



MINISTRY OF HOUSING AND LAND USE PLANNING

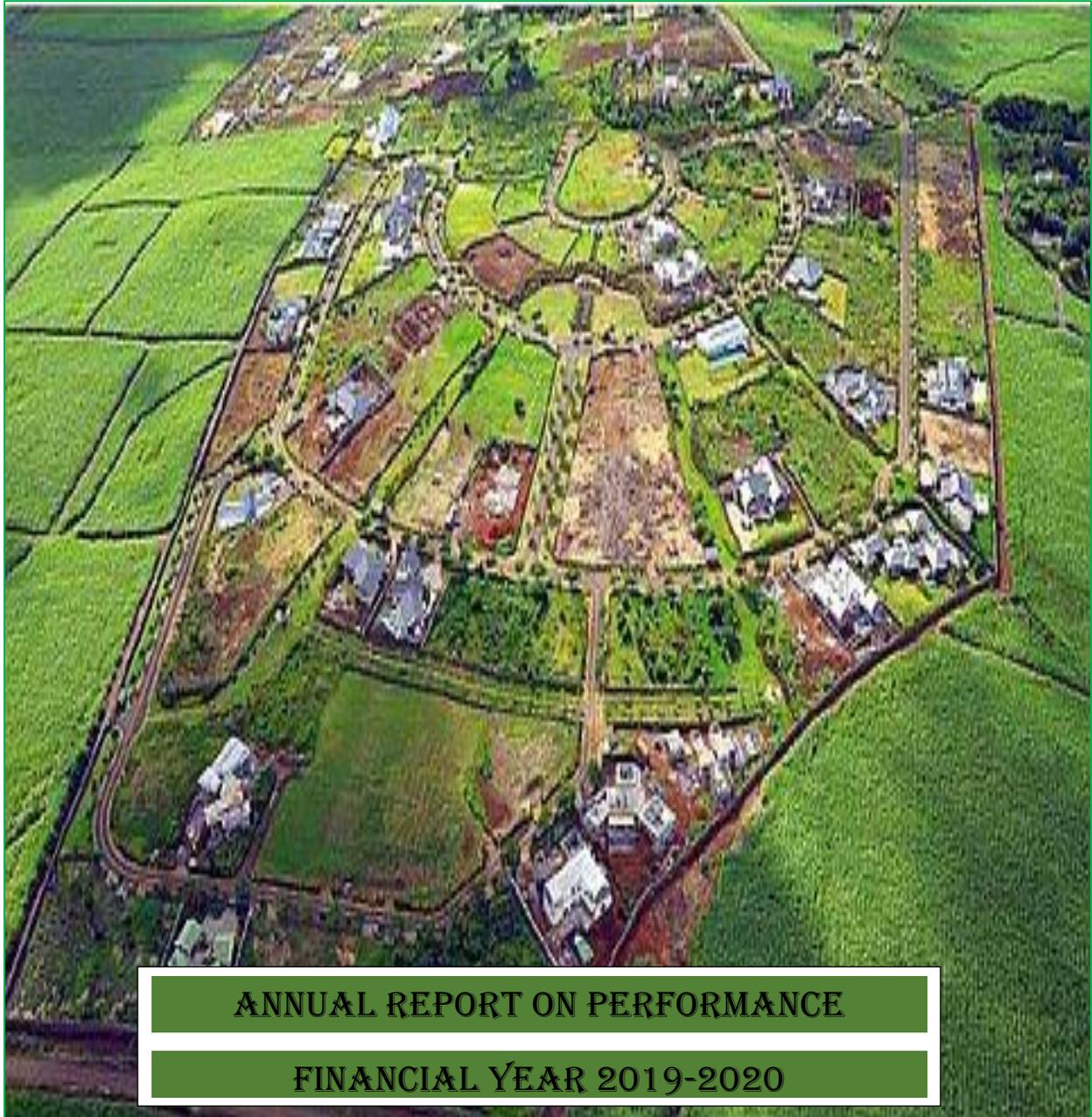


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**Statement from the Honourable Deputy Prime Minister's, Minister of
Housing and Land Use Planning, Minister of Tourism**



In the wake of the Covid-19 pandemic, the financial year 2019-2020 has indeed been a challenging one where governments across the world had to review their policies and strategies so as to adopt what is now termed “the new normal”. Mauritius, is no exception and the Ministry of Housing and Land Use Planning which plays an essential role in land use planning for the sustainable economic development of the country came forward with various schemes so as to support its stakeholders. In fact, Government introduced various financial schemes to provide relief and support to almost each and every vulnerable sector of the economy.

Over the financial year 2019-2020, in the midst of the pandemic the Ministry of Housing and Land Use Planning acquired land for various Ministries/ Departments for the implementation of major Government and community-based projects aimed towards improving the lives of our citizens.

Furthermore, as enunciated in the Government Programme and in line with its mission to facilitate access to affordable housing for the different and evolving needs of present and future generations a new entity, the New Social Living Development Co. Ltd has been set up to steer the construction of 12,000 residential units.

These are unprecedented times which calls for a paradigm shift with sanitary and safety measures coupled with new strategic orientations so that there is economic growth with a human face for the housing actors of the country.

I avail myself of the opportunity to thank the personnel of my Ministry, the land use planning and housing partners, and all the stakeholders of the sector, for their great support and collaboration throughout this exceptionally challenging year. I look forward to the continued close support of all partners in ensuring the sustainable recovery of our economy.

*The Hon. Louis Steven Obeegadoo
Deputy Prime Minister,
Minister of Housing and Land Use Planning,
Minister of Tourism*

Supervising Officer's Statement

The Ministry of Housing and Land Use Planning plays an essential role in the sustainable economic development of the country by ensuring that an efficient land planning system is in place and land is allocated in a fair, transparent and equitable manner

The financial year 2019-2020 has been an unprecedented year marked by the Covid-19 pandemic which has through the lockdown from 20 March to 30 May 2020 call for Ministries/Departments to revisit all policies and strategies for a new normal. Online and home working which were adopted to mitigate the propagation of the pandemic were the new models to ensure an optimal level of service delivery.

Inspite the pandemic, land has been acquired for various Ministries/Departments for the implementation of major Government and community-based projects. Furthermore, with a view to ensuring that adequate support is provided to key players, appropriate legislative amendments were brought to the State Lands Act and the Landlord and Tenant Act.

Furthermore, in line with its mission to facilitate access to affordable housing for the different and evolving needs of present and future generations an amount of Rs 1.6 billion was earmarked for the construction of new social housing units, the rehabilitation of existing social houses and the roof slab grant scheme, in 2019-2020.

PART I – ABOUT THE MINISTRY

1.1 Vision, Mission and Core Values



Our Vision

A planned development of the territory of Mauritius where it will be pleasant to live and work, where businesses can thrive and prosper and, where the natural beauty and environment of the country will be preserved for the enjoyment of future generations.

Our Mission

To have an efficient land planning system for effective management, use and release of lands for development and conservation.

To modernise and provide a platform for operational excellence in land information, cartographic services and surveying for land allocation in a transparent and equitable manner.

To facilitate access to affordable housing for the different and evolving needs of present and future generations

Our Core Values

Professionalism, Integrity, Selflessness, Impartiality, Objectivity, Accountability, Honesty, Openness, Justice.

1.2 Role and Functions of the Ministry of Housing and Land Use Planning

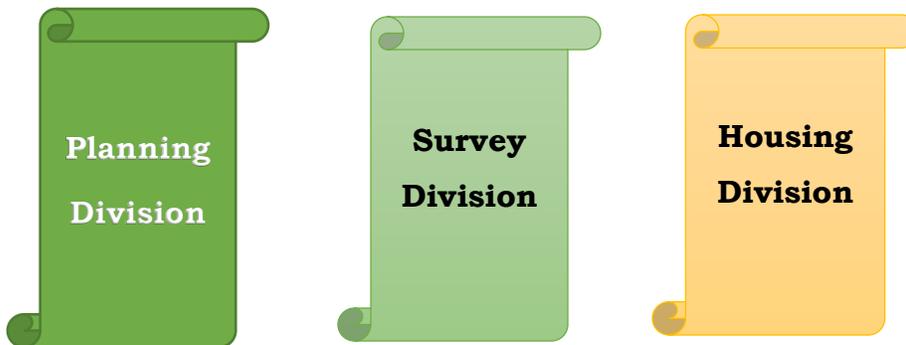
The role of the Ministry of Housing and Land Use Planning is to satisfy the housing and land needs of the citizens and economic operators in Mauritius.

In fulfilling its role, the Ministry of Housing and Land Use Planning aims to:

- provide a solid basis for the long-term physical development of the country to support the National Development Strategy in a manner which will integrate economic competitiveness with environmental sustainability and social equity;
- support and encourage rather than restrict private sector development activities; and
- achieve more effective management and use of State lands.

1.3 Divisions of the Ministry

To facilitate the delivery of its services, the activities of the Ministry are structured under three main Divisions namely-

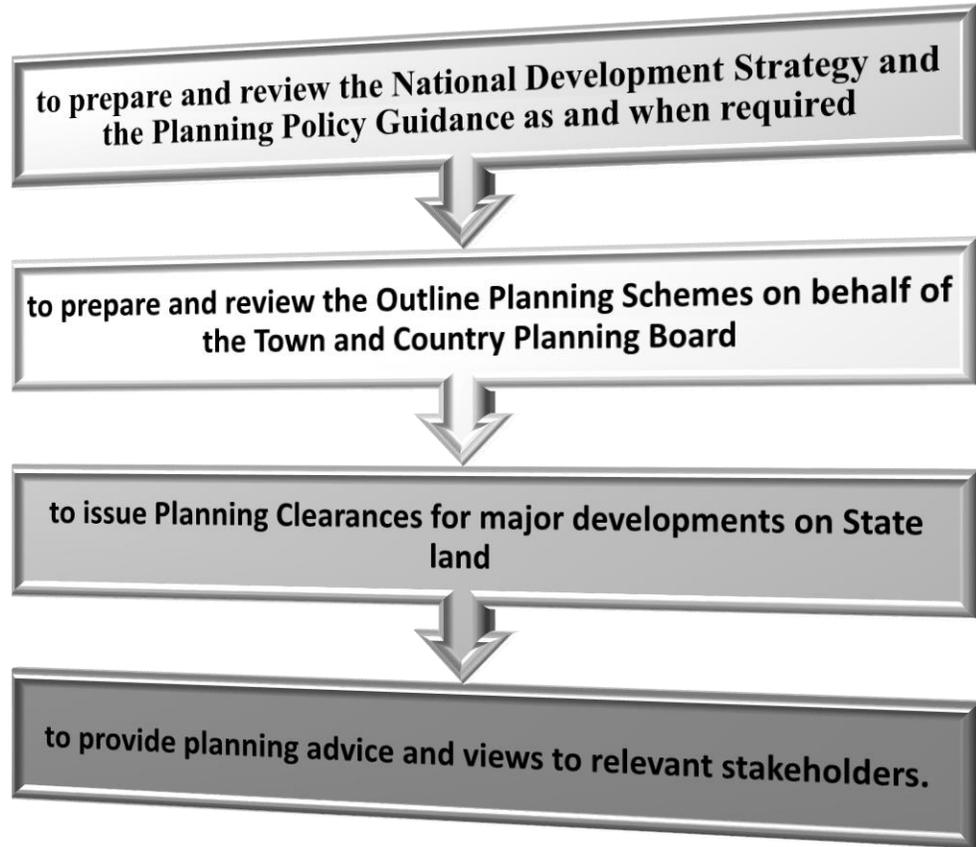


1.3.1 Planning Division

The Planning Division is responsible for land use planning including, policy formulation with respect to land development. It ensures that development in the country takes place in a well-planned and sustainable manner and that judicious use is made of our scarce land resources.

Functions

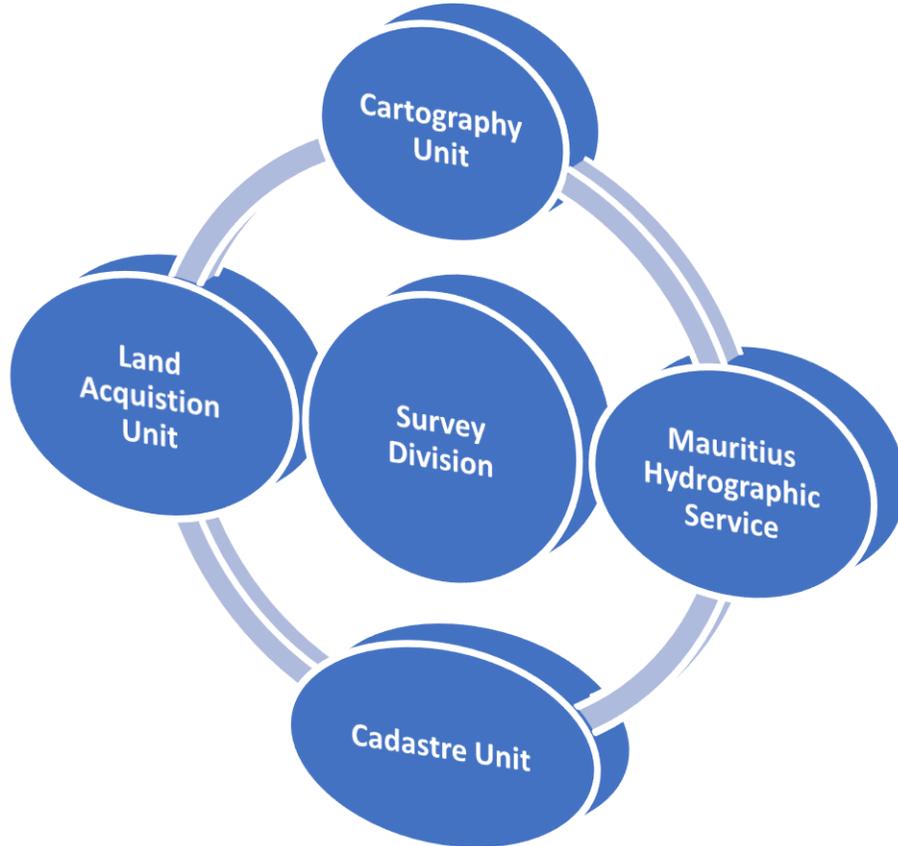
The main functions of the Planning Division are as follows:



1.3.2 Survey Division

The main role of the Survey Division is to provide information on available State lands that may be leased for residential, industrial, commercial, socio-religious, agricultural or other purposes. Wherever State lands are not available, the Division helps to identify and acquire privately owned lands for proposed development projects.

The Survey Division comprises-four main units, namely, the Cartography Unit, the Mauritius Hydrographic Service, the Land Acquisition and Cadastre Units.



Functions

The main functions of the Survey Division are to:

- administer, control and manage State Lands
- acquire private lands for Government projects against payment of compensation
- issue Parcel Identification Numbers that is, unique identification numbers for all plots of land in Mauritius
- provide detailed geodetic control points for cadastral surveys
- carry out hydrographic surveys and nautical charting
- produce topographic and thematic maps for the Republic of Mauritius and
- provide geographic information and mapping support to other governmental agencies.

CARTOGRAPHY UNIT

The Cartography Unit is responsible for the preparation of various types of maps-topographic maps, thematic and other maps.

THE MAURITIUS HYDROGRAPHIC SERVICE

The Mauritius Hydrographic Service, established in the year 2013, carries out surveys for various stakeholders in our waters for projects of national importance.

The unit surveys areas critical for shipping and surface navigation, carry out underwater search operations for wreck/ obstruction detection and survey extremely shallow lagoons surrounding the mainland and outer islands for supporting economic/ tourism related activities and is now working towards attaining medium and deep-sea survey capability.

In addition, significant progress has been made towards hydrographic support for scientific research and disaster management, physical modelling, sale of updated nautical products and developing expertise in matters related to maritime domain.

LAND ACQUISITION UNIT

The Land Acquisition Unit is responsible for the acquisition of privately-owned land required for the implementation of Government projects. Thus, all land acquired is monitored by the Land Acquisition Unit

CADASTRE UNIT

The Cadastre Unit has been set up in the wake of the Land Administration Valuation and Information Management System (LAVIMS) Project. The Digital Cadastral Database (DCDB), one of the main components of the LAVIMS Project, was completed in June 2011. Thereafter, the Cadastre Unit was set up and it became fully operational in April 2012. The Cadastral Survey Act 2011 provides for the maintenance and updating of the digital cadastral database. This exercise is critical to the land market as the whole land transaction process has been computerized in an integrated system linking the three components of the LAVIMS project which are as follows: -

- A digital cadastral database (DCDB)
- A property valuation of all residential and commercial sites
- A parcel-based Deeds Registration Systems

HOUSING DIVISION

The Housing Division is responsible for the formulation of strategies and policies for the social housing sector and for the implementation of social housing programmes through the National Housing Development Company Ltd (NHDC), its executive arm.

Objectives

Objectives of the Housing Division are to:

- provide social housing for low and lower-middle income families;
- strengthen social and cultural integration through the provision of appropriate social and recreational facilities in social housing development;
- create mixed housing development schemes to help inclusion and equality among the low income groups;
- ensure a good living housing condition through the implementation of rehabilitation works at the NHDC Housing Estates and maintenance by the Syndics; and
- promote home ownership through a grant scheme either for the casting of roof slabs or for the purchase of building materials.

1.4 Bodies falling under our Ministry



Town and Country Planning Board

- responsible for the preparation of outline planning schemes for local authorities
- advises the government on land use planning, land development and associated issues



Morcellement Board

- responsible for processing of applications for morcellement.



Fair Rent Tribunal

- a quasi-judiciary body which has exclusive jurisdiction under the landlord and tenant act to inter alia determine the market rent of business premises



National Housing Development Co. Ltd

- responsible for the implementation of Social Housing Projects



The New Social Living Development Ltd

- responsible for the construction of 12,000 residential units



The Valuation Department

- Responsible to provides valuation of immovable property services to various Ministries, Departments and Government Bodies..

1.4.1 Town and Country Planning Board



The Town and Country Planning Board (TCPB) is a statutory body established in 1965 under the Town and Country Planning Act, 1954, with the objective to provide for a planned and orderly development of land in the island of Mauritius.

Accordingly, the Town Country Planning Board exercises all its powers under the Town and Country Planning Act, 1954 and under the Planning and Development Act, 2004.

FUNCTIONS

The Town and Country Planning Board is responsible, *inter alia*, to –

- recommend to the President of the Republic to bring under Planning Control, after consultation with the Local Authority concerned (District Council and Municipal Council), any area which it feels need to be properly and progressively developed;
- prepare Outlines Schemes and to examine Detailed Schemes in respect of declared planning areas after consultation with the Local Authority;
- apply to the President for the revocation or modification of an Outline Scheme;
- consider any demand from the Local Authorities for revocation or modification of a Detailed Scheme; and
- make recommendations on draft Action Area Plan or Subject Plan to the Minister for so long as the National Planning and Development Commission has not been constituted under the Planning and Development Act, 2004.

Composition of the Board

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The composition of the Board of the TCPB is as set out in the Town and Country Planning Act. The Chairperson is appointed by the Minister of Housing and Land Use Planning. The other members comprise eight ex-officio members to represent the Prime Minister's Office and the Ministries responsible for the subject of Lands, Finance, Health, Public Infrastructure, Local Government, Agriculture and Environment, one member to represent the Association of Urban Authorities and two other members, appointed by the Minister, one of whom to represent the interests of the District Councils and the other those of the general public.

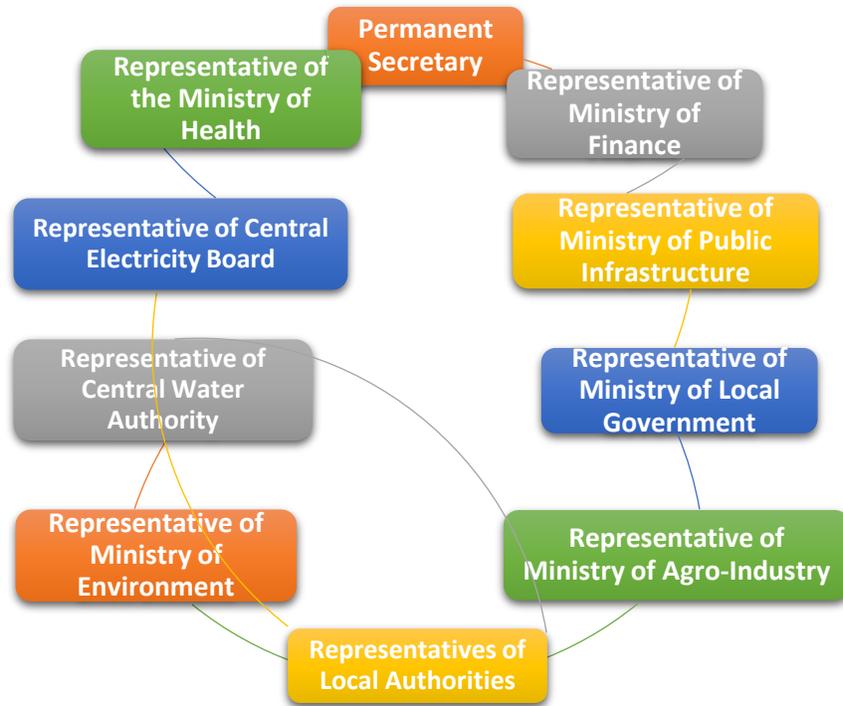
1.4.2 The Morcellement Unit

The Morcellement Unit deals with the collection and processing of applications and the issue of Morcellement Permits for subdivision or excision of plots of land into two or more lots for residential, commercial, industrial, agricultural or other purposes.

Morcellement Board

The Morcellement Board was established under the Morcellement Act 1990 as a one-stop shop to consider applications for parcelling of land into two or more lots for either residential, industrial, commercial, religious or agricultural purposes.

Composition of the Morcellement Board



1.4.3 Fair Rent Tribunal

The Fair Rent Tribunal is a statutory body which was instituted under the Landlord and Tenant Act No. 6 of 1999 and as subsequently amended by Act No. 5 of 2005 succeeded by the Amendment Act No. 21 of 2009 and subsequently by the Amendment Act No.22 of 2017.



The Tribunal is a quasi-judiciary body which has exclusive jurisdiction under the Landlord and Tenant Act to, *inter alia*, determine the market rent of business premises which were let on or prior to 01st July 2005 and up 31st December 2020. Hence, any aggrieved landlord or tenant may apply to it for that purpose. The Chairperson of the Tribunal is a Magistrate of the Intermediate Court and has four members.

1.4.4 National Housing Development Company Ltd

The National Housing Development Co. Ltd is a state-owned organization established in March 1991, which acts as the Ministry's executive arm for the implementation of social housing projects.

Activities

- construction of social housing units;
- provision of grants to eligible beneficiaries for the casting of roof slabs and building materials; and
- rehabilitation of existing social housing units.



1.4.5 The New Social Living Development Ltd

The New Social Living Development Ltd (NSLD), a subsidiary of the National Housing Development Co. Ltd (NHDC), is a Special Purpose Vehicle (SPV) incorporated as a private company, with the mandate to build 12,000 residential units.

1.4.6 The Valuation Department

The Valuation Department, is an independent body which provides valuation of immovable property services to various Ministries, Departments and Government Bodies. Valuation of property is required for various purposes which include taxation purpose, rental assessment and assessment of compensation arising from compulsory acquisition.

The main objective of the Department is to meet the need of our stakeholders by delivering their services in a timely, efficient and effective manner, using ICT Technologies and internationally recognized methodologies in line with best practices and most importantly to meet the Government Programme 2020-2024, which is the optimization of use of land through a comprehensive and accurate digital data base pertaining to land occupation and use.

1.5 KEY LEGISLATIONS

The following legislations provide the key legal framework for the activities of the Ministry of Housing and Land Use Planning:

- Cadastral Survey Act
- Land Acquisition Act
- Land (Duties and Taxes) Act
- Landlord and Tenant Act

- Land Surveyors Act
- Morcellement Act
- Pas Geometriques Act
- Planning and Development Act
- Removal of Sand Act
- State Lands Act
- Town and Country Planning Act
- The Pouce Stream (Authorised Construction Act)

1.6 GENDER STATEMENT

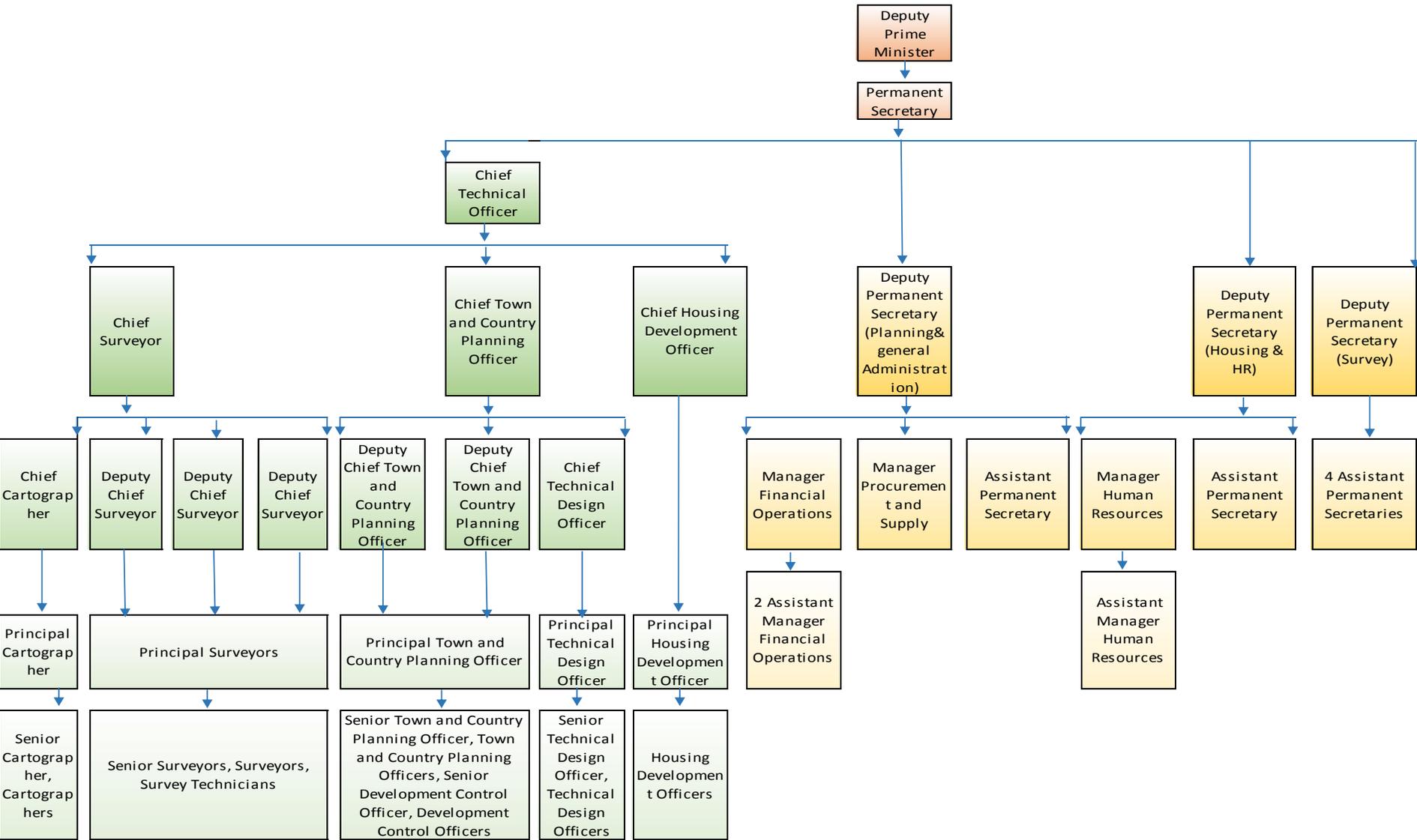
The Gender Policy Statement of the Ministry recalls the key points contained in the National Gender Policy Framework. It assesses the strengths and weaknesses of the prevailing gender culture and mindsets and consequences, makes recommendations for significantly mainstreaming and enhancing gender in policies, programmes and activities of the Ministry.

The Gender Cell's main focus is to identify gender gaps and implement gender mainstreaming strategies in the policy and programmes of the Ministry. The Ministry relies upon the technical know-how and expertise of the Ministry of Gender Equality, Child Development and Family Welfare in its endeavour to improve gender practices. During the financial year 2018-2019, 33 officers from different sections of the Ministry benefitted from training and capacity building programmes on gender concepts and gender mainstreaming.

1.7 About our People

The Permanent Secretary is the administrative head of the Ministry. He is assisted in his functions and duties by the three Deputy Permanent Secretaries, six Assistant Permanent Secretaries, the Chief Technical Officer, the Chief Town and Country Planning Officer, the Chief Surveyor, the Chief Housing and Development Officer as well as Officers from various cadres. The technical arm of the Ministry consists of the Planning Division, the Survey Division and the Housing Division

The organization's structure of the Ministry of Housing and Land Use Planning is as follows:



1.7.1 Employee Resourcing

As at 30 June 2020, there were 461 employees in post at the Ministry of Housing and Land Use Planning, and the gender distribution is as detailed below:

Categories	Women	Men
Top Management (Salary more than Rs 100, 00)	2	0
Middle Management (More than Rs 40, 000 and less than Rs 100, 000)	36	101
Support and Others (Less than 40, 000)	129	193
Overall	167	294

1.7.2 Human Resource Development

The Ministry of Housing and Land Use Planning puts a lot of emphasis on Human Resource Development with a view to helping employees develop their personal and organizational skills, knowledge and abilities.

In this respect, employees have benefitted from training and capacity building programmes, both locally and overseas during the period under review.

Local Training and Capacity Building Programmes

51 employees have benefitted from training courses sponsored by the Ministry of Public Service, Administrative and Institutional Reforms, 2 officers have benefitted from Workshop organised by the Ministry of Labour, Human Resource Development and one officer from Workshop organised by the Ministry of Public Service, Administrative and Institutional Reforms. The table below outlines the training programmes conducted during the Financial Year:

S/N	Training Course	No. of officers attended the training
Courses sponsored by the Ministry of Public service, Administrative and Institutional Reforms		
1	Training Programme in Performance and Public Excellence for Support Staff	10
2	Training Programme in Performance and Public Excellence for frontline Supervisory Technical Grades	37
3	Training Programme in Performance and Public Excellence for frontline Supervisory Technical Grades	1
Workshops /Seminars organised by the Ministry of Labour, Human Resource Development		
1	Seminar on Occupational Safety and Health	2
Workshops /Seminars organised by the Ministry of Public Service, Administrative and Institutional Reforms		
1	Work Place Safety	1

Overseas Training and Capacity Building Programmes

A total of 22 officers followed overseas training and capacity building programmes. This figure comprises mostly officers from the three Technical Cadres.

Details on the programmes and the duration of the courses followed have been tabulated as follows:

SN	Training Programme	Grade	Number of officers attended
Programmes followed by Officers from Planning/ Housing			
1	Seminar on Urban Developments and Management for Development Countries from 05 to 25 September 2019 in China	Town and Country Planning Officer	1
		Development Control Officer	2
2	Training Programme on “Low Carbon City Scenario Development and implementation” from 14 August to 03.09.2019 in Thailand.	Principal Town and Country Planning Officer	1
3	Formal Solutions to Informal Settlements from 04 November to 13 December 2019 in India ITEC/SCAAP.	Principal Town and Country Planning Officer	1
4	Training in lifelong learning and knowledge Model for Digital Cities Development and Sustainability (DCDS) from 17 August to 02 September 2019 in Malaysia.	Town and Country Planning Officer	2
5	Planning and Management of Rural Housing and Habitat Projects from 07 January 2020 to 03 February 2020 in India.	Senior Town and Country Planning Officer	1
		Chief Housing Development Officer	1
6	Principles of Strategic Urban Planning for Small Cities from 01 March 2020 to 05 March 2020 in Egypt.	Principal Town and Country Planning Officer	1
Total Officers			10

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SN	Training Programme	Grade	Number of officers attended
Programmes followed by Officers from Survey			
7	Seminar on Urban Construction Planning and Financing Management for Developing Countries from 12 September to 01 October 2019 in China.	Surveyor	2
8	Short Course in Geo-Informatics from 16 September to 08 November 2019 in India ITEC/SCAAP.	Surveyor	1
9	Training Course on Remote Sensing and Digital Image Processing for Geo Sciences from 22 November to 20 December 2019 in India ITEC/SCAAP	Surveyor	1
10	Seminar on Geo-Informatics Science for Developing Countries from 11 to 31 October 2019 in India ITEC/SCAAP	Cartographer	1
11	Training on High Resolution Digital Elevation (Mode DEM) Cape Town and Aerial Imagery from 05 to 09 August 2019 in Cape Town South Africa	Cartographer	1
12	Training Course on “Geo-Informatics Application in Rural Development” from 09 July 2019 to 05 August 2019 in India Hyderabad	Senior Surveyor	2
13	Training Course on Hydrographic Electronic Navigational Chart Production Course at NHO from 14 October 2019 to 22 November 2019 in India	Principal Surveyor	1
14	Geographic Information System for Geo Scientists from 30 January 2020 to 29 February 2020 in India	Survey Technician	1
15	Short Course on Remote Sensing with Special Emphasis on Digital Image Processing from 08 January 2020 to 28 February 2020 in India.	Principal Surveyor	1
		Survey Technician	1
Total Officers			12

1.7.3 Employees' Welfare

The Staff Welfare Association of the Ministry of Housing and Land Use Planning works in close collaboration with the Human Resources Section for the betterment of employees and promote team building and team bonding.

Objectives



organise recreational and cultural activities for the employees of the Ministry and enlist the participation of officers in the implementation of activities approved by the Public Officers Welfare Council; and

- generally promote the welfare of employees

Officers were encouraged to participate in the following activities organized by the Public Officers' Welfare Council:

- Football Tournament
- Domino Tournament
- Badminton Tournament
- Annual Civil Service Kermesse on Gymkhana grounds
- Quiz Competition

1.7.4 Safety and Health

A Safety and Health Committee has been set up at the Ministry since 2012. This Committee comprises representatives of management and representatives of employees and meets once every two months to review and improve the health and safety procedures and practices at the Ministry.

Safety and Health Initiatives

Safety and Health Initiatives organised by the Ministry include the following:

- Fire Audit Exercises
- Reconstitution of Fire Warden Team
- Training on Ergonomics
- Organisation of First Aid Course

PART II – ACHIEVEMENTS & CHALLENGES

2.1 Major Achievements for Financial Year 2019-2020

2.1.1 Planning Division

Reviewing of National Development Strategy (2008) and Preparation of Master Plans and Area Action Plan.

The Ministry awarded a contract on 7 June 2019 for the sum of MUR 72,367,000.00 exclusive of 15% VAT for the review of the National Development Strategy. The duration of the assignment is 18 months.

Master Plans and Area Action Plans for Town Centers of Curepipe and Vacoas, an Action Area Plan for Barkley- Chebel Area and a Master Plan for Mahebourg Waterfront are being prepared.

The preparation of the Curepipe Town Centre Master Plan is ongoing and is expected to be completed during the next Financial Year.

2.1.2 Survey Division

- **Land Monitoring and Research Unit**

A Land Monitoring and Research Unit has been set up to carry out in-depth investigation of complaints, establish genealogical tree, advise applicants, offer mediation

- **Cartography Unit**

Maps produced:

S.N	JOB TYPE	JOB DESCRIPTION	
		2019 / 2020	
1	TOPOGRAPHIC MAP		
		1	Vallee Pitot (1/5000)
		2	La Cure (1/5000)
		3	Sebastopol (1/5000)
		4	Pailles (1/5000)
2	MAP UPDATES		
		1	Maps (1/100 000)
		2	Public Beaches
		3	Constituency Map
		4	Electoral Boundary Commission Amendments

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S.N	JOB TYPE	JOB DESCRIPTION	
		2019 / 2020	
3	THEMATIC MAP		
		1	Uncommitted State Land - All Districts
		2	State Land Registered Coastal Area
		3	Metro Express Compilation
		4	NDRRMC - Map Layers
		5	NHDC Sites
		6	Undeveloped State Land - All Districts
		7	Grand Bassin Master Plan Compilation
		8	La Vigie State Land Compilation
		9	Flacq State Land Compilation
		10	Compilation - Medine Railway
		11	Organigram - MHL

S.N	OTHER JOB TYPE	JOB DESCRIPTION	
		2019 / 2020	
1	LEASE DEEDS		382
2	SURVEY PLANS		57
3	UPDATE OF NAUTICAL CHARTS		5 updates in 2 nautical charts
4	LAVIMS		
	No. of parcels updated - Private Land		4,118
	No. of parcels updated - State Land		766
5	INCOME		
	Nautical Charts		Rs 202,321
	Maps (Hard Copies)		Rs 61,650
	Maps (Digital)		Rs 46,825
	Aerial Imagery (Hard Copies)		Rs 4,550
	Aerial Photographs		Rs 1,125

The Mauritius Hydrographic Service

- Extension of the validity of the Memorandum of Understanding between the Government of India and the Government of Mauritius for a further period of five years , that is, from October 2015 to September 2020 in order to continue the corporation on hydrography

2.1.3 Providing Land for Government Projects

During the financial year 80 plots of private lands of a total extent of 805, 907.77 m² (188 A47) were acquired to enable the implementation of the following Government Projects:

- Reconstruction of Bruniquel Bridge at Baie Du Tombeau
- Improvement of Road Safety along Floreal Road (B53)
- Construction of the Robinson- Glen Park Link Road
- Additional land for Metro Express
- 2000A scheme (housing)
- 2000A scheme (Agriculture)
- 2000A Scheme (SME & other projects)
- Provision of Parking Space at Berthaud Quatre Bornes
- New Fire Station At Quatre Bornes
- Enlargement and rehabilitation of River St. Louis (Les Gaz Industriels ltd)
- Parking Space at Berthaud, Quatre Bornes

2.1.4 Housing Division

Construction of Social Housing Units in Financial Year 2019/2020

- The construction of a total of 267 social housing units at a total cost of Rs 377, 224,864.20 were completed during the Financial Year.
- Some 678 housing units are expected to be completed by end of year 2020 at a total cost of Rs 1084.64 M.

Roof Slab Grant Scheme

- During financial year 2019-2020, a total of 1147 families have benefitted from a grant for the casting of the roof slab of their houses for which a total of Rs88.6 M has been disbursed.

As at May 2020 rehabilitation works on 1642 housing estates have been completed as follows:

- Waterproofing works at Baie du Tombeau and Cap Malheureux Housing Estates
- The construction of sewer network at Riche Terre Housing Estate
- The structural and electrical remedial works at Camp Levieux

- Rehabilitation of Existing Wastewater network and Ancillary Works on 10 sites namely Rose Belle, Bambous, St Pierre, Vieux Grand Port, Highlands, Nouvelle France, Tyack, Riambel, Dagotièrè, Notre Dame.

Financial assistance to owners of Ex-CHA houses – Transfer of Title Deeds of Ex – CHA Houses

70 vulnerable families have benefitted from financial assistance to acquire the land on which stands their ex- CHA housing unit. Funds to the tune of Rs 185, 500 have accordingly been disbursed.

Morcellement Unit

The E-licensing project for the issue of Morcellement Permits has gone live on 07 February 2020, on the NELS (National E-Licensing System). All applications at the Morcellement Unit are received and processed online.

Over the financial period ending 30 June 2020, the Morcellement Board has issued 262 Morcellement Permits and 226 Letters of Intent.

Fair Rent Tribunal

80 cases have been determined by the FRT for period 01 July 2019 to 15 June 2020.

3 appeal cases are before the Supreme Court and Judicial Committee of Privy Council.

2.2 Status on Implementation of Budget Measures

The table below shows the status of budgetary measures announced in the Budget Speech 2019/2020

Budget Para	Budget Measure	Status
171	Construction of 3041 housing units	<p>Revised to 3038 housing units - Construction in progress</p> <p>(i) 1273 housing units are expected to be completed in FY 2019/2020;</p> <p>(ii) Construction of 1238 housing units are expected to be completed by end of FY 2020/2021; and</p> <p>(iii) The remaining 527 units are still at tender stage.</p>
191	Rs 176M for rehabilitation of 41 NHDC housing estates to improve the living conditions of some 62000 families	<ul style="list-style-type: none"> - Structural remedial works @ Camp Leveux – Taking over Certificate issue on 01 July 2019 - Waterproofing works, Painting and Associated Works @ Poste de Flacq, Baie du Tombeau, Cap Malheureux, Camp Leveux and Dagotiere – works completed - Wastewater Treatment at Nouvelle France, Riabel, Vieux Grand Port, Rose Belle, Notre Dame, Bambous, Dagotiere, St Pierre and Highlands.

2.3 Status on Implementation of Key Actions

The table below shows the status of the Key Actions and the Key Performance Indicators (KPIs) pertaining to the Ministry of Housing and Land Use Planning which were included in the Budget 2019/2020.

Status of Key Actions and KPIs

Sn	Key Action	Key Performance Indicator	Target 2019/2020	Actual as at 30 June 2020	Remarks
1	Construction of social housing units	Number of social housing units constructed	1,920	267	<ul style="list-style-type: none"> • Camp Levieux 60 HU • Baie du Tombeau 12 HU • Calebasses 43 HU • Camp de Masque 86 HU • Montagne Longue 66 HU <p>Projects delayed mostly due to inclement weather & COVID 19 pandemic</p>
2	Rehabilitation of NHDC Housing Estates	Number of NHDC Housing Estates rehabilitated	5	5	<ul style="list-style-type: none"> • Rehabilitation of existing wastewater network and ancillary works on NHDC Housing Estates <ul style="list-style-type: none"> - Rose Belle (Exim, Shell, Firinga IV) - Bambous (Exim, Firinga I) - St Pierre Exim - Highlands Exim • Structural remedial and electrical works to existing blocks of apartments at Camp Levieux
3	New Planning and Development Bill to consolidate planning legislations	Bill Introduced in National Assembly	Apr-20	On-going	Following consultations with stakeholders, major changes have been proposed in the content. Cabinet approval will be sought prior to vetting by SLO for introduction in the National Assembly
4	Establish a database of all State Lands	Digital State Land Register operational	Jun-20	System already designed and installed. Data migration is in progress.	A refresher training course will be scheduled by mid-September 2020. Following the training, the system will go-live.
5	Setting up of a Smart Mapping GIS Platform for Land Use Planning	GIS enabled mapping operational	Jun-20	Bids launched on 11 June 2020 with closing date 25 June 2020	Bidding exercise cancelled on 21 July 2020 as the price quoted were above cost estimate. Bids will be launched anew in October 2020 with revised cost estimates
6	Review of the National Development Strategy	Draft Report submitted	Jun-20	On-going	In view of Covid-19, the expected date has been postponed to end of June 2021

2.4 Risk Management, Citizen Oriented Initiatives and Good Governance

Internal Control

The Internal Control Unit of the Ministry of Housing and Land Use Planning has been mandated to independently and objectively examine and evaluate the adequacy of the internal control system of the different auditable areas of the Ministry, in line with the approved Annual Internal Audit Plan for Financial Year 2019-2020 and to report weaknesses identified to the Accounting Officer.

Achievement for the Year

Internal audit exercises were carried out as per the Internal Audit Plan approved by the Accounting Officer and the Director, Internal Control. Fourteen audits, including follow up, were planned for the year 2019/2020. In addition to planned audits, special audit assignment (unplanned audit) was performed. For each auditable area examined, recommendations have been provided for all weaknesses identified in the system to strengthen control.

79% of the Approved Annual Plan has been achieved during the Financial year 2019/2020.

Planned Internal Audit Reports

For the period July 2019 to June 2020, the Internal Control Unit issued ten reports with thirty-six agreed recommendations

Corruption Prevention Review

The implementation of the Anti-Corruption Framework is an ongoing exercise. To give furtherance to the implementation of the Public Sector Anti-Corruption Framework, the ICAC conducted several Corruption Prevention Review.

3.0 Implementation Plan- Director of Audit

Comments

The Director of Audit's Report of 2019-2020 on the audited accounts of the Ministry of Housing and Land Use Planning includes shortcomings and recommendations. The table below shows the actions and measures undertaken:

Paragraph	Issues	Comments of Ministry in the Report	Status of Action taken implemented
22.1.1 A Comprehensive Register of All State Lands Not Maintained			
1	The Ministry has not yet developed a comprehensive register of all State Lands. An informal register in excel format is being kept for leased lands only. Details of State Lands available for lease were not maintained.	The State Lands Register is being developed and will be a tool to achieve the objective of obtaining a register of State Lands. Data needs to be compiled to obtain a complete register.	- Acquisition and Registry modules completed and is in use. Finance modules designed already completed. Working on user acceptance for Finance Section. The State Land Register is expected to be implemented by December 2021
2	Applications for lease of State Lands should be accompanied with a precise location plan. Cases were noted where leases were cancelled since 2015 and the State Lands had not been leased again due to the absence of new applications for the sites retrieved. New applications for these sites will be received only when the availability of these State Lands are known by those interested in leasing State Lands.	The LAVIMS 2.0 which will comprise a National Spatial Data Infrastructure and will be accessible to most Government Entities, will help in the compilation of such data.	<p>Consultant (Price Water Coopers) has already submitted final feasibility report and the revamping of LAVIMS would be carried out in 3 phases for a duration of 30 months.</p> <ul style="list-style-type: none"> • Bidding document is presently being converted to e-document for launching of International Bidding exercise by the CPB on e-procurement platform. • Expected launching of Bids - December 2021 • Expected Start of works July 2022. Expected Completion of works – December 2024
22.1.2 Industrial Lease - Change of Purpose not in the Interest of the Government			

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Paragraph	Issues	Comments of Ministry in the Report	Status of Action taken impemented
1	<p>Industrial lease is normally granted to promote economic development. Applications for lease by promoters were in respect of hotel development and construction of bungalows for tourist related projects and were submitted to Government for approval with projections of high investment and significant job creations.</p> <p>After Government's approval and reservation letters are issued, the promoters apply for a change in purpose to build bungalows which are to be commercialised under the "Régime de Co-propriété" or construction and sale of villas/apartments under the 'Vente en Etat Futur Achèvement' through a 'Règlement de Co propriété'. As a result, these developments/constructions are no longer tourist related projects.</p> <ul style="list-style-type: none"> ▪ Some of these requests for change in purpose were accepted by the Ministry without further Government's approval; and ▪ These industrial leases were usually granted to companies and societies. With the change in purpose, this may be a disguised way for the shareholders and members to be owners of personal bungalows/villas/apartments/units. 	<p>Government's approval is only for the reservation of State Lands. The reservation is on the land and not on the project. The project can be changed upon obtaining favourable planning views.</p>	<p>The advice of the SLO was sought on a case wherein the latter has informed that: <i>"Article 1778-7, parties to a lease agreement for "bail a construction" cannot derogate from the provision, that is, preventing the lessee from "cede tout ou partie des ses droits ou les apporter en societe".</i></p>
2	<p>No Contribution to Consolidated Fund Following Change in Purpose</p> <p>Promoters for tourism related projects on State Lands are required to contribute to the Consolidated Fund as follows:</p> <p>(a) State Lands with sea frontage - Rs 1.5 million per arpent and proportionately for part of an arpent; and</p> <p>(b) State Lands situated in the inland site of the coastal road-Rs 750,000 per arpent and proportionately for part of an arpent.</p> <p>However, promoters of projects for building of bungalows to be commercialised under the "Régime de Co-propriété" were not required to contribute to Consolidated Fund.</p>	<p>Contribution to Consolidated Fund forgone are recouped many folds as registration duties by the Government whenever bungalows together with leasehold rights are sold. Therefore, there is no loss in revenue to Government.</p>	
3	<p>Advice of Ministry of Finance, Economic Planning and Development (MoFEPD) not followed.</p> <p>MOFEPD was not in favour for the following reasons:</p> <p>(a) As a basic principle, subdivision of State Lands is not allowed by lessees. Under the Invest Hotel Scheme, the</p>	<p>The determination of the types/purpose of leases to be granted is the prerogative of the Ministry of Housing and Land Use Planning.</p>	<p>The advice of the SLO was sought on a case wherein the latter has informed that: <i>"Article 1778-7, parties to a lease agreement for "bail a construction" cannot derogate from the</i></p>

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Paragraph	Issues	Comments of Ministry in the Report	Status of Action taken impemented
	<p>bungalows/villas/apartments/units do not operate individually but instead the owners are forced to lease them back to be operated as a hotel;</p> <p>(b) Recovery of State Lands by Government before expiry of the lease will become quasi- impossible in the case of a site on which there would be many apartments, each owned by a different person; and</p>		<p><i>provision, that is, preventing the lessee from “cede tout ou partie des ses droits ou les apporter en societe”.</i></p>
	<p>(c) Payment of rental would be the responsibility of the syndic and may lead to complications if some units’ owners do not pay their share of rental.</p> <p>Contrary to the above advice, it was noted that the Ministry was approving the change in purpose of lease agreement from touristic projects to be commercialised under “Régime de Co-propriété” or construction and sale of villas/apartments under ‘Vente en Etat Futur Achèvement’ through a ‘Règlement de Co-propriété’</p>		
22.1.3 Allocation of More Than One Campement Site to a Lessee			
1	<p>The State Lands Act provides that “in the case of leases for campement sites, not more than one lease shall be held by a person, directly or indirectly at any time.”</p> <p>Two portions of land, being lot 129 A1 of extent 2,110.44 m2 (0A50P) and lot 129 A2 of extent 2,279 m2 9 (0A54P) both of Pas Geometriques (PG) Riambel were being held by the same lessee.</p>	<ul style="list-style-type: none"> • Lot 129A1 of P.G Riambel refers to a campement site and Lot 129A2 refers to a use and occupation of State Land on a year to year basis as watchman’s quarters and is not leased as a campement site. • Regarding lot 129A1, Ministry has been informed that proxy of the lessee has passed away and a new proxy has been requested to submit documents to enable the Ministry to draw up the new sixty-year campement site lease. • Regarding lot129A2, State Law Office’s views are being sought on the 	<p>A new campement site lease for sixty year has been approved. The Lessee has accepted the offer but the deed of lease has not yet been signed as necessary documents have not yet been submitted by the lessee. On 15 September 2021, in line with SLO’s advice, a three months’ notice has been given to Lessee with a view to resuming possession of the plot of land of 129A2 without payment of compensation.</p>

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Paragraph	Issues	Comments of Ministry in the Report	Status of Action taken impemented
		way forward on retrieval of the land.	

Follow up on Matters Raised in Audit Report for Financial Year 2018-19

Sn	Issues	Comments of Ministry in the Report	Additional Information
22.2 Land Acquisition and interest paid			
1	<p>Processing time and payment of interest as a result of duly absence of a defined timeframe foreach stage of the acquisition process and extensive time being taken to finalise an acquisition of land. This culminates in excessive interest payment by the Ministry.</p> <p>The Ministry continuously informed NAO that a major component of the State Land Register Software Solution (SLRS) would be “Land Acquisition”. This system would ensure better monitoring and would bring efficiency in the acquisition process. However, the SLRS is not yet operational and the processing time has yet to be improved.</p>	<p>The module for “Acquisition” on the State Land Register is partially in operation. Preliminary data/information are being recorded and the system is expected to be fully operational by early 2021.</p>	<p>The module for “Acquisition” on the State Land Register is operational and has facilitated the processing of files. However, all processes have to follow provision of the Land Acquisition Act with timeframe to be respected</p>
2	<p>For financial year 2019-20, the Ministry had disbursed some Rs 843 million for acquisitionof land that is 68 per cent over the initial earmarked amount of Rs 500 million. Of theRs 843 million, Rs 104 million were in respect of interest.</p>		
3	<p><i>Time Taken for Assessment of Compensation.</i> It was noted that:</p> <ul style="list-style-type: none"> ➤ The time taken from the date the Ministry informed the Valuation Department to submit assessment of compensation payable and the date Valuation Department replied varied between six to 31 months; ➤ In several cases, the former owners were not agreeable to the amount of compensation assessed by the Valuation Department. The Ministry took 15 days to 12 months to refer the claims/representations made by 	<p>In many circumstances, the delay in the process is beyond the control of the Ministry or the Valuation Department. These delays occur on account of various factors and include inconsistency in the request formulation by the Ministry or organisation concerned, missing information and lengthy delays in obtaining required information from</p>	<p>The Ministry has designed a form which has been circulated to all Ministries/Department requesting for acquisition of land to be filled and submitted to this Ministry with all required documents prior to initiating acquisition, including need analysis for the project, financial clearance, timeframe to</p>

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Sn	Issues	Comments of Ministry in the Report	Additional Information
	the former owners to the Valuation Department for reassessment; and The Valuation Department took one to 88 months to submit its views in respect of the representations made by the former owners.	the applicant and searches on land ownership.	implement the project.
4	<ul style="list-style-type: none"> ▪ <i>Time Taken to Inform Former Owners of Compensation.</i> The Ministry took three to 16 months to inform former owners of the Valuation Department's assessment of the compensation payable. 	An Acquisition Monitoring Committee under the Chairmanship of the Ministry and comprising representatives of Ministries/Departments and Authorities concerned has been set up to monitor, coordinate and oversee all requests for acquisition of private land. The Committee will ensure timely publication and service of notices, follow up with stakeholders concerned for the obtention of necessary clearances, expedite assessment of the compensation payable for land being occupied, as well as monitor the process of payment of compensation.	The Acquisition Monitoring Committee chaired by the Chief Technical Officer of this Ministry, is meeting on a regular basis with all stakeholders to monitor, coordinate and oversee all requests for acquisition of private land. The stakeholders are given a timeframe to process issues pertaining to them.
5	<ul style="list-style-type: none"> ▪ <i>Acceptance of Offer for Compensation.</i> For administrative purposes, the Ministry requested former owners to give a reply within a period of 15 days as from date of the Ministry's letter as to whether they are agreeable to the offer of compensation. The Ministry, however, considered replies received between three to 40 months. 		
6	<ul style="list-style-type: none"> ▪ <i>Appointment of Notary.</i> The Ministry took two to 20 months to request the Attorney General's Office (AGO) to appoint a notary to draw the deed of acquittance upon finalisation of the acquisition or the deed of witness when former owners accept interim payment. 		
7	<ul style="list-style-type: none"> ▪ <i>Board of Assessment (BOA).</i> <p>There were cases where requests were made by former owners and approvals of the Ministry were obtained in 2018 and 2019, to refer cases to BOA. As of October 2020, 15 to 29 months had already lapsed and yet these cases had not been referred to BOA.</p>		
8	Interest is payable at legal rate as from date of transcription up to the date of appointment of Notary. As from 18 November 2017, interest at REPO rate is charged.		
9	The time lag between transcription date and appointment of Notary varied between 37 to 120 months. The interest paid represented 23 to 80 per cent of the compensation amount.		

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10	The BOA, in awarding compensation, may allow interest at the legal rate, calculated from the date of transcription until the date of the award of the BOA. Delay in referring the cases to BOA would impact on the interest payable.		
11	22.2.1 Non submission of Deeds At paragraph 20.2.1 of the Audit Report for financial year 2018-19, I mentioned that true and certified copies of deeds of acquittance/to witness interim payment were not submitted by Notaries to the Ministry.	The latter took corrective actions whereby the Notaries submitted the relevant deeds.	
12	For financial year 2019-20, 53 deeds were not yet submitted. Some Rs 230 million had already been disbursed to the Notaries from the years 2008 to 2020.		In case of Notaries do not submit deeds witnessing payment of compensation, reminders are issued at relevant intervals. The reminders to Notaries are also copied to the AGO to monitor the situation.
13	The AGO, in May 2017, suggested that for cases where deeds are delayed/kept in abeyance, the Notary should inform the Ministry the particular reason of the delay. Reasons for not submitting the deeds were not available in the respective files.		

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Sn	Issues	Comments of Ministry in the Report	Additional Information																																															
22.3 Arrears of Revenue – Lapses Still Noted in Accounting of Lease Rental and Debt Management																																																		
1	<p>For the past three financial years, I have drawn attention to:</p> <p>(a) The misstatement of the arrears figure reported by the Ministry; and</p> <p>(b) The inefficient measures for recovery of debts. For financial year 2019-20, debt recovery was still slow, follow up of cases with no formal agreement was inadequate and shortcomings were also noted in accounting for lease rental.</p>		<p>The misstatement of arrears figure referred to for year 2018/2019 was due to a technical error arising within the Revenue System, whereby some lessees had appeared in both the Campement Site Lease Arrears and in the list pertaining to the Other Land Lease Arrears simultaneously. Soon after the error was noted, on 26 Nov. 2019, an amended Return of Arrears of Revenue was forwarded to the Accountant General.</p> <p>Misstatement of arrears figure pertaining to financial years prior to 2018/2019 refers to the fact that for these periods, the return of arrears submitted to the Accountant General did not include leases not signed, leases to be written off, leases cancelled etc. However, the Director of Audit drew our attention that the arrears figure submitted by the Ministry should tally with that in the Revenue System. Eventually, the return submitted to the Accountant General now consists of all the debtors, irrespective of whether they have signed or not signed</p>																																															
2	As of 30 June 2020, arrears of revenue in respect of rental of State Lands amounted to Rs 753 million. Details are shown in Table 22-1																																																	
3	<i>Table 22-1-Arrears of Revenue as of 30 June 2020</i>																																																	
	<table border="1"> <thead> <tr> <th style="text-align: left;">Type of Lease</th> <th style="text-align: center;">Arrears as of 30 June 2019 Rs m</th> <th style="text-align: center;">Amount Collected Rs m</th> <th style="text-align: center;">Amount Written off Rs m</th> <th style="text-align: center;">Amount due in 2019-30 Rs m</th> <th style="text-align: center;">Arrears as of June 2020 Rs m</th> </tr> </thead> <tbody> <tr> <td>Campement Site Lease Rental</td> <td style="text-align: center;">31</td> <td style="text-align: center;">(19)</td> <td style="text-align: center;">0</td> <td style="text-align: center;">3</td> <td style="text-align: center;">30</td> </tr> <tr> <td>Campement Site Lease Premium</td> <td style="text-align: center;">44</td> <td style="text-align: center;">(7)</td> <td style="text-align: center;">0</td> <td></td> <td style="text-align: center;">40</td> </tr> <tr> <td>Other Land Leases</td> <td style="text-align: center;">585</td> <td style="text-align: center;">(69)</td> <td style="text-align: center;">(182)</td> <td style="text-align: center;">37</td> <td style="text-align: center;">571</td> </tr> <tr> <td>Ex-CHA</td> <td style="text-align: center;">14</td> <td style="text-align: center;">(2)</td> <td style="text-align: center;">0</td> <td style="text-align: center;">2</td> <td style="text-align: center;">14</td> </tr> <tr> <td>Sub Total</td> <td style="text-align: center;">674</td> <td style="text-align: center;">(97)</td> <td style="text-align: center;">(182)</td> <td style="text-align: center;">50</td> <td style="text-align: center;">655</td> </tr> <tr> <td>Interest</td> <td style="text-align: center;">122</td> <td style="text-align: center;">(15)</td> <td style="text-align: center;">(49)</td> <td style="text-align: center;">0</td> <td style="text-align: center;">98</td> </tr> <tr> <td>Total</td> <td style="text-align: center;">796</td> <td style="text-align: center;">(112)</td> <td style="text-align: center;">(231)</td> <td style="text-align: center;">50</td> <td style="text-align: center;">753</td> </tr> </tbody> </table>	Type of Lease	Arrears as of 30 June 2019 Rs m	Amount Collected Rs m	Amount Written off Rs m	Amount due in 2019-30 Rs m	Arrears as of June 2020 Rs m	Campement Site Lease Rental	31	(19)	0	3	30	Campement Site Lease Premium	44	(7)	0		40	Other Land Leases	585	(69)	(182)	37	571	Ex-CHA	14	(2)	0	2	14	Sub Total	674	(97)	(182)	50	655	Interest	122	(15)	(49)	0	98	Total	796	(112)	(231)	50	753	
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			their lease agreement, so that they give a fair picture of the amount owed by debtors.
4	<ul style="list-style-type: none"> ▪ During financial year 2019-20, Rs 231 million were written off. This amount consisted of: <ul style="list-style-type: none"> ➤ Some Rs 228 million which related to leases at Les Salines and Balaclava. 	These sites did not have vehicular access allowing construction works to start. In February 2019, following the regulations made under the State Lands Act, no rent was to be claimed from these lessees; and Government approved that a public company be exempted some Rs 3 million as rental being given that the lessee maintains both Dr. A. Ferrière and Sir William Newton underpasses at its own cost.	
5	<ul style="list-style-type: none"> ▪ Of the Rs 655 million due, excluding interest as at 30 June 2020, some Rs 487 million or 74 per cent, were due for more than one year. 		
6	<ul style="list-style-type: none"> ▪ Included in the Rs 98 million of interest due, some Rs 71 million or 72 per cent, were in respect of “Other Land Leases”. 		
22.3.1 Slow Recovery of Debts			
7	<p>Measures and enforcement mechanism put in place at the Ministry have still been proved to be inadequate and ineffective. For financial year 2019-20, debt recovery was still slow. As of 30 June 2019, some Rs 796 million were due, of which Rs 231 million were written-off and only Rs 112 million, that is about 20 per cent of the collectible amount were recovered during the financial year 2019-20.</p> <p>The Ministry’s role is limited to the issue of first and second reminders and repayment facilities.</p>		<p>At the level of the Finance Section several measures have been taken in an attempt to manage the debtors as efficiently as possible.</p> <p>A two-pronged approach is being adopted to reduce the Arrears of Revenue. It aims at (i) Preventing undue arrears (cases where lessees have only a Letter of Intent (LOI), but no lease agreement signed)</p>

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Sn	Issues	Comments of Ministry in the Report	Additional Information
			<p>Since November 2018, following Management's decision a lessee's account is opened in the system only when he/she has signified his/her acceptance to the letter of Intent.</p> <p>(ii) Attempting to recoup, as far as possible the maximum arrears of rental</p> <p>With a view to recouping the maximum amount of arrears the following measures have been put in place:</p> <p>(i) Issue of reminder to debtors (ii) Grant of payment Facilities (iii) Proper monitoring of returned Statement of claim (iv) Reconstitution of a debt recovery unit</p> <p>(iii) Issue of reminders to debtors. Debtors have been issued with reminders as follows: 2018/2019 1st Reminder- 148 2nd Reminder- 113 Amount recouped: Rs 31.67 M</p> <p>2019/2020 1st Reminder: 102 2nd Reminder :75 Amount recouped :Rs 20.15 M</p> <p>(ii) Grant of payment facilities - As at 30 June 2021, 22 lessees have been granted</p>

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Sn	Issues	Comments of Ministry in the Report	Additional Information
			<p>payment facilities for a total amount of Rs171.03 M. From this amount some Rs126 M has been been recouped.</p> <p>(iii)Proper monitoring of returned statements of claim/reminders. Returned Statement of Claims are referred to the Survey Division for investigation. Once the correct address is traced out, a fresh claim is forwarded to the lessee on the new address. From April 2019 to 30.06.2021, 441 cases of returned Statements of Claim have been noted, out of which the correct addresses have been traced out in some 160 cases.</p>

22.3.2 Insufficient Follow Up on Leases with LOI

9	The Ministry has still not developed a clear policy in respect of accounting for cases where there is no formal agreement.		
10	As from November 2018, cases of leases with letter of intent (LOI) were not being accounted for in the Revenue Module. For cases prior to November 2018, the State Informatics Ltd was requested to tag these cases with a notification so that they are not included in the list of debtors.	the exercise to tag LOI cases with a notification in the system has not been possible in the first instance since no such provision had been made in the actual system. The new digital service provider has been requested to cater for same in the new system so that all LOI's be tagged with a notification.	
11	In respect of lease of State Lands with LOI only, the Ministry has not been consistent in accounting of revenue and arrears thereof.	the arrears of rental computed as of 30 June 2020 include both lessees who have signed and those who have not signed their lease agreement. In fact, in the absence of appropriate information, excluding those who are occupying State	In cases where lease agreements have not been signed, but the lands are being occupied by the lessees, the latter have to pay a fee for use and occupation of the lands, which is often equivalent to the amount of rental. Hence it would be
12	<p style="text-align: center;">▪ <i>Rentals from LOI</i></p> <p>A scrutiny of some cases of lease with LOI revealed that the Ministry was still considering such cases as arrears. For</p>		

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	three cases, some Rs 80 million were included in the arrears figure.	Lands, despite not having signed a lease agreement may not reflect a true picture of actual arrears pertaining to lease rental.	practically not in order if these lessees are not reckoned as debtors. Also, in the absence of information as to whether a plot of land leased to a lessee is being occupied or not, excluding such lessee from the arrears list may cause the arrears amount to be wrongly undercast.
	<ul style="list-style-type: none"> ▪ <i>No Agreement and Yet Accounted as Revenue/Arrears</i> 		
13	A sample of cases, where the lease agreement was not signed, was taken from the Land Information Unit (LIU) records. It was observed that the Ministry was collecting rentals for these cases while in some cases, the rentals were accounted as arrears.		
14	<ul style="list-style-type: none"> ▪ <i>Leases Not Renewed</i> 		
	Rentals in respect of leases which had expired but were not renewed and for which lessees had not opted for the 60 years' lease were accounted in the arrears figure. For two cases, some Rs 16 million and Rs 1 million respectively were accounted as such.		
15	<ul style="list-style-type: none"> ▪ <i>Higher Rental Claimed</i> 		
	Some leases had expired. The lease agreement had not yet been signed though the 60 years' leases were opted. These cases were accounted as arrears at a higher rate. For a sample of four cases, the arrears amounted to some Rs 39 million.		
22.3.4 No Formal Process for Modification in the Revenue System			
16	There is no formal/documented policy for changes made in the revenue system.	Actually, any amendment made to a lessee's data has to be examined by the Principal Finance and Operation Officer. However, still there may be some shortcomings in the system. With the new software, different responsibilities will be assigned to officers at different level for proper internal control.	
22.4 Land Administration, Valuation and Information Management System(LAVIMS) - Revamping Not Yet Implemented and Valuation Roll Not Yet Completed			
1	The Ministry disbursed some US\$ 20 million, exclusive of maintenance costs, for the LAVIMS project. The LAVIMS consists of the three components, namely Deeds, Cadastre and Valuation. Except for the Deeds, the Cadastre and Valuation components were implemented by the Ministry.		
2	Regarding the Cadastre Component, at paragraph 20.4 and 20.5 of the Audit		On 12 October 2021 the bidding document has on been

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	<p>Report for financial year 2018-19, I reported, amongst others, that:</p> <p>(a) The Ministry was in process of revamping the Cadastre component and a decision was not finalized; and</p> <p>(b) There was inadequate control over the issue of Parcel Identification Number (PIN) and this might result in loss of revenue to the Government.</p>	<p>sent to the Central Procurement Board for vetting prior to launching of international tender.</p> <p>Bid is expected to be launched by end of November 2021.</p>
<p>3</p>	<p>As regards the Valuation component, at paragraph 4.7 of the Audit Report for financial year 2018-19, I reported, amongst others, that:</p> <p>(a) There was delay in the enhancement of valuation module;</p>	<p>Delay resulted due to confinement. The Project has been completed in July 2021.</p>
	<p>b) There was delay in the production of Valuation Roll (VR) for the Municipal Council of Quatre Bornes; and</p>	<p>The production of Valuation Roll now Cadastral Database for Municipal Council of Quatre Bornes has already started. A dedicated unit has been created and a monitoring committee has been set up to monitor closely the project.</p>
	<p>(c) The Property Valuation Bill was not finalised</p>	<p>Under process</p>
<p>22.4.1 Cadastre Component- Revamping Not Yet Implemented and Controls for Processing of PIN Not Improved</p>		
<p>4</p>	<p>Due to ageing hardware and application software, sub-optimal use and high maintenance cost, the Ministry decided to revamp LAVIMS in 2018 to come up with LAVIMS 2.0.</p> <ul style="list-style-type: none"> ▪ As of November 2020, the LAVIMS 2.0 project had not yet started; ▪ On 19 March 2019, the contract to develop a strategic plan for the revamping of the current LAVIMS was signed for some Rs 5.4 million (excluding VAT); and <p>In October 2019, the Consultant recommended that the Ministry replaces the existing system by implementing a Blockchain Based System. The project was to be implemented in phases. The cost and duration were also estimated. However, for financial year ended 30 June 2020, funds were not made available for the project.</p>	<p>Financial clearance for a Project Manager is being sought. While for the LAVIMS 2.0 project, documents are being finalised for launching of the tender.</p> <p>On 4th October 2019, the private firm submitted its final request for proposal and has recommended that the Ministry replaces the existing system by implementing a Blockchain Based System at an estimated total cost of Rs. 154,011,614 plus a contingency fee of 20 per cent. The project duration is estimated for a period of 30 months from the date of award of contract and would be implemented in three phases:</p> <p>Phase 1 Supply, Design, Installation, Testing, Training, commissioning and Maintenance of LAVIMS 2.0 – Core Modules (citizen module, notary module, cadastre viewer and editor, valuation module, surveyor module, query deeds module, case management module, Online payment module, admin and network</p>

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			<p>governance module), Blockchain layers and other business logic and data layer aspects) – starts day 1 to 22 Months.</p> <p>Phase 2 Supply, Design, Installation, Testing, Training, Commissioning and Maintenance of LAVIMS 2.0 – Supporting Modules (Accounts & reconciliation module, MIS reporting module) and NSDI – 22 to 29 months.</p> <p>Phase 3 - Implementation of mobile LAVIMS 2.0 and Implementation of CAMA – 29 months onwards.</p> <p>The bidding document prepared by the private firm is presently being converted to E- document for launching of international tender on E_procurement platform</p> <p>Bid is expected to be launched by end of November 2021.</p>
<i>PIN - Internal Controls for Processing Not Yet Improved</i>			
5	<p>Controls over the processing of PIN were still inadequate.</p> <ul style="list-style-type: none"> ▪ There was no segregation of duties in the process from identification of the surveyed plot in the Digital Cadastral Database (DCDB) to raising of payment vouchers; ▪ Changes on the DCDB were still not validated by a higher officer; and ▪ The DCDB was accessible to all stakeholders. 	<ul style="list-style-type: none"> ▪ Actions will be taken with the forthcoming of LAVIMS 2.0. 	<p>The loopholes identified will be taken up in the new LAVIMS 2.0 project.</p>
6	<p>For excision/subdivision and morcellement, PINs are generated for the whole plot of land. The PINs generated, irrespective of whether land transaction had been finalised or not, can be viewed by all stakeholders. Land transactions can still be effected on the PINs generated without any fee to the Ministry.</p>	<p>In the meantime, PIN documents are being checked on a sample basis by a higher Officer prior to their issue.</p>	
<i>22.4.2 Valuation Component - Valuation Roll (VR) Not Yet Completed</i>			

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7	<p>During financial year 2019-20, a review of the progress made in the implementation of the valuation component revealed the following:</p> <p>(a) The valuation module enhancement was not yet completed;</p> <p>(b) The production of VR for the Municipal Council of Quatre Bornes was still in progress; and</p> <p>(c) The Property Valuation Bill was not yet finalised.</p>	<p>The production of VR on a pilot basis for the Municipal Council of Quatre Bornes was still in progress.</p>	<p>Delay resulted due to confinement. The Project has been completed in July 2021.</p> <p>The production of Valuation Roll now Cadastral Database for Municipal Council of Quatre Bornes has already started. A dedicated unit has been created and a monitoring committee has been set up to monitor closely the project.</p>
<i>Valuation Module Enhancement Not Yet Completed</i>			
8.	<p>The valuation of properties was to be carried at the Valuation Department (VD) under LAVIMS through the VR. However, due to non fulfilment of the requirements and specifications of the VR under the previous contract, the project was closed in February 2019. Some US\$ 340,000 were retained from the total value of US\$ 2.9 million.</p>	<p>The property data provided under the previous contract on LAVIMS is already outdated and needs to be updated. As the current LAVIMS neither provides application which will enable the VD to carry out mass survey and mass valuation of properties for the production of an updated VR nor any application for updating the property data so as to keep the VR updated on LAVIMS, a new module with required specification for an enhanced version of current LAVIMS was procured.</p>	<p>The delay was due to confinement. The Project has been completed in July 2021.</p>
9.	<p>In order to address the above failure, VD decided to implement two projects, namely;</p> <ul style="list-style-type: none"> ▪ LAVIMS-Performance Issues and Database Optimisation; and ▪ LAVIMS-Valuation Module Enhancement 	<p>The new module will enable the VD to produce and maintain VR with updated property data and meet the prerequisite of Government.</p>	
10	<p>The contracts for the above two projects were signed on 6 December 2019 for US\$ 836,625 and US\$ 80,697 respectively. As of 30 June 2020, some US\$ 251,000 (Rs 10 million) and US\$ 73,000 (Rs 2.8 million) were already paid to the Contractor.</p> <ul style="list-style-type: none"> ▪ LAVIMS Performance Issues and Database Optimisation project was completed and signed off on 18 September 2020, or some six months after the scheduled date of completion. 		

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	<ul style="list-style-type: none"> ▪ As at end of November 2020, the Valuation Module Enhancement was not yet completed. It was at the User Acceptance Testing stage. The expected completion date was 3 November 2020. 	
<i>Delay in the Production of VR for the Municipal Council of Quatre Bornes</i>		
11	The production of VR on a pilot basis for the Municipal Council of Quatre Bornes was still in progress.	The production of Valuation Roll now Cadastral Database for Municipal Council of Quatre Bornes has already started. A dedicated unit has been created and a monitoring committee has been set up to monitor closely the project.
<i>Property Valuation Bill Not Yet Finalised</i>		
12	The Bill had not yet been finalised as of November 2020. It is to provide a legal framework for property valuation and maintaining the valuation component with a view to promoting transparency and good governance	The Property Valuation Bill will be reviewed and updated in due course. The Property Valuation Bill is under process
22.5 Valuation Lists - Updating Delays Resulting in Loss of Revenue to Government and Municipal Councils		
1	At paragraph 4.7.2 of the Audit Report for financial year 2018-19, I reported that with the coming into operation of the Local Government Regulations 2017, the valuation lists, maintained by VD, had to be amended for the purpose of levying general rate by the five City/Municipal Councils	The valuation lists are constantly being updated following assessment made and this work is ongoing
2	In May 2019, approval was given for the performance of duties to clear the 17,358 outstanding rating cases for the five City/Municipal Councils. The outstanding cases were to be completed over a period of six months.	As for the outstanding rating cases, VD cannot complete the work within the timeframe in view that relevant information is missing
3	As at November 2020, 9,186 cases were outstanding	The figures for November 2020 includes new cases which have been received after the rating overtime work had stopped
4	The VD had disbursed some Rs 7 million in terms of allowance and travelling to clear the outstanding cases	
5	Delay in assessment of properties represents loss of revenue to the City/Municipal Councils.	
22.6 State Land Register Software Solution – Not Yet Operational		
1	At paragraph 20.6 of the Audit Report for financial year 2018-19, I highlighted that the State Land Register Solution (SLRS) was not operational due to delays in the implementation process. The expected completion date of the project was October 2019. The SLRS is a vital tool which would enhance the	Once all amendment proposals would be addressed and data migration completed, the system would go live during financial year 2020-21 after a final User Acceptance Test. The Acquisition and the Registry Modules have been completed. While the Acquisition module is fully operational, training is still ongoing for the Registry file movement module which is being used by the whole

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	processing and monitoring of State Lands.	Ministry. The Finance module is being finalised and the whole system will be fully functional and operational by December 2021.
2	The contract for the delivery, installation and commissioning of the SLRS amounted to some Rs 7.8 million. As of November 2020, some Rs 3 million were already paid and the SLRS was still not operational. For some modules, data migration and training were not completed	
3	The objectives, that is, compilation of State Land data, production of an inventory of State Lands for better administration and management of State land had yet to be attained.	
22.7	State Land Leased to a Statutory Body - Lease Agreement Not Yet Renewed	

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1	<p>As reported at paragraph 20.8 of the Audit Report for financial year 2018-19, a statutory body held an industrial lease at Pas Geometriques Union Ribet at Calodyne of an extent of some 4.1 Arpent (17,341m²). The lease was for an initial period starting 14 December 1995 and expiring 30 June 2015. Upon expiry of the lease, the terms and conditions of the lease were not reviewed by the Ministry. As of November 2020, the Ministry had not yet renewed the lease agreement.</p>	<p>The lease had not been renewed yet as there was an issue of subletting of the premises that was being sorted out and also an issue of encroachment.</p> <p>Fresh planning views have been sought regarding the developments/occupation and purpose of lease to be granted.</p> <p>Upon favourable planning views, the case will be processed for the renewal of the lease for a period of ten years to be effective as from 1 July 2015 at a rental of Rs 1,631,000 per annum.</p> <p>The Statutory Body has informed this ministry that it has never sublet the State Land to Flic en Flac Management Services and or any other company. However, in 2002 the Statutory Body informed this Ministry that its Board had leased the complex to Flic en Flac Management Services which has been operating in the hospitality and Service Industry.</p> <p>The Lease has expired in June 2015 and the renewal of the lease will take effect in July 2015 and the rent will be claimed as from that date, as such Government will not incur any loss upon the renewal of the Lease to the Statutory Body.</p>
2	<p>The policy of the MOFEPD is to charge market rental in respect of lease of State Lands to parastatal bodies and Government owned companies. In April 2019, the Valuation Department assessed the annual rental of the initial extent of land leased (17,341m²) at some Rs 1.4 million.</p> <p>The lease was not renewed and the new rental was not charged by the Ministry.</p>	<p>The Valuation Department has assessed the annual rental for a further period of ten years as follows:</p> <ul style="list-style-type: none"> ➤ New extent: 18,509.86 m² (inclusive of encroachment over access road) ➤ Rental: Rs 1,631,000 per annum

PART III – FINANCIAL PERFORMANCE

3.1 Financial Highlights Analysis of revenue

Revenue collected by the Ministry of Housing and Land Use Planning is classified into three broad categories: -

- ▶ Property Income (includes Campement Site Leases & Other Land Leases)
- ▶ Sales of Goods and Services (Survey Fees, Morcellement Fees, Sales of Maps & Issue of Land Parcel Identification Number)
- ▶ Miscellaneous Revenues (Contribution in respect of Tourism Development Projects on State Lands.)

For comparative basis the Actual Revenue collected in fiscal year 2018/2019, the Estimated Revenue for fiscal year 2019/2020 and the Actual Revenue collected in fiscal year 2019/2020 has been used.

Revenue Category	2018-2019 Actual (Rs M)	2019-2020 Estimates (Rs M)	2019-2020 Actual (Rs M)
<i>Property Income</i>	1,182.377	1,245.000	973.980
<i>Sales of Goods and Services</i>	57.776	54.940	26.308
<i>Miscellaneous Revenues</i>	23.671	17.000	5.622
Total Revenue	1,263.824	1,316.94	1,005.910

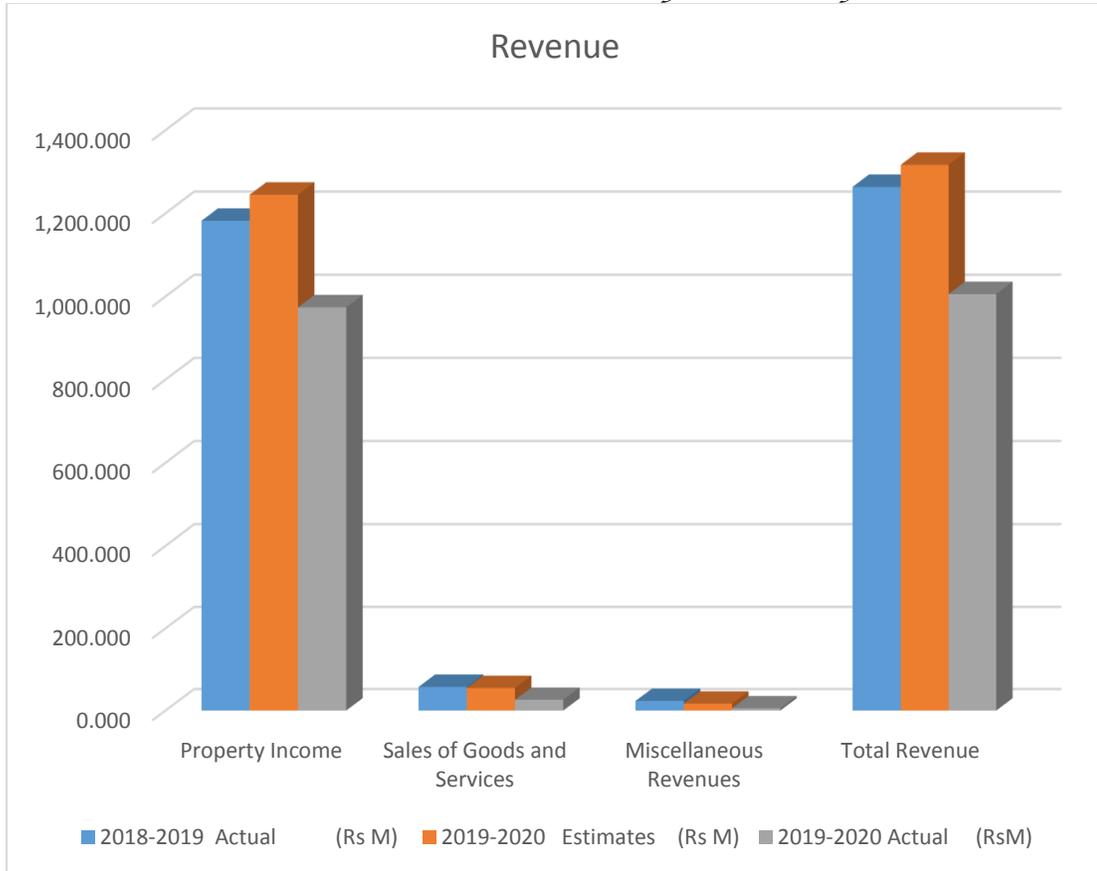


Fig. 1 shows a breakdown of revenue collected by the Ministry of Housing and Land Use Planning

The table below shows the total revenue collected for Fiscal Year 2019/2020

Revenue	2019/2020 Actual (Rs M)
<i>Property Income</i>	973.980
<i>Sales of Goods and Services</i>	26.308
<i>Miscellaneous Revenue</i>	5.622
<i>Total Revenue</i>	1,005.910

Fig 2 below provides an illustration of revenue collected in Fiscal year 2019/2020

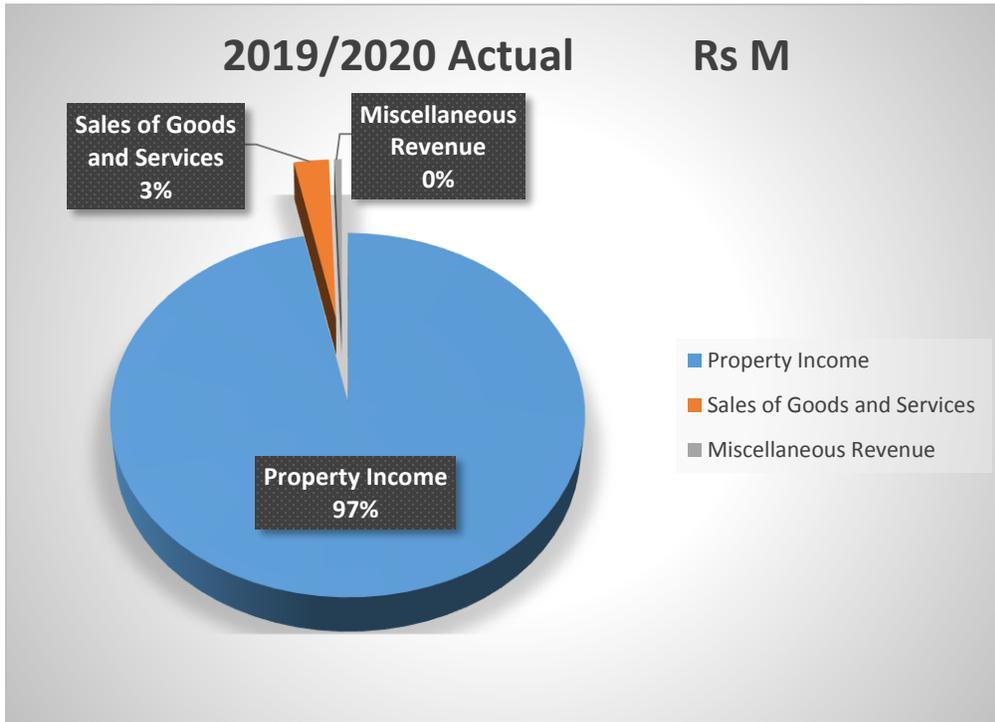


Fig 2

Sub Head **Property Income** amounting to Rs 973.980 M representing 96.820% of the total revenue comprises two main items :-

- (i) Campement Site Leases—Rs 260.24 M
- (ii) Other Land Leases –Rs 713.74 M

Statement of Expenditure

In the 2019/2020 Budget Estimates, the appropriation of funds by the National Assembly to the Ministry of Housing and Land Use Planning were made under the **Vote 21-1**.

The total provision allocated to this Ministry amounted to **Rs 2,445 M-** and was divided into the following Sub Head: -

- ▶ 21 -101: General – Rs 132.9M
- ▶ 21 -102: Social Housing Development -- Rs 1,446.4M
- ▶ 21-103: Land Management and Physical Planning – Rs 865.7M

At the end of the year under review, the total actual expenditure stood at **Rs 2,257.898-**

The table below shows the total actual Expenditure for Vote 21-1, classified by Economic Categories for the Fiscal Year ended 30 June 2020.

Economic Categories	2018/2019 Actual Expenditure Rs (M)	2019/2020 Actual Expenditure Rs (M)
Compensation of Employees	224.744	230.533
Goods and Services	85.338	98.509
Subsidies	40.919	40.919
Grants	10.334	8.841
Other Expense	1,022.00	999.377
Acquisition of Non-Financial Assets	894.216	879.719
TOTAL	2,277.551	2,257.898

Figure 3 below is a comparison of expenditure incurred by economic category between fiscal year 2018/2019 and 2019/2020.

Fig 3

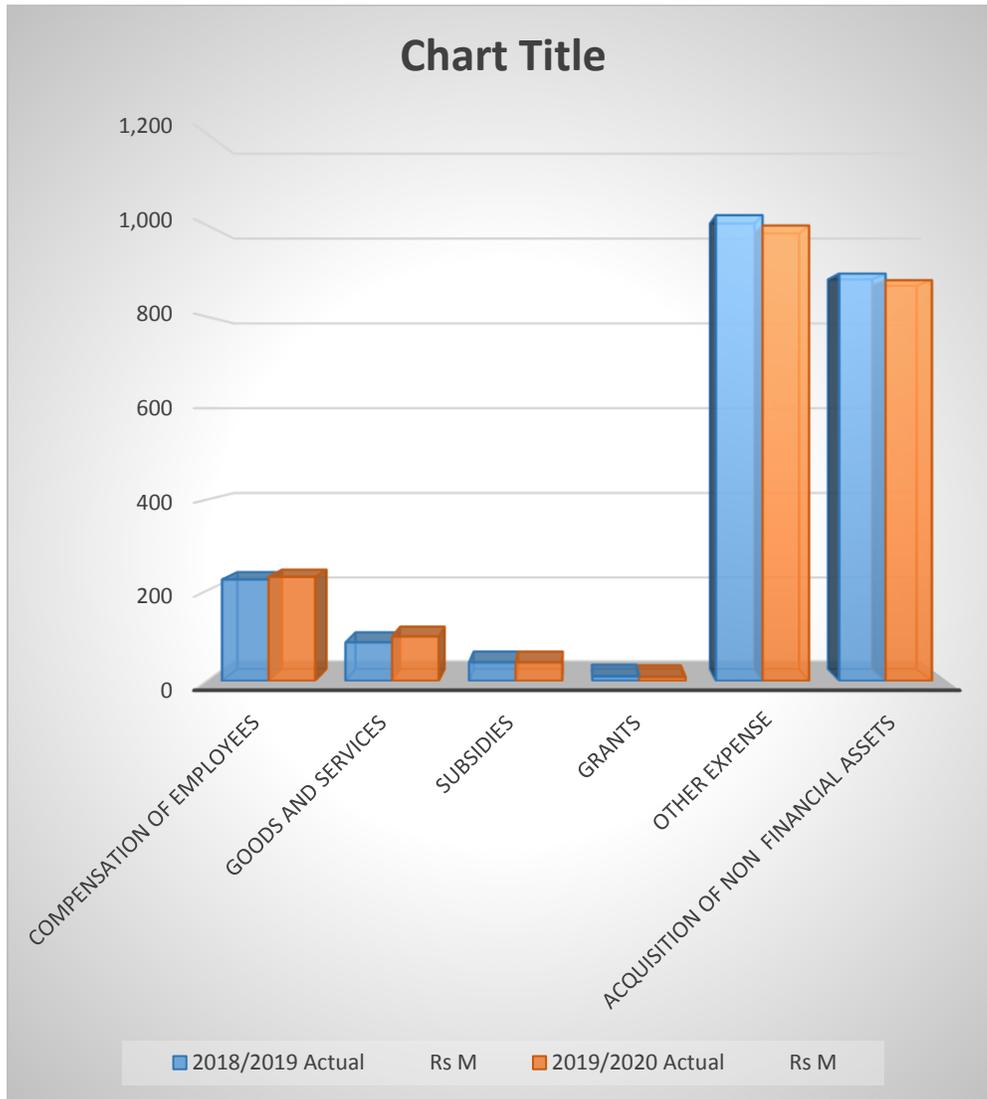


Figure 4 below is an illustration of expenditure by economic category incurred for the fiscal year ended 30 June 2020

Fig 4

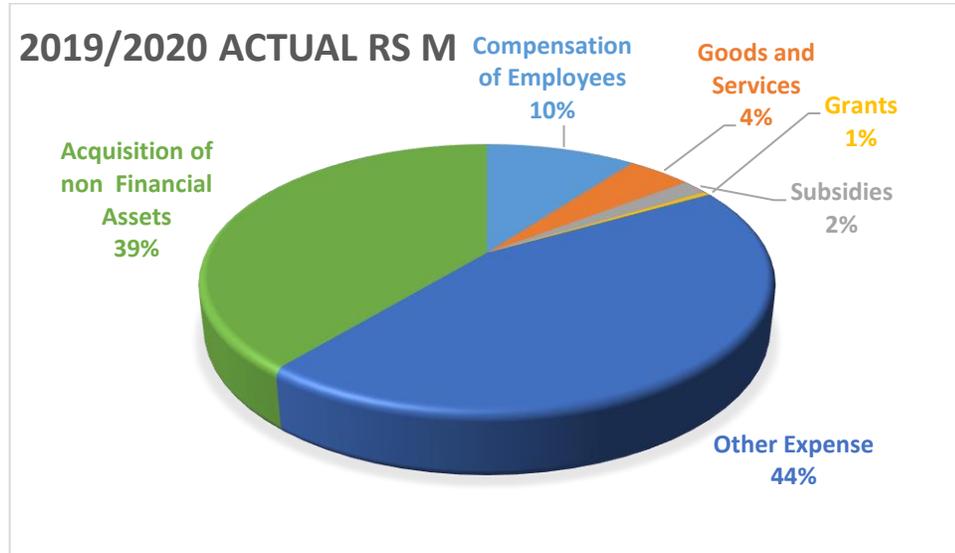


Figure 5 & 6 below provides a breakdown illustration of expenditure under Sub Head

“Other Expenses & Acquisition of Non-Financial Assets” respectively. **Fig 5**

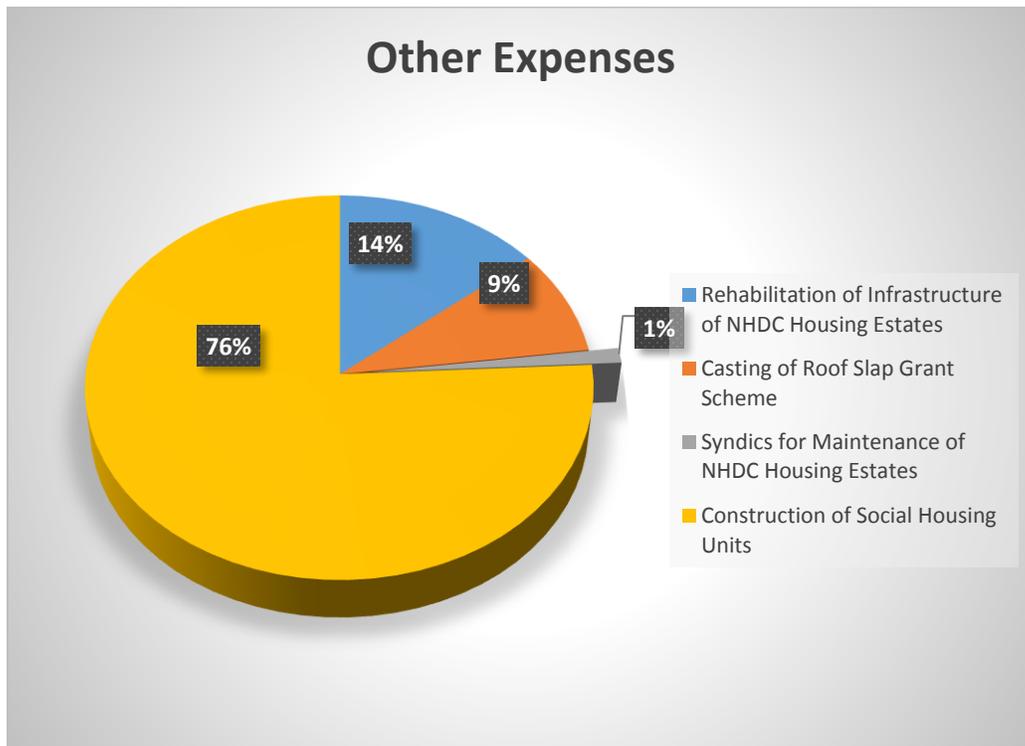


Fig 6

PART IV – WAY FORWARD

4.0 TRENDS AND CHALLENGES

4.1 Strengths

- Powers
- Technical expertise in land surveying, planning matters, cartography, hydrography, etc.
- Well-established organizational structure
- Income-generating

4.2 Weaknesses

- Lengthy procedures and paper-based processes
- Inappropriate decisions leading to payments of large amount of compensation
- Absence of policies that capture the design of housing for people with special needs

4.3 Opportunities

- Use of technology
- Setting of a State Land Register will speed up the processing time of files
- Setting up of a National Planning Commission to regulate land use planning

4.4 Threats

- Depletion of uncommitted State lands for use for development of housing projects
- Coastal erosion and decrease of State lands along PG which may affect financial revenue
- Climate change and sustainability issues

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