



REPUBLIC OF MAURITIUS

NATIONAL AUDIT OFFICE

PERFORMANCE AUDIT REPORT

ACQUISITION AND USE OF LANDS FOR GOVERNMENT PROJECTS

Ministry of Housing and Lands

July 2015

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ABBREVIATIONS AND ACRONYMS

BOA	Board of Assessment
DSLRL	Digital State Land Register
LAA	Land Acquisition Act
LAVIMS	Land Administration, Valuation and Information Management System
LIU	Land Information Unit
MHL	Ministry of Housing and Lands
MOFED	Ministry of Finance and Economic Development
MOLG	Ministry of Local Government and Outer Islands
MPI	Ministry of Public Infrastructure and Land Transport
MFRS	Mauritius Fire and Rescue Service
MYS	Ministry of Youth and Sports
NAO	National Audit Office – Mauritius
NDU	National Development Unit
PBB	Programme Based Budget
PPC	Project Plan Committee
RDA	Road Development Authority

EXECUTIVE SUMMARY

The Ministry of Housing and Lands (MHL) acquires privately owned lands on behalf of Ministries and Government Departments for construction of roads, drains and other projects¹. Lands are acquired through private agreements and compulsorily. Compulsory acquisitions are carried out within the legal framework of the Land Acquisition Act (LAA) 1982, as amended in 2013.

The objective of this Performance Audit is to assess whether lands acquired by MHL and vested in Ministries and Government Departments have been used for the intended purposes. Further, it seeks to establish whether the acquisitions were done on a timely basis and in the most economical manner. The recording system was also reviewed.

Key Findings

- For the past 10 years, MHL had disbursed some Rs 2.2 billion on acquisition of lands for various Government projects. Several plots of land acquired on or prior to year 2010 have remained undeveloped. Information on the extent of lands acquired, but not developed was not readily available as there were no established procedures for Ministries and Government Departments to give feedback on the current statuses of the lands. Moreover, it was not clearly defined as who should ensure that lands vested were used on a timely basis and for the intended purposes.
- Prior to year 2010, there was no mechanism in place at the MHL to ascertain that the requesting Ministries and Government Departments had the required funds for implementing their projects before initiating acquisition for land. However, MHL has recently taken initiatives to ensure that the implementing agencies have the necessary fund for the project at the time of request for land.

As for the plan of the project, MHL is still not ensuring the availability thereof at time of request. For a few cases examined, the structural designs of the buildings were not yet completed, and in other cases, the requesting Ministries and Government Departments did not carry out a proper need analysis of the projects.

- For a few cases regarding construction of roads, MHL could not ensure availability of the lands on time. Hence, Government had to disburse additional funds. This was attributed to the fact that owner identification was time consuming.
- Lands acquired by MHL were not always in the most economical manner. The LAA provides for the offer of compensation to beneficiaries after the publication of notice under Section 8 and transcription of the land. However, the time frame to accept or reject an offer is not mentioned. A beneficiary made a counter claim to the original offer some seven years later, and MHL had to disburse interest amounting to some 73 per cent of the compensation payable.

¹ Other projects include construction of stadiums, swimming pools, Fire Stations, and Multipurpose buildings.

- The records for lands vested in the selected Ministries and Government Departments kept at the MHL were incomplete. For instance, several plots of land acquired and vested in the National Development Unit (NDU) were not found in the database kept at the Land Information Unit of MHL.

Conclusion

The acquisition of land for Government projects involves significant Government's funds and impacts on the development of the projects. The timely acquisition of land at least cost is therefore essential. However, MHL has not always been able to acquire land on a timely basis and in the most economical manner. A complete database of all vested lands was not available. Information on their statuses was also not readily available. There are several plots of land that have been acquired, but have not yet been developed.

Key Recommendations

- A mechanism should be put in place at MHL to ensure that land acquired is used for the intended purposes on a timely basis. Ministries and Government Departments should be requested to submit regular feedback on implementation of projects. In this respect, the role and responsibilities of MHL and requesting Ministries and Departments need to be clearly defined
- Recently, MHL has taken initiatives to ensure that the implementing agencies have the necessary fund for the project at the time of request for land. This measure could be extended to include availability of design of the project. In that respect, a consultative platform needs to be set up by the requesting Ministry/ Government Department bringing in all stakeholders so that there is a constructive dialogue and everyone knows his role, responsibilities and obligations. This will minimise any future unproductive vesting.
- Time lag for reply from beneficiaries also needs to be established
- MHL should ensure that all vested lands are properly recorded. The land acquisition system needs to be automated. A complete database on their current statuses should be maintained.

CHAPTER ONE

INTRODUCTION

During the past years, with the increasing public investment in the fields of education, road infrastructure and sports in particular, the demand for land from Ministries and Government Departments has increased considerably. State Lands that may be used for development are becoming scarce and Government has to acquire privately owned lands.

1.1 Motivation

The National Audit Office (NAO) has often reported that several plots of land acquired by the Ministry of Housing and Lands (MHL) on behalf of Ministries and Government Departments were not developed. Further, adverse press reports have highlighted Government projects kept in abeyance since the year 2005, thus indicating non achievement of the objectives set.

For the past 10 years, the expenditure on land acquisition has been constantly increasing to reach a cumulative amount of some Rs 2.2 billion. For the period 2009 to 2013, more than 80 per cent of the expenditure was meant for projects relating to construction of roads.

In view of the sum spent and the adverse press reports, the NAO carried out this Performance Audit on “Acquisition and Use of Lands for Government Projects”.

1.2 Audit Objectives

The audit objectives were to assess whether:

- MHL ensures the availability of lands for the implementation of Government Projects at the right time and in the most economical manner
- The vested lands have been used for the intended purposes
- Records for lands acquired and vested are complete and reliable and their use monitored effectively.

1.3 Auditee

The auditee is MHL as it is responsible to acquire privately owned lands before vesting them in Ministries and Government Departments for implementation of projects.

1.4 Time Coverage

The audit covered acquisitions for the period 2009 to 2013.

1.5 Geographical Coverage

The audit covered the Island of Mauritius.

1.6 Assessment Criteria

The Performance Indicator as set in the Programme Based Budget (PBB) Estimates 2010 regarding completion of all procedures for acquisition of private lands for public projects within five months, and the Sections of the LAA as shown in Table 1 were used as assessment criteria.

Table 1 Sections of the LAA used as assessment criteria

Sections	Brief
6	Issue of investigation notice in respect of land likely to be compulsorily acquired
8(2) & 8(3)	Publication of notices
14(1)	Compensation to beneficiaries
18(6)	Interest payable on compensation to beneficiaries

Source : LAA

1.7 Audit Methodology

The audit was conducted in accordance with relevant standards of the International Standards of Supreme Audit Institutions. The following methodologies were used for the audit to understand the audit area, along with gathering sufficient, relevant and reliable audit evidence to support the conclusions and recommendations.

1.7.1 Documents Reviewed

The audit team collected data mainly through file reviews. The data from the Treasury Accounting System for the past 10 financial years were extracted to examine the trend of expenditure on the acquisition of privately owned lands. The procedures for compulsory acquisitions and those through private agreements, as established by MHL were also reviewed. Further, as the land acquisition process is regulated, the different Sections of the LAA 1982, as amended in 2013 were referred to.

1.7.2 Sampling

A sample of acquisitions for the implementation of road projects for the Road Development Authority (RDA) over the period 2009 to 2013 was selected.

Another sample of plots of land acquired and vested on or prior to year 2010 in the following selected Ministries and Government Departments was also referred to in view of taking cognizance of their planning and recording systems, as well as their statuses as of February 2015.

- Ministry of Local Government and Outer Islands (MOLG)
- Mauritius Fire and Rescue Service (MFRS)
- National Development Unit (NDU)
- Ministry of Youth and Sports (MYS)

CHAPTER TWO

DESCRIPTION OF THE AUDITED ACTIVITY

This Chapter describes the role and responsibilities of MHL and the activities of the other key players in relation to acquisition of land. It also briefly describes the responsibilities of selected Ministries and Government Departments for requesting lands from MHL and those of RDA regarding acquisition of lands for construction of roads.

2.1 Role and Responsibility of MHL in the Acquisition Process

MHL acquires lands on behalf of Ministries and Government Departments through private agreements and compulsorily. Compulsory acquisitions are carried out within the legal framework of the LAA 1982, as amended in 2013.

Sections 8 and 9 of the Constitution provide for the protection of the rights of any person from the deprivation of property and privacy of home and other property. The LAA confers on the State the right to compulsorily acquire any land provided, amongst others, the conditions laid down in the Constitution are fulfilled and adequate compensation is paid.

2.2 Requests for Lands and Vesting Procedures

2.2.1 Road Development Authority (RDA)

The RDA is involved in land acquisition for construction of roads. Its Surveyors carry out the following tasks.

- A preliminary survey of ownership is carried out and the land owners are notified by letter. A list is prepared providing all details on ownership, and the area required for the project
- Searches are carried out at the Registrar General's Department to confirm the legal ownership of each plot
- Notices as required under Sections 6 and 8 of the LAA are prepared by RDA and sent to MHL for vetting, approval by Minister and publication

2.2.2 Other Selected Ministries and Government Departments

The process starts with the identification of projects. All project proposals are sent to the Accounting Officers of respective Ministries and Government Departments for approval. The requests for lands are then addressed to the Senior Chief Executive of MHL. A joint site visit, involving the Ministry or Government Department and other stakeholders, is organised by MHL to assess the suitability and location of the land. Upon satisfaction, MHL undertakes acquisition and vesting procedures.

2.3 Organization Structure of MHL

The mission and objectives of MHL include the management and the control of development on State Lands. To achieve the mission and the objectives, the activities of MHL are organized within several Divisions. The Planning and Survey Divisions are relevant for this audit.

2.3.1 Planning Division

The main activities of the Planning Division include the identification of land for Government projects in consultation with the relevant stakeholders.

2.3.2 Survey Division

The Survey Division provides information on availability of State Lands. Where State Lands are not available, it helps in identifying privately owned lands for acquisition. The Division includes the Land Acquisition and Project Unit, which carries out all the activities from notification to award of compensation to beneficiaries, and also monitoring same. It records the land acquisition data, such as date of request, the current statuses of different notices issued as required by the LAA and payment of compensation to beneficiaries.

2.4 Key Players and Their Activities

Besides MHL, there are other key players involved in the acquisition of lands, namely

➤ *Registrar General's Department*

The registration and transcription of title deeds is done at the Registrar General's Department.

➤ *Valuation Real Estate and Consultancy Services (Valuation Department)*

The Valuation Department assesses compensation payable to land owners.

➤ *Attorney General's Office*

It appoints Public Notaries on behalf of MHL and issues instructions for the drawing up of deeds of sale, as well as providing legal assistance for cases referred to the BOA.

2.5 Recording of Vested Lands

The Land Information Unit (LIU) at MHL maintains records of State Lands leased and acquired lands vested in Ministries and Government Departments for implementation of projects in "Microsoft Office Access". Some of the data that are input include Parcel ID, District, locality, file reference, type of lease, purpose, rent amount and name of lessee. Reports are generated accordingly.

With a view to coming up with a complete register of all private and State Lands throughout the country, MHL acquired in December 2008, the Land Administration and Valuation Information Management System (LAVIMS). It consists of four components, and has two main objectives, namely establishing an efficient and cost-effective land administration and online information register, and to set up a general valuation roll of some 350,000 residential properties, private or State owned. The System, which had cost some Rs 600 million in December 2008, would be a powerful web-based information management system to allow efficient interaction, retrieval and analysis of the data by all its potential stakeholders.

2.6 Project Plan Committee

A Project Plan Committee (PPC) was set up in the Ministry of Public Infrastructure and Land Transport in 2009. Its main objective is the assessment of the infrastructure needs of the various sectors of the economy. Its functions include the examination of the feasibility and cost benefits of infrastructure project proposals. All investment proposals above Rs 25 million, excluding cost of land, have to be reviewed by the PPC, in consultation with implementing agencies and other concerned Public Bodies prior to the development of a pipeline of projects. An Investment Project Proposal from the requesting Ministry and Government Department estimated at below Rs 25 million does not require the approval of the PPC, but are submitted to the Ministry of Finance and Economic Development (MOFED) for approval.

CHAPTER THREE

FINDINGS

This Chapter describes the findings related to land acquisitions and use, recording and monitoring mechanisms at MHL and the selected Ministries and Government Departments.

3.1 Land Acquisition

MHL has not always been able to acquire land on a timely basis and in the most economical manner. This was mainly attributed to long procedures, as well as the absence of a time frame for other parties to respond to MHL.

3.1.1 Long Procedures

During the past years, with the massive investment on Government projects, the demand for land has increased considerably. Hence, the timely acquisition and vesting of lands in the requesting Ministries and Government Departments is vital to ensure that projects are implemented on time.

Targets not Met

One of the Performance Indicators of MHL, as stated in the PBB Estimates for 2010, was the completion of all acquisition procedures within five months.

In the cases listed in Table 2, MHL has taken more than five months for completing the acquisition procedures.

Table 2 Time Taken to Complete Acquisition Procedures

Project	Funding Ministry	No. of Lots Acquired	Request Date	Transcription Date	Time Taken
Construction of Football Ground at Quatre Bornes	MPI - NDU	1	28.06.11	13.12.12	1 year 5 months
Widening of Belle Vue Road (B22) from Petite Retraite to Laventure	MPI - RDA	35	26.02.10	28.06.11	1 year 4 months
Extension of Trois Ilots Cemetery	MOLG	1	19.11.07	15.05.12	4 years 5 months
Construction of Cremation Ground at Clavet	MPI - NDU	1	30.01.03	29.03.13	10 years 2 months
Incineration Project at Beau Champ	MPI - NDU	1	23.05.12	18.03.13	9 months

Source: MHL's Records

Requests not Met

In other cases, for example the relocation of the two Fire Stations at Quatre Bornes and Port Louis (Case Studies 1 and 2), lands initially identified for the projects in years 1984 and 2010 respectively were found unsuitable. Although MFRS made several requests for alternative sites, as of February 2015, MHL has not yet identified the appropriate lands for the relocation of the two Fire Stations. Government has already approved the required funds needed to implement the projects.

Case Study 1 - Relocation of Quatre Bornes Fire Station

The relocation of Quatre-Bornes Fire Station dates back to 1976, in anticipation of the expiry of the lease agreement. It was also found that the Fire Station is situated in the middle of the town, being most of the time heavily congested due to numerous commercial activities taking place in the vicinity. Hence, the fire trucks are often found to be obstructed in traffic jams. A plot of land in Quatre Bornes vested for relocating the Fire Station in 1984 was found unsuitable for the project by the then Ministry of Works, being triangular in shape, thus offering no training and drilling facilities. The presence of a bus lay-by would also hinder visibility, and no direct access on St Jean Road was allowed. On 20 August 2009, MOLG expressed no objection to the release of the plot of land subject to an alternative site be identified for the relocation of the Fire Station.

On 25 March 2014, a plot of land of an extent of about 1A35P at Avenues des Tulipes, Quatre Bornes was identified. However, on 9 June 2014, MHL informed that the site was found inappropriate, due to sensitive uses in close proximity thereto. MFRS was requested to identify three alternative sites for the eventual relocation of the Quatre Bornes Fire Station. As of February 2015, the appropriate land was not yet identified.

Case Study 2 - Relocation of Port-Louis Fire Station

On 22 November 2006, MPI submitted a structural investigation report, which stated that the building suffers from structural defects and is unsafe and beyond economic repair. On 29 October 2009, the Occupational Safety and Health Unit submitted a report which stated that the wooden structure could not be restored. Two sites were identified, one at Roche Bois to cater for a sub-station, and the other one at Colline Monneron for a main station. At a meeting held on 21 June 2010, mention was made that the site at Roche Bois was located on a busy round about which could hamper the rapid turn out of the fire fighting vehicles. Further, RDA did not agree to have a direct access on the roundabout as it represented a safety hazard.

In March 2012, the Ex-Sea Training School at Victoria Square was being considered. At a meeting held in April 2012, it was decided to seek the views of the Traffic Management and Road Safety Unit as the site is found in a congested area with the existence of Victoria Bus Station and narrow roads.

On 1 November 2012, MFRS agreed to take possession of the 16A30 of State Land at Jin Fei in view of accommodating a Fire Station and the new Head Quarters and a Training Academy. The Colline Monneron Site was rejected by the PPC in 2010 and revived by the ex-Government Fire Services in 2013. The project was submitted to the PPC, which stated that a feasibility study was required.

At a meeting held on 23 July 2013, mention was made that it was not convenient to relocate the Port-Louis Fire Station at Jin Fei because the city of Port-Louis harbours intense trading activities which imply all sorts of fire hazards. If the time taken to reach the spot is too long, this may result in magnitude of fire taking shape becoming out of control and which in turn could lead to paralyzing the capital completely. As of February 2015, the appropriate land was not yet identified.

Source: Selected Ministries and Government Departments

Late Handing Over of Sites

There were also cases of lands not available on time to RDA that caused late handing over of sites to Contractors for the construction of roads. This caused RDA to extend completion dates of the projects and to incur additional costs. Examples are given in Table 3.

Table 3 Effect of Late Handing Over of Site

Project	No. of Days	Additional Costs Rs
Phoenix-Beau Songes Link Road	60	2,433,378
Goodlands Bypass	123	12,603,815
Port-Louis Ring Road	35	3,884,094
Construction of Bidirectional Lane from St Jean to Pont Fer	67	4,829,857
Schoenfeld Bypass II	63	4,941,482
Upgrading of Avenue des Tulipes	14	408,748

Source: RDA

Publication of Corrigenda

Compulsory acquisition under the LAA involves the publication of Notices by MHL as required under Sections 6 and 8. However, for construction of roads, it is the practice for RDA to carry out the preliminary survey of ownership on site, and title deed searches at the Registrar General's Department, and also to prepare Notices.

Owner identification is time consuming. At times, after the notices were issued, errors were detected mainly regarding ownership of land and which required corrigenda to be published. These corrigenda involved use of additional resources in terms of money and take additional time for the republication of notices. In a few cases, MHL had to send several reminders for correction and resubmission of notices for finalizing acquisition procedures (for example in the case of the project for the Construction of Bidirectional Lanes from St Jean to Pont Fer, and enlargement of Belle Vue Road B22).

During an examination of a sample of projects, several cases were noted where corrigenda were published as illustrated in Table 4.

Table 4 Number of Corrigenda Published

Project	No. of Portions	No. of Corrigenda
Terre Rouge - Verdun Link Road	332	23
Phoenix – Beau Songes Link Road	256	13
Triolet Bypass	205	17
Access Road to New Triolet Market	55	15
South Eastern Highway Project	107	39

Source: Land Acquisition and Project Unit

3.1.2 Absence of a Time Frame

The current LAA does not cater for the situations as described below. This resulted in lands not available on time and at least cost.

Time for Reply from ex Valuation Department not Prescribed

Compensation payable is assessed by the ex Valuation Department. A request for assessment is made to the Department in writing after the land has been transcribed, and as soon as a reply is received at MHL, an offer is made to the land owner. However, the LAA does not prescribe the time within which the Department should reply to MHL. In a few cases, replies from the ex Valuation Department were received after more than five months, and this has caused delay in the completion of the acquisition procedures. Examples of such cases are given in Table 5.

Table 5 Reply from the Valuation Department Exceeding Five Months

Project	Request for Assessment	Reply Date	Months Taken
Enlargement of Pamplermousses-Grand Baie Branch Rd	07.12.10	19.05.11	6
Construction of Triolet Bypass	Aug/Sep 09	Oct 09/ June 10	2 - 9
Verdun-Trianon Link Rd	Jan 11/Apr 11	Sep 11/July 12	8 - 15
Construction of Bidirectional Lane from St Jean to Pont Fer	Aug 10	April 12	9

Source: Land Acquisition and Project Unit

Time Lag for Reply From Former Landowners not Defined

The offer for compensation to the former landowners is made after the publication of Notice under Section 8 of the LAA and transcription of the land. However, the time lag to accept or reject an offer is not mentioned in the LAA. For example, one former landowner of a particular project was offered Rs 898,000 for his land on 21 May 2002. On 15 May 2009, that is some seven years later, the landowner made a counter claim of Rs 4,474,024 for the land. After deliberations, the claim was reduced to Rs 1,691,700, and in March 2011, a sum of Rs 2,937,949, including interest of Rs 1,246,249 (73 per cent of compensation) for the period April 2002 to October 2010 had to be disbursed by MHL.

Payment of Interests

In some cases, MHL had to disburse additional funds in terms of interest payments on compensation because of the time lag between the transcription date and the payment date. The cases listed in Table 6 are examples where interests had been paid. The time lag ranges between 311 to 543 days.

Table 6 Examples of Interest Paid

Project	Date of		No. of Days	Compensation Rs	Interest Rs
	Transcription	Appointment of Notary			
Phoenix – Beaux Songes Link Road	05.01.10	21.04.11	472	22,000,000	2,275,945
Verdun Trianon Link Road	11.04.11	05.10.12	543	35,200,000	4,189,282
Port-Louis Ring Road	16.07.10	03.08.11	384	18,000,000	1,514,959
Port Louis – Plaisance Dual Way	19.07.11	25.05.12	311	1,180,000	80,434

Source: Land Acquisition and Project Unit

MHL contended that these interests were paid because the owners were deprived of their rights on the acquired lands. However, the longer the time taken to pay the compensation, the higher will be the interests. LAA does not provide for a time frame so as to reduce to a minimum the interests.

3.2 Land Use

3.2.1 Statuses of Lands Vested

The requests for lands by the ex-Government Fire Services, now MFRS, to MHL were initiated following a review carried out in 1991, whereby the construction of additional Fire Stations was recommended. As regards MYS, the requests for lands were made for the construction of sports infrastructures in view of promoting sports in different regions of the country, and to cater for both national and international sports events. Details are given in Table 7.

Table 7 Examples of Vested Lands not yet Developed

Ministry	Vesting Date	Purpose	Extent (m²)	Cost (Rs million)
MOLG – MFRS	01.09.1999	Fire Station at Montagne Blanche	4,010	1.2
	06.05.2003	Fire Station at Goodlands	4,221	4.5
MYS	19.01.2005	Gymnasium at Lallmatie	9,554	5.7
	15.04.2002	Swimming Pool at Camp Garreau	8,572	2.2
	09.03.2010	Swimming Pool at Riviere Des Anguilles	8,006	1.3

Source: Selected Ministries and Government Departments

As indicated in Table 7, these lands were acquired and vested in the Ministries and Government Departments on or before year 2010, and as of February 2015 they were not yet developed. This was attributed to unavailability of funds to implement the projects.

3.2.2 Funds for Projects

MHL has taken good initiatives regarding confirmation from implementing agencies of availability of funds before embarking on the acquisition process. However, the procedures need to be revisited because one of the conditions is that the implementing agencies should have land readily available for their projects before the proposals are submitted to the PPC. Funds for the implementation of projects are disbursed by MOFED after it has been approved by PPC. On the other hand, MPI has stated that unless there are appropriate funds available, it will not embark on the conception of the preliminary drawings.

Presently, there is no mechanism at MHL to ensure that the requesting Ministries and Government Departments have properly planned the projects implementation and that appropriate structural designs for the buildings are available at the time of request (Case Studies 3 to 7). In the case of the proposed Swimming Pool at Camp Garreau, MHL had to spend additional resources for carrying out site surveys on several occasions, upon request of MPI.

Case Study 3 – Construction of Rose Belle Fire Station

Two plots of land of 3,000 m² and 1,200 m² were vested on 16 July 1998 and 5 September 2001 respectively for the construction of the Rose-Belle Fire Station. The lands were acquired from the Rose Belle Sugar Estate under the Sugar Industry Efficiency Act, which implied that no funds were disbursed for acquiring the plots of land.

Acquisition and vesting procedures had to be carried out twice. This was attributed to the non-availability of structural designs at the time of request, and as such, the extent of land needed for the construction of the Fire Station could not be ascertained.

As of February 2015, the drawings for the Fire Station were completed, and tender procedures will be launched during the year.

Case Study 4 – Construction of Goodlands and Montagne Blanche Fire Station

Two portions of land of 4,010 m² and 4,221 m² costing some Rs 1.2 million and Rs 4.5 million were vested in the years 1999 and 2003 respectively.

In August 2012, following a request from MPI, MHL submitted a detailed survey of the land and location plan for both sites. MPI was requested to prepare the preliminary drawings and to submit a cost estimate to seek funds from MOFED. As of August 2014, the preliminary drawings for the Fire Station were not ready and reminders for that purpose were sent to MPI.

In its reply, MPI stated that it is awaiting completion of design for the Rose Belle Fire Station as same might be used as a prototype for the new Fire Station at Montagne Blanche and Goodlands. As of February 2015, the two plots of land were still not developed.

Case Study 5 – Proposed Swimming Pool at Camp Garreau

A plot of land of an extent of 9,999 m² at Camp Garreau was compulsorily acquired in March 2002 and vested in MYS April 2002. In December 2004, the preliminary drawings were approved with amendments, as it was proposed that the size of the swimming pool be increased from 25 metres x 20 meters to 25 meters x 25 meters in order to accommodate eight lanes instead of six lanes so as to meet greater demand from the public.

In January 2005, MPI submitted estimates of cost for both six and eight lanes swimming pools of Rs 46.5 million and Rs 49 million respectively. In July 2010, the specifications of the swimming pool were revised to 50 meters with eight lanes, and MPI was again requested to prepare preliminary designs, drawings, scope of works and cost estimates.

In a letter dated 10 December 2010, MHL informed MYS that due to encroachment on the land, the extent was reduced to 8,572 m². In May 2011, MPI stated that the 50 metre swimming pool together with ancillaries could not be adjusted on the given site.

In August 2011, in view of the site constraints, MYS proposed to go ahead with the construction of a 25 metre long swimming pool instead of a 50 metre one, and MPI was requested to prepare relevant design and cost estimates to enable an early implementation of the project. In January 2012, MYS requested MHL to acquire additional land to cater for an access to the site from the main road, and for the construction of a kid's pool. In March 2012, MPI worked out a tentative implementation schedule of the project.

In April 2012, MYS submitted the Project Request Form (PRF) to MPI to be considered by the PPC. The PRF made mention of the construction of a 50 metre swimming pool, inclusive of changing rooms, showers, toilet, administrative blocks, a stand for spectators, parking facilities and toilets. The estimated total cost was Rs 123 million. In August 2012, the proposal was approved by the PPC.

Although the PPC approved the construction of a 50 metre swimming pool, MYS decided in February 2014, to revise the size to 25 meters. As of February 2015, the plot of land was still not developed.

Case Study 6 - Proposed Swimming Pool at Riviere des Anguilles.

In March 2010, a plot of land of an extent of 8,006 m² was vested in MYS for the construction of a swimming pool. MYS intended to proceed with the construction of a 50 metre swimming pool with eight lanes, and in July 2010, requested MPI to prepare preliminary designs, drawings and scope of works together with cost estimates.

The swimming pool would include a Grand Stand to accommodate 1,000 persons together with parking facilities. Following a survey of the site, MPI informed that additional space would be required for the provision of parking facilities. On 15 October 2010, MHL was requested to acquire an additional extent of land. On 4 February 2011, a site of an extent of 1,500 m² was identified and agreed.

In May 2011, MYS informed MPI that due to constraints as regard the size of the site, it has decided to go ahead with the construction of a 25 metre instead of a 50 metre swimming pool. As of February 2015, the plot of land was still not developed.

Case Study 7 - Multipurpose Gymnasium at Lallmatie

In January 2005, two portions of land of extent of 4,686 m² and 4,868 m² respectively were vested in MYS for the construction of a Multipurpose Gymnasium at Lallmatie. In April 2006, it was agreed that the project would be of international standard, including parking facilities.

In November 2007, MYS requested MPI to include a Boulodrome in the drawings and the modifications to drawings were made in December 2007. In February 2008, MPI was requested to proceed with the preparation of scope of works and breakdown of cost estimates. As of February 2015, the plot of land was still not developed.

Source: Selected Ministries and Government Departments

3.3 Recording of Vested Lands

It is important to have a complete and accurate record of all vested lands as it helps to enhance and to support effective asset decision-making.

3.3.1 Recording of Vested Lands at MHL

The records of vested lands in Ministries and Government Departments kept at the LIU were not complete. The current system of record-keeping at the LIU is not appropriate to cater for the increase in number of plots of land acquired over the years. For example, the following plots of land acquired and vested in NDU, as mentioned in Table 8, were not found in the database. This was mainly attributed to insufficient input and monitoring controls.

Table 8: Examples of Vested Lands not Recorded at LIU

Projects	Extent (m²)	Vesting Date
Football Ground at Quatre Bornes	10,552	18.01.13
Cremation ground at Clavet	1,913	10.05.13
Extension of Trois Ilots Cemetery	11,448	06.06.12
Extension of Edgard Millen Government School	584	01.07.13

Source: MPI-NDU

3.3.2 Land Administration, Valuation and Information Management System (LAVIMS)

Most of the components of the LAVIMS were completed in September 2011. Thereafter, digitization process of properties deeds was initiated. It was decided that this process would cover a period of past 30 years from the year 2008.

However, it was reported that all the deeds could not be uploaded onto the System, and this was attributed to the absence of a valid site plan attached to the deeds. The System could not also generate requested statistical reports and the input process excluded data on all State Lands completely.

Digital State Land Register

Due to the limitations with the LAVIMS, MHL has initiated the Digital State Land Register Project (DSLRL). This Project would entail a detailed inventory of all State Lands.

Subsequently, in August 2012, the possibility of incorporating the DSLRL into the LAVIMS was discussed. It was decided to create a program within LAVIMS to cater for State Lands. However, MHL would have to see if the contractor of LAVIMS would be agreeable to give the relevant codes.

In October 2013, a meeting was held with an officer of the Central Informatics Bureau to discuss on the drafting of the Terms of Reference for the setting up of a DSLRL. It was proposed that the tool would require to be well defined to meet all the requirements in respect of retrieval of information for various purposes. It was agreed that the base should be LAVIMS wherein the DSLRL would only be a component.

On 25 August 2014, MHL sought advice from the Attorney General's Office and MOFED as to whether the former contractor of LAVIMS might be contacted directly without having recourse to open tender exercise. As of February 2015, no reply was obtained.

I am given to understand that a high level committee will be set up to work on the technical specifications of the DSLRL

3.4 Monitoring of Vested Lands by MHL

Several plots of land acquired on or prior to year 2010 have remained undeveloped. Monitoring of these plots of land is important as MHL had disbursed funds to acquire same. Information on the extent of lands acquired but not developed was not readily available at MHL, as it does not have a complete database on the statuses of vested lands. It was not clearly defined as who should ensure that lands vested were used on a timely basis and for the intended purposes. Moreover, there were no established procedures for Ministries and Government Departments to give feedback on the current statuses of the lands.

3.5 Land Acquisition Recording and Payment System

The land acquisition process consists of different steps from the time requests are received at MHL to payment of compensation to beneficiaries. Bottlenecks at one or more steps result in long delays in the acquisition of lands. Monitoring of the activities, based on appropriate and readily available information, at each step is therefore essential for timely acquisition of the land.

However, information relating to outstanding payments of compensation, outstanding requests, outstanding cases to BOA and follow-up of replies from other stakeholders was not readily available at the Land Acquisition and Project Unit. This did not help the Ministry to monitor the different activities and to identify bottlenecks in the acquisition process. These are illustrated in the examples below:

- Improvement of the Quartier Militaire Road (B6) and the construction of a Bypass at Valetta SN11 – The Valuation Department recommended the case to be referred to the BOA on 23 August 2011. It was only one year later, on 27 August 2012, that the Ministry initiated action to refer the case to the BOA.
- Cremation Ground at Clavet - MHL initiated the purchase of land for the project in January 2003. The acquisition procedures went on till July 2006. Thereafter, there was no follow up on the project till June 2008, when NDU sought information from the Ministry about the status of the project.

3.5.1 Present Acquisition and Payment Systems

Government acquires lands through either private agreements or compulsorily. Compulsory acquisitions are carried out as per the provisions of the LAA. Presently, all requests for land acquisitions from Ministries and Government Departments are directed to MHL and payments to the land owners are effected by MHL from funds under its Vote. Under the current system, Ministries and Departments disbursed funds under their Vote only for the infrastructural works, whereas MHL paid for the land. There is no single Ministry/ Government Department accountable for the whole project, including the land.

CHAPTER FOUR

CONCLUSION AND RECOMMENDATIONS

Several plots of land acquired and vested in the selected Ministries and Government Departments on or prior to year 2010 were still not developed. Acquisitions were made without a firm commitment to implement projects. Hence, the objectives set have not been achieved. This has resulted from the absence of a proper mechanism at MHL to ensure that the requesting Ministries and Government Departments had funds and structural designs available at the time of requests. For few cases regarding construction of roads, MHL could not ensure availability of the lands on time and in the most economical manner. Records of vested lands and their current statuses at MHL were incomplete.

In the light of the audit findings and conclusion, hereunder are the recommendations

4.1 Land Acquisition

4.1.1 Funding

Consideration may be given for the requesting Ministry and Government Department to make provision for the payment of compensation to land owners in their respective budgets. The latter will be accountable for the implementation of the project, including the acquisition of land. MHL will effect payment on receipt of a Departmental Warrant from them.

4.1.2 Time Frame for Acquisition and Reply

- MHL should attend to all requests for land acquisitions and ensure that acquisitions and vesting are completed within a reasonable time. As regards the relocation of the two existing Fire Stations at Quatre Bornes and Port Louis respectively, the appropriate lands need to be identified and acquired
- Time frame for reply from beneficiaries also needs to be established.

Ministry's Reply

MHL has considered the regularization of a time frame for the acceptance/ rejection of an offer.

4.1.3 Time Frame For Payment of Compensation

Procedures need to be established to reduce the time lag between the transcription date and payment date so as to minimize interests.

4.1.4 Computerised Land Acquisition System

MHL needs to improve its monitoring and follow-up of requests at each step in the acquisition process. This will require more up to date and readily available information. A better approach could be to automate the land acquisition system. This would have the added advantages, such as:

- Improving the time taken to complete the land acquisition process
- Records are updated automatically
- Keeping track of the land records will become less complicated
- Better monitoring and follow-up to eliminate bottlenecks

4.1.5 On-line Facilities of LAVIMS to RDA

Owner identification is time-consuming. To speed up procedures and to facilitate RDA to search for ownership of land and title deeds, the latter needs to be provided with an access to LAVIMS.

Ministry's Reply

As RDA is not within GIN Network, no access could be established with LAVIMS server. However, RDA's officers are granted full access to LAVIMS at the Cadastre Unit to carry out searches.

4.2 Land Use

4.2.1 Responsibility for Administration of Vested Lands should be Established

The role and responsibility of MHL and requesting Ministries and Government Departments in respect of project implementation on vested lands should be clearly established. It should also be defined who should ensure that lands vested are used on a timely basis and for the intended purposes.

4.2.2 Preparation of Need Analysis Before Requesting for Land Acquisition

Need Analysis and project design and description should be prepared much ahead before embarking on request for acquisition of land for a project. Appropriate extent according to project specifications should be acquired so that there is judicious use of land.

4.2.3 Setting up of a Committee for Project Implementation

Ministries and Government Departments should have recourse to MPI for the preparation of preliminary designs, drawings and scope of works together with cost estimates only after it is

confirmed that MOFED would disburse the funds. A consultative platform needs to be set up by the requesting Ministry/ Government Department bringing in all stakeholders so that there is a constructive dialogue and everyone knows his role, responsibilities and obligations. This will minimise any future unproductive vesting.

As regards lands vested and which have so far not been developed, Ministries and Government Departments should liaise with MOFED as soon as possible to ensure that funds would be disbursed for implementing the outstanding projects.

Land acquired and vested should be utilized within reasonable time. If not used, MHL should be notified so that the lands can be retrieved and vested in other Ministries and Government Departments to ensure their optimum economic use.

4.3 Recording and Monitoring of Vested Lands

A database of lands acquired is not enough to exercise proper control over land utilization. A complete database on status of all lands vested in Ministries and Government Departments should be built up. Ministries should then be requested to submit feedback at regular intervals on implementation of projects. To ensure that Government funds are used effectively and efficiently, it is vital that MHL maintains control on all State Lands. The DSLR should be developed.

Ministry's Reply

Action is being taken for updating the records.

