වාර්ෂික කාර්ය සාධන වාර්තාව

ஆண்டிற்கான செயற்திறன் அறிக்கை

ANNUAL PERFORMANCE REPORT

2023

ඉඩම් කොමසාරිස් ජනරාල් දෙපාර්තමේන්තුව

காணி ஆணையாளர் நாயகத்தின் திணைக்களம்

Land Commissioner General’s Department

CONTENT

Chapter 01

Institutional Profile

1.1 Introduction

Duties pertaining to the disposition of State Lands in terms of the provisions of Land Development Ordinance, State Lands Ordinance, Land Grants (Special Provisions) Act, State Lands (Recovery of Possession) Act including conducting Land Kachcheri for State Lands, disposition of lands to low income earners for residential and agricultural purposes, issuance of Permits, issuance of Grants, issuance of long term leases and Free Grants for institutions and higher income earners as well for agricultural and commercial purposes, are fulfilled under this Department.

1.2 Vision of the Department

"Creating a freehold land owning society whilst being the leading stakeholder in State Land management"

1.2.1 Mission of the Department

"Management of State Land at a well-coordinated level adhering to the National Policy and ensuring optimum utilization of State Land to gain sustainable development while confirming the freehold ownership of land."

1.2.2 Objectives and Strategies of Department

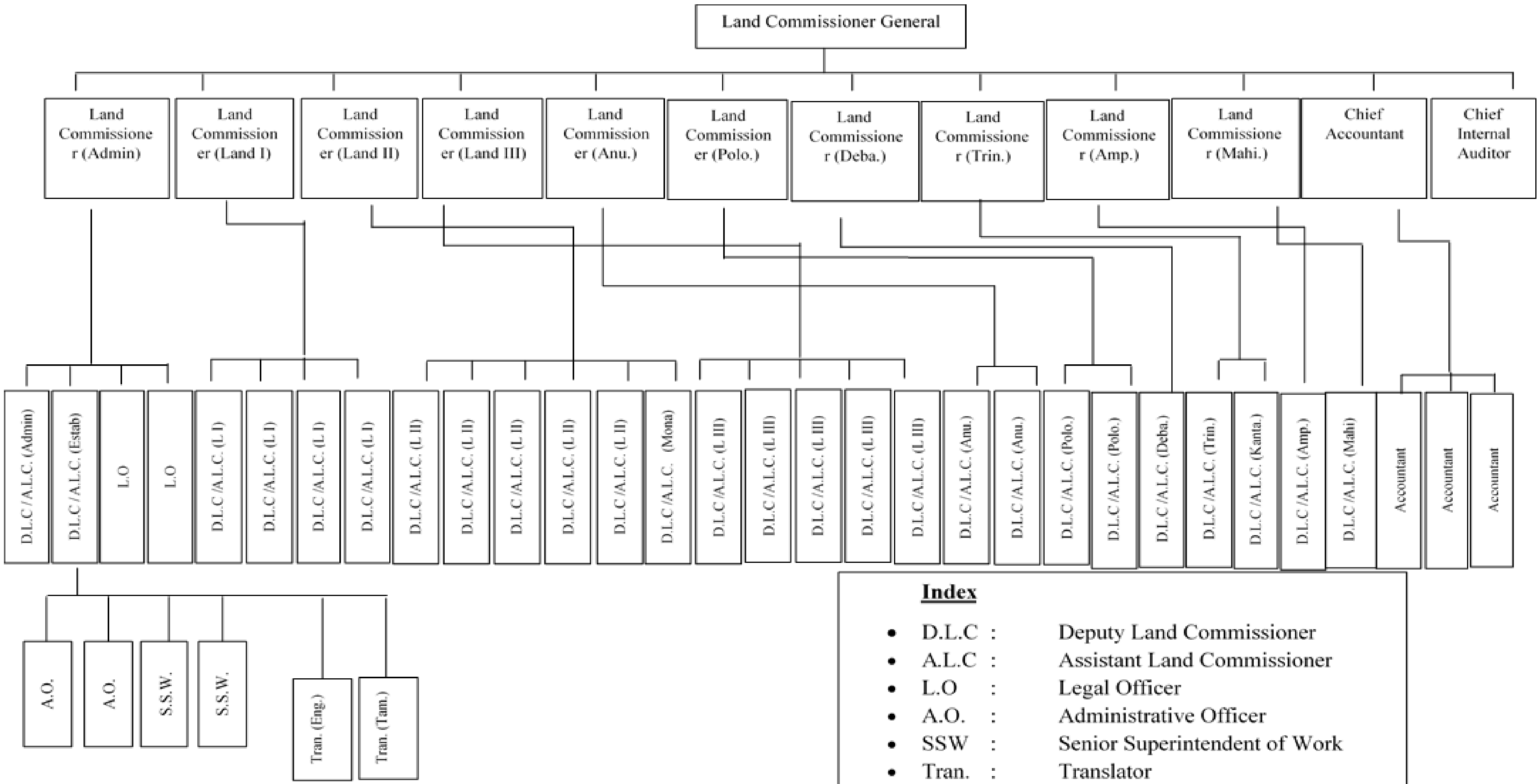
Objectives	Strategies
1. Ensure the land occupancy of the landless	i. Confirm the ownership of Lands ii. Management of information on State Lands
2. Expand investment opportunities	i. Utilization of State Lands to expand investment opportunities
3. Optimum usage of State Land	i. Development of State Lands in an optimum level ii. Ensure the protection of State Lands
4. Optimum management of resources belonging to the Department	i. Develop the human resource ii. Use physical resources productively iii. Proper management of financial resource
5. Contribute to the growth of state revenue	i. Identify and estimate land revenue ii. Collect land revenue regularly and efficiently iii. Take legal steps to recover outstanding revenue

1.3 Role of Land Commissioner General’s Department in Land Administration

The Land Commissioner General’s Department performs a special role in alienating State Lands being the pioneer in State Land management.

1. Management of inter provincial irrigation and land development projects
2. Distribute lands and issue Grants for lands distributed under the Land Development Ordinance
3. Distribute lands under the State Lands Ordinance by
    - Issuing long term lease permits for residential, agricultural, industrial and commercial purposes
    - Issuing Special and Free Grants
    - Issuing temporality deeds (Pooja Bhoomi deeds) for temples
    - Releasing, leasing and vesting lands required for Government Departments, Statutory Boards and Local Government Institutions
4. Distribute lands and issue Grants under the Land Grants (Special Provisions) Act
5. Protect State Lands and reservations under the State Lands (Recovery of Possession) Act
6. Provide necessary instructions and guidelines to Provincial Land Commissioners and Divisional Secretaries regarding the administration of State Lands outside inter provincial and land development projects
7. Manage information on State Lands
8. Manage the recovery of lease on State Lands in order to strengthen the state lease revenue
9. Develop the human resource
10. Settle land disputes

Land Commissioner General's Department - Organizational Chart



Index

- D.L.C : Deputy Land Commissioner
- A.L.C : Assistant Land Commissioner
- L.O : Legal Officer
- A.O. : Administrative Officer
- SSW : Senior Superintendent of Work
- Tran. : Translator

1.5 Regional Offices under the Department

Land related duties pertaining to this department are performed with 06 Land Commissioner’s offices and 02 Assistant Land Commissioner’s offices established under inter provincial irrigation schemes.

Details of the offices under the purview of Land Commissioner General’s Department are given below.

1. Land Commissioner (Inter Provincial) - Land Commissioner (Inter Provincial)’s Office - Anuradhapura
2. Land Commissioner (Inter Provincial) - Land Commissioner (Inter Provincial)’s Office - Polonnaruwa
3. Land Commissioner (Inter Provincial) - Land Commissioner (Inter Provincial)’s Office - Ampara
4. Land Commissioner (Inter Provincial) - Land Commissioner (Inter Provincial)’s Office - Trincomalee
5. Land Commissioner (Inter Provincial) - Land Commissioner (Inter Provincial)’s Office - Debaravewa
6. Land Commissioner (Inter Provincial) - Land Commissioner (Inter Provincial)’s Office - Mahiyanganaya
7. Assistant Land Commissioner (Inter Provincial) – Assistant Land Commissioner (Inter Provincial)’s Office - Kantale
8. Assistant Land Commissioner (Inter Provincial) – Assistant Land Commissioner (Inter Provincial)’s Office – Monaragala

1.5.1 Main Divisions of the Department

The land divisions of the Land Commissioner General's Department, which were Land I, Land II, and Land III, were restructured in August 2023. Accordingly, there are six divisions in the Head Office of the Land Commissioner General’s Department, namely Lease, Research and Development, Policy and Investigations, Administration Division, Accounts Division, and Internal Audit Division. The Land Commissioners serve as the heads of three land divisions and the administration division, with the Chief Accountant being the head of the Accounts Division and the Chief Internal Auditor being the head of the Internal Audit Division.

Chapter 02

Progress and the Future Outlook

2.1 Progress

No	Activities		Target	Total Progress	Total Progress (%)
1	**Under the Land Development Ordinance**				
i	Preparation of Permits (Inter Provincial)	Farmer Class	5500	3446	62.65
		Purchase price	500	143	28.60
	Preparation of Permits (Provincial Council)	Farmer Class	29700	30458	102.55
		Purchase price	4500	2528	56.18
ii	Preparation of Grants under the Land Development Ordinance		10500	7050	67.14
iii	Follow-up activities of Grants (nomination of successor, confirmation of original ownership, disposition of grants, mortgage, mitigation of conditions)		3000	3779	125.97
iv	Preparation of Middle Class Grants		120	86	71.67
2	**Under the State Lands Ordinance**				
i	Issue lands upon lease basis	Preparation of lease recommendations	5000	3472	69.44
		Preparation of lease bonds	500	420	84.00
ii	Preparation of Free Grants		800	765	95.63
iii	Release lands for government institutions	Vesting orders	450	471	104.67
		Release lands for departments	850	617	72.59
iv	Vesting lands to UDA / NHDA (Grants)		50	51	102.00
v	Preparation of Pooja Bhoomi Grants		50	64	128.00
vi	Preparation of Tsunami Grants		300	207	69.00
3	**Under Land Grants (Special Provisions) Act**				
i	Preparation of Instruments of Disposition		100	92	92.00
4	Conduct Mobile Service programs		40	49	122.50
5	Conduct Land Kachcheri		125	140	112.00
6	Enter data into State Lands Information Management system		70000	36044	51.49

2.2 Special Programs

2.2.1 Bimsaviya Program

Bimsaviya program could be introduced as the national program implemented in 65 Divisional Secretary's divisions in collaboration with the Ministry of Lands and the Land Title Settlement Department to grant title certificates for the lands.

Accordingly, by the end of the year 2023, it has been able to issue 667 permits and 1179 grants under cadastral maps for state lands. Further, 37 Land Kachcheris, 17 mobile services and 64 divisional day programs have been conducted and given advices for 1381 land issues.

2.2.2 Implementation of the State Land Information Management System (e-Slims)

State Land Information and Management System has been designed to make the State Land management more efficient by using information technology. The information on State Lands are entered into this system at Divisional Secretary's divisions' level enabling to proceed with the issuance of documents in land distribution and the process of revenue collection, the follow ups and monitoring of distributed lands. This system, which initially began with 40 Divisional Secretary's divisions in Western Province in 2013, could be effectively implemented in all 332 Divisional Secretary divisions island-wide by the end of 2022.

Year	2021	2022	2023
Entering information to the data system as per the land documents. (No of documents)	62,785	24,499	20,492
Entering field information with tracings to the data system. (No of allotments)	15,973	14,766	19,178
Issuance of new Grants	7,414	8,359	6,367
Number of Permits	484	517	722
Preparation of long term lease bonds	75	79	435

It was targeted to enter 70,000 land documents to the State Land Information Management System during the year 2023 and the Department could enter 20,492 documents. In addition, all the documents including grants, annual permits, and long term lease bonds were also printed in this year by using this system. Accordingly, it was possible to issue 6,367 Grants. Further, 21 training programs were conducted under the implementation of e-Slims and the total number of officers trained thereby is 2965.

Further Implementation of State Land Information Management System (e-Slims)

It is expected to implement this program in all the Divisional Secretary's divisions island wide.

Description	Target of the year 2024
Issuance of Permits	2,000
Issuance of Grants	40,000
Long term leases	1,000
Enter information on State Land allotments to the Data System	70,000

2.2.3. Program to gather information on State Lands

As this department is entrusted with the sole responsibility of state land management, it is accountable for releasing state lands required for economic development without a delay to the relevant parties and taking necessary measures to ensure the optimum utilization of underutilized state lands. Therefore, the proper identification of state lands and maintaining a database of state land information are useful when fulfilling the said responsibilities. In view of this, measures have been taken to implement a program to gather information on lands island wide. The said program which was supposed to start in October 2020 had to be postponed due to unavoidable reasons, but the program started in December 2020. Though it was expected to implement this program at Grama Niladhari divisional levels, it was disrupted by the situation prevailed in the country. Also, due to the unavailability of adequate provisions in the department, the implementation of this program has to be extended further.

2.3 Future Goals

2.3.1. Other goals to be achieved in the year 2024 are mentioned below.

No	Activities		Target
1	**Under the Land Development Ordinance**		
i	Preparation of Permits (Inter Provincial)	Farmer Class	6000
		Purchase price	600
	Preparation of Permits (Provincial Council)	Farmer Class	28000
		Purchase price	3600
ii	Preparation of Grants under the Land Development Ordinance		2000
iii	Follow-up actions of Grants (nominate the succession, certify the original ownership, disposition of grants, mortgage, mitigate conditions)		3000
iv	Preparation of Middle-Class Grants		100
2	**Under the State Lands Ordinance**		
i	Issue lands upon lease basis	Preparation of lease recommendations	3500
		Preparation of lease bonds	500
ii	Issue Grants with absolute ownership	Preparation of Grants	40000
iii	Preparation of free grants		1000
iii	Release lands for government institutions	Vesting orders	450
		Release lands for departments	750
iv	Vesting lands to UDA / NHDA		20
v	Preparation of Pooja Bhoomi Grants		50
vi	Preparation of Tsunami Grants		100
3	**Under the Land Grants (Special Provisions) Act**		
i	Preparation of Instruments of Disposition		50
4	**Conduct Land Kachcheri**		375
5	**Conduct Mobile Service programs**		200
6	**Advise and resolve land issues**		15000
7	**Enter data into State Lands Information Management system**	Provincial	50000
		Inter Provincial	20000

Signed illegibly.
Head of the Department
Name: K.D. Bandula Jayasinghe
Designation: Land Commissioner General
Date: 29.02.2024

Stamped:
K.D. Bandula Jayasinghe
Land Commissioner General
Land Commissioner General's Department
"Mihikatha Madura"
Land Secretariat,
1200/6, Rajamalwatta Road, Battaramulla.

Chapter 03
Overall Financial Performance for the Year

3.1 Statement of Financial Performance

ACA-F

Statement of Financial Performance

For the period ended 31st December 2023

Rs.

Budget 2023		Note	Actual 2023	Actual 2022	
-	**Revenue Receipts**				
-	Income Tax	1			ACA-1
-	Taxes on Domestic goods & services	2			ACA-1
-	Taxes on International trade	3			ACA-1
100,000,000	Non Tax Revenue & Other	4	150,083,569	113,025,610	
100,000,000	**Total Revenue Receipts (A)**		**150,083,569**	**113,025,610**	
-	**Non Revenue Receipts**		**-**	-	
-	Treasury Imprests		292,282,000	311,858,000	**ACA-3**
-	Deposits		2,478,293	1,202,688	**ACA-4**
20,000,000	Advance Accounts		28,987,712	27,470,586	**ACA-5/5(A)/5(B)**
-	Other Receipts				
	Total Non Revenue				

20,000,000	**Receipts (B)**		**323,748,005**	**340,531,274**	
120,000,000	**Total Revenue Receipts & Non Revenue Receipts C = (A)+(B)**		**473,831,574**	**453,556,884**	
-	**Remittances to the Treasury (D)**		41,234,321	5,206,365	
120,000,000	**Net Revenue Receipts & Non Revenue Receipts E = (C)-(D)**		**432,59,253**	**448,350,519**	
	Less : Expenditure				
	Recurrent Expenditure				
453,136,750	Wages, Salaries & Other Employment Benefits	**5**	409,425,179	386,441,762	
124,013,250	Other Goods & Services	**6**	106,949,408	79,184,118	**ACA-2(ii)**
1,750,000	Subsidies, Grants & Transfers	**7**	1,687,943	1,569,176	
-	Interest Payments	**8**	-	-	
900,000	Other Recurrent Expenditure	**9**	779,276	417,308	
579,800,000	**Total Recurrent Expenditure (D)**		**518,841,806**	**467,612,364**	
	Capital Expenditure				
20,000,000	Rehabilitation & Improvement of Capital Assets	**10**	19,599,023	9,269,321	
51,500,000	Acquisition of Capital Assets	**11**	23,366,348	11,616,711	

-	Capital Transfers	**12**	**-**	**-**	**ACA-2(ii)**
-	Acquisition of Capital Assets	**13**	**-**	**-**	
500,000	Capacity Building	**14**	237,665	699,472	
-	Other Capital Expenditure	**15**	**-**	**-**	
72,000,000	**Total Capital Expenditure (E)**		**43,203,036**	**21,585,504**	
	Deposit Payments		4,701,310	16,837,217	**ACA-4**
	Advance Payments		27,739,319	18,387,160	**ACA-5**
-	Other Main Ledger Expenditure		**-**	**-**	
-	**Main Ledger Expenditure (F)**		**32,440,629**	**35,224,377**	
	Total Expenditure G= (D+E+F(		594,485,471	524,422,245	
	Balance as at 31st December J = (E-I(		**(161,888,218)**	**(76,071,726)**	
	Balance as per the Imprest Reconciliation Statement		**(161,888,218)**	**(76,071,726)**	ACA-7
	Imprest Balance as at 31st December		**-**	**-**	ACA-3

3.2 Statement of Financial Position

ACA-P

Statement of Financial Position

As at 31st December 2023

	Note		Actual 2023 Rs.	2022 Rs.
	-	-		
Non-Financial Assets				
Property, Plant & Equipment	ACA-6		2,013,037,941	1,963,437,840
Financial Assets				
Advance Accounts	ACA5/5(A)		56,744,489	57,992,882
Cash & Cash Equivalents	ACA-3			
Total Assets			**2,069,782,430**	**2,021,430,722**
Net Assets / Equity				
Net Assets to Treasury			(5,807,103)	(4,832,479)
Property, Plant & Equipment Reserve			2,013,037,941	1,963,437,840

Rent & Work Advance Reserve	ACA-5(B)		
Current Liabilities			
Deposits Accounts	ACA-4	50,937,386	53,160,403
Imprest Balance	ACA-3		
Total Liabilities		**2,069,782,430**	**2,021,430,722**

Detail Accounting Statements in ACA format Nos. 1 to 7 presented in pages from 1 to 31 and Notes to accounts presented in pages from 32 to 41 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.

Signed illegibly.	Signed illegibly.	Signed illegibly.
Chief Accounting Officer	Accounting Officer	Chief Accountant
H.M.B.P. Herath	K.D.Bandula Jayasinghe	E.D. Kumudu
Secretary, Ministry of Tourism and Lands	Land Commissioner General	29.02.2024
01.03.2024	29.02.2024	

Stamped:
H.M.B.P. Herath
Secretary
Ministry of Tourism and Lands
"Mihikatha Madura"
Land Secretariat,
1200/6, Rajamalwatta Road, Battaramulla.

Stamped:
K.D. Bandula Jayasinghe
Land Commissioner General
Land Commissioner General's Department
"Mihikatha Madura"
Land Secretariat,
1200/6, Rajamalwatta Road, Battaramulla.

Stamped:
E.D. Kumudu
Chief Accountant
Land Commissioner General's Department
"Mihikatha Madura"
No.1200/6, Rajamalwatta Road, Battaramulla.

3.3 Statement of Cash Flows

Statement of Cash Flows

For the Period ended 31st December 2023

ACA-C

	Actual	
	2023	**2022**
	Rs.	**Rs.**
<u>Cash Flow from Operating Activities</u>		
Total Tax Receipts	76,498,191	17,768,101
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	-	-
Revenue Collected for Other Heads	12,984,666	14,564,594
Impresst Received	292,282,000	311,858,000
Advance Recovered	19,241,681	16,028,887
Deposits Received	2,478,293	1,202,688
Total Cash generated from Operations (a)	**403,484,831**	**361,422,270**
<u>Less : Cash disbursed for:</u>		
Personal Emoluments & Operating Payments	293,077,300	267,783,917
Subsidies & Transfer Payments	1,107,001	1,051,550
Expenditure on Other Heads	6,720,836	40,876,114
Imprest Settlement to Treasury	41,234,321	5,206,365

Advance Payments	17,952,130	10,262,713
Deposit Payments	4,701,310	16,837,217
Total cash disbursed for Operations (b)	**364,792,898**	**342,017,876**
NET CASH FLOW FROM OPERATING ACTIVITIES (C)=(a)-(b)	**38,691,933**	**19,404,394**
<u>**Cash Flows from Investing Activities**</u>		
Interest	-	-
Dividends	-	-
Divestiture Proceeds & Sale of Physical Assets	-	-
Recoveries from on lending	-	-
Total Cash generated from Investing Activities (d)	**-**	**-**
<u>**Less : Cash disbursed for**</u>		
Purchase or Construction of Physical Assets & Acquisition of other Investments	38,691,933	19,404,394
Total Cash disbursed for Investing Activities (e)	**38,691,933**	**19,404,394**
NET CASH FLOWS FROM INVESTING ACTIVITIES (F)=(d)-(e)	**(38,691,933)**	**(19,404,394)**
NET CASH FLOWS FROM OPERATING & INVESTING ACTIVITIES (g)=(c) + (f)	**0.00**	**0.00**

Cash Flows from Financing Activities		
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	-	-
Total Cash generated from Financing Activities (h)	-	-
Less: Cash disbursed for:		
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	-	-
Total cash disbursed for Financing Activities (i)	-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES (J)=(h)-(i)	-	-
Net Movement in Cash (k) = (g) +(j)	-	-
Opening Cash Balance as at 01st January	-	-
Closing Cash Balance as at 31st December	-	-

3.4 Performance of the Revenue Collection

Rs. ,000

Revenue Code	Description of the Revenue Code	Revenue Estimate		Revenue collected	
		Original	Final	Amount (Rs.)	as a % of Final Revenue Estimate
2003.01.03	Lands and other lease rentals	Rs. 100 million	Rs. 100 million	Rs. 150.4 million	150.4

3.5 Performance of the Utilization of Allocated Provisions

Rs. ,000

Type of Provision	Allocated provision		Actual Expenditure	Utilized provisions as a % of final provision
	Original	Final		
Recurrent	578,000,000.00	579,800,000.00	518,841,806.00	89.48
Capital	72,000,000.00	72,000,000.00	43,203,036.00	60.00

3.6 In terms of F.R.208 provisions granted to this Department / District Secretariat / Provincial Council as an agent of the other Ministries/ Departments

Rs. ,000

Serial No.	Ministry /Department/ District Secretariat from where the provisions received	Purpose of the provision	Provision	Actual Expenditure	Utilized provisions as a % of final provision
1	Ministry of Lands	Fire Fighting service	61,325	61,325	100
		Elevator	178,966.66	178,966.66	100
		Fuel for the generator	43,866	43,866	100
		Generator first service	113,390		
		PABX internal telephone system	277,916.66	277,916.66	100
		Bimsaviya	1,500,000	245,843	16.39
		Central A/C system service	557,425.86	557,425.86	100
		Service the generator with cooler	142,906.66	142,906.66	100
2	Land Title Settlement Department	Central A/C system service	557,425.86	557,425.86	99.97
		Internal telephone system	277,916.66	277,916.66	
		Elevator	178,966.66	178,966.66	
		Fire fighting service	61,325.00	61,325.00	
		Generator service	142,906.66	142,906.66	
		Fuel	136,266	136,266	

3	Settlement of Pension Loan Balance	Settlement of outstanding balance due from retired officers from pension gratuity	2,438,410.73	2,438,410.73	100
4	Department of Multipurpose Development Task Force	Payment of multipurpose allowance	1,419,677.42	1,419,677.42	100

3.7 Performance of the Reporting of Non-Financial Assets

Rs. ,000

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2022	Balance as per financial Position Report as at 31.12.2023	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	301,027	314,054		
9152	Machinery and Equipment	209,047	209,047		
9153	Land	760,902	761,911		
9154	Intangible Assets	-	-		
9155	Biological Assets	-	-		
9160	Work in Progress	-	26,111		
9180	Lease Assets	-	-		

3.8 Report of the Auditor General

The Report of the Auditor General (attached herewith as Annexure I) will be included when submitting to the Parliament.

Chapter 04
Performance Indicators

4.1 Performance indicators of the Institute (Based on the Action Plan)

Specific Indicators	Actual output as a percentage (%) of the expected output		
	100%- 90%	75%-89%	50%- 74%
Preparation of 40,200 Permits under the Land Development Ordinance	90.98%		
Preparation of 10,500 Grants under the Land Development Ordinance			67.14%
Issuance of 5,000 land lease recommendations under the State Lands Ordinance			69.44%
Issuance of 500 lease bonds under the State Lands Ordinance		84%	
Issuance of 800 Free Grants	95.63%		
Release 850 allotments of land for departments			72.59%
Vesting 50 allotments of land to UDA / NHDA	102%		
Issuance of 300 Tsunami Grants			69%
Issuance of 50 Pooja Bhoomi deeds	128%		
Preparation of 100 instruments of disposition	92%		
Conduct 49 mobile service programs	122.5%		
Conduct 140 Kachcheri	112%		
Enter 36044 data into State Land Information Management System			51.49%

Chapter 05

Performance of the achieving Sustainable Development Goals (SDG)

5.1 Identified respective Sustainable Development Goals

Goal	Targets	Indicators of the achievement	Progress of the Achievement to date		
			0%-49%	50%-74%	75%- 100%
(Sustainable Development Goal 1.4) Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance by 2030	Preparation of Permits under the Land Development Ordinance	Preparation of 40,200 Permits			90.98%
	Preparation of Grants under the Land Development Ordinance	Preparation of 10,500 Grants		67.14%	

5.2 The progress and challenges of achieving Sustainable Development Goals

The target of preparing permits under the Land Development Ordinance in the year 2023 was 40,200 and its progress was 36,575. The target of preparing grants under the Land Development Ordinance in the year 2022 was 10,500 and its progress was 7,050. At the same time, the target of preparing permits through eSlims was 70,000 and target of preparing grants through eSlims was 14,000 and their progress was 36,044 and 6,367 respectively.

Due to the limited provisions and the strict adherence to the circulars regulating public expenditure management, it was very challenging to meet the target of 2023.

Chapter 06

Human Resource Profile

6.1 Cadre Management

	Approved Cadre	Existing Cadre	On Contract Basis	Vacancies
Senior	95	37	-	58
Tertiary	38	4	-	34
Secondary	660	517	-	143
Primary	140	95	-	45

- The senior level includes the posts of Land Commissioner General, Land Commissioner, Chief Accountant, Chief Internal Auditor, Assistant Land Commissioner, Accountant, Surveyor, and Legal Officer.
- The tertiary level includes the posts of Administrative Officer, Colonization Officer (special), and Senior Superintendent of Surveys, Translator and Information Communication Technology Officer.
- The secondary level includes the posts of Development Officer, Superintendent of Surveys, Colonization Officer, Management Services Officers, Field Instructor, Information Communication Technology Assistant and Record Keeper.
- Primary level includes the posts of Driver, Motor Mechanic, Office Assistant (KKS), Office Laborer, Circuit Bungalow Keeper, Circuit Bungalow Laborer, Survey Assistant, Store Keeper and Watchman.

6.2 How the lack of human resources affected to the performance of the institute

Even though the requests have been made continuously to the Ministry of Public Administration to fill the vacancies in the Combined Service, it was not possible to fill all of them. There are considerable numbers of vacancies in the departmental posts as well. The main reason for this is the number of vacancies in the post of Colonization Officer. Accordingly, since 70% of the vacancies in the post of Colonization Officer are to be filled on an open basis, the request was submitted to the Cabinet Subcommittee to fill those vacancies, but it has not been approved, and therefore it has not been possible to fill those vacancies.

Due to the lack of human resources, the duties pertaining to the department are currently shared by the existing number of officers in the department and it has an impact on the efficiency and the productivity of the officers. If this shortage was lessened, the overall performance of the department would be increased.

6.3 Human Resource Development

Serial No.	Name of the Program	No. of staff trained	Duration of the Program	Total Investment (Rs)		Objective of the Program
				Local	Foreign	
1	Post Graduate course for the staff officers	01	01 year	110,000	-	To be qualified for the promotion of the officers in terms of the service minute,
2	Procurement course	01	01 year	60,000	-	To educate the public officers regarding the subject of procurement.
Total				**170,000**		

- In respect of the restructuring process of the department, a training program was conducted on 29.03.2023 for 145 officers of the department with the sponsorship of Rs.85,000 from Afriely Youth Network.
- In response to the significant number of violations of traffic laws at present, an awareness programme was held on August 10, 2023, with the resource contribution of the Ministry of Tourism and Lands. 10 drivers from this department took part in it.

Chapter 07
Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/Not Complied)	Brief explanation for Compliance	Corrective actions proposed to avoid non-compliance in future
01	**The following Financial statements/accounts have been submitted to the due date**			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)			
1.4	Stores Advance Accounts			
1.5	Special Advance Accounts	Complied		
1.6	Other			
02	**Maintenance of books and registers (F.R. 445)**			
2.1	Fixed assets register has been maintained and updated in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		
2.4	Register of Internal Audit reports has been maintained and update	Complied		
2.5	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Complied		
2.6	Register for cheques and money orders has been maintained and update	Complied		
2.7	Inventory register has been maintained and update	Complied		

2.8	Stocks Register has been maintained and update	Complied		
2.9	Register of Losses has been maintained and update			
2.10	Register of Liabilities has been maintained and update	Complied		
2.11	Register of Counterfoil Books (GA - N20) has been maintained and update			
03	**Delegation of functions for financial control (F.R. 135)**	Complied		
3.1	The financial authority has been delegated within the institute	Complied		
3.2	The delegation of financial authority has been communicated within the institute	Complied		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers			
3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
04	**Preparation of Annual Plans**			
4.1	The annual action plan has been prepared			
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual Internal Audit plan has been prepared	Complied		
4.4	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.5	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
05	**Audit queries**			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
06	**Internal Audit**	Complied		

6.1	The internal audit plan has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)DMA/1-2019			
6.2	All the internal audit reports has been replied within one month	Complied		
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(4) of the National Audit Act No. 19 of 2018			
6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3)			
7	**Audit and Management Committee**			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the DMA Circular 1-2019	Complied		
8	**Asset Management**			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		
8.4	The excesses and deficits that were disclosed through the board of	Complied		

	survey and other relating recommendations, actions were carried out during the period specified in the circular			
8.5	The disposal of condemn articles had been carried out in terms of F.R. 772	Complied		
9	**Vehicle Management**			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Not complied	Measures have been taken to assess the valuation for the disposal of vehicles Nos. KH 5690 and KH 5694.	
9.3	The vehicle logbooks had been maintained and updated	Complied		
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied		
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		
10	**Management of Bank Accounts**			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Complied		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Complied		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed	Complied		

	through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month			
11	**Utilization of Provisions**			
11.1	The provisions allocated had been spent without exceeding the limit	Complied		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Complied		
12	**Advances to Public Officers Account**			
12.1	The limits had been complied with	Complied		
12.2	A time analysis had been carried out on the loans in arrears	Complied		
12.3	The loan balances in arrears for over one year had been settled		Not complied	1. Recovered in installments. 2. Recovery is in progress
13	**General Deposit Account**	Complied		
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits			Instructions were given to take measures as per F.R. 571
13.2	The control register for general deposits had been updated and maintained	Complied		
14	**Imprest Account**			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Complied		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task		Not complied	Instructions were given to settle immediately after the completion of task
14.3	The ad-hoc sub imprests had not been issued exceeding the limit approved as per F.R. 371	Complied		
14.4	The balance of the imprest account	Complied		

	had been reconciled with the Treasury books monthly			
15	**Revenue Account**			
15.1	The refunds from the revenue had been made in terms of the regulations	Complied		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Complied		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Complied		
16	**Human Resource Management**			
16.1	The staff had been paid within the approved cadre	Complied		
16.2	All members of the staff have been issued a duty list in writing	Complied		
16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied		
17	**Provision of information to the public**			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied		
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied		
17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied		
18	**Implementing citizens charter**			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management			

18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Not Complied		Preparation is underway
19	**Preparation of the Human Resource Plan**			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Complied		
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan	Not complied	Included in the Human Resource Plan. Opportunities for trainings were limited with the circulars issued in this year to control expenditures.	
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular	Complied		
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular	Complied		
20	**Responses to Audit Paragraphs**			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Complied		

Accounting Officer

Land Commissioner General's Department

Head 286 - Summary Report of the Auditor General on the Financial Statements of the Land Commissioner General's Department for the year ended 31 December 2023 in terms of Section 11(1) of the National Audit Act, No. 19 of 2018

---

1. Financial Statement

1.1. Qualified Opinion

Head 286 - The audit of the financial statements of the Land Commissioner General's Department for the year ended 31 December 2023 comprising the statement of financial position as at 31 December 2023 and the statement of financial performance and cash flow statement for the year then ended, was carried out under my direction in pursuance of provisions in Article 154(1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of the National Audit Act No. 19 of 2018. My comments and observations which I consider on the Financial Statements of the Land Commissioner General's Department in terms of Section 11(I) of the National Audit Act, No. 19 of 2018 appear in this report. The audit report forwarded in pursuance of provisions in Article 154(6) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with provisions of Section 10 of the National Audit Act No. 19 of 2018 will be tabled in parliament in due course.

In my opinion, except for the effects of the matters described in paragraph 1.6 of this report, the accompanying financial statements give a true and fair view of the financial position of the Land Commissioner General's Department as at 31 December 2023 and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles.

1.2. Basis for Qualified Opinion

My qualified opinion is based on the effects of the matters described in paragraph 1.6 of this report. I conducted my audit in accordance with Sri Lanka Auditing Standards (SLAuSs). My responsibilities, under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial*

Statements section of my report. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

1.3 Responsibilities of the Chief Accounting Officer and the Accounting Officer for the Financial Statements

Accounting Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with Generally Accepted Accounting Principles and provisions in Section 38 of the National Audit Act, No.19 of 2018 and for such internal control as Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

As per Sub-section 16(1) of the National Audit Act, No. 19 of 2018, the Department is required to maintain proper books and records of all its income, expenditure, assets and liabilities, to enable annual and periodic financial statements to be prepared.

As per Sub-section 38 (1) (c) of the National Audit Act, the Accounting Officer shall ensure that effective internal control system for the financial control of the Department exists and carry out periodic reviews to monitor the effectiveness of such systems and accordingly make any altercations as required for such systems to be effectively carried out.

1.4 Auditor's Responsibilities for the Audit of the Financial Statements

My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue the summary report of the Auditor General that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sri Lanka Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Sri Lanka Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Accounting Officer regarding, among other matters, significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

1.5 Report on Other Legal Requirements

I express the following matters in accordance with Section 6 (1) (d) of the National Audit Act, No. 19 of 2018.

(a) The financial statements were consistent with the preceding year.

(b) My recommendations on the financial statements for the preceding year had been executed.

1.6 Comments on Financial Statements

1.6.1 Non-Financial Assets

(a) The total expenditure incurred for the acquisition of capital assets under Subject 286-2-1-0-2105 for the land and improvement of land was Rs. 1,129,353, but as its capitalized value was Rs. 517,005, the sum of Rs. 612,348 had not been capitalized.

(b) The purchase of four asset items for the Inter Provincial Land Commissioner's Office in Anuradhapura for the value of Rs. 52,100 had not been accounted under non-financial assets of the year under review.

(c) A sum of Rs. 36.4 million has been paid to the Department of Buildings from time to time for the construction of the quarters of the Land Commissioner General that commenced in 2016 and completed in 2020. Even by 31 December 2023, the amount paid for construction had not been assessed or accounted for as non-financial assets. The land of the quarters, which was handed over to the department on 06 December 2022, by the Divisional Secretary of Kaduwela, had been referred to the Valuation Department after one year, i.e. 02 January 2024, but the land had not been assessed even by the auditing date of 30 April 2024.

1.6.2. Non availability of evidence for Audit

In the year 2016, 561 TAB computers had been issued by marking in the inventory to the Divisional Secretariats, Inter Provincial Land Commissioners' Offices and Provincial Land Commissioners' Offices where the e-Slims program is being implemented. As per the sample audit inspection, a sum of Rs. 468,589 had been paid to the Mobitel Company in June 2023 for the SIMs used in 317 of these tab computers, but no information about the SIM users or the users of the remaining 244 TAB computers was submitted to the audit.

1.6.3. Non-Maintenance of Registers and Books

In terms of the Financial Regulation 891, a security register containing information about the officials who are administratively responsible for receiving or being in charge of government money, revenue, stamps or belongings or disbursing government money or issuing belongings was not prepared and maintained.

2. Financial Review

2.1 Management of Revenue

----

a) In terms of Financial Regulation 460, errors in accounts may be rectified by adjustment, which should be made as soon as they are detected, and before the closing of the Treasury Books for the financial year in which the errors occurred. Due to the errors not so rectified, the accounts for that year will give a wrong attribution. As an amount of Rs. 2,002,427, which should have been credited to the Provincial Council revenue, was mistakenly included in the land and other lease revenue of the department which was stated as Rs. 150,083,569 in the financial statements of the year under review, it is observed that the actual income of the department was overstated.

b) Land and other lease in arrears of the year under review were Rs. 101,227,690 and it was inclusive of Rs. 47,459,534 of lease in arrears for more than 03 years (47%).

2.2 Management of Expenditure

----

a) A provision of Rs. 100,000 allocated under the subject 286-2-1-0-1701in 2023 for losses and waivers was remaining in full.

b) Unutilized provision in respect of two subjects of capital expenditure was Rs. 28,133,652. It was an amount between 25% - 56% of the provision granted.

2.3 Liabilities and Incurring of Commitments

Despite the fact that actual cost of the electricity bill of the head office for December 2023 was Rs. 2,899,205, only a sum of Rs. 1,156,000 had been stated as liabilities in financial statements. Accordingly, an amount of Rs. 1,743,205 and a liability of Rs. 74,064 which had been expensed from the provisions of 2024 were not stated in the financial statements. As a result, the liability of Rs.1, 817,269 was understated in the financial statements.

2.4 Non-Compliance with Laws, Rules and Regulations

The cases where the provisions of the laws, rules, and regulations were not complied with are as follows.

	Ref. to the laws, rules, and regulations	Non-Compliance
a)	**Establishments Code of the Democratic Socialist Republic of Sri Lanka**	
	(i) Section 4.2.5 of Chapter XXIV	Such outstanding balances on loans remaining unsettled should be recovered from the commuted pensions or gratuity of the officer. The loan balance outstanding recoverable from 02 officers retired by 31 December 2023 was Rs. 186,440.
	(ii) Section 4.5 and 4.6 of Chapter XXIV	(i) The loan outstanding for 01-03 years of an officer who had vacated his post was Rs. 181,354 and he has agreed to

pay the dues in installments of Rs. 3000 from October 2023 onwards and paid 6 installments by 17 April 2024. There was no evidence of an agreement to repay this loan in installments on a regular basis and it was also observed that he may abandon the responsibility of paying this loan in the future.

(ii) The total outstanding due recoverable from 03 officers who have been interdicted was of Rs. 256,074 and it includes a balance of Rs. 161,424 due over more than 5 years and Rs. 94,650 due for 03-05 years.

(iii) Although it was stated that the Heads of institutions should ensure that no balance due from officers who have been granted death gratuity in the year 2018 and future years is included in the advance 'B' account of their respective institutions, a sum of Rs. 321,785 had been unsettled as Rs. 149,232 for 01-03 years and Rs. 172,553 for less than 01 year as at 31 December 2023.

b)	**Financial Regulations of the Government of the Democratic Socialist Republic of Sri Lanka**	
	F.R. 1645(a) and 1647 (a)	As per F.R. 1645(a), log books of motor vehicles should be regularly and properly maintained and as per 1647 (a), whenever there are changes made to the safety of vehicle, it should be noted in the log book but the information about the fuel consumption, details on annual licenses, change of drivers, transfer of ownership, transfer of custody, travel summary have not been noted in the log books maintained in respect of the vehicles belonging to the department.
c)	**Circulars of the Ministry of Public Administration and Management**	
	Circular no. 05/2008 dated 06 February 2008 as amended by the Circular no. 05/2018(1) dated 24 January 2018	Measures had not been taken by the department to prepare the Citizens' / Clients' Charter and made it available to the public.

2.5 Issuance and Settlement of Ad hoc Sub Imprests

Despite the fact that, under Financial Regulation no. 371(5), a paying officer should account for his sub-imprest and settle it within 10 days of completing the relevant task, a total of Rs. 152,000 in imprests issued in six instances in the year 2023 had not been settled by the due date.

3. Operating Review

3.1 Performance

3.1.1. Vision and Mission

Although the management of state land at a well-coordinated level adhering to the national policy and ensuring optimum utilization of state land to gain sustainable development while confirming the freehold ownership of land is the 'mission' of the department, there was no proper mechanism in the department until the audit date, April 02, 2024 to offer data and information pertaining to lease of land, disposition of land, issuance of grants, lease exemptions, lease concessions etc.

3.1.2. Planning

In terms of the paragraph 03 of the Public Finance Circular no. 02/2020 dated August 28, 2020, all the government institutions must prepare the annual action plan for the coming years before December 15 of the current year and submit it to the accounting officer for approval in order to implement the approved budget estimates for each year. Accordingly, annual action plan of the department had been submitted to the Secretary of Ministry of Tourism and Lands on 20 October 2022 and after amending the same from time to time, the amended action plan for the year 2023 had been submitted to the accounting officer after 10 months on 13 October 2023. It is therefore observed that measures have not been taken according to the Public Finance Circular.

3.1.3. Failure to perform duties

a) The total amount of data entered into the E-slims system based on the existing data and information by 05 Divisional Secretariats during the months of May, June, November and December 2023 was 101. It had been 37 from Thissamaharama, 30 from Mahiyanganaya, 33 from Hambantota but 01 from Kurunegala and none from Minuwangoda Divisional Secretariat. According to the sample audit inspection, when considering the number of lease files pertaining to the said secretariats, it should have been 01 from Minuwangoda, 59 from Thissamaharamaya, and 30 from Kurunegala, but except for the Minuwangoda lease file, other details on lease files had not been entered into the E-slims system. Further, information relevant to the Hambantota and Mahiyanganaya Divisional Secretariats was not submitted for audit.

b) The Land Commissioner General has instructed all Divisional Secretaries and Inter Provincial Land Commissioners to enter all the lease approvals and information relevant to all lease bonds into the E-slims system before the date of 31 December 2023. Accordingly, 04 Provincial Land Commissioner Departments and 02 Inter Provincial Land Commissioner offices have entered 2,759 files out of 10,180 and it was 27% as a percentage.

c) As per the Action Plan 2023, it had been planned to inter connect all Divisional Secretariats by performing lease payments and other tasks online using 10 bank accounts. Despite the fact that the E-slims system was launched in 2013 and has already been functioning for ten years, it was still not possible to approve and recommend leases or make lease payments online by 31 December 2023.

3.1.4 Not achieving the expected level of output

----

a) As per the information on targets and performance reports for 2023, it had been planned to issue 5,000 permits and 14,000 grants in the year under review, but it has been reported to the audit that 722 permits and 6,367 grants were issued, and their progress was 14% and 45%, respectively.

b) The number of land documents owned by the department was not submitted to the audit and according to the audited information, the number of land documents included in the state land management system from 2003 to 2023 was 1,148,731. It had been planned to enter data relevant to 70,000 lands into the system in the year under review, but the data entered was 20,492 accounting for 30% of the total.

c) The state lands information management system project was initiated in 2013 with a 5-year timeline; nevertheless, ten years have passed since then. It was observed in the audit that due to a lack of training, staff and follow-up in implementation, the objectives of utilising this data system had not been reached as at the audit date.

3.2 Asset Management

----

a) Despite the approval received on 20 June 2023 from the Senior Assistant Secretary (Administration) of the Ministry for the disposal of 02 jeeps numbered KH 5690 and KH 5694, lorry numbered 40-8230 and tractor numbered 71-0073 belonging to the department, it has not been proceeded until 31 December 2023.

b) In terms of the Assets Management Circular no. 05/2022 dated 04 April 2022 of Secretary to the Treasury, proper recording and reporting of all the non financial assets of the Government is an obligatory function of all the Heads of Government Agencies, to prevent the misplacement and misuse of public properties as well as to ensure the maximum utilization of public properties and the Heads of Government Agencies should update and report information of all non financial assets owned by the Government Agencies under their purview to the Comptroller General's office on the due date as per the instructions given under the Assets Management Circulars. However, the total sum of quarters and circuit bungalows owned by the department is 407 and despite the fact that 399 out of them are quarters, it had been reported in the CIGAS computer system as 247 quarters under non financial assets as at December 31, 2023 and the remaining 152 quarters had not been assessed and identified as non financial assets. Further, no action had been taken in respect of keeping usable quarters unutilized; dilapidation of quarters and quarters where the structure is unusable and only the land remains.

c) The 'Vikasitha' preschool registered under the Early Childhood Development Authority is conducted at the building of Field Instructor quarters at Yaya 04, Rajanganaya belonging to Anuradhapura Inter Provincial Land Commissioner's office and subject to the covering approval of the Land Commissioner General, the Land Commissioner - Anuradhapura has granted the approval to construct a new building for that purpose. However, no evidence was available in the file to confirm that the approval of the Land Commissioner General had been received and during the construction of the new building, the backyard of the Field Instructor quarters had been damaged and the front wall of the building had become unsafe due to exposure to rain. However, no action had been taken regarding the damage to government property as per Financial Regulation 102 (c), Financial Regulation 103 (1) and Financial Regulation 104 (1) until the audit date of 21 February 2024.

d) The department has not identified the extent of land owned by the state so far and measures have not been taken to prepare a system to carry out the activities of the e-Slims system by inter connecting the institutions that have information about land until the audit date of 25 March 2024 to identify the extent of land currently available according to records.

3.3 Security of Public Officers

As the information relevant to the officers in the department who have given security in terms of the Financial Regulation 880 and the Circular no. 04/2022 dated 16 March 2022 of the Ministry of Home Affairs, were not submitted for audit, it was not possible to verify the duly recovery of securities and the refund of deposits of retired officers.

3.4 Loss and Damages

A case had been filed at Kurunegala Magistrate Court against the driver of vehicle no. NA-9290, which involved in an accident on 31 October 2018. As per the judgement given on 02 May 2023 after the case was over, the driver had been acquitted. The amount spent to repair the damage to this vehicle was Rs. 4,036,060, but the amount reimbursed by insurance was Rs. 3,389,561. Accordingly, the Land Commissioner General's Department has incurred a cost of Rs. 646,499, but measures have not been taken regarding the recovery of that amount or removing it from books as per Financial Regulations.

3.5 Managerial Weaknesses

(a) The lease in arrears of the department as at 31 December 2023 was Rs. 101,227,690 and out of that, the lease in arrears over more than 03 years with respect of the 08 Inter Provincial offices was Rs. 47,459,534. Further, information such as the name of the lessee, date of lease, location of the land, and extent of the land was not submitted for the audit, and it was observed that special attention has not been paid to taking legal action to collect leases in arrears and regarding nonpayment of leases.

(b) Though there had been about 550 files in the department relevant to lease in arrears during the years of 2017, 2018 and 2019, legal action had been taken regarding only 10 files.

(c) Despite the fact that the department has leased an allotment of state land in the extent of 2.932 hectares situated in the village of Bollachchadeniya in the Grama Niladhari division of Munasinghagoda, which is depicted as lot no. 01 in the plan no. 4040 to the Sri Lanka Cricket Institute under the lease file no. 4/10/26617 to construct an international stadium subject to an annual lease amount of Rs. 230,000 for 30 years commencing from 06 May 2009, no lease bond has been issued for this land until the audit date of 31 December 2023.

(d) Despite the fact that the department has leased an allotment of state land belonging to the Mahiyanganaya (Inter Provincial) Land Office in the extent of 7 perches situated in Hasalaka town in the Divisional Secretary's division of Minipe in Kandy District, which is depicted as lot no. 549 in the plan no. 298 to Mr. H.M.R.B. Herath under the lease file no. 4/10/40727 for a commercial purpose from 26 September 2014 onwards to an amount subject to a revision made every 05 years, it was revealed at the file inspection that no lease bond had been issued for this land and the lease amount in arrears by 31 December 2023 was Rs.624,000.

(e) The state land allotment in the extent of 1.214 hectares and situated in the village of Udaththawa in the Divisional Secretary's division of Kandy Minipe which is depicted as lot no. 814 of the plan F.V.P. 08 has been leased out to Topsource (PVT) Ltd. on the basis of five year lease revision on 16 March 2021. The said company has sublet the holding to Nethmi Garment upon the letter of approval of the Land Commissioner General no. 4/10/16292 dated 23 November 2011. However, the sublet institute has defaulted on the lease payment and it has been decided to waive off the 10% interest charged on the lease in arrears in 2020 and 2021 and lease in arrears as at 31 December 2023 was Rs. 2,465,040.

(f) The state land allotment in the extent of 0.110 hectare and situated in the village of Lunugamwehera New Town in the Divisional Secretary's division of Lunugamwehera in Hambantota District which is depicted as lot no. 7061 1/3 of the plan F.Topo.P. 03 has been leased out to H.S. Chandani for residential purposes on 19 September 2019 under the lease ref. no. 4/10/68540 subject to an annual lease amount of Rs. 48,720, but the lease amount due from the year of lease to 31 December 2023, i.e. Rs. 243,600 has not been paid.

(g) The state land allotment in the extent of 0.1040 hectare and situated in Weerawila New Town in the Divisional Secretary's division of Lunugamwehera in Hambantota District which is depicted as lot no. 112 of the cadastral map no. 830003 has been leased out to Mr. L.Y. Nihal for residential purposes for 30 years from 07 June 2012 onwards under the lease ref. no. 4/10/40305 subject to an annual lease amount of Rs. 18,080, and the lease recoverable for that was Rs. 216,960. Although 11 years have passed as at 31 December 2023 since the execution of the lease, no due has been paid to date.

(h) The state land allotment in the extent of 0.013 hectare and situated in Lunugamwehera New Town in the Divisional Secretary's division of Lunugamwehera in Hambantota District which is depicted as lot no. 5655 of the plan F.V.P. 03 has been leased out to Mr. K.L.P. Thissa Ariyadasa for commercial purposes for 30 years from 2004 onwards under the lease ref. no. 4/10/19693 on the basis of five year lease revision. However, the lease amount due from 2004 to 31 December 2023, i.e. Rs. 1,069,140 has not been paid.

(i) The State Land Information and Management System (E-Slim) implemented by the Land Commissioner General's Department together with Information and Communication Technology Agency of Sri Lanka (ICTA) with the objective of automating the state land management proceedings for the economic and social development of the country had been initiated in 2016 with the approval of National Planning Department and without a Cabinet approval. As per the project proposal submitted by the ICTA, the cost of the program was Rs. 119.6 million and planning to complete the program within 05 years, they have entered to an agreement with a private entity named Araya Business Solution for the maintenance, service and development of the system for three years commencing from 12 July 2019 to 11 July 2022 subject to an annual payment of Rs. 4,950,000. Though the total cost incurred from 2013 to 2023 had been Rs. 193,086,520, the work had not been put into operation and handed over to the department until the audit date of 25 March 2024. No strategy had been established to examine the objectives, timelines, and projected outputs of the said system and although the agreement expired on 11 July 2022, without being renewed, Rs. 4,950,000 had been paid per year as Rs. 1,237,500 per quarter, subject to the covering approval of the Procurement Committee. The risks associated with E-Slims include the security of the data entered into the system, connecting data to the server and unavailability of a backup system. Monthly data quota of the SIMs in the TAB computers given for this project has not been limited until 02 August 2023. As per the sample audit inspection, there were about 60 SIMs for only the two months of May and June 2023, which have used Data exceeding the monthly Pack Data quota. Accordingly, it was observed that the total sum of the monthly bills of the said two months was Rs. 827,331 with 08 SIMs incurring 32% or Rs. 266,923.

(j) By identifying state lands using the e-Slims system, the amount of lands disposed of and not disposed of between 2022 and 31 December 2023, was reported as 68,014 and 10,423, respectively. However, no system has yet been prepared in the system for the lands mapped through geographic information technology. Though 10 years have passed since this system was launched, the entire extent of state lands and the extent disposed of or not had not been identified at provincial, district or divisional secretary's divisional levels.

(k) As per the information received for the audit in respect of Hambantota, Minuwangoda, Mahiyanganaya, Thissamaharamaya and Kurunegala Divisional Secretariats, from 2013 to December 2023, 19 allotments from Minuwangoda, 10,786 allotments from

Thissamaharamaya and 05 roods 20 perches from Kurunegala have been identified and 19 allotments, 6,841 allotments and 05 roods 20 perches have been disposed of respectively. Further, it has been informed that 80 perches and 05 roods 20 perches had been disposed of from Minuwangoda and Kurunegala Divisional Secretariats, respectively, for residential purposes, and there had been encroachers residing in an extent of 05 roods 33 perches in the Kurunegala Divisional Secretary's division and the legal proceedings are underway regarding them but no information about the other 03 Divisional Secretariats was submitted for the audit.

(l) When computing the lease amount for the lessees who are entitled for the lease concession as per the Circular no. 2020/06(1) dated 01 February 2021 among the circulars issued by the Land Commissioner General regarding granting lease concessions for the lands disposed of on long-term lease basis for commercial purposes and the relevant Cabinet Decision, the lease amount should have been computed upon the valuation taken with regard to the period starting from date of commencement of the second term of lease to 16 November 2020, the date on which the approval of the Cabinet of Ministers was received, but the letter of Land Commissioner General no. 4/10/common/lease concession (L2) dated 10 November 2022 and addressed to the Divisional Secretary of Anuradhapura Nuwaragam Palatha East stated on contrary how the lease should be recovered in respect of 08 lease files under the purview of Nuwaragam Palatha East Divisional Secretariat of Anuradhapura district resulting a loss of a lease amount of Rs. 70,518,510 to the government. It was further observed that there are 82 long-term commercial lease files which commence the second term of lease stated in the above circular among the long term (commercial) lease files in the area of the said Divisional Secretary's division and as measures have been taken to grant lease concessions surpassing the circular for only 08 lease files by the letter of Land Commissioner General no. 4/10/common/lease concession (L2) dated 10 November 2022, there is a risk of discouraging 74 lessees out of the said 82 lessees from making lease payments.

4. Human Resource Management

4.1 Attached Staff, Actual Staff

As per the information submitted on human resource management of the department, details on approved and actual cadre of the department are given below.

	Approved Number	Actual Number	Number of Vacancies
Senior	95	37	58
Tertiary	38	04	34
Secondary	660	517	143
Primary	140	95	45
Total	**933**	**653**	**280**

The following observations are made in this regard.

(a) There were 280 vacancies at the department in total as 58 senior staff positions, 34 tertiary staff positions, 143 secondary staff positions, and 45 primary staff positions.

(b) The department was approved for 260 Development Assistants, but 318 were employed, resulting in an excess of 58 Development Assistants.

Signed illegibly.

P.K.M.P. Nonis

Senior Assistant Auditor General

For Auditor General

Official Stamp: P.K.M.P. Nonis
Senior Assistant Auditor General
National Audit Office