INFORMAL SETTLEMENT UPGRADING TRUST
ACCOUNT STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 \$	2012 \$
<u>RECEIPTS</u>			
Main Trust Fund Receipts		243,655	235,263
Total Receipts		<u>243,655</u>	<u>235,263</u>
<u>PAYMENTS</u>			
Main Trust Fund Payments		235,321	236,328
Total Payments		<u>235,321</u>	<u>236,328</u>
Net (Deficit)/ Surplus		8,334	(1,065)
Balance as at 1 January		(1,065)	---
Closing Balance as at 31 December	7	<u>7,269</u>	<u>(1,065)</u>

MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND ENVIRONMENT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 1: REPORTING ENTITY

The Ministry of Local Government, Urban Development, Housing and Environment is responsible for the formulation and implementation of local government and urban planning policies and the formulation and implementation of housing and integration of programmes to eradicate poverty. It also has responsibilities for National Fire Services. The Ministry's functions are categorized into the following programme areas: General Administration Section, Local Government, Department of Town and Country Planning and the Housing Department. The Department of Environment, which was previously under the Ministry of Lands and Mineral Resources portfolio in 2009, has now been absorbed under this Ministry.

From 2012 the Ministry of Local Government, Urban Development, Housing and Environment's budget has been allocated under 2 separate heads. The budget for the Ministry of Local Government, Urban Development, Housing and Environment is allocated under head 37 while the Department of Housing is allocated under head 23. The Ministry of Local Government, Urban Development, Housing and Environment is responsible for the administration and accounting for both the budget heads.

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, Urban Development, Housing and Environment is prepared on cash basis of accounting. All payments related to purchases of fixed assets have been expensed.

The financial statements are presented in accordance with the Financial Management Act and the requirements of Section 7 1(1) of the Finance Instructions 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 Trading 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 Finance. VAT input on the other hand is claimed on payments made to the suppliers and subcontractors 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 FRCA. Actual amount paid to FRCA during the year represent the difference between VAT Output and VAT Input.

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND
ENVIRONMENT**
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2013**

NOTE 2: STATEMENT OF ACCOUNTING POLICIES (con't)

(c) Comparative Figures

Where necessary, amounts relating to prior years have been reclassified to facilitate comparison and achieve consistency in disclosure with current year amounts.

(d) Revenue Recognition

Revenue is recognized when actual cash are received by the Ministry.

NOTE 3: SIGNIFICANT VARIATIONS

Head 23 - Department of Housing

- a) The Miscellaneous Revenue increased by \$165,589 or 3,527.7% in 2013 compared to 2012 due to clearance of stale cheque and over payment recoveries.
- b) The Established Staff costs increased by \$41,092 or 17.3% in 2013 compared to 2012. This was mainly due to increase in staff establishment for Department of Housing.
- c) The Government Wage Earners costs increased by \$2,948 or 23.1% in 2013 compared to 2012 due to increase in staff establishment and increase in overtime costs.
- d) The Travel and Communications costs increased by \$5,995 or 20.5% in 2013 compared to 2012 due to increase in travel related costs.
- e) The Maintenance and Operations costs increased by \$74 or 0.20% in 2013 compared to 2012 due to increase in maintenance costs.
- f) The Purchase of Goods and Services costs decreased by \$54,396 or 75.1% in 2013 compared to 2012 due to decrease in purchase of goods and services related cost.
- g) The Operating Grants and Transfers costs decreased by \$250,000 or 25% in 2013 compared to 2012 was due to the redeployment of funds to other Ministries and Departments.
- h) The Special Expenditure costs decreased by \$33,510 or 19.3% in 2013 compared to 2012. This was mainly due to decrease in Housing Policy and Implementation Plan related cost.
- i) The Capital Construction costs increased \$598,223 or 44.1% in 2013 compared to 2012 was due to the increase in Squatter Upgrading and Resettlement activities.
- j) The Capital Grants and Transfers costs decreased by \$1,217,564 or 9.3% in 2013 compared to 2012. This was mainly due to less Sustainable Rural Housing/Income Generating Project carried out in 2013.

**MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND
ENVIRONMENT**
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2013**

NOTE 3: SIGNIFICANT VARIATIONS (con't)

Head 23 - Department of Housing

- k) VAT costs increased by \$72,774 or 29.2% in 2013 compared to 2012 due to increase in expenditure in other allocations.

Head 37 - Ministry of Local Government, Urban Development and Environment

- l) The State Revenue increased by \$57,070 or 67.4% in 2013 compared to 2012 due to increase in Town and Country Planning Fees collected.
- m) The Agency Revenue increased by \$38,979 or 739.8% in 2013 compared to 2012. This was mainly due to clearance of stale cheque and over payment recoveries.
- n) The Established Staff costs increased by \$310,247 or 16.5% in 2013 compared to 2012 due to increase in staff establishment.
- o) The Government Wage Earners costs increased by \$8,372 or 6.8% in 2013 compared to 2012 due to increase in overtime costs.
- p) The Travel and Communications costs decreased by \$2,587 or 1.4% in 2013 compared to 2012 due reduction travel and communication related costs.
- q) The Maintenance and Operations costs decreased by \$14,083 or 5.1% in 2013 compared to 2012 due to decrease in maintenance and operations related costs.
- r) The Purchase of Goods and Services costs increased by \$15,695 or 11.1% due to increase in purchases of goods and services by Ministry.
- s) The Operating Grants and Transfers costs increased by \$686,880 or 71.9% due to increase in subsidy payment for Naboro Landfill.
- t) The Special Expenditure costs decreased by \$126,130 or 6.2% in 2013 compared to 2012 was due to decrease in Local Government Review and Special Administrators related costs.
- u) The Capital Construction costs decreased by \$1,238,116 or 5,476.4% due to construction of Naboro Landfill Phase IB.
- v) The Capital Purchases costs decreased by \$169,836 or 36.1% in 2013 compared to 2012 was mainly due to decrease in capital purchase by Department of Town and Country Planning.
- w) The Capital Grants and Transfers costs increased by \$1,306,700 or 77.1% in 2013 compared to 2012. This was mainly due to the grant paid for the Relocation of Nausori Bus Stand and Market.

MINISTRY OF LOCAL GOVERNMENT, URBAN DEVELOPMENT, HOUSING AND ENVIRONMENT

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

NOTE 3: SIGNIFICANT VARIATIONS (con't)

Head 37—Ministry of Local Government, Urban Development and Environment

- x) VAT costs increased by \$117,468 or 25% in 2013 compared to 2012 due to increase in expenditure in other allocations.

NOTE 4: OPERATING TRUST FUND ACCOUNT

As at 31 December 2013, the Ministry had a credit balance of \$264,182 and \$11,706 for Head 23 and 37 respectively in Operating Trust Fund account. Refer to table below for details

Head	Amount \$
Housing (23)	264,182
Local Government, Urban Development and Environment (37)	11,706

NOTE 5: DRAWINGS ACCOUNT

As at 31 December 2013, the Ministry had a balance of \$2,128,652 in Drawings account. These monies relate to cheque written by the Ministry that was yet to be presented to the bank.

NOTE 6: REVOLVING FUND ACCOUNT

As at 31 December 2013, the Ministry had a credit balance of \$379,423 for Head 23 and debit balance of 16,822 for Head 37 in the Revolving Fund account. Refer to Table below for details.

Head	Amount \$
Housing (23)	(379,423)
Local Government, Urban Development and Environment (37)	16,822

NOTE 7: TRUE TRUST FUND ACCOUNT

The Environment Main Trust Fund Account reflected under head 37 had \$2,094,231 credit balance for year 2013 compared to a credit balance of \$1,455,569 in 2012.

The City Wide Main Trust Fund under head 23, had a credit balance of \$7,269 for the year 2013, compared to a debit balance of \$1,065 in the year 2012.

**MINISTRY FOR LOCAL GOVERNMENT HOUSING AND
ENVIRONMENT**

FFA HOUSE

4 GLADSTONE ROAD

BOX 2131, GOVERNMENT BUILDINGS, SUVA, FIJI