



**காரீயச சாடல வாரீனால - 2016**  
**செயலாற்றுகை அறிக்கை - 2016**  
**Performance Report -2016**

**திலாக தா ஒடீகரீதீ அலாதனா஁ச**  
**வீடமபைபு மற்றும் நிரமாணத்தாறதை அமசைச்சு**  
**Ministry of Housing & Construction**



**Ministry of Housing and Construction**

# **Performance Report**

**2016**

**2<sup>nd</sup> Floor, “Sethsiripaya”, Battaramulla**

## Message of the Hon. Minister



The inspiration cropped up in the housing development field in the year 2015 under the new Government geared the Ministry to move forward in leaps and bounds. The contribution, dedication and the tireless effort put by the staff of all categories of the Ministry, all manner of institutions come under the purview of the Ministry as well as the Secretary of the Ministry were a success to bring our endeavors into fruition in the previous year whilst making a direct impact on our progress.

At the time when we assumed duties in this Ministry, no census had been conducted for ages to recognize how severely the people of this country standing up to acute and complex housing problems. Therefore, we were able to initiate a formal housing census in all districts from June 2016 through grass root level officers including Government Agents and Divisional Secretaries. With this census, we were in a position to become aware of many serious housing problems exceeding the actual which were known to us before. As an example, 85,000 out of 118,000 existing housing stock in the Polonnaruwa District that is, people living in about 70% of the total number of houses could be identified to have housing problems. For the time being, we could have proceeded with this census totally in all divisional secretariat divisions island wide. It was revealed that families not less than 2,563,649 in the said divisions had faced housing issues. Accordingly, it can be assumed that families not less than 50% of 6,094,982 total number of families living in the island have different problems.

We had the opportunity to commence work in 38 villages investing Rs.237.5 Million regenerating the “Reawakening” Programme in 2015. We were capable of commencing work in more than 148 new reawakening villages. In addition, “Reawakening Villages”, “Scattered Housing Loan”, “Donations for Plastering”, “Welioya Special Housing Project” and “Housing Aids of Rs.500,000 granted for families with kidney disease with non-recovery basis” programmes were the 6 prominent amongst the others and families not less than 106,000 were benefited under them.

We made progress uprooting the corruption and the waste of resources which had embraced the institutions under our Ministry in 2015 and 2016. The victory was we could master to save a large amount of money out of it. The assets and resources of each institution have been able to be utilized in fullest extent possible and more effectively for the construction activities burying the corruption and the waste. We would be able to make institutions such as State Engineering Corporation, Building Materials Corporation as profitable institutions with a possible speed realizing our efforts. National Equipment and Machinery Organization secured a remarkable progress in 2016.

His Excellency the President has declared the year 2017 as the Year of Eradication of Poverty. Approval was received to the joint cabinet paper submitted by both His Excellency and I for implementing a Housing Aid Programme for low income families with non-recovery basis merging the housing development with this timely theme. Thereby, our target is to construct 500 reawakening villages and vest them in the public.

Housing Programme of Constructing 500,000 houses for Middle Income Community is already being implemented as a public private partnership project following a concept of Hon. Prime Minister. Subsequently, Housing projects of Wadduwa, Panagoda, Ragama and Homagama are being carried through for the present.

We have now reached a glorifying era of housing development. We are entering into a Sustainable Housing Development Programme satisfying challenging and practical targets in rural and urban housing with the blessing and guidance of His Excellency the President and Hon. Prime Minister after breaking a silence of two decades. The laudable task and the vote of confidence given by Hon. Indika Bandaranayake towards this challenging way forward is immense.

It is our unique wish to achieve the “Shelter for All by 2025”

**Sajith Premadasa**  
**Minister of Housing and Construction**

## Message of the Hon. Deputy Minister



It gives me great pleasure to issue a message on the Performance Report – 2016 of the Ministry of Housing and Construction being a ruling party of the current State Development Programme going behind our vision of Sustainable Settlement Development and Revival of the Construction Industry.

It is our sole ambition to enable every citizen who have no fixed abode to a right to live in a habitable house by 2025. Short term and long term plans are being arranged for this purpose based on the standard information collate from with the assistance of the responsible government officials of the said divisions.

We deemed it to be a good fortune as we took the chance to commemorate the 30<sup>th</sup> World Habitat Day under the theme of “Housing at the Centre” in a most remote area of Sugaladevigama , Dimbulagala in Pollonaruwa district this time under the patronage of His Excellency the President.

11,600 new houses were constructed under the “Scattered Housing Loan Programme” implemented by our Ministry in 2016 and we were able to go through some activities like construction of 4641 new housing units in 148 model villages, provision of infrastructure facilities for them and empowerment of 50,000 families living in underserved urban settlements and development of 410 new housing units for underserved urban settlement dwellers.

The project of providing cement aids for houses was steadily accomplished in this year to get their work completed which have not yet been plastered. Further, as a matter of satisfaction, Scattered Housing Loan Programme, Sampath Sevana Programme was of a great service for us to achieve our expected targets in this year.

We could continue to implement programmes for the restoration activities of houses of kidney patients and the grant of housing aids for the people suffering from extreme poverty aiming at all sorts of people in the country through Sevana Aid Programmes.

We are very thankful for the corporation rendered by other Ministries and State Institutions in the activities of supplying water, providing electricity, giving land titles, developing roads and erecting safety elephant fences in housing development in our country. More qualitative and efficient service of the National Housing Development Authority, Ocean View Development Company (Pvt) Ltd. and Condominium Management Authority with the National Housing Development Authority of our Ministry and the collaboration of other institutions affiliated to our Ministry are the keys to success.

It is a great delight to proceed with the competitiveness with the private sector in the construction field. We made progress to stabilize the sustainability of the construction field, to be recognized globally and to give a competition regionally through construction of buildings, schemes of bridges, subways, irrigation and water supply.

Unavailability of a sufficient skilled workforce in the construction field is very problematic. Whereupon, professional trainings and tool kits were offered free of charge to 9741 construction industry craftsmen in this year.

It is very fortune of us to have had a chance to implement construction projects valued at Rs.6224.77 Million within this span of time. Opening of branches of Building Materials Corporation facilitates to obtain building accessories and the drive taken by the Construction Industry Development Authority, State Engineering Corporation, State Development and Construction Corporation, Buildings Department and National Equipment and Machinery Organization to achieve all these tasks is highly commendable.

I convey my heartfelt thanks to His Excellency the President Maithreepala Sirisena , Hon.Prime Minister Ranil Wickremesinghe who framed enormous support to achieve this initiative which was expected in the year 2016 as well as Hon.Minister Sajith Premadasa who guides with his exemplary leadership to implement this huge development programme of our Ministry and the Secretary of the Ministry including the staff as well as the heads of institutions and all the staff members who were committed and bonded to achieve all the successes towards this end.

**Indika Bandaranayake**  
**Deputy Minister of Housing and Construction**

## Message of the Secretary



I am very pleased to record a message on the Performance Report prepared in connection with the progress of the development programmes in the year 2016 carried out by the Ministry of Housing and Construction that plays an outstanding and a challenging role in the Development drive of the present Government.

The significant amount of provisions of Rs.6, 999 Million was allocated in 2016 for the National Housing Programme which was recommenced in 2015 and I feel very dignified because our Ministry could have attained the highest financial and physical progress conquering all other Ministries in 2016 disbursing 97.82% of it.

The steps were taken in this year too to initiate the Middle Income Housing Programme conforming to the election statement of the Hon.Prime Minister parallel to the implementation of model villages for low income wage earners and Scattered Housing Development (loan) Programme to triumph over the government development target necessitating “Shelter for All” and to launch a Housing Aid Programme for poor and poorest families suffering from non-identified chronic kidney disease. Moreover, we stepped forward to take action in refurbishing flats, granting title deeds to residents of government rental houses and physical and social development activities in underserved settlements, development activities of condominium properties as well.

Further, we kept on with empowering 06 state institutions established under this Ministry to fortify the efficiency and the reliability in the construction industry of Sri Lanka.

The launch of National Programme of Shilpa Saviya introduced by the budget 2016 to train 10,000 workers in the construction field as a response to the dearth of skilled labour in the construction industry and the launch of relevant activities with regard to the Construction Industry Development Act were of great importance. We consider it to be a good fortune of us to contribute for a more qualitative and an efficient service being regular partners of the rapid development carried out in Sri Lanka.

We were fully committed to meet the development targets with a correct management by rendering necessary resources and support taking policy decisions for the upturn of the housing development and the construction industry development. I am very grateful for the noteworthy involvement of the Cabinet of Ministers with the leadership of His Excellency the President and the Hon.Prime Minister in order to enforce the policy decisions held by the scope of this Ministry and I take this opportunity to express my sincere gratitude to Hon.Sajith Premadasa, Minister of Housing and Construction for his charismatic leadership and the guidance bestowed for the prosperity of this pursuit being a leading light for all of us and the Hon. Indika Banadaranayake, Deputy Minister of Housing and Construction for his constant persistency towards this task.

Furthermore, I extend my thanks to all the officers including all the Additional Secretaries of the Ministry for their utmost dedication for the successfulness of all the endeavors and all the staff members including Heads of Institutions of all the institutions affiliated to this Ministry for their commitment to this development process.

**W.K.K.Athukorala,**  
**Secretary,**  
**Ministry of Housing and Construction**

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## 01. Introduction

Coming behind the Vision of “Sustainable Settlement Development and Revival of Construction Industry”, the Development Programme of the Ministry of Housing and Construction which was arranged in keeping with the present government policies was implemented covering all the districts and all the segments of communities island-wide while achieving excellent outcomes in the year 2016. These programmes were successfully set in motion targeting at low income communities, people living in underserved settlements in urban areas, people affected by the kidney disease, the displaced by the war and middle income communities and the underpinning put in 2015 for this was a big encouragement.

For a lasting response for the existing housing problem of Sri Lanka, there is a need for a formal housing census for the housing need. It is essential to maintain an updated data base in that behalf. Accordingly, Ministry was able to conduct a formal housing census on housing need prevailing in Sri Lanka covering all the districts in the island. As a result of that, it was revealed that 2,563,649 families have any form of housing problems. Based on that information, the Housing Development Programme was put into practice in this year.

Subsequently, the work of more than 180 new reawakening villages that are fully fledged with all the facilities was commenced in this year under the Reawakening Programme of providing the right to a block of land with the right to a habitable house for the homeless and families who do not possess lands and a

loan of Rs.300, 000 for the construction of houses was granted for the beneficiary families at a concessionary interest rate. A range of different Livelihood Development Programmes was implemented to uplift the standard of living of the communities living in model villages constructed under this.

Additionally, Arrangements have been made to benefit the families not less than 114,000 only under fundamental Housing Development Programmes such as “Reawakening Villages”, Scattered Housing Loan, Donations for Plastering, Welioya Special Housing Project and Programme for Housing Aids amounted to Rs.500,000 for families suffering from kidney disease.

Implementing the concept of the Hon. Prime Minister to provide houses for middle income wage earners, the middle income housing construction activities were carried out in this year as the public-private partnership project. Accordingly, it is proposed to supply these houses at an affordable price for middle income communities.

As well, with an eye to empowering the community living in urban settlements economically, socially and culturally and implementing Self-reliant Human Development Programmes, action will be taken to implement programmes of developing skills and attitudes of the community and saving promotion programmes in the city of Colombo and suburban areas and the laudable task is being performed to become them fruitful stakeholders in the economic development.

The construction field functions the leading role in the development drive of a country. With the expansion of the construction field, labour market expands. Construction Industry Development Authority plays an active role in training the construction workers under the Shilpa Saviya Programme to create a labour force with high standard to fulfill the human resource for the regional and global tendency and for the domestic labour market.

Further, in the economic development process, the field of infrastructure facility development acquires a significant place. Various projects pertinent to the development of infrastructure facilities like construction of highways, bridges and irrigation were executed by State Engineering Corporation of Sri Lanka, State Development and Construction Corporation, National Equipment and Machinery Organization, Buildings Department and the Department of Government Factory allied to the Ministry.

Accordingly, being actors in the sustainable development process in Sri Lanka, development programmes were initiated by the Ministry and the affiliated institutions in 2016 and this contains the Performance Report of the Ministry for the year 2016.

## 02. Vision and Mission of the Ministry



“Sustainable Settlement Development and Revival of Construction Industry”

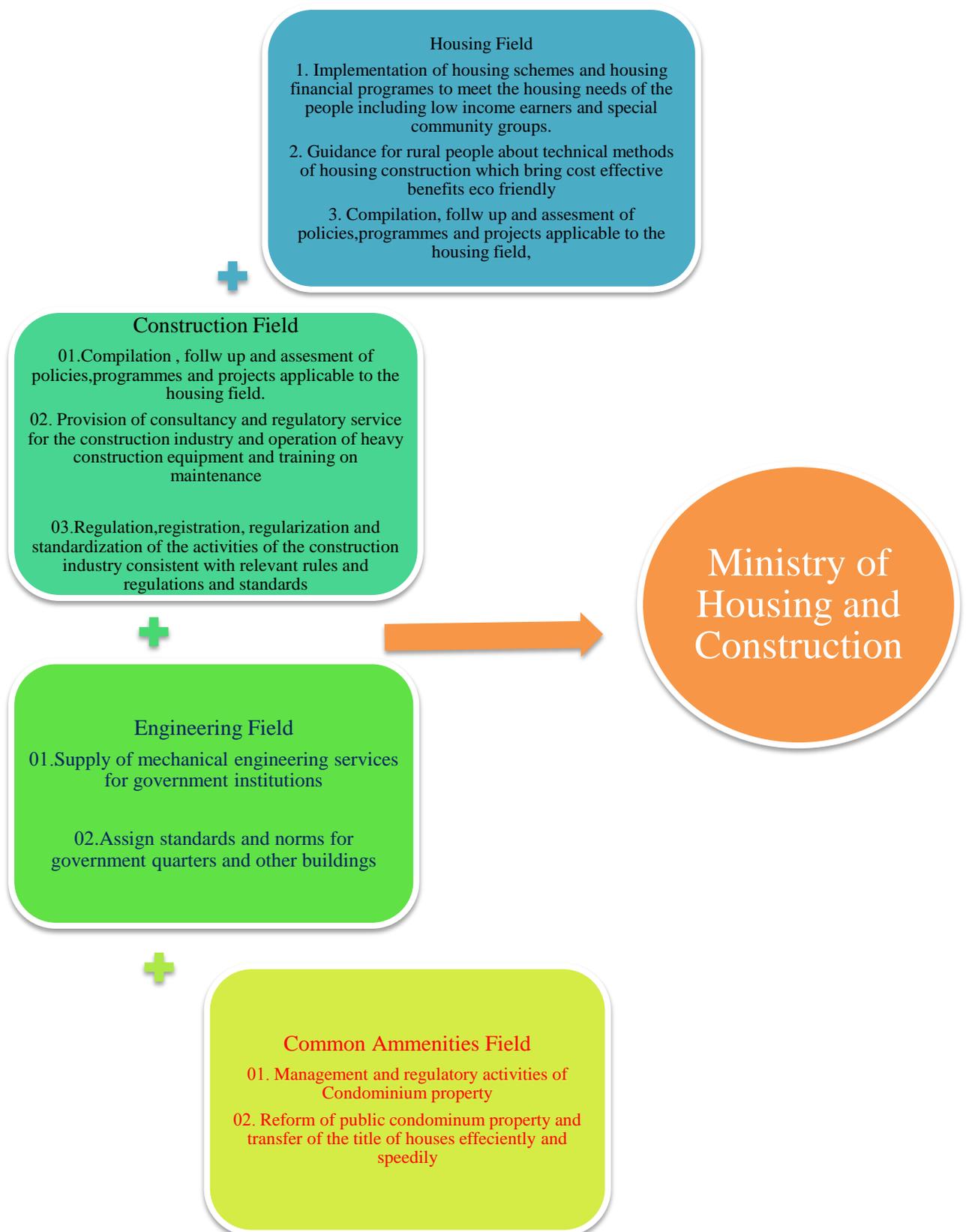


“Bringing forth a planned, eco-friendly and qualitative construction industry equipping the entrepreneurs, professionals and labour force with competences and resources and contribution to the economic development through establishing the settlements with basic facilities with the community participation and empowering low income communities economically, socially and culturally”

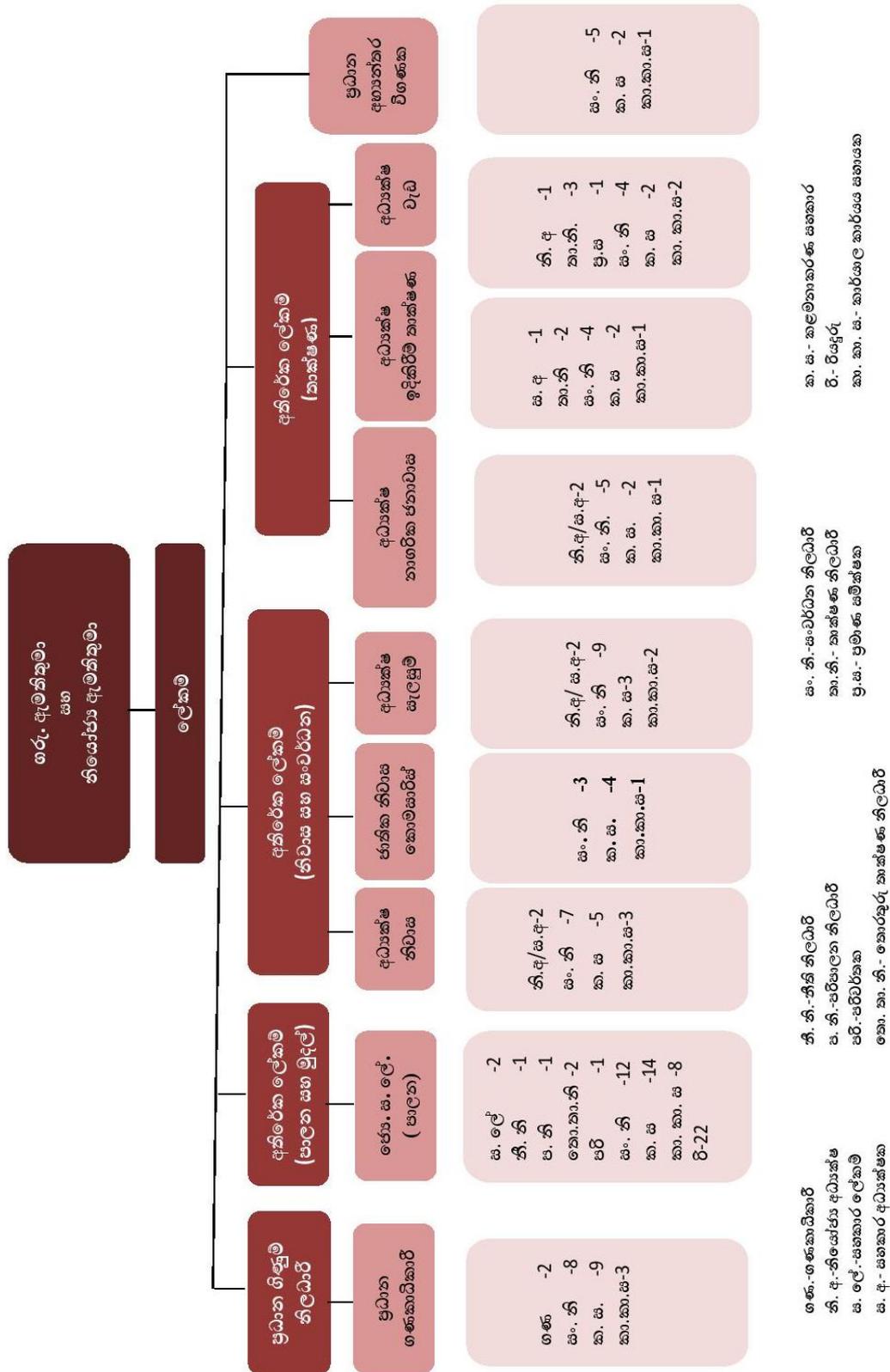
## 03. The Scope and Main Subject Areas of the Ministry

Arrangement of policies and plans to achieve objectives of the field of housing and construction and provision of guidelines for the relevant institutions engaged in the field

### 3.1. Main Subject Areas of the Ministry



## 04. Organization structure of the Ministry



## 05. Approved Cadre of the Ministry

S. No		Salary Scale	Service	Number of Approved Posts
01	Secretary	SL 4		01
02	Additional Secretary (Administration and Finance)	SL 3	S.L.A.S. Special	01
03	Additional Secretary (Housing and Development)	SL 3	S.L.A.S. Special	01
04	Additional Secretary (Technical)	SL 3	S.L.E.S.1	01
05	Chief Financial Officer	SL 3	S.L.Ac.S Special	01
06	Senior Assistant Secretary (Administration)	SL 1	S.L.A.S.1	01
07	Director (Housing and Development)	SL 1	S.L.A.S.1	01
08	Director (Construction Technical)	SL 1	S.L.E.S.1	01
09	Director (Planning)	SL 1	S.L.P.S	01
10	Director (Engineering Services)	SL 1	S.L.E.S.1	01
11	Director (Urban Settlement Development)	SL 1	S.L.E.S.1	01
12	Commissioner for Housing	SL 1	-	01
	Chief Accountant	SL 1	S.L.E.S.1	01
13	Deputy Director/Assistant Director (Housing and Development)	SL 1	S.L.A.S.11/111	02
14	Deputy Director/Assistant Director (Construction Technical)	SL 1	S.L.E.S.11/1,11/11	01
15	Deputy Director/Assistant Director (Planning)	SL 1	S.L.P.S.11/1,11/11	01
16	Deputy Director/Assistant Director (Planning)	SL 1	S.L.E.S.11/1,11/11	01
17	Deputy Director/Assistant Director (Engineering Services)	SL 1	S.L.E.S.11/1,11/11	01

18	Deputy Director/Assistant Director (Urban Settlement Development)	SL 1	S.L.A.S.11/111	01
			S.L.E.S.11/11	01
19	Assistant Secretary (Administration )	SL 1	S.L.A.S.111	02
20	Accountant	SL 1	S.L.Ac.S.11/1,11/11	02
21	Chief Internal Auditor	SL 1	S.L.Ac.S.1	01
22	Legal Officer	SL 1	Departmental	01
23	Sri Lanka Information & Communication Technology Officer	SL 1	S.L.I & C.T.O. 2/II	01
24	Administrative Officer	MN7	P.M.A.S.(Supra)	01
25	Coordinating Secretary to the Secretary (A temporary Post )	--	--	01
26	Translator	MN6	Translators' Service	02
27	Budget Assistant	MN4	Associate Officer	01
28	Supply Assistant	MN4	Associate Officer	01
29	Development Assistant	MN4	Associate Officer	25
30	Housing Development Assistant	MN4	Associate Officer	11
31	Development Officer	MN4	Associate Officer	19
32	Management Assistant	MN4	P.M.A.S.	43
33	Technical Officer	MT2	S.T.S.	05
34	Quantity Surveyor	MT2	S.T.S.	01
35	Driver	PL3	Drivers' Service	26
36	K.K.S. (Karyala Karya Sahayaka)	PL1	O.E.S.	26
37	Video Cameraman (Temporary)			01
38	Still Photographer (Temporary)			01
39	Office Assistant Technician (Temporary)			01
<b>Total number of posts</b>				<b>193</b>

## 06. Structure of the Ministry



## 6.1. Administrative Division

“Administrative Division is responsible for giving the assistance for all the divisions in the Ministry and to form the requisite working environment in that behalf and to manage the Human resources as well as the physical resources efficiently and effectively in every activity performed for the welfare of the populace and in implementing government policies.”

### Main Functions of the Administrative Division

1. Maintenance of establishment affairs of all the officers employed in the Ministry.
2. Continuation with all the maintenance work of the Ministry.
3. Accomplishment of procurement affairs of the Ministry.
4. All administrative affairs carried out with the intervention of the Ministry and allied institutions to the Ministry.
5. Activities connected to the staff of the Ministry.
6. Provision of necessary facilities for all the divisions of the Ministry.
7. Update of the website of the Ministry.
8. Conduct of productivity activities.
9. Supply of transportation facilities for the tasks of the Ministry.
10. Holding training sessions for the officials of the Ministry.

## 6.2. Planning Division

“Assists to manipulate the development programmes of the institutions come under the Ministry to make the progress a reality as planned.”

“Make aware the respective parties through giving correct information on development programmes implemented by housing and construction field.”

“It becomes involved in giving assistance to take approval from the Ministry of Finance for project proposals made by

institutions having identified development needs of the housing and construction field”.

### Main Tasks of the planning Division

1. Coordinating matters related to the arrangement of the action plan of the Ministry and institutions affiliated to the Ministry correlated with the vision and objectives of the Ministry.
2. Assessment of the progress of the development programmes of the institutions under the Ministry in pursuance of the monthly and annual action plan.
3. Presentation of the Performance Report of the Ministry to the Parliament in the event of the committee stage debate of the budget.
4. Compilation of and reporting information on development programmes.
5. Submission of project proposals of the institutions allied to the Ministry to the National Planning Department and coordination.

## 6.3. Housing Division

“This division plays a role in directing the affiliated institutions to the Ministry that engage in the field and compiling policies, making plans, guiding and following up under the fields of reference such as housing development and common amenities so as to satisfying the objectives of the housing field.”

## Main Actions of the Housing Division

### 1. Compilation of policies

- Compilation of necessary policies for the advancement of the housing field.
- Implementation of the policies related to the housing field with other government institutions.
- Development of underserved settlements and the community.
- Establishment of district, divisional and rural housing committees.
- Implementation of programmes connected with housing construction coincide with the world habitat day and commemoration of world habitat day.

### 2. Land Duties

- Matters regarding the acquisition and transfer of lands for the purposes of housing developments.
- Activities on disposition of lands for housing objectives
- Disposition of legal rights of lands/houses to the people under Section 8(1) of National Housing Development Authority Act.
- In terms of the approval of the Cabinet of Ministers, regularization of residents who have resided in illegally constructed houses in lands owned by National Housing Development Authority.

### 3. Housing Development

- Execution of housing construction programmes and housing projects suitable for the country's need.
- Reform of storied houses
- Carrying through Housing Loan Aid Programmes
- Presenting cabinet memorandums accompanying the housing schemes.

- Effectuation of Integrated Housing Programmes with other government institutions.
- Coordinating housing projects with local and foreign investors.
- Development of underserved settlements and uplifting the community.

## 6.4. Technical Division

### 6.4.1. Engineering Service Division

“This division occupies itself with controlling the total construction cost through laying down reasonable and affordable prices for construction project and supporting to select contractors at reasonable prices with a transparency for construction projects of the institutions under the purview of the Ministry .”

### Main Functions of the Engineering Service Division

1. Providing approvals of standing technical committees on construction of government institutions.
2. Appointing procurement committees for the institutions under the Ministry.
3. Offering the approval of the Ministry for contract variations.
4. Giving procurement committee decisions of the Ministry.
5. Maintenance of data bases linked with the construction field on contractors and data bases on prices corresponding to the construction field.

### 6.4.2. Construction Technical Division

“This division takes part in directing the institutions under the Ministry towards an eco-friendly and qualitative construction industry.”

#### Major Tasks of the Construction Technical Division

1. Manipulating the institutions that provide construction and engineering services affiliated to the construction division for the advancement of the construction field.
2. Preparation of the needful labour force for the construction field.
3. Directing the institutions affiliated to the Ministry to nurture the professionals and construction workers with the competency and the knowledge and to build up qualitative construction.

### 6.4.3. Urban Settlement Development Division

“This division exercises control over construction of housing projects with all the facilities that are habitable where necessary for the low income community and other community particularly, living in urban areas and development of urban settlements.”

#### Major Affairs of the Urban Settlement Development Division

1. Rendering the development proposal submitted by the allied institutions to the Ministry to the National Planning Department through Standing Project Assessment Committee of the Ministry

2. Supervision of urban settlement development projects and review of progress.

## 6.5. National Housing Commissioner's Division

This Division accomplishes the authority and functions assigned under Ceiling on Housing Property Law No.01 of 1973 and the functions entrusted under the Rent Act No.7 of 1972.

It covers to fulfill the targets similarly, granting deeds for tenants which is the main objective expected to be performed by the said Acts and Ordinances and compensate the owners of confiscated houses.

## 6.6. Finance Division

“This division is associated with the tasks of procuring financial resources and consultancy and instructing about specific systems and controlling methods for the said resources to be deployed more effectively and efficiently in order to realize the objectives of the Ministry and other institutions affiliated to the Ministry.”

#### Basic functions of the Finance Division

1. Planning of funds
2. Budgeting
3. Obtaining sufficient funds on time
4. Issuing and disbursing money to meet the objectives of the Ministry.
5. Reporting the cost and progress of the finance to relevant parties on due dates or prior to it.

## 6.7. Internal Audit Division

“Establishment of a good finance administration and a systematic management for the purpose of achieving the expected objectives of the institutions is an activity of this division.”

Having participated in finance administration and management activities of the Ministry and the institutions allied to the Ministry, support the management in directing and giving necessary instructions to perform such work more regularly and efficiently.

## Several Development Projects implemented in the year 2016



Opening of Isurupura Model Village in Welioya



Opening of Sahana Gama Model Village in Tissamaharama



Opening of Sanhindagama Model Village in Hambantota



Opening of Rankethgama Model Village in Deltota



Opening of Edirimanagama Model Village in Kurunegala



Opening of Novodyagama Model Village in Bulathsinghala

## 07. Institutions Affiliated to the Ministry



### 7.1. National Housing Development Authority

The National Housing Development Authority was established by National Housing Development Authority Act No.17 of 1979 to accomplish the housing development activities and is involved in the pursuits of constructing houses and developing Houses Island wide by virtue of its 25 district offices and 02 urban offices besides its head office in Colombo.



### 7.2. Urban Settlement Development Authority

The Urban Settlement Development Authority was constituted through Urban Settlement Development Authority Act No.36 of 2008 to provide for the improvement of the living conditions of persons living in underserved urban settlements by upgrading available housing units or by providing better housing facilities and necessitating the access to minimum urban facilities in order to ensure a sustainable urban settlement development.



### 7.3. Condominium Management Authority

The Condominium Management Authority was formed by Common Amenities Board (Amendment) Act No.24 of 2003 and is the regulatory Authority on condominium construction and management. Further, the main objective of the establishment of this Authority is to regulate the regulations of Apartment Ownership Act amended by Act No.45 of 2003 and Act No.39 of 2003.



### 7.4. State Engineering Corporation

The State Engineering Corporation of Sri Lanka is a semi government institute exercised under the Ministry of Housing and Construction and an institute set up by the approval of the Extraordinary Gazette No.12841 dated 01 January 1962.

The State Engineering Corporation is a premier institute in the public sector and is engaged in the following disciplines in the manner that providing construction consultancy services, delivering engineering services for construction and furnishing construction equipment, designing plans, manufacturing pre - cast/pre-fabricated concrete products, offering trainings and research activities.

This is a competitive construction organization that proceeds with their prospective businesses and an organization certified with the international standard of ISO 9001:2008 and ISO 14001:2004 -

International Standard for Environmental Management System



### 7.5. Buildings Department

Originally, this Department was a sub department of Public Work Department and was founded in 1969 as a Grade “A” Department. It was then entrusted with all the government buildings and construction activities and maintenance activities of services related to them. The execution of work was performed by 27 District Engineer’s Offices and personnel of more than 500 permanent officers.

With the devolution of powers to provincial councils by the 13th amendment to the constitution in 1989 the Department was restructured to be the Head Office in Colombo and 07 Chief Engineer’s Offices installed covering all island.

### 7.6. Department of Government Factory

The Department of Government Factory undertakes to provide metal and carpentry work, goods and services in the mechanical engineering field and strive to conduct on the job trainings in the field of mechanical engineering field.



### 7.7. State Development and Construction Corporation

The State Development and Construction Corporation was established on 01<sup>st</sup> of October 1971 as an engineering organization under State Industrial Corporations Act No.49 of 1957 is now functioned under the Ministry of Housing and Construction.

As a leading Engineering Corporation, this offers a significant contribution to the uplift of infrastructure facilities in the fields of planning, designing and constructing bridges, roads, buildings, subways, and irrigation and water supply schemes and is a premier institution to construct bridges of Sri Lanka. As well, this is the sole Corporation in Sri Lanka that have the ability to construct subways.

This Corporation has been rated as a Grade C1 by the Construction Industry Development Authority and this has carried off the Award for Construction Performance rendered by the said institute.

This Corporation which has possessed the certification of ISO 9001:2008 commits the construction activities to the due standard.

This manufactures all the concrete products for instance, pre-cast concrete bridges, beams, electric posts and all other pre-cast concrete products for engineering purposes. Also, embarks on the maintenance of road sign systems and installation of new systems.



## 7.8. Construction Industry Development Authority

Institute for Construction Training and Development was converted into the Construction Industry Development Authority in terms of the provisions of Construction Industry Development Act No.33 of 2014. The aim of this Act is to regulate, register, regularize and standardize the construction industry activities. This Act provides for the formation of National Consultancy Committee, the establishment of Construction Industry Development Fund and for the improvement and welfare of the relevant professionals, manufacturers, suppliers, contractors and workers and the settlement of disputes connected with the construction matters and ensuring the public safety in the construction industry in Sri Lanka.

The activities and objectives mentioned in this Act are executed by the Construction Industry Development Authority for the present.



## 7.9. Building Materials Corporation Ltd.

The Building Materials Corporation Ltd was set up in 1971 by Sri Lanka State Trading Corporations Act No.33 of 1970. Additionally, this was converted to be a public company with limited responsibilities in September 1992 by Company Act under Conversion of Public Corporations or Government Owned Business Undertakings into Public Companies Act No.23 of 1987.

## 7.10. Ocean View Development Company (Pvt) Ltd.

Ocean View Development Company Private Ltd was initiated on 01<sup>st</sup> of January 1996.

This Company as a government institute which strengthens the "Semata Sevana" national policy of one million houses based on the trust, responsibility and the efficiency as a private organization has come to the front to satisfy the housing need creating a definite change in the housing market by today.

## Several Development Projects implemented in the year 2016



Inauguration of the Sea Breeze Project in Wadduwa



Inauguration of the Green Valley Project in Athurugiriya



Inauguration of the Lavanya Heights Project in Ragama



Rehabilitation Housing Project in Soysapura



Alokapura Housing Scheme



Establishment of Management Corporations

## 8. Financial Provisions

Total amount of financial provisions allocated to the Ministry in 2016 and the progress of the said financial provisions as at 31.12.2016 have been denoted as follows.

### Total Financial Progress of the Ministry

	Estimated Provisions	Net(gross) Provisions	Actual Expenditure
Recurrent Expenditures	351,625,000	1,208,327,100	1,176,310,755
Capital Expenditures	2,017,750,000	6,594,750,000	6,556,128,736
	<b>2,369,375,000</b>	<b>7,803,077,100</b>	<b>7,732,439,491</b>

#### ❖ According to Programmes

##### 1 Programme Operating Activities

	Estimated Provisions	Net (gross) Provisions	Actual Expenditure
Recurrent Expenditures	243,625,000	595,327,100	574,926,775
Capital Expenditures	8,750,000	45,750,000	10,175,600
	<b>252,375,000</b>	<b>641,077,100</b>	<b>585,102,375</b>

##### 1 Programme Operating Activities

	Estimated Provisions	Net (gross) Provisions	Actual Expenditure
Recurrent Expenditures	108,000,000	613,000,000	601,384,000
Capital Expenditures	2,009,000,000	6,549,000,000	6,545,953,136
	<b>2,117,000,000</b>	<b>7,162,000,000</b>	<b>7,147,337,136</b>

## The Advance Account of the Government Officers

Subject No. 123011  
123012

	<b>Maximum Debit Limit</b>	<b>Minimum Credit Limit</b>	<b>Maximum Balance Limit</b>	<b>Debit</b>
<b>Approved limitations</b>	12,000,000	7,000,000	75,000,000	

**Balance at the beginning of the year (01.01.2016)** 22,387,314

**Total debits in the year**

123011 9,808,083

123012 3,380,312 13,188,395

35,575,709

**Total credits in the year**

123011 5,778,955

123012 6,215,610 (-11,994,565)

23,581,144

## 9. Progress of the Ministry in the Year

### 9.1. Administrative Division

#### ❖ Cadre of the Ministry

The approved cadre of the Ministry of Housing and Construction was 182 as at 01.01.2016. In addition to this cadre, the Ministry was in a position to approve 11 new posts as 04 posts of Driver, 04 posts in Office Employees' Service (K.K.S.), 01 post of Video Cameraman, 01 post of Still Photographer and 01 Assistant post of Cameraman. Accordingly, the total number of posts has increased up to 193.

The post of Additional Secretary, a senior staff grade officer of the Ministry remained vacant from the end of the year 2015 and we were free to appoint a permanent officer for that post in this year. Furthermore, an officer for the post of commissioner for National Housing was appointed with the approval of the Cabinet of Ministers in 2016. As well, the post of Chief Financial Officer which continued unfilled for many years was filled with an officer to cover up the said post for full time and the vacancy for the post of Accountant was also completed within a short period of time.

The posts of Additional Secretary (Finance and Administration), Senior Assistant Secretary, Director (Housing and Development) remained vacant due to the transfer of the officers and the posts of director (Engineering Services) were vacant as a result of the retirement of officers. Therefore, permanent officers could not be seconded to those posts until end of the year. Notwithstanding, Internal programme was made to act in place of the posts of Senior Assistant Secretary and

Director (Housing and Development) having considered it to be a service requirement. Also, only 3 vacancies out of 15 vacancies for the post of Public Management Assistant of the Combined Service were filled and Action was taken to fill 04 vacancies for the post of driver through open recruitment.

The total vacancies of the Ministry was 38 at the end of the year owing to death, transfer, retirement and vacation of post of secondary and primary grade officers.

#### ❖ Cabinet Memorandums and Parliament Questions

43 Cabinet Memorandums and 9 Cabinet Notes were set forth by this Ministry in 2016 in connection with administrative, operating and development activities covering housing and construction activities and major fields of subjects of the institutions affiliated to the Ministry which come under the purview of the Ministry of Housing and Construction.

The arrangements were taken by the Ministry to response all the parliament questions asked in the year 2016 pertinent to the purview of the Ministry and of the institutions coming under that.

Moreover, 08 Sectoral Oversight Committee questions have been directed to the Ministry in this year and answers for all the questions were devised and presented.

### ❖ Respond to Public Requests.

According to the scope of the Ministry, most of the public requests are about housing and they were also referred through the Presidential Secretariat Office, Prime Minister's Office, Committee on Public Petitions and Ombudsman.

The Ministry took steps regarding all these requests shortly with the intervention of respective heads of divisions and heads of institutions. Measures have been taken to reply the applicants concerning the requests, issues of employees associated with the institutions under the Ministry through collecting information from Heads of Institutions.

The initiatives were taken to provide the necessary parties with effective solutions for occupational and institutional problems of the officers and employees in the Ministry and the institutions under that having lengthy consultations with them under the patronage of Senior Staff Grade Officers of the Ministry.

### ❖ Training and Productivity Activities

The Ministry has got the participation of the officers comprising different segments of officers including staff grade officers in public administration and accounts affairs, establishment affairs, productivity activities and recognized training programmes like personality development and capacity development and moved to conduct an attitude development workshop, a productivity training workshop and a workshop for introducing ISO in 2016.

Besides, officials of the Ministry were directed to subject related local and Foreign Training Programmes and the number of locally trained officials was 22 and the number of officials who were trained overseas was 4.

Further, the Ministry took action to offer the practical training for 22 trainees of the government and institutions related to the government who followed the courses in information technology.

### ❖ Establishment of the Programme Coordinating Unit for the Accelerated Programme for the Development of Middle Income Housing and Infrastructure

A Programme Coordinating Unit was set up based on the approval of the Cabinet of Ministers to implement the Accelerated Programme of Constructing Houses for governmental and non-governmental middle income wage earners in a more efficient manner. Arrangements were taken by the Ministry to get the staff consists of 14 officers approved through the Management Services Department and officers were recruited to 03 posts including Project Director before end of the year 2016 through publishing public notices. Applications were called for other posts in 2016 and recruitments are expected to be completed in the first quarter of 2017.

### ❖ Disposal of Vehicles

06 vehicles owned by the Ministry of Housing and Construction which were removed from running were disposed in 2016. Thereby, a large sum of money of Rs.7.59 Million was remitted to the General Treasury.

## 9.2. Planning Division

### ❖ Annual Action Plan and Progress Review Meetings.

Annual action Plan is framed every year inclusive of activities and estimates corresponding to development programmes and projects of the Ministry and institutions affiliated to it and Annual Action Plan was prepared relating to the Ministry and institutions affiliated to it for the year 2016.

Pursuant to the Annual Action Plan, 67 progress review meetings were held such as 38 progress review meetings for housing field and 29 progress review meetings for construction field under the auspices of the Minister to scrutinize, assess and guide the implementation of the development programmes suitably. In parallel to this, action has been taken by the Ministry to hold 16 and 11 progress review meetings respectively together with housing and construction fields under the patronage of the Secretary of the Ministry. By which, it was able to give the instructions and guidance to fulfill the expected target in housing and construction fields.

### ❖ Progress Reports and Project Proposals

In keeping with the Annual Action Plan, 4 progress reports were quarterly compiled in 2015 and they were put forward to appropriate institutions. As well, progress of the development programmes are supervised by the Department of Project Management and Monitoring and the Ministry has drafted and tendered 04 progress reports in regard to it. Measures were taken to present the progress of the development programmes quarterly to Presidential Secretariat Office.

The Ministry was capable of tabling 26 project proposals planned to be implemented with reference to the fields of housing and construction to the National Planning Department for obtaining treasury funds with an eye to securing the approval of the National Planning Department for development programmes and projects expected to be carried out by the institutions allied to the Ministry in the year 2017.

### Progress of the Ministry and Report plus Future Plans

The Ministry was competent to compile and moot the progress of the development programmes and report plus future plans at the right time together with the progress and project proposals and plans of the institutions affiliated to the Ministry which are presented every year in the event of the Committee Stage Debate of the Budget.

The necessary action was taken to carry out the programmes respecting to 4 presidential task force executed by the Presidential Secretariat Office in the model villages implemented by this Ministry.

### 9.3 . Housing Division

#### ❖ World Habitat Day

“World Habitat Day” declared by the United Nations Organization is commemorated from 1986 at a stretch under different themes relevant to the Housing and Settlement fields based on the resolution mooted by the late President Ranasinghe Premadasa, then Prime Minister at the session of United Nations Human Settlement Programme held in Kingston City, Jamaica in the islands of West Indies in 1985.

The United Nations celebrates the World Habitat Day on the first Monday of October every year and it had fallen on 03<sup>rd</sup> of October this year. This International Day celebration was brought about paying special attention on basic needs of people with the aim of implementing this as a more productive programme in the housing and settlement field.

The 30<sup>th</sup> commemoration of the World Habitat Day was celebrated this year at the Dimbulagala Divisional Secretariat Division in Pollonnaruwa under the theme of “Housing at the Centre”. There, “Sugaladevigama” Model Village consisting of 24 housing units was vested in the public with the pious hands of His Excellency the President.

In addition to this, to mark the Habitat Day, “Scattered Housing Loan Programme , Donations of Cement and Granting Housing Aids for Kidney Patients, provision of occupational equipment, uniforms , tools and text books for trainees of the district recruited under “Shilpa

Saviya” and Donation of Rs.1 Million for the “Kidney National Fund” which was commenced in line with the concept of His Excellency the President through Condominium Management Authority were put into action.

Concurrently to the World Habitat Day, Urban Settlement Development Authority took steps to distribute water filters to utilize drinking water safely for each child of 76 pre-schools registered at Thamankaduwa Divisional Secretariat Division in Pollonnaruwa District where the kidney disease is abundant.

An array of programmes were launched in order to enhance the creative skills of the children living in underserved urban settlements and with a view to improving the perception of the community relating to human settlement fields.



#### ❖ Revision of National Housing Policy

The approval was received on 12.07.2016 to the Cabinet Note submitted on 07.07.2016 on the revision of the National Housing Policy drawing the special attention to the matters concerning urbanization, impact of natural calamities and the effectuation of the concept of sustainable human settlement development and as portraying the vision of the present government. Consequently, steps have

been taken to revise the National Housing Policy by dint of an Editorial Board consists of experts in human settlements. Arrangements have been made to bring the revised housing policy to public in the year 2017.



#### ❖ International Activities based on “Samata Sevana” National Housing Programme

Ministry of Housing and Construction contributed to a series of international activities on housing and settlement. Preparation of Sri Lankan National Reports was done by the guidance of the Ministry of Housing and Construction with the contribution of institutions affiliated to it and professionals in housing and settlement fields which is presented to the “Habitat III” International Conference convened every 20 years by the participation of the United Nations Human Settlement Programme.

Additionally, 2 preparatory meetings were held in Prague City, Czech Republic and Surabaya City, Indonesia. The Sri Lankan delegation involved in organizing the Habitat III International Conference having participated in it.

Habitat III International Conference was held in Quito City, Ecuador in October 2016. The Sri Lankan delegation under the patronage of the Hon. Indika

Banaranayake, Deputy Minister of Housing and Construction took part in this bi-decennial conference.

This bi-decennial conference was held under the heading of sustainable urban development of houses determined by the New Urban Agenda and there, the demonstration on housing and settlement activities which were effective in Sri Lanka and the Region for the last 20 years and on conference activities held under the theme of Habitat III conference was done by the Sri Lankan delegation since the day the Habitat III International Conference was held in Istanbul City, Turkey.

A special concern was paid to development activities on housing and settlement implemented in Sri Lanka at this conference based on the participatory housing development and lengthy discussions were held on the matters just as minimization of the gap between development activities of urban and that of rural and financial management on housing and settlement.



The Conference on Asian Pacific Housing Ministers was convened in December 2016 in New Delhi, India. A Sri Lankan delegation participated in this Conference and it represented one major field of five major working groups of the Conference.

The year 2017 is the 30<sup>th</sup> anniversary of the International Housing Year 1987. It is envisaged to hold a World Housing Conference with the aim of paying the international attention to “Semata Sevana” Housing Programme implemented in Sri Lanka. For that Conference, a series of prior activities were brought about in this year.

#### ❖ **Set up of District and Divisional Rural Housing Committees**

The Approval has been given on 28.06.2016 liable to the observations of Hon. Minister in charge of the subject of finance after advancing a Cabinet Note on the set up of divisional and rural housing committees for the development of socio-economic including infrastructure facilities, livelihood with the assistance of all the institutions and organizations engage in housing and for the implementation of all the housing development programmes actuated island wide including “Semata Sevana” National Housing Programme having planned at rural, divisional and district level.

#### ❖ **Redevelopment of Bambalapitiya Flats**

An apartment complex for middle income wage earners popularly referred to as Bambalapitiya Flats was constructed in a high yield prime land in Bambalapitiya in early 1960s. This building is older than 65 years. Those housing units have been decaying for many years without any redevelopment resulting in risks of lives. With the rapid urban development around it turns this property into a row of undeveloped housing.

Subsequently, a multi institutional steering committee was appointed to direct the project through various steps of its implementation and to supervise the redevelopment of Bambalapitiya Flats by way of an investor selected by the Board of Investment as a high yield urban site certifying the title rights of condominium owners.

#### **Amendment to Regulations of Rent Act No.07 of 1972**

The Schedule in respect to issuing regulations under Section 43 of this Act was amended supplementing two items thereto by the Extraordinary Gazette Notification No.1978/4 on 01<sup>st</sup> of August 2016. The said two new items are as follows.

(5). Any premises, of which the landlord is a Co-operative Society or the State, a Public Corporation, a Public Authority registered under Co-operative Societies Act No.05 of 1972 of National State Assembly or any Enactment of Provincial Council or a Company registered under the Companies Act No.07 of 2007 shall be excepted premises for the purposes of this Act.

(6) Any premises of which the tenant is a Local Authority, a Co-operative Society or the State, a Public Corporation, a Public Authority registered under Co-operative Societies Act No.05 of 1972 of National State Assembly or any Enactment of Provincial Council or a Company registered under the Companies Act No.07 of 2007 shall be excepted premises for the purposes of this Act. The Approval of the Parliament was received on 26.11.2016 after publishing these Regulations in the Gazette.

## ❖ Implementation of Housing Programmes

The Ministry of Housing and Construction entering into reinvigorate its backdrop in the development process. On this ground, a host of varied housing programmes were successfully implemented using Rs.3.702 Million in 2015 and Construction of Model Villages, Scattered Housing Development, Plastering Houses were several programmes among them. For this reason, This Ministry was awarded with provisions totaling to Rs. 5.8 Million to execute programmes for housing development in the year 2016. The Ministry gave rise to different housing programmes covering all the districts in the island utilizing the said amount of provisions. The institutions affiliated to the Ministry serving as National Authority, Housing Development Authority, Urban Settlement Development Authority and Condominium Management Authority bestowed their full endeavor in this drive.

Accordingly, Scattered Housing Programme, Model Village Programme, Reawakening Village Programme, Housing Programme for Kidney Patients, Welioya Special Housing Project, Accelerated Programme for the Development of Middle Income Housing and Infrastructure and Lunawa Housing Project were the specific housing development programmes implemented in 2016.

### • Model Village Programme

The Model Village Programme initiated in 2015 covering all the districts in the island was

put into effect by National Housing Development Authority under the direction of this Ministry targeting at families who do not have a land and a house of their own.

Thus, construction of 4641 houses in 147 new model villages was started off only using treasury funds by exceeding 4500 target housing units. The construction of 896 houses in 41 new model villages was commenced under Sevana Funds. Hence, the construction of 5537 new houses was begun in this year. The total amount of expenses for this Model Village Programme was Rs.1100.072 Million.



By the same token, 15 villages of 38 model villages implemented in 2015 were vested in the public under the patronage of Hon.Minister in this year.

Besides, the Approval of the Cabinet of Ministers was secured to the Cabinet Memorandum jointly tabled by His Excellency the president and Hon. Minister of Housing and Construction on 30.09.2016 for the implementation of 500 housing projects that is 20 sustainable model villages for each district Island wide for fulfilling the housing need of the poorest people living in Sri Lanka. The said programme is expected to be implemented in future.

- **Welioya Special Housing Project**

A special programme was triggered off for erecting new houses for recipients in Welioya area in Mulathieve district who are deprived of houses on account of the ethnic conflict deep rooted in this country for over more than three decades and for upgrading existing housing stock. Under this, construction of 1084 houses was launched and the total cost was Rs.310.845 Million by end of the year 2016.

### **Scattered Housing Programme**

**Modernization of partly built houses and building of new houses for temporary houses and for sub families in remaining villages will be undertaken by this Programme. A loan subject to a maximum of Rs.300, 000 for new houses and a loan subject to a maximum of Rs.200, 000 for houses to be improved will be furnished at a concessionary interest rate under this. The requisite technical assistance will be provided by National Housing Development Authority.**

Several sub programmes are implemented covering various terms of reference under this programme island wide. Housing Programme for Widows and Village Reawakening Housing Programme are outstanding among these.

It was aimed to develop 26000 houses under Scattered Housing Programme and by end of the year, 35987 houses were revamped. It is greater than the target houses. The total sum disbursed was Rs.3697.33.



- **Housing Programme for Kidney affected and Poorest Families**

After studying that kidney affected and poorest families are facing range of socio economic hardships, a Cabinet Memorandum was tendered to the Cabinet of Ministers on 06.06.2016 with the joint contribution of His Excellency the President to implement a Special Housing Programme for so affected families and Approval was received to it.

A grant will be afforded subject to a maximum of Rs.500, 000 for each family and except the said financial contribution, National Housing Development Authority lent their helping hand with the technical assistance for the construction of the said houses. This programme was effected for the year 2016 focusing on several identified districts in the island. Under this, 700 houses were built up and the total sum paid out was Rs.74.56 Million.

- **Housing Rehabilitation Programme**

An array of partly built up or unfinished houses have expanded island-wide and Cement Donation Programme for rehabilitation of those houses in a formal manner was set in motion in 2015 and depending on the experience gained through that programme, cement donation

**programme for renovating 75,000 houses was executed by National Housing Development Authority under the guidance of the Ministry.**

**This programme was put into effect covering all the districts in the island and 71,498 houses were refurbished in this year among 75,000 houses. It was a percentage of 95.33%. The total invested amount was Rs.641.013 Million.**



- **Accelerated Programme for the Development of Middle Income Housing and Infrastructure**

The Government Programmes for housing development implemented over the past 10 years gave their prime concern to low income earners. Modifying that concept, the Ministry had the potential to actuate a housing development programme for middle income earners enforcing a commitment made by Hon. Prime Minister in the general election manifesto.

Subsequently, this Accelerated Programme is jointly carried out with the involvement of the public and private sector and middle income earners and employees employed in public and private sector have been given the opportunity to purchase the houses at an affordable price. Action will be taken to set up these housing schemes with all the infrastructure facilities in government owned lands in suburban areas.

The Ministry was competent to carry through work of 4 middle income housing projects under this housing scheme in 2016. “Sea Breeze housing project comprises of 196 houses, Green valley housing project in Athurigiriya-Panagoda comprises of 352 houses, Lavanya Heights housing project comprises of 124 houses and Mount Clifford Range housing project “+comprises of 860 houses are the projects inaugurated in this year.

#### ❖ **Granting Title Deeds for Lands/Houses**

**Disposition of legal rights of lands/houses will be carried out in terms of Sub Section 8(1) of National Housing Development Authority Act and the Ministry had the ability to grant 1851 title deeds among 3000 target housing/land titles by end of the year and it is a percentage of 61.7%. In addition, going beyond 2000 target deeds of lease, 7599 deeds of lease were granted in this year.**

### ❖ **Issue of Condominium Certificates, Registration of Management Corporations and Committees**

The certificates respecting condominium property are issued by Condominium Management Authority affiliated to the Ministry and the registration of management corporations and committees of condominium property will also be arranged.

As a consequence, it is appreciable that it was able to issue 102 target full-time, part-time and temporary condominium certificates in this year. Further, registrations of expected management corporations, renewals of registrations and progress of 579 reactivations of inactive management corporations among 579 were acquired. It is a percentage of 70%.

### **Survey of Collecting Data on Housing Need**

As the absence of an accurate and updated information system on the present housing need in Sri Lanka, in taking policy decisions and planning relating to fulfill the national housing need, we had to face sturdy challenges. Data and information secured by various means on the housing need of the island did not reflect the real state of the present housing need caused by

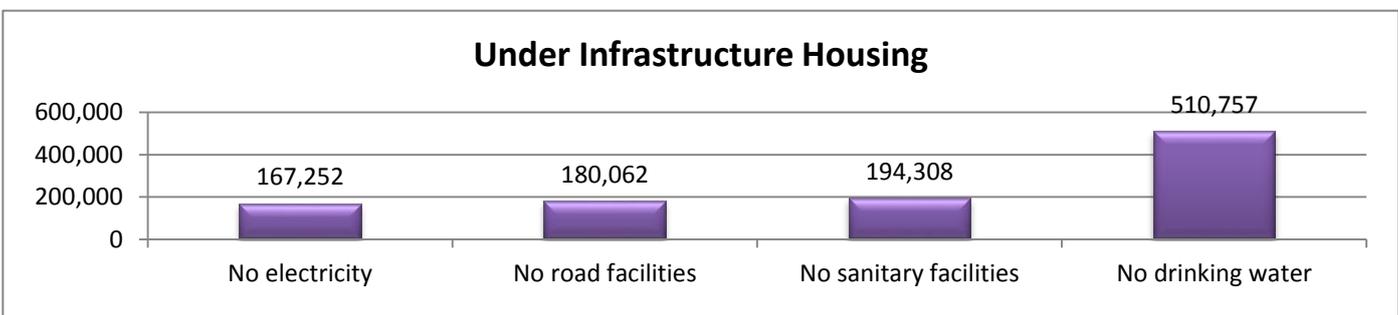
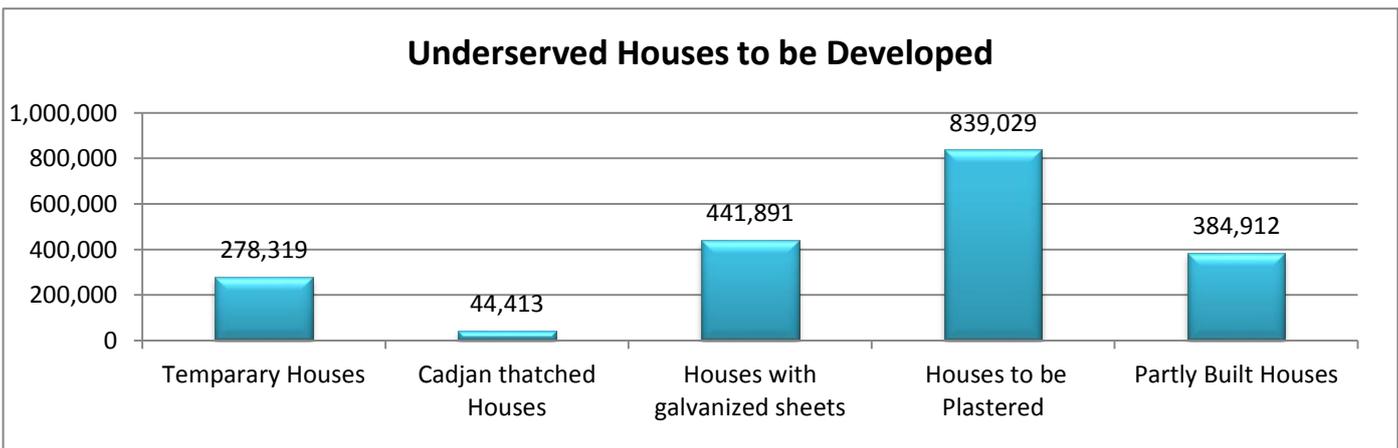
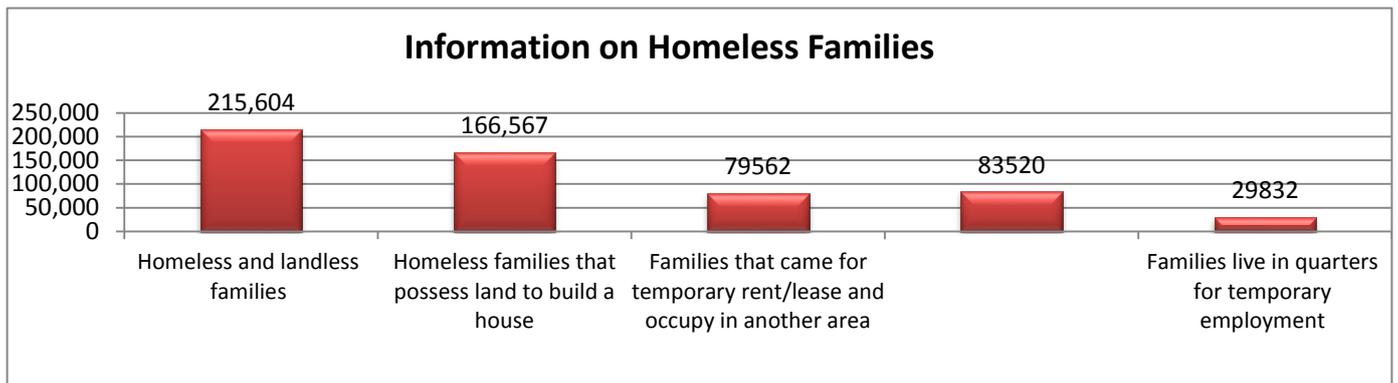
the incompatible and outdated data and information. The need of permanent houses was predicted to be 1,500,000 houses but according to the survey conducted by Census and Statistics Department, it has decreased to 600,000 houses. Therefore, the information is obvious to be contradictory one another.

A survey was conducted to collect data on housing need of all the Grama Nilagari Divisions at divisional secretariat level covering all island. A Cabinet Memorandum was tendered by Hon. Minister Housing and Construction on 09.05.2016 for procuring services of District Secretaries, Divisional Secretaries and officers of other Ministries and institutions for this Survey and approval was presented on 17.05.2016.

The arrangements are being made by the Ministry of Housing and Construction to make preparations for a long term programme to fulfill national housing need which is a pressing problem in Sri Lanka standing on data on housing need.

For the time being, all the Divisional Secretariat Divisions in the island have made available data on housing need available in their division and the summary of data on total housing need so received is on the reverse.

❖ Letters	Housing Need	Families
A	Temporary houses	278,319
B	Cadjan thatched houses	44,413
C	Houses with galvanized sheets	441,891
D	Houses to be plastered	839,029
E	Partly built houses	384,912
F	Homeless and landless families	215,604
G	Homeless families that possess land to build a house	166,567
H	Families that came for temporary rent/lease and occupy in another area	79,562
I	Families permanently moved but live in rented/leased property that residence	83,520
J	Families live in quarters for temporary employment	29,832
total up to A-J		2,563,649
Provision of infrastructure facilities		
K	No Electricity	167,252
M	No Road Facilities	180,062
N	No Sanitary Facilities	194,308
O	No Drinking Water	510,757
total up to K-O		1,052,379



## 9.4 Technical Division

### ❖ National Policy on Construction

National Policy on Construction was formulated by the National Advisory Council on Construction under provisions of Construction Industry Development Act No.33 of 2014. It includes 18 measures be implemented by the Government and the associated institutions of the construction industry.

The objective of the National Policy on Construction is to create an efficient construction industry in Sri Lanka satisfying the national development needs by way of regulating, standardizing, building capacity and facilitating. Generally, this policy relates to the construction industry to which the public and private sectors are attached.

Furthermore, extending the strategic leadership to all parties in the construction industry, sustainable development, stimulating the sustainable development, renovations

and developments, low cost, disaster resilience and eco-friendly technology, advancement of building materials and systems, fostering the suitable researches, propaganda of research activities, publication, compilation of standards, ethics and applied codes and promotion of construction service exports are some objectives in this Policy.

The approval was obtained to the National Policy and its implementation mechanism at the meeting held on 08<sup>th</sup> November 2016.

### ❖ Standing Technical Committee

The Standing Technical Committee under the Ministry of Housing and Construction evaluated quotations of 45 major projects in 2016. Action was taken to save Rs.0.556 Billion for the Government from the projects submitted for Rs.3.561 Billion. This Standing Technical Committee all the way led to maintain the financial transparency of the government projects.

### ❖ Awarding Construction Contracts for Construction Institutions in Public Sector.

A joint report was obtained by the Cabinet Committee on Economic Management under the aegis of the committee consisted of Secretaries to the Ministry of Housing and Construction, Finance and Ministry of Megapolis and Western Development after Hon. Minister, at the Cabinet Meeting, illustrated the difficulty in obtaining contracts competitive with the private sector with the salary increase made by the public sector to the construction institutions of the public sector recently.

As stated in the said report, it has clarified the urgency of protecting these institutions for the safeguard of quality standards of construction industry being institutions providing the price control of competitive contracts of private sector, the occupational security of number of employees, professional training for Engineers, Architectures, Quantity Surveyors, requisite services in emergency cases in the country.

It has been recommended by this report that State Engineering Corporation and

State Development and Construction Corporation under this Ministry should proceed with the projects concurrently amounted to Rs.16,000 Million and projects concurrently amounted to Rs.7,300 Million respectively for the years 2016-2017.

It has also been proposed that a number of enough construction projects commensurate with the value should consistently be given to these institutions through holding discussions with the Line Ministry.

That report was approved by the Ministry and Ministry of Finance has been informed to issue a circular containing a procedure to be followed on providing construction contracts of public sector. The implementation of this will be a pillar of strength for the further existence of the State Engineering Corporation and State Development and Construction Corporation.

#### **Boycott of Construction Contract Oversights.**

**The progress review of 06 government institutions in construction division allied to the Ministry of Housing and Construction is carried out monthly and there, steps will be taken to study nationally important construction industrial issues and to seek solutions for them.**

**As oversights of construction contracts were regularly reported, participatory workshop was organized in the Centre for Housing Planning and Building (CHPB) on 13.09.2016 to examine issues affecting oversights of construction contracts and to suggest solutions.**

**Government institutions engage in construction industry and a number of major contract institutions with a host of government institutions providing construction services took part in this workshop. Thus, representation of some provincial councils could be picked up for this workshop.**

**A number of issues which influence the oversight of construction contracts could be identified by the said workshop and professional ideas could be pointed up on short, mid and long term procedures to resolve those matters.**

**Thereafter, Ministry of Housing and Construction is expecting to contribute to launch relevant steps to the said resolution of solutions and to revitalize the construction industry since 2017.**

#### **9.5. National Housing Commissioner's Division**

The National Housing Commissioner's Division is associated with granting deeds for tenants under Ceiling on Housing property law No.01 of 1973 for confiscated property and the number of so granted deeds is 07. Moreover, compensation was also granted for owners of confiscated houses.

Assessed value for houses was recovered from each tenants in granting deeds for tenants under Ceiling on Housing Property Law and action was taken to credit the so recovered amount to the housing fund.

### 9.6. Internal Audit Division

In pursuance of the Annual Audit Programme -2016, work of 14 audit reports was accomplished among 29 audit reports though work of 15 audit reports could not be completed. The shortage of a skilled and seasoned workforce in audit and investigation matters was the main reason for this. However, the work of 06 expected preliminary investigations could be completed by end of the year 2016 as per the Annual Audit Programme.

Furthermore, 04 audit and management committee meetings to be held annually

were held once a quarter and arrangements were done to rectify and minimize the issues related to the Ministry and institutions affiliated to the Ministry by way of discussing and instructing.

## Several Development Projects Implemented in the year 2016



Training of Construction Craftsmen under Semata Sevana – Shilpa Saviya Programme



Training of Construction Industrial Craftsmen– CETRAC Pelawatta



Lunawa Housing Scheme



National Agriculture Information and Communication Centre - Gannoruva



Bus Stand- Walasmulla



Kolamunu Oya Bridge

## 10. Problems Confronted by the Ministry in the Year 2016

### ❖ Challenges Confronted in Implementing Housing Programmes

#### • Land issues

Various housing programmes were implemented by this Ministry and National Housing Development Authority and Urban Settlement Development Authority affiliated to this Ministry in 2016 covering all the districts island-wide and acquisition of suitable lands for constructing houses was the high priority issue sprung up in implementing the said programmes.

Especially, this situation had an effect on selecting suitable lands for constructing new model villages under Model Village Programme. Many difficulties were encountered in implementing this programme in those districts owing to unavailability of suitable government owned lands for constructing large number of houses simultaneously in limited extent of lands in Colombo and Gampaha districts. Besides, as the extent of land identified as suitable for constructing houses in landslide prone districts such as Kegalle, Badulla, Ratnapura and Kandy is very limited, a few new model villages were constructed in the said districts compared to other districts in the island.

Additionally, though many problems were envisaged in identifying suitable lands for constructing houses in the districts such as Hambantota, Anuradhapura, Polonnaruwa, Monaragala and Kurunegala which are

threatened with wild elephants, construction of many new model villages was initiated in considerable extent of lands by end of the year.

In addition to this, although there were some delays in activities like surveying identified lands, allocating blocks of lands and land acquisition, Ministry was able to commence construction of all the target new model villages in the year.

Nevertheless, due to the difficulties in obtaining lands with sufficient area for constructing storied houses in suburban areas for housing schemes expected to be implemented under the housing scheme for middle income earners, 4 housing schemes were started off only in Colombo, Gampaha and Kalutara districts in this year.

#### • Housing Schemes/Issues in Securing Infrastructure Facilities for Model Villages

The new model villages of housing development programme implemented under this Ministry are fully fledged model villages with all the infrastructure facilities. Ministry confronted many issues in 2016 in procuring drinking water, electricity and access roads for these model villages.

The most acute problem was the obtaining of drinking water. Especially, a large sum of money had to be spent for providing water supply for new houses attributable to the dearth of underground water and, pipe water in relevant areas in obtaining drinking water for new model villages. Additionally, many a newly

**constructed model villages could not be vested in public in this year because of the delays occurred in securing electricity and access roads.**

- **Selecting Beneficiaries and Construction of Houses**

Action is taken with transparency through Divisional Secretaries in selecting beneficiaries for constructing model villages consist of new houses. Occasionally, it took significant time in holding land kachcheri method for the selection of beneficiaries.

As most of the housing programmes implemented by the Ministry are participatory housing development, the intervention and the contribution of the beneficiary give assistance to complete the house during the target period. Since the beneficiaries which are selected following the said method are a poverty stricken group, there were several occasions in which the work of houses could not be finished during the expected period of time in contributing to construct their own houses fostering their livelihood in the participatory development process.

- **Impacts of Climate**

Flood and drought which occurred in bad weather condition in the last year influenced the housing construction work very badly. Furthermore, all the work of target houses could not be realized as a result of the impediments in getting sand and wood required for housing construction.

- ❖ **Issues of the Construction Field**

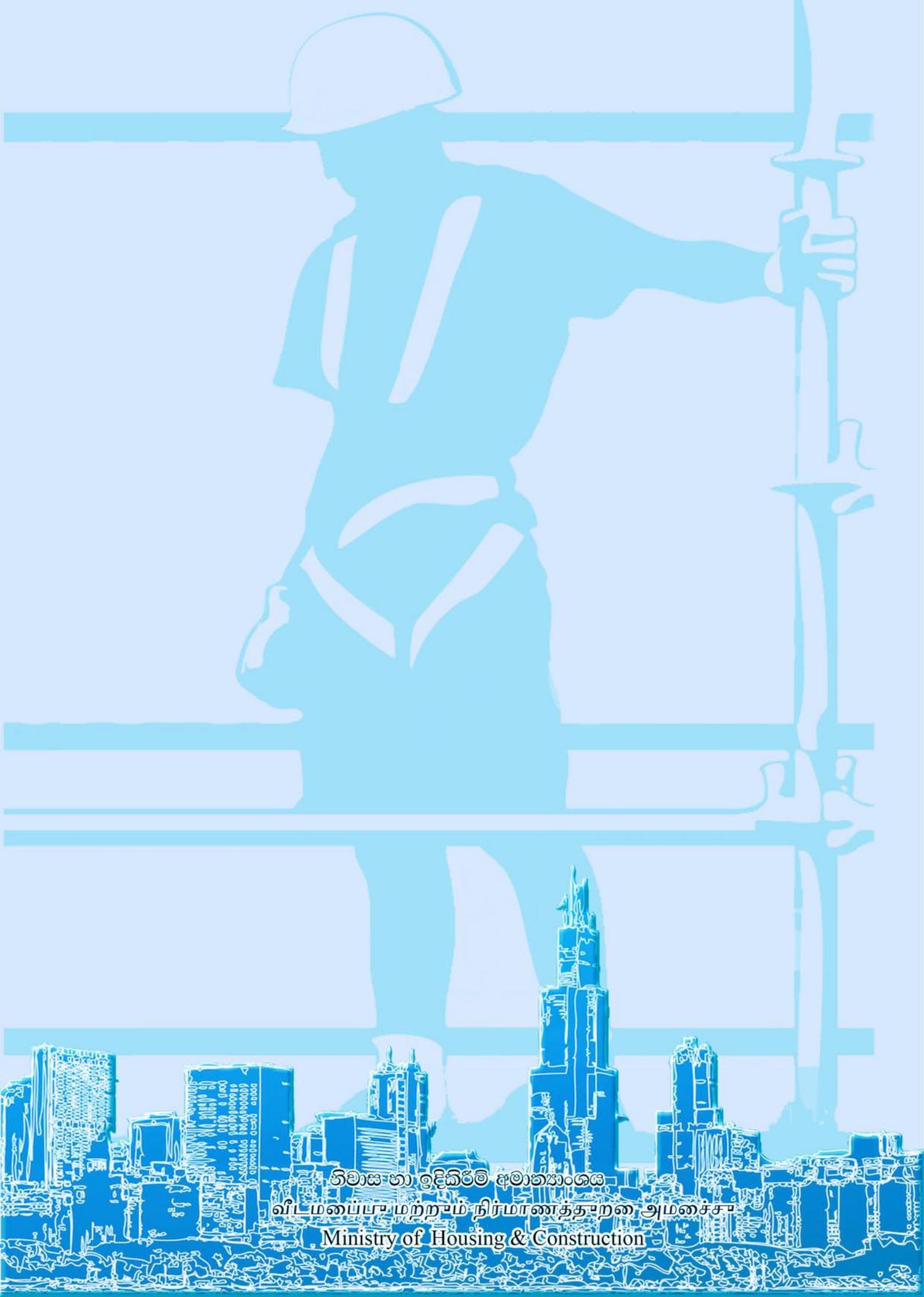
Many government institutions like State Engineering Corporation of Sri Lanka, State Development and Construction Corporation, Buildings Department and Department of Government Factory are the government institutions which carry out construction projects under this Ministry. Construction projects of public sector were not significantly received to these institutions in this year too corresponding to the previous year.

As well, the State Engineering Corporation of Sri Lanka was in a severe financial strait not having a chance to recover sum approximately Rs.1 Billion due from different government institutions for the construction projects implemented by this Corporation over the past few years.

- ❖ **Inability to fulfill the vacancies in the Ministry**

As the consequence, the vacancies for the posts of Additional Secretary (Admin) and Senior Assistant Secretary (Admin) which were long overdue from the mid of 2016 to the end of the year resulted in great stumbling blocks to the activities of the Administration Branch. In addition, the posts of Assistant Director (Housing), Assistant Director (Engineering Services), Assistant Director (Urban Settlements) were unfilled for a long period of time. The shortage of officers in Sri Lanka Administrative Service and Sri Lanka Engineering Service was the foremost matter in question.

Vacancies of staff of the Ministry fell out time to time due to transfers, deaths and retirement of officers in the Ministry and it turned out to a big predicament to the Ministry in performing day to day official duties thereof.



திலாஶ ஶா ஓ஢ி஢ி஢ீ஢ீ ஶலா஢ஶா஢஢  
வீடமஶய்ப்பா ம஢்஢ு஢் ஢ிர்மா஢஢தது஢஢ை அமஶைஶஶா  
Ministry of Housing & Construction