



கார்டீசுசு சூடிலு லூர்லூல - 2014  
செயலூற்றுசு அறிக்சுசு - 2014  
Performance Report -2014



ஓடிநீர்லி, ஓபீனீர்லு சீலூ, திலூசு னூ லூலு அலசுசுதலி ஓலூலூலூலு  
நீர்லூனூதூறூ, லூறிலூயல் சீசுவசுள், வீடலூபூ ஡ூறூ லூ தூ வசுதிகுள் அலூசுசு

Ministry of Construction, Engineering Services, Housing & Common Amenities



**Ministry of Construction, Engineering Services, Housing and  
Common Amenities**

## **Performance Report -2014**

**Second Floor, "Sethsiripaya", Battaramulla**

## Message of the Hon. Minister

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I am delighted to issue this message to the report containing the performance of the ministry in the year 2014 in the backdrop of Sri Lanka achieving her highest growth in the history of housing development field as the country with the most number of permanent houses and the least number of shanties in relation to its population in the entire South Asian region.

In the aftermath country being totally liberated from the clutches of terrorism under the leadership of His Excellency the President, the country's development drive is moving forward at a rapid pace. In accord with this development, the highest growth rate of the construction sector in the history of Sri Lanka too has been posted at present. This growth rate exceeding 22% is indeed a remarkable feat. In many years in the post independent Sri Lanka, this rate hovered between 5-6%.

As per the population and housing census report of 2011, the total housing stock in Sri Lanka was 5,195,331 of which 4,471,442 came under permanent category. (concrete, tile, asbestos or roofed) This amounted to 82% of the total housing stock. The number of families in need of a fixed abode is 123,270.

The housing needs of the country are addressed through the Janasevana National Housing and Settlement Drive implemented in accordance with 'Mahinda Chintana-Vision for the Future' and by the Ministry of Defence and Urban Development. In addition a host of public and private sector institutions too have laid emphasis on constructing houses. A special mention should be made about the interest triggered by Janasevana programme launched in the year 2011 in the sphere of housing. Though the number of houses constructed each year averaged one hundred thousand in the past, since 2011 this number has shot up to four hundred thousand indicating the success of the Janasevana programme.

The development in the housing sector is best illustrated by the dropping of the country's housing requirement to less than seven hundred thousand as pointed out by the report of the population and housing census issued in the year 2011.

For the first time in the recent history, not only a national housing policy was launched but an action plan too was formulated for its practical implementation marking a watershed moment in the housing sector of Sri Lanka.

However the most important step taken for the advancement and regulation of the country's construction sector was the establishment of the Construction Development Authority consequent to the enactment of the Construction Industry Act. While upholding the Sri Lanka's proud record in the construction sector, this will afford an opportunity to our construction professionals and craftsmen to showcase their creative ability locally as well as globally. In addition, conferring greater recognition on those involved in the construction sector, the "Mahabhimani" national construction awards ceremony was held paving the way for the first time ever for investors and craftsmen in the construction sector to receive their awards from the head of state of the country.

Twenty two multi- storey housing schemes in a state of disrepair for many years were fully renovated and restoration of another 23 housing schemes are now in progress.

During the year 2014, the Sri Lanka Engineering Corporation successfully completed the construction activities of more than 20 development projects worth nearly Rs 4000 million.

The turnover of the State Engineering Corporation in the year 2011 was Rs. 5473 million. The increasing of this turnover up to Rs 10,000 million in the year 2014 bears testimony to the progress attained by the Sri Lanka Engineering Corporation as a public sector construction institution. Having annihilated terrorism, our motherland is resolutely moving forward achieving many victories and triumphantly overcoming many hurdles and challenges. I wish that we all will have the fortune of being proud partners of this forward march while deriving strength and fortitude to overcome these challenges.

I wish you all a bright future!

**Wimal Weerawansa, M.P.**  
**Minister of Construction, Engineering Services,**  
**Housing and Common Amenities**

## Message of the Hon Deputy Minister

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I am pleased to issue this message to the Performance Report 204 of the Ministry of Construction, Engineering Services, Housing and Common Amenities which discharges a colossal service in the field of construction and housing while being a forerunner in the rapid development process taking place in Sri Lanka in the year 2014.

The contribution made by the construction sector to the Gross Domestic Product in the year 2013 stood at 8.6% and it has grown to 9.7% in the year 2014. Accordingly, the contribution of the construction sector to the rapid economic advancement of the country is 10% of the national income and the annual growth is roughly 17%.

A landmark event of the year was the passage of Construction Industry Development Act in Parliament which paves the way for the conversion of the Institute of Construction Training and Development into a Construction Industry Development Authority for the regulation of all activities pertaining to the construction industry under one roof and it will also help in guiding the construction industry along the right path.

Further, craftsmen engaged in the construction sector were conferred greater social recognition through the national ceremony for construction excellence and also motivated them for greater achievements.

Similarly, the 'Janasevana Housing Development Drive' implemented targeting low income earners, the middle class, public sector employees and estate and fisheries communities to ensure the right to shelter for every Sri Lankan is being successfully implemented and the progress achieved is detailed in this report. Renovation of old housing schemes and the transfer of lawful ownership of the houses to residents of government and other housing schemes were among other measures initiated to address the housing problem.

Under the Swashakthi Human Development Programme, people living in underserved settlements are economically empowered and various programmes are implemented to promote artistic skills of children thereof while taking action to create a virtuous family.

I wish to take this opportunity to extend my heartfelt gratitude to the Hon. Minister Wimal Weerawansa for his strong leadership and guidance for all activities executed by the Ministry and all institutions under its purview in realizing development goals of Mahinda Chintana- Vision for the Future 2014.

I also take this opportunity to convey my thanks to the Secretary of the Ministry and the staff, the chairmen of the institutions affiliated to the Ministry who serve as catalysts in the path of development, the general managers and the staff for being committed to success.

Let's work in unison to create a prosperous Sri Lanka

**Lasantha Alagiyawanna (M.P.)**  
**Deputy Minister of Construction, Engineering Services,**  
**Housing and Common Amenities**

## Message of the Secretary

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It is a great joy for me to issue this message to the Performance Report 2014 which details the housing development programs implemented by the Ministry of Construction, Engineering Services, Housing and Common Amenities in accord with the policy as envisaged in ‘Mahinda Chintana’ to make Sri Lanka the wonder of Asia.

Housing development is a positive indicator of the state of economy and economic wellbeing in defining a development of a country. Under the ‘Janasevana’ one million housing and settlement development drive being implemented targeting low income earners and people living in underserved settlements, loan schemes have been launched throughout the country for the construction of houses as well as upgrading existing houses to address housing needs of the people. Details of the progress achieved by through diverse programmes implemented under the ‘Swashakthi Human Development Programme’ in Colombo and the suburbs for economically and socially empowering people living in underserved settlements are also included in this report.

Measures have also been taken to ensure secure public life by providing plots of lands to landless people, granting freehold deeds to residents of government housing schemes and renovating housing schemes which were more than 30 years old.

The National Housing Action Plan for the implementation of the National Housing Policy as a more sustainable programme for the realization of housing needs of all segments of society through the Janasevana national housing programme has been formulated and declared. This will ensure the right of the people to live in an eco-friendly, qualitative and more secured house equipped with more facilities at an affordable price.

One of the most outstanding successes during the year was the passage in Parliament of the Construction Industry Development Act drafted with the aim of making Sri Lanka’s construction industry more efficient and globally more competitive.

It will also make it possible to render a notable contribution to the process of empowering craftsmen to execute the national responsibility of preparing the workforce to elevate the standards to a higher level and strengthening construction institutes to improve human resources so as to enable the reaping of the benefits of labour market created as a result of the rapid development of the construction sector.

The construction institutions under the purview of the Ministry, in the face of numerous challenges, play a pivotal role in the massive development taking place in Sri Lanka by implementing mega development projects such as construction of highways, hydro power plants, tunnels, government buildings, irrigation schemes and bridges.

We worked with well regulated management mechanism, making policy decisions and providing required facilities for the realization of all these development goals and commendable progress could be achieved through the above programmes implemented with the intervention of the Hon. Minister securing the required resources and provisions.

All these accomplishments were made possible by the correct leadership and guidance offered by the Hon. Minister Wimal Weerawansa and the encouragement and support given by the Hon. Deputy Minister Lasantha Alagiyawanna and the assistance provided by the additional secretaries and the commitment and the efficiency of service all officials of the Ministry and the Chairmen, General Managers and officials of the institutions affiliated to the Ministry deserve special praise.

**P.H.L. Wimalasiri Perera**  
**Secretary,**  
**Ministry of Construction, Engineering Services,**  
**Housing and Common Amenities**

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## 1. Introduction

The Janasevana Housing and Settlement Development Drive implemented by the Ministry of Construction, Engineering Services, Housing and Common Amenities and its affiliated institutions with the objective of providing a house to every Sri Lankan family has been successfully in operation since the year 2011.

Targeting rural and urban low income earners, the middle class, public sector employees, those displaced by the war as well as fishing community and covering every geographical location of the country, this programme is being effectuated with the objective of addressing the housing problem.

Formulation of a national housing policy by studying various housing and settlement development programmes hitherto implemented in Sri Lanka and drawing on from their experiences and securing views and opinions of various ministries, institution and organizations and general public is one of the most outstanding successes of the Ministry in recent times. The policy specifically focuses on addressing the housing needs of low income groups and also addresses itself to the provision of high quality, eco-friendly, secured housing facilities at affordable prices to all social groups.

With the dawn of peace to Sri Lanka, essential infrastructure development programmes carried out by the government such as large scale constructions, road networks, bridges, diverse water supply projects, power

generation projects gathered momentum and resulted in an enhanced private sector investment in the construction sector precipitating a substantial growth in the construction sector. The contribution of the construction sector to the Gross Domestic Product in the year 2013 was 8.6%. The resultant resurgence in the construction sector helped in bringing about professionalism and stability of not only construction industrialists but raw material producers and craftsmen of different categories engaged in the sector.

The Construction Industry Development Act which provides measures for offering a host of benefits to the country, local construction craftsmen and all partners and the people through the advancement of the construction sector which makes a notable contribution to the country's development was passed by Parliament.

The construction institutions of our ministry – the State Engineering Corporation, State Development and Reconstruction Corporation, Institute of Construction Training and Development, Buildings Department and the Government Factory are playing a pivotal role in the development of infrastructure facilities and the implementation of various construction projects. The Institute of Construction Training and Development introduced a host of new programmes from this year to upgrade knowledge, capabilities and attitudes required for fulfilling the national responsibility of preparing the labour force required for the construction sector and to empower professionals and

## Performance Report

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construction craftsmen with skills and knowledge. By organizing a national construction week and an award ceremony titled “Mahabhimani” to felicitate all craftsmen of the construction sector at national level, the services of professional craftsmen and other stakeholders of the construction sector were recognized and appreciated for the first time last year and measure are underway to conduct this programme in the future as well.

If sustainable development is to be achieved, there should invariably be harmony between economic and human development. For this purpose, the basic unit of the society, i.e. the family should be involved in the development process. The “Jana Sevana Swa Shakthi” human development programme has been in operation since the year 2010 with the objective of economically, socially and culturally empowering underserved communities, covering all urban areas of the City of Colombo. By implementing skills and attitude development programmes, savings promotion programme, self employment promotion programme and social and cultural programmes were conducted for the benefit of these communities under this programme, action is being taken to make these communities partners of economic development.

Sri The progress of the programmes implemented by the Ministry in the year 2014 for the sustainable development of the country and details of development programmes carried out and their progress are included in this report.

## 2. Vision and Mission of the Ministry

### Vision

“Development of sustainable settlements and a reawakening of the construction industry”

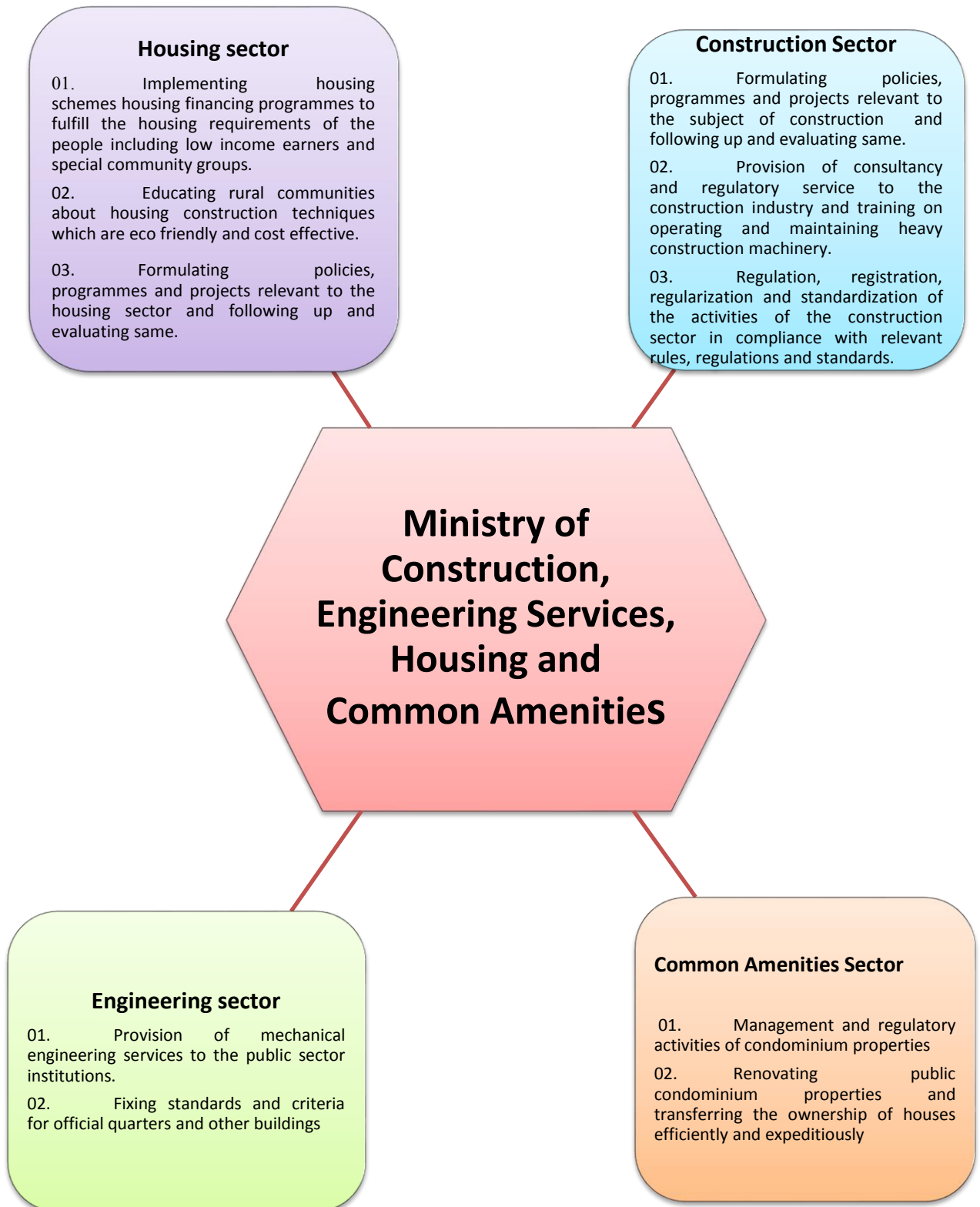
### Mission

“Creation of a planned, environmentally friendly and high quality construction industry by strengthening Sri Lankan entrepreneurs, professionals and labour force with skills and resources and contributing to economic development by generating settlements with basic facilities through community participation”

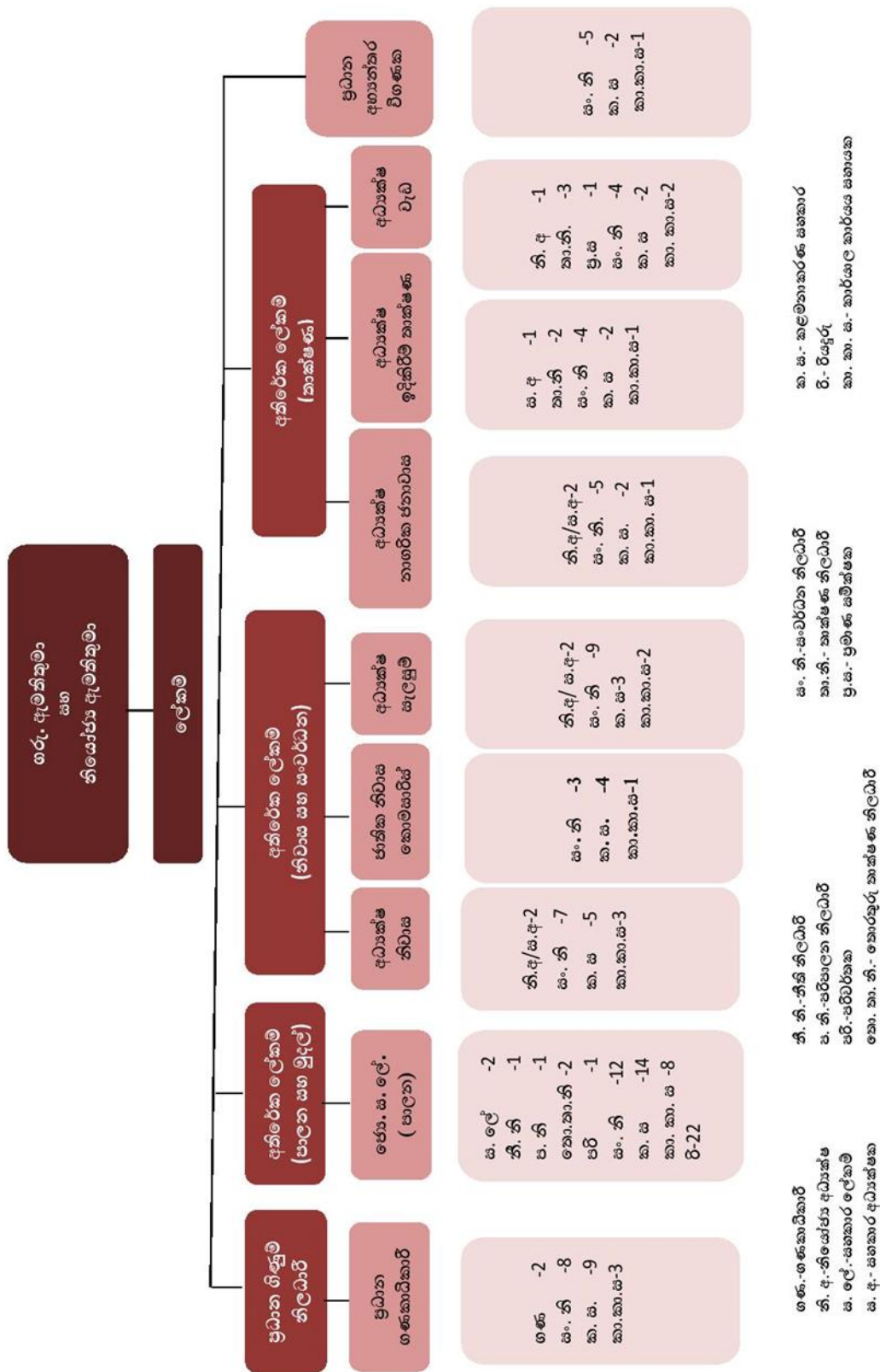
## 3 Scope of the Ministry

Formulating policies and development plans to realize the objectives of the housing and construction sector and making guidelines for the relevant institutions involved in the sector.

## 3.1 Main subject areas of the Ministry



### 4. Organizational Structure of the Ministry



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### 5. Approved Cadre of the Ministry

S. No	Post	Salary scale	Service applicable	No. of approved posts
01	Secretary	SL4		01
02	Additional Secretary (Admin & Finance)	SL3	SLAS Special	01
03	Additional Secretary (Housing & Development)	SL3	SLAS Special	01
04	Additional Secretary (Technical)	SL3	SLES 1	01
05	Chief Financial Officer	SL3	SLAccS Special	01
06	Senior Assistant Secretary (Admin)	SL1	SLAS1	01
07	Director (Housing & Development)	SL1	SLAS 1	01
08	Director (Cons. Tech)	SL1	SLES 1	01
09	Director (Planning)	SL1	SLPS 1	01
10	Director (Engineering Services)	SL1	SLES 1	01
11	Director (USD)	SL1	SLES	01
12	Housing Commissioner	SL1	-	01
13	Deputy Director /Asst Director (Housing & Development)	SL1	SLAS II/III	01
14	Deputy Director /Asst Director (Cons. Tech)	SL1	SLAS II/III	01
15	Deputy Director /Asst Director (Planning)	SL1	SLAS II/III	01
16	Deputy Director /Asst Director (Planning)	SL1	SLAS II/III	01
17	Deputy Director /Asst Director (Engineering)	SL1	SLAS II/III	01
18	Deputy Director /Asst Director (USD)	SL1	SLAS II/III	01

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<b>19</b>	Asst Secretary (Admin)	SL1	SLAS III	02
<b>20</b>	Accountant	SL1	SLAccS II/I,II/II	02
<b>21</b>	Chief Internal Auditor	SL1	SLAccS	01
<b>22</b>	Legal Officer	SL1	Departmental	01
<b>23</b>	Information & Technology Technical Officer	SL1	SLITS2/II	01
<b>24</b>	Administrative Officer	MN7	PMAS(Supra)	01
<b>25</b>	Coordinating secretary to the Secretary ( a temporary post)	-	-	01
<b>26</b>	Translator	MN6	Translator Service	02
<b>27</b>	Budget Assistant	MN4	Associated Officer	01
<b>28</b>	Supplies Assistant	MN4	Associated Officer	01
<b>29</b>	Development Assistant	MN4	Associated Officer	25
<b>30</b>	Housing Development Assistant	MN4	Associated Officer	11
<b>31</b>	Management Assistant	MN4	Associated Officer	43
<b>32</b>	Technical Officer	MT2	SLTS	05
<b>33</b>	Quantity Surveyor	MT2	SLTS	01
<b>34</b>	Driver	PL3	Drivers' Service	22
<b>35</b>	KKS	PL1	KKSS	22
<b>Total number of posts</b>				<b>162</b>

## 6. Structure of the Ministry





# Performance Report

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## 6.1 Administrative Division

“Extending support to all divisions of the Ministry in implementing the policies of the government and in discharging various functions for the wellbeing of the public by the Ministry of Construction, Engineering Services, Housing and Common Amenities and creating conducive working environment and managing human resources efficiently and effectively is towards that end is the responsibility of the Administrative Division.”

### Key functions of the Administrative Division

1. Maintaining establishment activities of all officials serving in the Ministry.
2. All maintenance activities of the Ministry.
3. Carrying out procurement activities of the Ministry.
4. All administrative activities executed with the intervention of the Ministry in institutions affiliated to the Ministry.
5. Activities concerning the staff of the Ministry.
6. Providing facilities required for all divisions of the Ministry..
7. Updating the website of the Ministry
8. Conducting productivity activities.
9. Providing transport facilities for the activities of the Ministry.
10. Conducting training sessions for the officials of the Ministry.

## 6.2 Planning Division

“Assisting in guiding the institutions under the purview of the Ministry to achieve the progress in development activities as planned”

“Creating awareness amongst the relevant parties and the general public by disseminating information about the development activities carried out in the construction sector.”

“Identifying the developmental needs of the housing and construction sector and assisting to have the project proposals formulated by the affiliated institutions approved by the Ministry of Finance and Planning”

### Key functions of the Planning Division

1. Coordinating the activities in respect of drafting the action plan of the Ministry and affiliated institutions in line with the vision and the mission of the Ministry.
2. Evaluating the progress of developmental activities of institutions under the purview of the Ministry as per the monthly and annual action plans.
3. Evaluating the progress of developmental activities on monthly and quarterly basis and referring the reports to the relevant institutions.
4. Preparing the Performance Report of the Ministry for the committee stage debate of the budget and presenting it to the Parliament.
5. Forwarding the project proposals of the Ministry and affiliated institutions to the National Planning Department and coordinating relevant activities.

## 6.3 Housing Division

“Formulating national policies, making plans and conducting follow-ups in the field of housing development and common amenities with a view to achieving the objectives of the housing sector offering guidance to institutions affiliated to the Ministry”.

### Key functions of the Housing Division

#### 1. Policy formulation

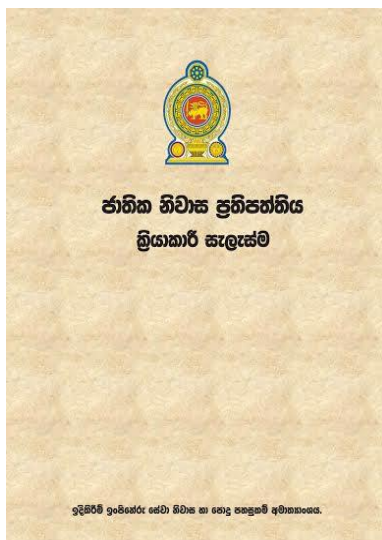
- Formulating policies required for the advancement of the housing sector
- Implementing policies relevant to the housing sector in collaboration with other public sector institutions.
- Developing underserved settlements and developing their communities
- Establishing district, divisional and village level housing committees.
- Implementing programmes associated with housing construction island-wide parallel to World Habitat Day and commemorating World Habitat Day.

#### 2. Lands related duties

- Activities relating to acquisition of lands for housing development purposes
- Activities pertaining to disposal of lands for housing purposes
- Transferring legal ownership of lands/housing to their occupants under section 8(1) of the National Housing Development Authority Act.
- Regularizing illegal occupants of lands belonging to the National Housing Development Authority as per the decision of the cabinet of ministers.

#### 3. Housing Development

- Implementing housing construction programmes and housing projects in accord with the requirements of the country
- Renovating multi-storied housing programmes
- Implementing housing loan programmes
- Submitting cabinet memoranda in respect of housing schemes
- Implementing housing programmes in collaboration with other public sector agencies
- Coordinating housing projects with local and foreign investors
- Developing underserved settlements and uplifting communities



## 6.4. Technical Division

### 6.4.1. Engineering Services Division

Controlling the total construction cost by fixing reasonable and affordable prices for construction projects and assisting the institutions under the Ministry to select contractors for construction projects at reasonable prices employing a transparent process are carried out by this division.

#### Key functions of the Engineering Service Division

1. Granting approval of the standing technical committees in respect of constructions of government institutions
2. Appointing procurement committees for institutions under the Ministry.
3. Granting approval of the Ministry for contract fluctuations.
4. Conveying the decisions of the ministerial procurement committee
5. Maintaining databases on contractors involved in the construction sector and prices relevant to the construction sector.

### 6.4.2. Construction Technology Division

“Steering the institutions under the purview of the Ministry to create an environmental friendly and qualitative construction industry”

### Key functions of the Construction Technology Division

1. Guiding the institutions affiliated to the construction sector providing construction and engineering services for the advancement of the construction industry.
2. Preparing the labour force required for the construction industry
3. Guiding the affiliated institutions to equip professionals and construction craftsmen with knowledge and skills.

### 6.4.3. Urban Settlement Development Division

“Steering the construction of housing projects equipped with amenities primarily for urban low income earners and other people developing urban settlements are carried out by this division.”

#### Key functions of the Urban Settlement Development Division

1. Forwarding the development proposals submitted by the institutions affiliated to the Ministry to the National Planning Department through the standing project evaluation committee.
2. Monitoring and reviewing the progress of urban development settlement projects.

### 6.5. National Housing Commissioner's Division

This division executes powers and functions proclaimed under the Ceiling on Housing Property Law No. 01 of 1973. It also carries out certain functions under the Rent Act No. 7 of 1972.

“Granting deeds to tenants and payment of compensation to owners of houses acquired by the government which are the main objectives set out by the above legislation are main responsibilities of this division”

### 6.6. Finance Division

“Provision of financial resources and consultancy services required for the attainment of objectives of the Ministry and institutions coming under its purview and giving instructions on systems and controls needed for more efficient and effective deployment of such resources”

1. Planning funds
2. Budgeting
3. Securing right amounts of funds at the right time
4. Releasing and spending money to achieve the targets of the Ministry
5. Reporting to the relevant parties about the expenditure and the financial progress or before the due date.

### 6.7 Internal Audit Division

“Establishing sound financial administration and proper management to convert the expected goals of the institutions into reality”

Participating in the financial administration and management activities of the Ministry and institutions under its purview and assisting them by offering guidance and giving instructions to carry out such activities more systematically and efficiently.

# Performance Report

## Some of the development projects implemented in the year 2014



Kaduwela expressway entry point building



Prisons building, Pallekele



Construction of Ulapane bridge



Tunnel at the New Laxapana power station



Installing traffic light systems Godagama, Matara



Periyakulama housing project

## 7. Institutions affiliated to the Ministry

### 7.1. Institute of Construction Training and Development

The Institute of Construction and Training and Development (ICTAD) is an entity established under the State Industrial Corporations Act of 1957. Currently it comes under the purview of the Ministry of Construction, Engineering Services, Housing and Common Amenities and functions under a Board of Directors headed by its chairman.

### 7.2 State Development and Construction Corporation

State Development & Construction Corporation (SD &CC) was incorporated on 01 October 1971 as an engineering institution under the State Industrial Corporation Act No. 49 of 1957 and is currently under the purview of the Ministry of Construction, Engineering Services, Housing and Common Amenities.

SD&CC has been playing a leading role in developing infrastructure facilities of the country by planning, designing and constructing bridges, roads, multi-storied buildings, irrigation structures, tunnels and water supply projects and is the foremost institution in bridge construction. It is also the only local construction organization capable of constructing tunnels.

### 7.3 State Engineering Corporation

The State Engineering Corporation, a semi- government institution functioning under the purview of the Ministry of Construction, Engineering Services, Housing and Common Amenities was established under extraordinary gazette notification No 12841 dated 01 January 1962.

It is the flagship state sector institution of the construction sector. The Corporation's main functions include the provision of engineering services, provision of consultancy services, provision of construction equipment, plan designing, provision of training and research.

### 7.4 Department of Buildings

The Department of Buildings which remained as a part of the Government Works Department at the inception was established as an "A" grade department in 1969. During that period provisions for the construction and maintenance activities of all government buildings and relevant services were allocated to the Department of Buildings and all such activities were carried out by the 27 District Engineers Office of the Department deploying more than 5,000 workers.

With the delegation of powers to the provincial councils under the 13<sup>th</sup> constitutional amendment in 1989, the Department of Buildings restructured itself as the head office in Colombo and 7 main engineering offices covering the entire island.

### **7.5 National Physical Planning Department**

The principal function of the Department is the formulation and implementation of a national physical plan with the object of promoting and regulating integrated planning of economic, social, physical and environmental aspects of land in Sri Lanka, to provide for the protection of natural amenities, the conservation of natural environment, buildings of architectural and historic interest and places of natural beauty.

### **7.6. Urban Settlement Development Authority**

According to the Urban Settlement Development Authority Act No. 36 of 2008, this Authority is an institution established for uplifting the living standard of people living in underserved urban settlements by upgrading existing housing units to ensure a sustainable urban development by providing access for better housing facilities or minimum urban facilities.

### **7.7 Government Factory**

The Government Factory provides metal and carpentry products in the field of mechanical engineering for the public sector institutions and also provides workshop training in the field of mechanical engineering.

### **7.8.National Housing Development Authority**

The National Housing Development Authority was incorporated by the National Housing Development Authority, Act No. 17 of 1979 to undertake Housing Development activities in Sri Lanka. The Authority carries out its activities on an island wide basis through a network of 25 district offices and 02 metropolitan offices in addition to the head office in Colombo.

### **7.9 Condominium Management Authority**

The Condominium Management Authority established under the Common Amenities Board (Amendment) Act No. 24 of 2003 is the regulatory body on condominium construction and management. Further, the main objective setting up of this Authority is to regulate the terms of the Apartment Ownership Act amended as per Act No. 45 of 1982 and Act No. 39 of 2003.

### **7.10 Ocean View Development Private Limited**

Ocean View Development Company was founded on 1<sup>st</sup> January 1996.

Bringing to the fore trust and responsibility as a public sector entity and efficiency as a private sector institution, it extends support to the national policy of the Janaevana One Million Housing Program and it has been able to bring about a noticeable change to the housing market while catering to the housing needs of the country.

# Performance Report

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## Some of the development projects implemented in the year 2014



Auditorium of the Northwestern Campus



Ruwanwella bridge project



Thalawakele –Lindula housing project



Moratuwa Angulana housing project



Anuradhapura main stadium, pavilion and swimming pool



Bhikku University building, Anuradhapura



## Performance Report

### 8 Financial Provisions

The total financial provision allocated to the Ministry in the year 2014 and the progress of the financial provisions as at 31.12.2014 are tabulated below.

#### ❖ Overall financial progress of the Ministry By programmes

	Estimated provisions	Net (gross) provision	Actual expenditure
Recurrent expenditure	343,415,000	343,415,000	328,407,383
Capital expenditure	4,296,387,000	4,296,387,000	2,994,796,484
	<b>4,639,802,000</b>	<b>4,639,802,000</b>	<b>3,323,203,867</b>

Programme 1 - Operational Activities

	Estimated provisions	Net (gross) provision	Actual expenditure
Recurrent expenditure	227,415,000	227,415,000	224,391,383
Capital expenditure	13,775,000	13,775,000	237,477,070
	<b>241,190,000</b>	<b>241,190,000</b>	<b>237,477,070</b>

Programme 2 – Development activities

	Estimated provisions	Net (gross) provision	Actual expenditure
Recurrent expenditure	116,000,000	116,000,000	104,016,000
Capital expenditure	4,282,612,000	4,282,612,000	2,981,710,797
	<b>4,398,612,000</b>	<b>4,398,612,000</b>	<b>3,085,726,797</b>

## Performance Report

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### Advance to public officers account

Item No	123011 123012			
		Maximum debit limit	Maximum credit limit	Maximum debit balance limit
<b>Approved limits</b>		7,000,000	4,000,000	40,000,000
<b>Balance at the beginning of the year (01.01.2014)</b>			24,448,259	
<b>Total debits during the year</b>				
	123011	5,197,781		
	123012	1,335,371	6,848,772	
			31,297,031	
<b>Total credits during the year</b>				
	123011	5,197,781		
	123012	2,453,736	(7,651,517)	
<b>Balance at the end of the year (31.12.2014)</b>			23,645,514	

### 9. Progress of the Ministry during the year

#### 9.1. Administrative Division

##### ❖ Vacancies in the staff of the Ministry

The post of Additional Secretary (Housing and Development) in the category of senior staff officer of the Ministry fell vacant during 2014 and the Ministry was able to fill the vacancy during the year itself. In addition, officers were deployed for the vacant staff officer category posts of Accountant and Assistant Director (Engineering Technology) and, an internal arrangement was made to oversee the duties of the post of Senior Assistant Secretary which fell vacant during the last quarter of 2014. Owing to the shortage of officers of the special grade in the Sri Lanka Accounting Service, the post of Chief Financial Officer could not be filled during this year, too.

Further, steps were taken in the year 2014 to recruit 4 officers with required qualifications for the vacant posts, having conducted a competitive examination as per the procedure for the recruitment of technical officers approved in the year 2013 and with the approval of the Director General of Combined Service 5 persons were recruited for the KKS service.

Accordingly, the number of overall vacancies which stood at 27 by the end of 2013 could be reduced to 10 during the year 2014.

##### ❖ Cabinet Memoranda and Parliamentary Questions

During the year 2014, the Ministry submitted 39 cabinet memoranda and 14 cabinet notes in respect of administrative, operational and development activities covering the housing, constructions and engineering activities coming under the scope of the Ministry of Constructions, Engineering Services, Housing and Common Amenities and main subject areas coming under the purview of the institutions affiliated to the Ministry.

Similarly, 08 parliamentary questions were asked in regard to matters coming under the scope of the Ministry and its affiliated institutions and the Ministry provided answers to all of them.

In addition, 54 questions were referred to the Ministry at Consultative Committees and they too were responded to by the Ministry.

##### ❖ Responding to public requests

As the housing development was the key function of the Ministry, the overwhelming majority of requests received from the public were relating to housing and the requests were also made through the Presidential Secretariat, Prime Minister's Office, Public Petitions Committee and Ombudsman.

The Ministry intervened without delay to deal with all such requests and for requests pertaining to institutions under the purview of the Ministry; particulars were called through the heads of institutions in order to respond to the applicants.

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Similarly, professional and institutional problems of officials and employees of the Ministry and its affiliated institutions were effectively resolved in consultation with the senior officials of the Ministry and the involved parties.

### ❖ **Training and Productivity activities**

Officials were directed to training programmes covering various levels of the overall staff for identified subject areas such as public administration, accounting, establishments activities, personality and leadership and capacity development.

Two 01-day workshops were conducted on office document filing for development officers, development assistants and public management assistants. In addition, one day workshop on attitudinal development was held for the entire staff of the Ministry and a Tamil language programme was conducted to improve the second language proficiency of public officials.

The Ministry made arrangements to provide practical training during 2014 to 16 trainees who had followed courses on Information Technology in public sector institutions.

## 9.2. Planning Division

### ❖ **Annual action plan & progress review meetings**

Every year an annual action plan is prepared incorporating activities associated with development programmes and activities connected

with projects of the Ministry and institutions under its purview and estimates thereof and for the year 2014 as also the action plan of the Ministry and its affiliated institutions was prepared.

During 2014, 12 progress review meetings were held to observe the implementation of development programmes in line with the annual action plan and assess their progress and it enabled the provision of necessary instructions and guidance for the effective and efficacious execution of development programmes particularly in the housing sector.

### ❖ **Progress Reports and Project Proposals**

During the course of 2014, four quarterly progress reports were compiled in the year 2014 and were forwarded to the relevant institutions. Similarly, the Department of Project Management and Supervision Department too is monitoring the progress of the development programmes and 04 progress reports based on its observations were prepared and presented by the Ministry.

With the objective of seeking approval of the Department of National Planning for development programmes and projects to be implemented by the institutions under the purview of the Ministry, the Ministry submitted 28 project proposals formulated in respect of housing and construction sector to the Department of National Planning in order to secure funds from the Treasury.

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## ❖ “Janasevana”Newspaper Supplement

The Janasevana newspaper is published monthly to create awareness among public regarding the operations of the Janasevana Housing and Settlement Development Program and the development activities initiated by other institutions affiliated to the Ministry and in the year 2014, 12 supplements of “Jana Sevana’ were issued along with the Dinamina newspaper.

## ❖ Report containing the progress of the Ministry and future plans

Every year, the report containing the progress and future plans of the Ministry is submitted to the Committee Stage debate of the budget and this year too the Ministry was able to submit this report on time setting out the progress, project proposals and plans of the Ministry and institutions coming under its purview.

## 9.3. Housing Division

### ❖ Formulating National Housing Policy

Having extensively studied diverse housing and settlement development programmes implemented in Sri Lanka and based on their experiences and in line with the Janasevana national housing drive currently being implemented in accordance with the ‘Mahinda Chintana-Vision for the Future’ policy framework, a national housing policy was drafted under the patronage of the Ministry in 2013 while also having regard to the opinions of various ministries, institutions and

organizations involved in the housing and settlement sector.

The draft national housing policy was opened for public consultation in September, 2013 and in order to facilitate this process and enable people to express their views and comments on the policy, the website on the national housing policy too was launched the same day. The national housing policy was submitted to the Parliamentary Consultative Committee of the Ministry and thereafter the approval of the cabinet of ministers was obtained. For the implementation of the proposed policies, a National Action Plan was formulated with the participation of all relevant parties and institutions and it was declared under the patronage of the Minister on 20.10.2014.

### ❖ World Habitat Day 2014

The Ministry of Construction, Engineering Services, Housing and Common Amenities serves as the local agency of the United Nations Human Settlements Commission affiliated to the United Nations housing and settlement program. One of the key annual functions of the organization is the celebration of the World Habitat Day programme.

The United Nations has designated the first Monday of October every year as World Habitat Day and this year’s World Habitat Day which fell on 06<sup>th</sup> October 2014 was celebrated under the theme of “Voice from slums” at the Sugathadasa Stadium. The programme was implemented more productively along with a comprehensive programme

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designed for the development of settlements.

Implementing various programmes for uplifting the economic standard of urban low income groups, conducting diverse programmes for ensuring social security of youth and women, carrying out programmes for enhancing sports and artistic skills of children, schoolboys and schoolgirls were some of the programmes implemented to mark this year's World Habitat Day.

Meanwhile the a variety show "Colombo Children" to showcase the talents of 1,500 children selected out of 20,000 children was held at the Nelum Pokuna theatre on 04.10.2014. Parallel to this programme, programmes for granting housing loans to low income earners, programmes for handing over housing schemes renovated after 30-40 years to the people and programmes for granting titled deeds were conducted.

### ❖ **Third Conference of the United Nations on Housing and Sustainable Urban Development (Habitat III- 2016)**

Habitat III is the United Nations Conference on Housing and Sustainable Urban Development to take place in 2016. This bi-decennial conference will be held with the participation of Hon. Ministers of Housing and Urban Development of member countries and the Heads of State of respective countries.

The United Nations General Assembly convened the Habitat I conference in Vancouver, Canada in 1976 and Habitat II was held in Istanbul, Turkey.

As a member country of the Habitat Organization, Sri Lanka has been an active participant of these conferences. The theme of the conference held in 1996 was "adequate shelter for all and the development of sustainable human settlements in an urbanizing world."

Given the status of the Ministry of Construction, Housing, Engineering Services and Common Amenities as Sri Lanka's agent of the United Nations Human Settlements Development Programme (UN Habitat), compilation of the above national report and collecting information on the progress of various programmes implemented in Sri Lanka over the past 10 years and reporting progress thereof is prime responsibility of the Ministry.

In preparing the said report, the contribution of other ministries, departments and institutions involved in the housing, settlement and urban development activities has to be secured and the approval of the Cabinet of Ministers was received to appoint a National Steering Committee consisting of the secretaries of the relevant ministries connected with this subject.

Workshops and discussions were held with the participation of all these partners and the draft of the report has been prepared by now.

### ❖ **Implementing housing programmes**

National Housing Development Authority and Urban Settlement Development Authority are the two premier institutions implementing housing programmes and

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Nagamu Purawara programme, scattered housing programme, programme for the development of houses of underserved communities and estate housing programme were executed during the year under the “Jana Sevana” housing drive.

Out of the target of 28,104 houses planned for 2014, construction work of 22,813 had been commenced by the end of the year representing 81.2% of the target. Further, under the continued programmes, work of the 4529 houses was completed out of a target of 19,119. Modernization activities of 10 condominium housing projects and 32 small and medium scale housing projects too were carried out under the Nagamu Purawara programme in 2014. For the continued projects, the financial allocation was Rs. 1878 million and the Ministry was able to achieve a financial progress of Rs 693.77 million.

The programme for developing underserved housing development aimed to develop 5132 units of which the work of 4569 was completed during the year. As a percentage, it was 89.2%. The estate housing programme saw the commencement of work in 388 houses out of a target of 430 houses.

### ❖ **Issuing condominium certificates and establishment of management corporations and committees**

The Condominium Management Authority affiliated to the Ministry issues condominium certificates in respect of condominium properties and registers

management corporations and committees of condominium properties.

Accordingly, the Authority was able to issue 100 full, semi and provisional certificates during the year signifying a noteworthy upward trend in the issuance of such certificates. In addition, the registration of management corporations, renewal of registration and reactivation of dormant management corporations also recorded an impressive growth this year with total such corporations and committees established reaching 190.

## 9.4. Technical Division

### ❖ **Construction Industry Development Act**

The Ministry initiated action to introduce a Construction Industries Development Act with a view to elevate it to a higher level of efficiency and quality since the construction industry is having a direct impact on the development of the country. The Act provides for the development of Construction Industry and to regulate and standardize the activities of the construction industry. The Act was passed by Parliament on 23.09.2014.

### ❖ **Implementing projects in the construction development sector**

The State Engineering Corporation, State Development and Construction Corporation, Buildings Department and the Department of Government Factory coming under the purview of this Ministry implement construction projects under the guidance of the Ministry.

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Some of the construction projects completed and vested in people during the year include the expressway way entry point building at Kaduwela, Pallekeke prison building, main pavilion and swimming pool of Anuradhapura stadium and pavilion of the Northwestern University. In addition host of other large scale projects across the country are now in progress.

Tasks to be performed at the ministerial level such as guiding the relevant institutions, extending assistance to carry out construction projects without any hindrance and allocating funds for all abovementioned projects were successfully carried out by the Ministry during the year.

### ❖ **Training of construction craftsmen**

Implementation of the NVQ/RPL programme for the absorption of professional craftsmen into the system of National Vocational Qualifications through the recognition of prior learning with the objective of overcoming acute shortage of trained craftsmen in the construction sector and the provision of necessary instructions towards that end and the inspection of the relevant payments and making recommendations in respect of the payment activities.

### ❖ **'Mahabhimani-2014' National Construction Week and Awards Ceremony**

"Mahabhimani" National Construction Awards Ceremony was conducted by the Institute of Construction Training and

Development in collaboration with the Sri Lanka Construction Association with the objective of felicitating construction craftsmen, contractors and professionals.

Concurrent to this, a Memorandum of Understanding was signed with the Sri Lanka Green Building Council for assessing green buildings/outputs and with the support of this Council an awards ceremony for excellence in green construction was launched. Further, in order to attract more and more youth to the construction sector, island-wide competitions were held for craftsmen, machine operators and technicians.

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

The granting of deeds to the residents of houses vested in the Commissioner under the Ceiling on Housing Property Law No 1 of 1973 is carried out by the National Housing Commissioner's Division and in the year 2014, 55 deeds were formally granted to residents of such houses.

In granting deeds for tenants under the Ceiling on Housing Property Law, the estimated value of the house is charged from each tenant and the total estimated amount charged this year was Rs. 2,440,671.25. The Ministry took action to credit this entire amount to the National Housing Development Fund.

## **9.6. Internal Audit Division**

Though planned to be completed in 2014, 29 audit reports could not be completed



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during the year. The main contributory reason for this was the absence of experienced staff knowledgeable in audit activities. However, as per the annual audit plan, preliminary investigations of 05 audit queries were completed during the year.

Further, 04 audit and management committee meetings with one for each quarter was conducted and at these meetings steps were taken to resolve problems in the ministry and its affiliated institutions through negotiations and consultations.

Some of the development activities carried out in 2014



Welangolla housing scheme



Gunasinhapura housing project



Mattegoda Housing Scheme



Kahathuduwa housing scheme



Fabricating and installing 08 radial gates for Deduruoya project



Fabricating and installing 08 radial gates for Attikkaaoya project

### 10. Challenges faced by the Ministry

- ❖ Failure to fill vacancies in the permanent posts

The vacancy in the post of the Chief Financial Officer approved for the Ministry remained vacant throughout this year owing to the acute shortage of officers in special grade of the Sri Lanka Accounting Service. Further, the long term vacancies in the positions of Assistant Director (Engineering), Assistant Director (Urban Settlements) and Quantity Surveyor could not be filled due to the scarcity of qualified officers in the relevant island-wide services.

Further, due to the transfers and retirements in the Public Management Assistants' Service and Development Officers' Service belonging to the Combined Service, a large number of vacancies prevailed in the posts of Management Assistants/ Development Assistants and this situation adversely affected day to day functions of the Ministry.

- ❖ **Non-receipt of adequate provisions to acquire assets**

Routine activities of the Ministry were badly affected due to not receiving adequate provisions to procure assets required for the Ministry. Computers, printers and photocopiers available for the use of officers were insufficient but due to non-allocation of adequate provisions to purchase new machines the existing ones had to be overused which

resulted in regular malfunctions and defects disrupting day to day functions of the Ministry.

- ❖ **Challenges faced in implementing housing programmes**

Throughout the year 2014, the Ministry carried out programmes for the construction of houses and renovation of multi-storeyed housing schemes and the required provisions were allocated by the Treasury. However, due to difficulties experienced in securing provisions on time, the work of the housing projects could not be completed according to the stipulated timeframe. Further, an additional cost exceeding the estimated cost had to be incurred due to delays of subcontractors and the price fluctuations experienced throughout the year.

Similarly, inclement weather conditions prevailed during the year caused inordinate delays in the completion of housing construction activities, hence the work of some housing units could not be completed during the year.

- ❖ **Challenges faced by the construction sector**

The institutions under the purview of this Ministry which implement construction projects, primarily receive construction projects through cabinet approvals and the majority of them are projects in the state sector. Compared to the previous year, there was a decline in the number of construction projects received by the Ministry.

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The inability to achieve the expected physical progress in the construction sector due delays in securing suitable lands for construction projects, delays caused as a result of obtaining approvals from other public sector institutions and delays on the part of subcontractors was one of the major challenges confronted by the Ministry this year.

Similarly, inclement weather conditions prevailed across the island throughout the year and price fluctuations of raw materials of the construction sector also hampered the achievement of the targeted progress.



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Ministry of Construction, Engineering Services, Housing & Common Amenities