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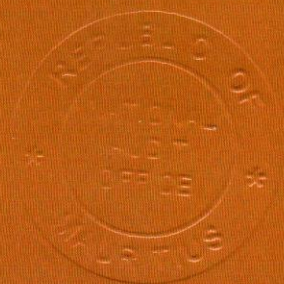
NATIONAL AUDIT OFFICE

PERFORMANCE AUDIT REPORT

PROVISION OF SOCIAL HOUSING

Ministry of Housing and Land Use Planning

**Ministry of Social Integration, Social Security
and National Solidarity (Social Integration Division)**



JUNE 2021

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PREFACE

Section 16 (1A) of the Finance and Audit Act requires the Director of Audit to carry out performance audit and report on the extent to which a Ministry, Department or Division is applying its resources and carrying out its operations economically, efficiently and effectively.

I am pleased to submit to the Minister of Finance, Economic Planning and Development, and through him to the National Assembly, this Performance Audit Report entitled “Provision of Social Housing”. The long waiting list for social housing and the significant investment in the sector over the past years motivated the selection of this subject matter.

The objective of the audit was to assess the effectiveness of the interventions of the Ministry of Housing and Land Use Planning and that of the Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division) in the provision of social housing to low income households and to the vulnerable families respectively. The Report contains audit findings, conclusion, recommendations and emphasises on areas of improvements in the provision of social housing. The Ministries were given the opportunity to comment on the content of the Report.

My Office envisages to carry out a follow-up audit at an appropriate time regarding actions taken by the Ministries in relation to the implementation of the recommendations.

I would like to take this opportunity to thank the Permanent Secretaries and the staff of the Ministry of Housing and Land Use Planning and that of the Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division) and their various Divisions for their cooperation and collaboration. I also wish to express my sincere thanks to my staff for their hard work and dedication.



C. ROMOOAH
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30 June 2021

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ABBREVIATIONS AND ACRONYMS

BLUP	Building and Land Use Permit
CCIS	Concrete cum Corrugated Iron Sheet
CSR	Corporate Social Responsibility
CWG	Community Working Group
FCH	Fully Concrete Housing
KPI	Key Performance Indicators
MHLUP	Ministry of Housing and Land Use Planning
MSSNS	Ministry of Social Integration, Social Security and National Solidarity
MoFEDP	Ministry of Finance, Economic Development and Planning
MoU	Memorandum of Understanding
MPSC	Marshall Plan Social Contract
NEF	National Empowerment Foundation
NGO	Non-Government Organisation
NHDC	National Housing Development Company Ltd
NSIF	National Social Inclusion Foundation
PMT	Proxy Mean Test
SLA	Service Level Agreement
SRM	Social Register of Mauritius
UN	United Nations
UNDP	United Nations Development Programme

EXECUTIVE SUMMARY

Since the adoption of the Universal Declaration of Human Rights in 1948, the right to adequate housing has been recognised as an important component of the right to an adequate standard of living.

As per the UN Habitat Agenda Goals and Principles, Commitments and the Global Plan of Action 2003, all Governments have a responsibility in providing shelter to the population. The provision of adequate housing for everyone requires actions by Government and all sectors of society.

The provision of social housing to low-income households and vulnerable families in Mauritius falls under the responsibility of the Ministry of Housing and Land Use Planning (MHLUP) and the Ministry of Social Integration Social Security and National Solidarity (MSSNS) respectively.

Recently, in February 2019, the UN Committee on Economic, Social and Cultural Rights reported that the provision of social housing was inadequate in Mauritius. Several issues relating to the construction and allocation of social housing units were also reported.

It is against this backdrop that the National Audit Office carried out this Performance Audit on the Provision of Social Housing. The audit assessed the effectiveness of the interventions of MHLUP and that of MSSNS in the provision of social housing to low-income households and to vulnerable families respectively.

Key Findings

(a) Ministry of Housing and Land Use Planning

- (i) ***Social Housing Waiting List:*** As of June 2020, there were more than 25,500 households waiting for social housing units in Mauritius as per information provided by NHDC Ltd. Some 3,400 households had been waiting for more than 20 years. Information on eligible applicants on the waiting list was not readily available at the Ministry.
- (ii) ***Mismatch between Demand and Supply for Social Housing:*** During the period 2015-16 to 2019-20, the outstanding demand for social housing units increased by some 54 per cent. Yearly demand increased from 1,804 in 2015-16 to 2,805 in 2019-20, that is by more than 50 per cent and number of social housing units allocated, on the other hand, decreased by some 77 per cent.

(iii) **Social Housing Strategy:** An absence of a clear and well-defined Social Housing Strategy was noted. The strategic policy orientation on social housing was provided in Government Programme 2015-19, and spelt out in Three-year Strategic Plans and Annual Budget Speeches. However, these documents did not provide a long-term development perspective of social housing in Mauritius.

(iv) **Land Availability for Construction of Social Housing units:** One of the main challenges identified by the Ministry of Housing and Land Use Planning for the proper execution of social housing Projects had been the availability of appropriate land at the right time and place. The land acquired under the 2000 Arpents Scheme were considered inappropriate for housing construction and there were delays in the acquisition of other land.

The Marshall Plan of 2016 highlighted that “*as available land is limited on the island, a more strategic approach needs to be developed to allow all stakeholders to work in a concerted way so as to best allocate private and public land.*” The absence of a strategic approach might have been one of the contributing factors for the difficulty in making land available at the right time and place.

(v) **Monitoring and Evaluation:** The Service Level Agreement (SLA) between the Ministry and the National Housing Development Company Ltd (NHDC Ltd) did not clearly and explicitly elaborate on the performance criteria against which the Company would be assessed. The monthly return submitted by NHDC Ltd to the Ministry provided information on the status of social housing projects undertaken by the Company but this was not sufficient to help the Ministry to effectively monitor and evaluate the performance of the Company against deliverables, tasks and outcomes.

For the period 2015-16 to 2019-20, MHLUP through NHDC Ltd spent some Rs 3.36 billion on social housing projects. Except for an internal audit report on the monitoring of NHDC projects issued in December 2018, there was no other internal audit examination carried out to ensure that the Ministry’s objectives were being achieved.

(b) Ministry of Social Integration Social Security and National Solidarity (Social Integration Division)

(i) The National Empowerment Foundation (NEF) did not keep proper record on the demand for social housing units for the vulnerable group for the five financial years 2015-16 to 2019-20, both for those who had a plot of land and those who were landless.

(ii) The Ministry did not have a Social Housing Strategy for the vulnerable group.

- (iii) There were lengthy delays in implementing the construction of social housing projects.
- (iv) As of June 2020, a social housing project, with the collaboration of a private company for the vulnerable families, did not materialise as the Ministry and NEF faced difficulties in its implementation.
- (v) The National Social Inclusion Foundation (NSIF) and Non-Governmental Organisations (NGOs) were not effectively engaged in the implementation of social housing programmes.
- (vi) NEF was not strictly adhering to conditions set out in the Memorandum of Understanding (MoU) with the Ministry. Some issues related to the construction of social housing units were as follows:
 - Key Performance Indicators and annual targets regarding construction of Fully Concrete Housing units and Modular Housing units were not set.
 - Progress/Status Reports were not in accordance with the MoU.
 - A well-structured monitoring and evaluation system for efficient and effective implementation of the Programmes/Projects was not in place at NEF.

Conclusion

Government is committed, through the Ministry of Housing and Land Use Planning and the Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division), to address the social housing needs by investing significantly in the sector. Despite their interventions, both Ministries have been facing challenges to respond to the demand for social housing in an effective manner leading to growing demand, delay in construction of housing units and continued lengthening of the waiting list. Unavailability of appropriate land, insufficient monitoring of the activities of the implementing agencies, lengthy processes in obtaining clearances and several project management issues are the main causes, some of which had been identified by the Ministries.

Absence of a well-defined strategy has also contributed to the above weaknesses. Both Ministries have also not adequately evaluated projects to ensure the degree of success of the Social Housing Programmes.

Key Recommendations

Ministry of Housing and Land Use Planning

1. Development of a Social Housing Strategy

The Ministry should develop a well-defined Social Housing Strategy that maps its long-term vision to its objectives and which is in line with the Government Policy of providing social housing to the needy.

The Strategy could include, amongst others, an implementation plan, clear roles, responsibilities and deliverables of organisations, and monitoring and evaluation mechanisms to improve decision-making. It could also incorporate a strategy on land availability for future social housing units, that would enable the Ministry to save time on identifying land for construction.

2. Updating the Social Housing Waiting List

The Ministry should request NHDC Ltd to regularly update the database of applicants for social housing to ensure that those on the waiting list are still in search for social housing and meet the eligibility criteria.

3. Development of a monitoring and Evaluation mechanism

The Ministry of Housing and Land Use Planning should monitor the activities of NHDC Ltd to ensure that the objectives of programmes and projects relating to social housing are met. It should also evaluate the success of its interventions on social housing projects.

The Service Level Agreement between the Ministry and NHDC Ltd. needs to be reviewed to include, amongst others, the performance level expected from NHDC Ltd, and thereafter to renew it regularly in light of changing circumstances. It should be accompanied by appropriate targets and a monitoring mechanism for performance evaluation.

4. Increasing the scope of examination of Internal Audit

The internal audit of the Ministry should regularly examine the Social Housing Programme to provide assurance on its efficiency and effectiveness.

Ministry of Social Integration, Social Security and National Solidarity

5. *Development of a Monitoring and Evaluation Mechanism*

The Ministry should monitor and evaluate the activities of NEF to ensure that objectives of programme and projects relating to social housing for the vulnerable groups are met.

Case Management visits, including follow-ups, should be carried out regularly as stated in the Marshall Plan Social Contract, to connect beneficiaries to services and empowerment programmes, and to track progress.

6. *Management of Social Housing Projects*

The Ministry must ensure that funds disbursed to NEF are utilised before further disbursement. Public funds should be released to NEF only after contracts for construction projects have already been awarded and Building and Land Use Planning secured.

Summary of Reply from MHLUP and MSSNS

Ministry of Housing and Land Use Planning

- A Consultant was appointed in April 2021 for the assessment and updating of NHDC Clients' Database. An updated and reliable database of applicants of NHDC housing units across the island is expected by the start of October 2021.
- The number of housing units constructed is generally below the annual target due to:
 - delays occurring prior to start of projects, such as delay in acquisition of land due to lengthy procedures.
 - delays during the construction phase such as variation works, poor quality control and monitoring by the Consultant, poor site management and supervision by the contractors and shortage of labour.
 - force majeure such as adverse weather conditions, cyclone and pandemic.
- A standing committee has been set up for coordinating and monitoring land acquisition generally, including land for social housing projects, with a view to streamlining and expediting land acquisition procedures.
- The SLA signed in December 2009 has never been reviewed as the NHDC Ltd has always insisted on the *sine qua non* condition that any renewal thereof should include

an increase in the management fees on both works contracts and consultancy fees payable to the Company.

Ministry of Social Integration, Social Security and National Solidarity

- The Ministry and NEF are involved and had attended consultative meetings held at the level of the Ministry of Housing and Land Use Planning and contributed to preparing a long-term Housing Policy /Strategy for the country. The Strategy would take into account the needs for all vulnerable groups and make recommendations in a holistic manner.
- NSIF has just set up a Coordinating Committee for consultations with MHLUP to reflect on how NGOs could effectively be engaged in the implementation of social housing programmes.
- NEF has been requested to submit to the Ministry a Project Implementation Schedule upon award of contract. Action plans submitted to the Ministry will henceforth include planned targets. NEF will also prepare short-term plans in the field of social housing for its beneficiaries.
- Remedial measures will be taken with regard to the case management of households having received housing support by the Foundation.

CHAPTER ONE

INTRODUCTION

This Chapter provides a background of the subject matter examined and describes the approach used in carrying out the audit.

1.1 Background

Since the adoption of the Universal Declaration of Human Rights in 1948, the right to adequate housing has been recognised as an important component of the right to an adequate standard of living.

As per the United Nation (UN) Habitat Agenda Goals and Principles, Commitments and the Global Plan of Action 2003, all Governments have a responsibility in providing shelter to the population. The provision of adequate housing for everyone requires actions of the Government and all sectors of society, including the private sector, non-governmental organisations (NGOs), communities and local authorities, as well as partner organisations and entities of the international community.

In Mauritius, the provision of social housing to low-income households and vulnerable families in Mauritius falls under the responsibility of the Ministry of Housing and Land Use Planning (MHLUP) and the Social Integration Division of the Ministry of Social Integration, Social Security and National Solidarity (MSSNS) respectively. Over the years, both Ministries have been facing challenges in the provision of social housing.

1.2 Audit Motivation

The United Nations Development Programme (UNDP) Report of 2013 highlighted that stakeholders had been facing several challenges in the implementation of social housing projects. Also, in February 2019, the UN Committee on Economic, Social and Cultural Rights reported that the provision of social housing was inadequate in Mauritius.

Several issues regarding the construction and allocation of social housing units over the years had prompted debates in the Parliament and were also reported in the media. Moreover, past audit reports of the National Audit Office (NAO) highlighted several weaknesses in the reporting process on the activities and consequently on the performance of the National Housing Development Company Limited (NHDC Ltd), the executive arm of MHLUP and the National Empowerment Foundation (NEF), the implementing agency of MSSNS.

For the period 2015-16 to 2019-20, MHLUP through NHDC Ltd spent a total amount of some Rs 3.36 billion and MSSNS disbursed some Rs 375 million to NEF for the period 2016-17 to 2019-20.

It is against this background that the National Audit Office carried out this Performance Audit entitled “Provision of Social Housing”.

1.3 Audit Objective

The audit assessed the effectiveness of the interventions of MHLUP and that of MSSNS in the provision of social housing to low-income households and to vulnerable families respectively.

1.4 Audit Design

The audit was designed by formulating three audit questions and the answers to these questions supported the conclusion against the objective. The audit questions are as follows:

1. Was the provision of social housing properly planned by MHLUP and MSSNS?
2. Were Stakeholders implementing their roles effectively?
3. How were MHLUP and MSSNS gaining assurance that stakeholders (NHDC Ltd and NEF) were discharging their duties appropriately?

1.5 Audit Scope

This performance audit examined the activities of MHLUP and MSSNS (Social Integration Division) in the provision of social housing. The audit focused on the interventions in Mauritius and excluded Rodrigues and Outer Islands. It covered the period July 2015 to June 2020. Data up to December 2020 were included in the report.

The construction of the 12,000 residential housing units, announced in the Budget Speech 2020-21 that will be implemented by the New Social Living Development Limited does not fall within the audit scope.

1.6 Audit Criteria

Audit criteria are the standards to be met by the audited entity. These were used as a basis for evaluating the evidence collected, developing audit findings and reaching conclusions on the audit objective, and were extracted from the following sources:

1.6.1 Laws, Regulations and Agreements

- Memorandum of Understanding (MoU) between MSSNS and NEF
- Service Level Agreement between MHLUP and NHDC Ltd
- Social Integration and Empowerment Act

1.6.2 Standards from research, literature, professional and/or international organisations

- UN Fact Sheets-Rights to Adequate Housing
- International Covenant on Economic, Social and Cultural Rights
- Universal Declaration of Human Rights and the Rights to adequate housing
- United Nations Human Rights Treaty System

1.6.3 Internal Documents

- Marshall Plan
- UNDP Report on Social Housing in Mauritius 2013
- Case Management Manual
- Government Three-year Strategic Plans 2019-20 to 2021-22

Details on the audit criteria used are in the relevant Sections in this Report.

1.7 Audit Methodology

The audit was conducted in accordance with the requirements of the NAO Performance Audit Manual which is based on ISSAI 3000 Performance Auditing Standard of the International Standards of Supreme Audit Institutions (INTOSAI). Different methodologies were used to understand the audit area, along with obtaining sufficient, relevant and reliable audit evidence to support conclusion and recommendations.

1.8 Methods of Data Collection

Data was gathered mainly from files and documents. This was complemented by interviews to confirm information in files.

1.8.1 Review of Documents

Information relating to policies, guidelines, regulations, structures, processes, systems, procedures and practices was collected through review of files and documents kept at MHLUP and MSSNS (Social Integration Division) and NEF. Information provided by NHDC Ltd through MHLUP was also considered.

1.8.2 Personnel Interviewed

Key personnel at operational, middle and senior management levels at MHLUP and MSSNS (Social Integration Division) and NEF were interviewed.

The interviews were used to obtain more information and also to confirm the information obtained from the documents reviewed and for obtaining explanation where information was not available in the reviewed documents.

1.9 Data Validation Process

Management of MHLUP and MSSNS were provided with the audit findings and recommendations to confirm their relevance, accuracy and suitability.

1.10 Structure of the Report

The remaining part of the Report covers the following:

- Chapter Two describes roles and responsibilities of key stakeholders, the audit area, and key aspects in the provision of social housing.
- Chapter Three presents the audit findings based on the three specific audit questions.
- Chapter Four provides the audit conclusion and recommendations based on the audit findings.

CHAPTER TWO

DESCRIPTION OF THE AUDIT AREA

This Chapter describes the roles and responsibilities of key stakeholders, the audit area, and key aspects in the provision of social housing.

2.1 Roles and Responsibilities of key stakeholders

One of the missions of Government, as stated in the Three-year Strategic Plan 2019-2020, is to provide all families access to decent, safe and affordable housing fitted with adequate services. MHLUP and MSSNS, through their respective agencies, are mainly responsible for provision of social housing. The roles and responsibilities of MHLUP, MSSNS (Social Integration Division), NHDC Ltd, NEF and National Social Inclusion Foundation (NSIF) are described below.

2.2 Ministry of Housing and Land Use Planning

The main objective of MHLUP is to satisfy the housing and land needs of the people of Mauritius. The Ministry has a Housing Division which is responsible mainly for the formulation of strategies and policies in the Social Housing Sector and also the implementation of Government social housing programmes through NHDC Ltd, its executive arm.

The mission of the Housing Division of the Ministry, amongst others, is to facilitate access to a variety of affordable housing fitted with adequate services to needy households and includes strengthening social and cultural integration through the provision of appropriate social and recreational facilities in social housing development and to create mixed housing development schemes to help inclusion, integration and equality among various income groups.

2.2.1 National Housing Development Company Limited

As an implementing agency of Government with regard to social housing policy, the objective of NHDC Ltd consists of proper management of all projects under the Social Housing Programme, including infrastructure works from conception to allocation, keeping in view fundamental values such as merit, transparency and integrity.

2.3 Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division)

The vision of the Ministry is the eradication of extreme and chronic poverty and the creation of an inclusive and more equitable society. Its mission is to support and empower the vulnerable groups who are registered and found eligible under the Social Register of Mauritius (SRM)¹ with a view to mainstreaming them in society and improving their quality of life in a sustainable manner through the provision of an effective and efficient service delivery, imbued in equity, fairness and impartiality. One of the responsibilities of the Ministry, amongst others, is to provide basic shelter to homeless and vulnerable families.

2.3.1 The National Empowerment Foundation

The National Empowerment Foundation (NEF) was created in July 2008. It is the executive arm of the MSSNS (Social Integration Division) and operates under its aegis. It is a not-for-profit government owned company with one of its objectives to eradicate extreme and chronic poverty and to strive towards the creation of an inclusive and more equitable society.

Its mission is to support and empower the vulnerable groups with a view to mainstreaming them in society and improving their quality of life in a sustainable manner through the provision of an effective and efficient service delivery. The provision of social housing is one of the activities carried out by NEF in empowering the vulnerable group.

2.3.2 The National Social Inclusion Foundation

The National Social Inclusion Foundation (NSIF) was established by Government in December 2016 with the aim of bringing greater transparency in the use of Corporate Social Responsibility (CSR) funds and generating better social outcomes. It is the Central Body to receive and allocate public funds to NGOs. The main mandate of the Foundation is to undertake programmes and projects for the benefit of individuals and families registered under the SRM and of vulnerable groups in the several priority areas, including social housing.

¹ The SRM is a computer-based application to register and identify the poor and their socio-economic profile. It is hosted at the Ministry of Social Integration, Social Security and National Solidarity (Social Security and National Solidarity Division) and aims at informing policymakers on the effective demand for pro-poor policies.

2.4 Social Housing Projects implemented by the Ministry of Housing and Land Use Planning

Social Housing Projects are implemented by MHLUP through NHDC Ltd. One of the eligibility criteria for social housing is the monthly household income. During financial year 2019-20, the social housing projects which were being implemented and delivered by NHDC Ltd were for families with a monthly household income of up to Rs 30,000. The income eligibility and subsidy levels during the financial year 2019-20 are as shown in Table 1. Other criteria are that the applicant should be registered at NHDC Ltd and should not

- (i) be owner of a housing unit.
- (ii) own a residential plot of land.
- (iii) hold a residential plot of state land by lease.
- (iv) have been granted any Government sponsored Loan by the Mauritius Housing Company Limited.
- (v) have benefited any Government Grant for the casting of a roof slab.
- (vi) have received any financial assistance from Government for the purchase of construction materials.

Table 1: Income eligibility and subsidy level

Monthly Income (Rs)	Subsidy (%)
Up to 10,000	67
10,000 – 15,000	60
15,001 – 20,000	30
20,001 – 25,000	25
25,001 – 30,000	15

Source: Budget Speech 2019-2020 and Ministry's Website

2.5 Schemes related to social housing implemented by the Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division)

There are currently two main schemes at MSSNS (Social Integration Division) which are implemented by NEF with respect to the provision of social housing, details of which are described below,

2.5.1 Scheme I: Implemented by NEF – Construction of Social Housing Unit for Vulnerable Households

All applicants, who are owners of land or lessee of state land and who are registered under the Social Register of Mauritius, are eligible for housing support under this scheme. The Government will contribute 80 per cent of the cost of construction of a housing unit and the remaining 20 per cent will be borne by the beneficiary. Although the monthly income is not an eligibility criterion for benefitting from this scheme, NEF has to take into consideration the monthly income derived by the household in order to assess the capacity of the latter to effect payment of the 20 per cent of the cost of the housing unit through monthly instalments.

Families living in vulnerable conditions and who feel that they need social support are called upon to register themselves in the SRM whereby their household's characteristics, demography and household income among others are considered for running a Proxy Means Test² – PMT which is used to determine eligibility below a given poverty threshold³.

2.5.2 Scheme II: 10% of NHDC housing units to be allocated to NEF beneficiaries

This scheme is being implemented by NEF, although construction of these housing units is being done by NHDC Ltd.

Under this scheme, ten per cent of NHDC Ltd integrated houses are earmarked for NEF beneficiaries. All applicants who are not owners of land/or lessee of state land and who are registered under the SRM are eligible for housing support under this scheme. The Government will contribute 80 per cent of the cost of construction of a housing unit and the remaining 20 per cent will be borne by the beneficiary.

2.6 Marshall Plan

Government announced, in 2015, the development of a medium to long term Marshall Plan to combat poverty and social exclusion. Technical assistance to develop the Marshall Plan was requested from the UNDP and a Marshall Plan to eliminate poverty and reduce inequality had been developed under the leadership of the then Ministry of Social Integration and Economic Empowerment in 2016.

² A proxy means test (PMT) is an index of observable and verifiable household characteristics that serves as a proxy for household income, welfare or needs. The PMT is commonly used to target social programs in situations where verifiable income data are not available. (World Bank).

³ The absolute poverty threshold is provided in the Social Integration and Empowerment Act 2016 and takes into account the number of individuals in the family household on a per capita basis. It is Rs 2,720 per month for one adult and Rs 1,360 per month for a child below the age of 16 years up to a maximum threshold of Rs 9,520 per month for a family.

The Marshall Plan is articulated around 39 actionable and costed proposals, framed within eleven sections. Initiatives in social housing and other six areas of social protection, employment, education, health, environment and equity in service delivery, have been designed to address poverty and inequality.

2.7 Case Management

Case Management is a process that assesses, plans, implements, coordinates, monitors and evaluates the options and services required to meet an individual's needs.⁴

The Marshall Plan Social Contract (MPSC) is the point of entry of eligible beneficiaries registered in the SRM and living in absolute poverty to benefit from empowerment schemes based on various conditions that are laid down in the contract. Some 10,400 beneficiaries were registered under the SRM as at June 2020.

In line with the implementation of the Marshall Plan, families who have signed the MPSC are followed through case management to link them to programmes, projects and schemes to promote their empowerment. Beneficiaries are connected to services and empowerment programmes through budgeted projects and Community Working Groups.

2.8 Construction cost of Social Housing Units

During the period 2015-16 to 2019-20, MHLUP and MSSNS spent significant amounts in the construction of social housing units through NHDC Ltd and NEF respectively. Details are described below:

2.8.1 Cost incurred by the Ministry of Housing and Land Use Planning

For the period 2015-16 to 2019-20, MHLUP through NHDC Ltd spent some Rs 3.36 billion for the construction of social housing units as shown in Table 2.

⁴ Source: Commission for Case Manager Certification

Table 2: Actual Expenditure on Construction of Social Housing – MHLUP

Financial Year	Amount Spent (Rs million)
2015-16	469.6
2016-17	672.9
2017-18	757.4
2018-19	700.4
2019-20	757.3
Total	3,357.6

Source: MHLUP

2.8.2 Cost incurred by the Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division)

Some Rs 375 million was disbursed by MSSNS (Social Integration Division) to NEF for the period 2016-17 to 2019-20 under the programme Social Housing for Vulnerable groups

NEF spent some Rs 154.2 million for construction of social housing units for the same period as shown in Table 3.

Table 3: Expenditure on Construction of Social Housing Units – MSSNS

Financial Year	Amount spent as at June 2020 (Rs million)	Remarks
2016-17	84.3	FCH
2017-18	43.3	FCH
	0	FCH
2018-19	19.2	10% NHDC
	0	FCH
2019-20	7.4	10% NHDC
Total	<u>154.2</u>	

Source: Annual Reports of Accountant General and MSSNS

CHAPTER THREE

FINDINGS

This Chapter presents the audit findings on the effectiveness of the interventions of the Ministry of Housing and Land Use Planning and the Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division) in the provision of Social Housing.

3. Introduction

The policy of Government is to provide low-cost housing to people who cannot afford to construct a house on either their own land or are landless. The main objective is to ensure that no citizen is left behind in the development process and everyone has a decent place to live.

The findings arising from the examination of the interventions in the provision of social housing are organised in two sections as follows: Section A relates to findings at MHLUP and Section B relates to that at MSSNS.

SECTION A

Ministry of Housing and Land Use Planning

A.1 Social Housing Waiting List

It is imperative to understand the scale of social housing needs in order to plan for appropriate responses. Information on a social housing waiting list enables making of informed policy decisions, formulate appropriate strategies in accordance with plans and determine funding requirements. Applications for social housing units are received and assessed by NHDC Ltd against well-defined income eligibility criteria. If the applications are accepted, they are put in a social housing waiting list. According to information provided by NHDC Ltd, as of June 2020, there were more than 25,500 households waiting for social housing units in Mauritius. From a scrutiny of the statistical information, the following were noted:

- (i) A social housing waiting list is an important document which the Ministry can use to develop a long-term strategy on how to meet demand. However, relevant information such as the total number of applications on the waiting list was not readily available at the Ministry.

- (ii) Table 4 depicts the number of applicants for social housing on the waiting list during the period 2015-16 to 2019-20.

Table 4: Number of registered applicants for Social Housing

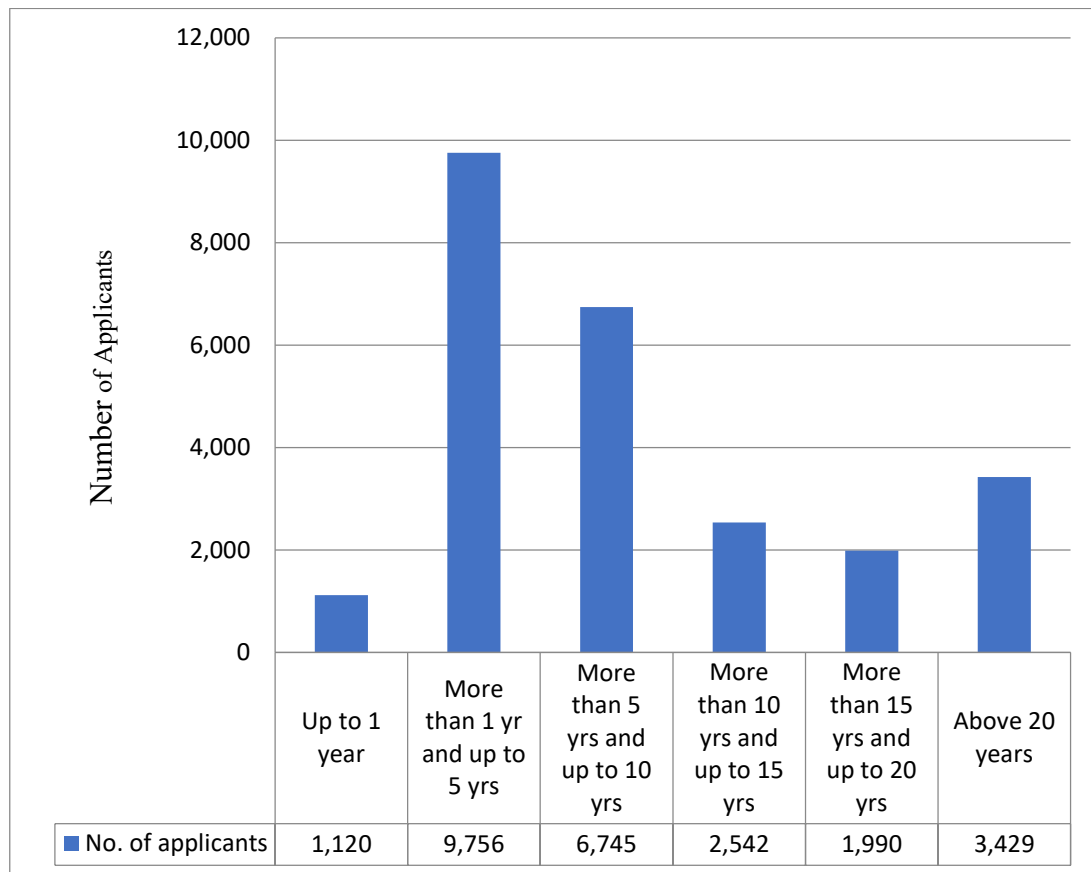
Financial Year	2015-16	2016-17	2017-18	2018-19	2019-20
Registered Applicants at start	15,224	16,543	18,499	20,723	22,889
New Applicants	1,804	2,126	2,626	2,550	2,805
Beneficiaries Allocated	485	170	402	384	112
Total Registered Applicants	16,543	18,499	20,723	22,889	25,582

Source: Information submitted by NHDC Ltd

- (iii) The outstanding demand for social housing units increased by some 54 per cent, from 16,543 in financial year 2015-16 to 25,582 in financial year 2019-20.
- (iv) The yearly demand for new social housing units also increased from 1,804 in financial year 2015-16 to 2,805 in financial year 2019-20, that is, by more than 50 per cent.
- (v) The number of units allocated, on the other hand, decreased by some 77 per cent, from 485 in financial year 2015-16 to 112 in financial year 2019-20.

The list was further analysed to identify the waiting time of the demand for social housing. Figure 1 illustrates the outcome of the analysis.

Figure 1: Waiting time of demand for Social Housing



Source: Information submitted by NHDC Ltd

As of June 2020, some 8,000 applicants (around 30 per cent of the total number of applicants) had been waiting for more than ten years to be allocated a social housing unit. It included some 3,400 households, that is, 13 per cent of the total applicants, who had been waiting for more than 20 years. Some 10,800 applicants had been on the waiting list for less than five years.

A.1.1 Review of the Social Housing waiting list

Regular assessment of the housing demand, based on the Government’s existing policies and demographic information, is essential for determining the Government’s long-term land requirements for housing. The social housing waiting list needs to be updated on a regular basis. This will help to track active and inactive applicants along with those that no

more satisfy the eligibility criteria. The availability of updated and reliable information will help Ministry to respond efficiently and effectively to the challenges in social housing.

The Ministry did not regularly request NHDC Ltd for updated information on the social housing waiting list. The list was not included in the monthly return submitted by NHDC Ltd. There was no indication when the list was last updated. As of June 2020, some 3,400 applicants had been on the list for more the 20 years. There was also no clear guideline on how long NHDC Ltd keeps an applicant on the waiting list.

The following case study illustrates the need to review the waiting list.

Case Study – Social Housing Allocated in 2020

Out of 17,000 applicants who had been called for interview for the 801 housing units allocated in 2020, some 11,500 applicants (around 68 per cent) did not turn up. There were various reasons for not attending the interview, for example: letter undelivered by post as clients changed their address, they were no more interested, they had financial difficulties, they were owner(s) of an immovable property or they preferred to wait for other housing projects. 801 units were allocated in 2020. 32 clients did not respond to the offer due to various reasons like: before allocation Notary made searches at the Registrar’s Office and found applicants were owner/co-owner of immovable property, they had presently financial difficulties or they were not interested to purchase the unit allocated to them.

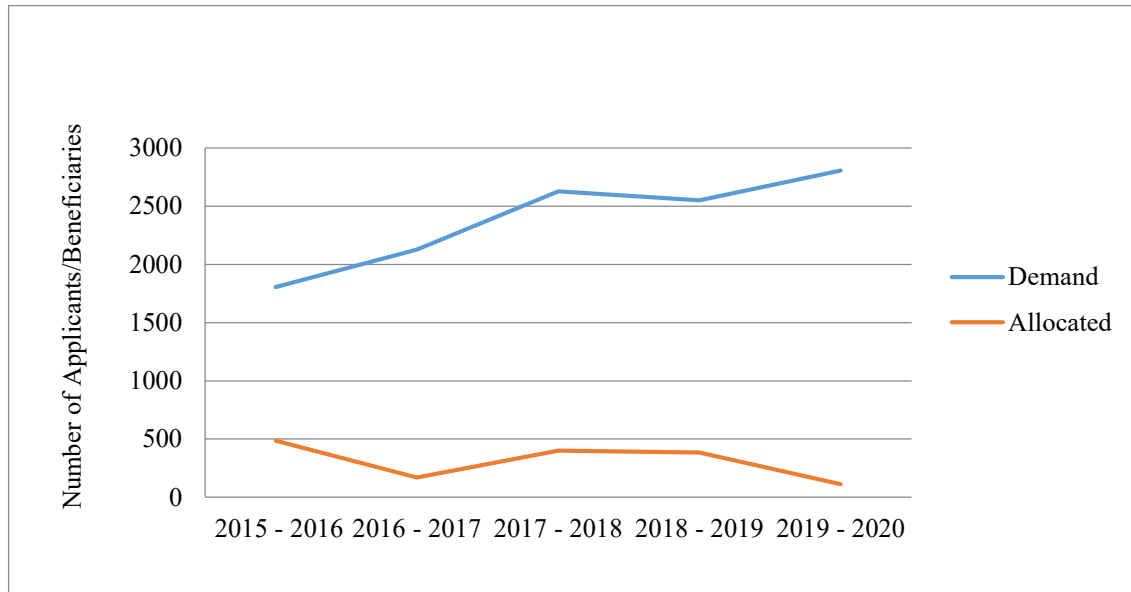
The Ministry stated that a Consultant was appointed in April 2021 for the assessment and updating of NHDC Clients’ Database. A first report is expected by July 2021 and after implementation of recommendations therein, an updated and reliable database of applicants of NHDC housing units across the island is expected by start of October 2021.

A.2 Mismatch between demand and supply of social housing units

Demand for social housing units from eligible applicants is registered at NHDC Ltd. Information obtained from NHDC Ltd showed that the total number of registered applicants was 16,543 in financial year 2015-16 and it gradually increased to 25,582 in financial year 2019-20, that is, an increase of more than 50 per cent.

The number of housing units allocated to beneficiaries was, however, 485 in financial year 2015-16 and decreased to 112 in financial year 2019-20, a decrease of some 77 per cent. The mismatch led to the widening of the gap between supply and demand of social housing units during the period 2015-16 to 2019-20 as illustrated in Figure 2.

Figure 2: Demand and Supply of Social Housing Units During the Past Five Financial Years



Source-MHLUP

The mismatch between demand and supply resulted in a growing number of applicants in need of social housing on the waiting list as described in paragraph A.1. Since financial year 2015-16, the number of households has increased by more than 50 per cent.

A.3 Social Housing Strategy

At the UN General Assembly on Human Rights in December 2019, 16 guidelines for the Implementation of the Right to Adequate Housing were ratified and issued. One of the guidelines relates to the implementation of comprehensive strategies for the realization of the right to housing.

As per the UN Guidelines, the Committee on Economic, Social and Cultural Rights had emphasised that the obligation to progressively realise the right to housing will almost invariably require the adoption of a national housing strategy. Strategies should be developed in consultation with affected groups, include clearly defined goals, identify the resources to be allocated and clarify responsibilities and a time frame for implementation.

A strategy is a plan of action designed to achieve a long-term or overall aim. A Social Housing Strategy comprehensively describes the approach a government plans to take to meet its housing objectives for people who cannot afford to build a house. Some of the factors to be taken into consideration while developing a Social Housing Strategy are as follows:

- Strategies on how Government can contribute to the community’s well-being by ensuring safe, accessible and affordable social housing is available to people on low incomes, including elderly persons and people with disabilities.
- Formulation of a long-term goal that ensures all social housing is secure, affordable, of good quality and which provides maximum opportunities for personal, family and community development.
- Provisions for a mixed economy of social housing– not-for-profit sector and by the private sector – targets should be set for each sector.
- Provision for ‘special needs housing’ for those who have a particular support need in addition to a housing need, including, in particular, frail and dependent older people, people with disabilities, homeless people and people who are victims of domestic violence.

In the Marshall Plan of 2016, it was mentioned that *“as available land is limited on the island and acknowledging the specific needs of each income group such as the low, middle and high income, a more strategic approach needs to be developed to allow all stakeholders to work in a concerted way so as to best allocate private and public land and funds for integrated housing projects.”* As a result, it was recommended to develop a 15-year housing strategy including social housing.

The Ministry did not have a Social Housing Strategy in line with the recommendation in the Marshall Plan of 2016 and the UN guideline. Strategic Policy orientation on social housing was provided in the Government Programme 2015-19, the Three-year Strategic Plans and Annual Budget Speeches. For example, in the budget 2017-18, the annual target for the construction of social housing units was 1,240 and at that time the target for the next two years was 2,000 units for financial year 2018-19 and 2,800 for financial year 2019-20.

However, these documents did not provide a long-term development perspective of Mauritius in social housing. Hence, there was not sufficient visibility on how the Ministry would proceed in the future to meet the need of those on the waiting list.

During the period 2016-17 to 2019-20, the actual number of social housing units constructed was below that targeted in different budgets. The paragraph A.4 compares the target with the actual number of social housing units constructed.

A.4 Comparison of Target and Actual Social Housing Units Constructed

In order to meet its objective of providing social housing to the needy, MHLUP targeted to construct a certain number of houses annually as shown in Table 5.

Table 5: Targeted and Actual Number of Housing Unit

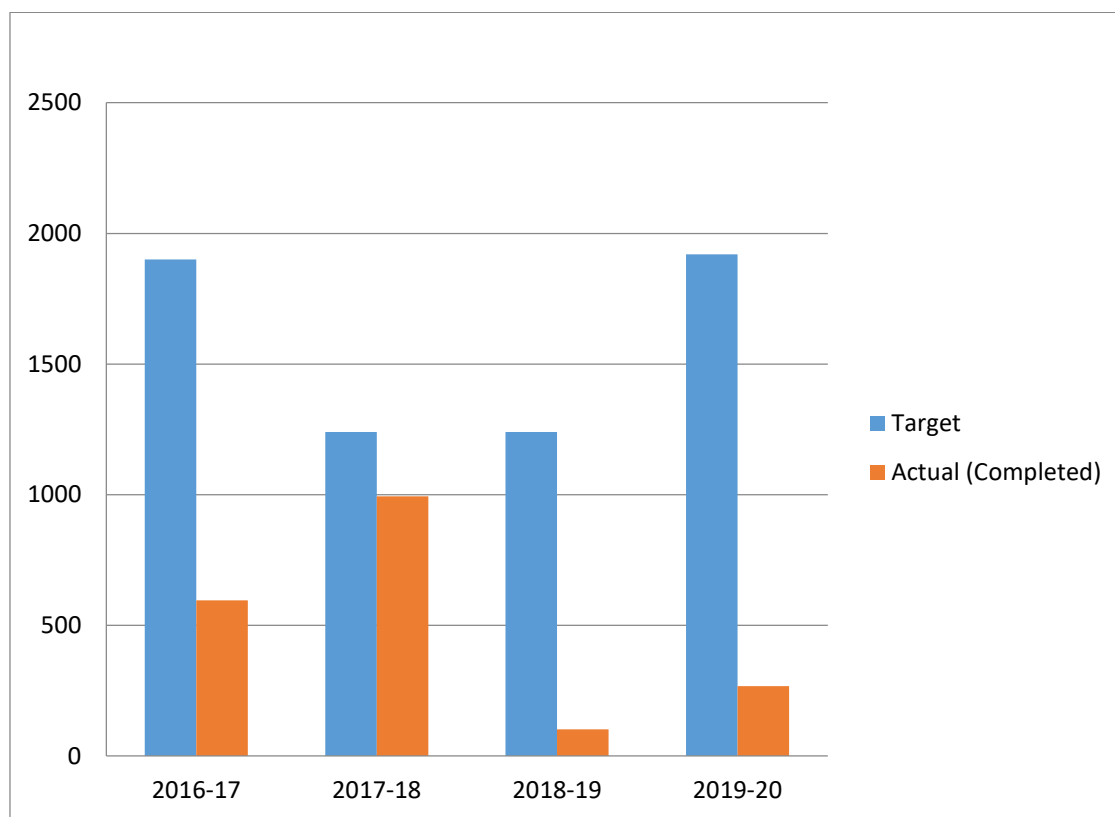
Financial Year	Target	Actual Unit (Completed)	Percentage Completed (%)
2016-17	1900	596	31.37
2017-18	1240	994	80.16
2018-19	1240	102	08.22
2019-20	1920	267	13.91
Total	6300	1959	31.09

Source: Annual Report MHLUP

The actual number of social housing units constructed had been constantly below target. The number of units completed, as a percentage of the target number, varied from eight to eighty per cent. During the period 2016-17 to 2019-20, the actual annual average of social housing unit constructed was some 31 per cent of target. The figure for the actual number of social housing units constructed during financial year 2015-16 was not available at MHLUP.

Actual construction of social housing units had been regularly below the targeted level as shown in Figure 3, and this had resulted in unspent amount as shown in Table 6. In spite of the inability to meet target, the budget for the construction of housing units had increased from Rs 812 million in financial year 2016-17 to Rs 1.09 billion in financial year 2019-20; an increase of some 34 per cent.

Figure 3: Targeted and Actual Number of Housing Unit Built During the Last Five Years



Source: Annual Report of MHLUP

Table 6: Budgeted and Actual Expenditure on Construction of Social Housing – MHLUP

Financial Year	Budgeted Amount (Rs million)	Actual Expenditure (Rs million)	Unspent Amount (Rs million)
2015-16	470.0	469.6	0.4
2016-17	812.0	672.9	139.1
2017-18	900.0	757.4	142.6
2018-19	1,266.5	700.4	566.1
2019-20	1,090.0	757.3	332.7
Total	4,538.5	3,357.6	1,180.9

Source- MHLUP

The Ministry stated that the number of housing units constructed is generally below the annual target due to delays prior to start of projects and during construction such as delay in acquisition of land due to lengthy procedures, variation works, poor quality control and monitoring by the consultant, poor site management and supervision by

the contractors, as the latter undertake multiple projects concurrently, shortage of labour, weather conditions, increase in land requirements during project implementation and delays in acquisition thereof; and force majeure amongst others.

A.5 Availability of land for the construction of social housing units

Land is an important component in the provision of social housing units. Availability of appropriate land at the right time and at the right place influences the delivery of the expected outcome.

Following conclusion of the deal on sugar reforms, Government signed an agreement with the then Mauritius Sugar Planters Association in 2008, whereby corporate planters who were members of the Association were to provide a total area of 2,000 Arpents (some 684 hectares) of land in favour of the State over the period April 2008 to December 2017. The land would be used for the needs of the State for housing and other social purposes amongst others. As and when land was identified and agreed upon by the parties concerned, the transfer of ownership would be effected.

One of the main challenges, identified by MHLUP, even prior to financial year 2015-16, for the proper execution of social housing projects had been the acquisition of land.

The main reasons were as follows:

- Difficulty in finding out appropriate land for construction of Housing Units.
- Land acquired through the 2000 Arpents Scheme was found to be inappropriate for housing construction and time taken to swap those lands with other ministries resulted in further delays.
- Delay in acquisition of land.

The Marshall Plan of 2016 highlighted that “as available land is limited on the island; a more strategic approach needs to be developed to allow all stakeholders to work in a concerted way so as to best allocate private and public land.”

However, during the period examined the land availability was still a major challenge faced by the Ministry in executing social housing projects. The absence of a strategic approach, through a well-defined housing strategy, might have been one of the contributing factors for the difficulty in making land available at the right time and place.

The Ministry stated that a standing committee comprising top management from Administration and Technical Sections (Housing and Survey) has been set up at the level of the Ministry for coordinating and monitoring land acquisition generally, including land for social housing projects, with a view to streamlining and expediting land acquisition procedures. This committee will be meeting on a more regular basis.

A.6 Monitoring Activities

According to the Guideline for the Implementation of the Right to Adequate Housing issued by the United Nation in December 2019, an effective monitoring and accountability mechanism is essential.

A.6.1 Service Level Agreement between Ministry and NHDC Ltd

There is a Service Level Agreement (SLA) between MHLUP and NHDC Ltd to help proper management and monitoring of social housing projects. The agreement was scrutinised and issues arising are described below:

- (i) One of the provisions of the agreement stipulates that the SLA shall be reviewed every two years, or within a shorter period, shall both parties so decide. As of December 2020, the agreement had not been renewed.
- (ii) The agreement includes a detail of the services to be provided by NHDC Ltd. Some of the relevant details pertaining to monitoring by NHDC Ltd over implementation of projects are described below:
 - Monitor progress and keep Ministry informed of deviation, if any.
 - Prepare master programme of work, liaise with Ministry to initiate corrective action for delays if any and monitor progress against programme.
 - Monitor progress and quality of services offered by appointed Consultant and ensure compliance of the performance of Consultant with Terms of Reference.
 - Ensure that project is being implemented within budget, is properly monitored and work is of good quality.
 - Ensure that Consultant comply with Terms of Reference and organise coordination meeting with Consultants and representatives of MHLUP to review progress and other related issues for the smooth running of a project.
 - Ensure that contract conditions are followed.
 - Ensure that Cost report, Technical Performance of both Contractors and Consultants and report on contract duration, constraints during implementation and remedial action taken are reviewed.

However, key aspects relating to monitoring of the activities of NHDC Ltd by the Ministry and the performance criteria against which the latter could be assessed in achieving Ministry's objectives were not sufficiently elaborated in the SLA. During the period examined, data of strategic importance such as trend in demand for social housing, its age analysis and units allocated were not regularly submitted to MHLUP for the efficient monitoring of progress made on the implementation of Government social housing policy.

A.6.2 Return from NHDC Ltd

To meet the above detailed services, NHDC Ltd submitted to the Ministry monthly return which included information relating to the status of the different projects. The returns were scrutinised and discussed in a Project Monitoring Committee at the Ministry. The return was used as a guide for release of fund and to carry out site visits to monitor projects implementation, amongst others. It did not contain information that could help the Ministry to effectively monitor and evaluate the performance of NHDC Ltd against deliverables, tasks and outcomes.

A.6.3 Internal Audit examination on Social Housing Projects

Internal Auditors need to assess and provide assurance to management that the control systems in place are working well, that rules, procedures and regulations are complied with, and that operations at the entity are efficiently carried out to meet its objectives. Organisations with substantial budgets - an indication of wide-ranging operations with possible exposures to risks - necessitate audit scrutiny on a regular basis to ensure value for money.

For the period 2015-16 to 2019-20, MHLUP through NHDC Ltd spent some Rs 3.36 billion in social housing projects. Except for an internal audit report on monitoring of NHDC projects issued in December 2018, there was no other internal audit examination carried out to ensure that the Ministry obtained value for money. The different internal audit plans did not also include appropriate work on social housing projects.

The Ministry explained that the SLA signed in December 2009 has never been reviewed as NHDC Ltd has always insisted on the *sine qua non* condition that any renewal thereof should include an increase in the management fees on both works contracts and consultancy fees payable to the Company. It also stated that monitoring of projects is carried out through scrutiny of progress reports submitted by NHDC Ltd, and in meetings with officials of the Company.

A.7 Evaluation

As per the 2013 report of UNDP on the Overview of Social Housing Programs in Mauritius, the degree of success of a project can be determined through a variety of parameters: rent payment, loan reimbursement, maintenance of community areas and through sustained social improvements, allowing a population to evolve socially, economically and civically within a given environment.

As of December 2020, no evaluation had been carried out to determine the degree of success of the social housing projects in relation to the above parameters.

SECTION B

Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division)

B.1 Introduction

The Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division) is one of the key stakeholders in the area of social housing for vulnerable families and NEF, operating under its aegis, is the executive arm of the Ministry. The findings arising from the examination of the interventions of the Ministry and NEF are given in subsequent paragraphs.

B.2 Demand for social housing for vulnerable group

It is imperative to understand the scale of social housing need in order to plan for appropriate responses. NEF did not record demand for social housing units for the vulnerable group for the past five financial years from 2015-16 to 2019-20 for those who had a plot of land and for those who were landless. It was explained that these figures were dynamic and changed with respect to eligibility and criteria set by the Social Integration Division.

As of November 2020, the total number of requests for construction of a social housing unit was 1982 for those who were landless and 637 for those who were owners of land/or lessee of state land.

The Ministry stated that the above figures also included the demand for SRM households living in Rodrigues which was considered by the Rodrigues Regional Assembly and not by NEF. Hence, the needs for housing support for Mauritius was 1663 for those who were landless and 154 for those who were owners of land/or lessee of state land as at December 2020.

B.3 Social Housing Strategy for the vulnerable group

The Marshall Plan 2016, recommended the development of a 15-year housing strategy including social housing.

The Ministry did not have a Social Housing Strategy for the vulnerable group. Strategic Policy orientation on social housing for this category was provided by Three-year Strategic Plans and annual Budget Speeches. However, these documents did not provide a long-term development perspective in social housing for the vulnerable group in Mauritius.

The Ministry stated that NEF manages only a small component of social housing for its SRM households, and it would not be judicious for it to develop a Housing Strategy on its own. However, the Ministry and NEF are involved and had attended consultative meetings held at the level of the MHLUP and contributed to preparing a long-term Housing Policy/Strategy for the country. The Strategy would take into account the needs for all vulnerable groups and make recommendations in a holistic manner.

B.4 Construction of housing units under different schemes

Government, with its ongoing poverty alleviation and empowerment programmes, provides housing support to vulnerable families eligible under the SRM to improve their conditions of living. In order to meet its objective of providing social housing to needy people, MSSNS targeted to build a certain number of houses annually under different schemes. The main schemes set by the Social Integration Division through NEF are described below.

B.4.1 Concrete cum Corrugated Iron Sheet Housing Scheme

Prior to 2015, NEF was constructing housing units under the Concrete cum Corrugated Iron Sheet (CCIS) Housing scheme. However, as from 2015, following a Government policy, this scheme was replaced by the Fully Concrete Housing (FCH) Scheme.

B.4.2 Fully Concrete Housing Scheme

The new FCH scheme was approved by the then Ministry of Finance and Economic Development (now Ministry of Finance, Economic Planning and Development) in April 2016 to replace the CCIS scheme (housing unit of 31.5 square metres) by a fully concrete unit of up to 50 square metres.

The construction of FCH unit was intended for those families who are already owners of a plot of land and who would never be able to construct a housing unit on their own. Details of the construction of social housing units under the scheme since the financial year 2016-17 are as follows:

During the financial year 2016-17, 126 FCH units were approved for construction. NEF launched tenders for the construction of 71 and 55 housing units in October 2016 and April 2017 respectively. The 126 housing units with a total contract value of Rs 110 million were expected to be completed by December 2019. However, as of December 2020, 102 housing units had been constructed.

In the financial year 2017-18, construction of 93 houses were identified and the contracts were awarded in different lots as follows:

- Construction of 19 FCH at Pointe aux Sables for a contract value of Rs 17.8 million started in March 2019 and was expected to be completed in March 2020.
- Contract for Lot 1 comprising of 50 FCH was awarded for an amount of Rs 43.1 million and work started in May 2019.
- Contract for Lot 2 comprising of 24 FCH was awarded for Rs 23.7 million in June 2019 and work started in July 2019.

As of December 2020, out of the 93 housing units, construction of 89 was completed.

Lot 3 with 25 FCH were expected to be launched by May 2019. However, the number of housing units were revised to 40 FCH and the contract was awarded on 27 May 2020 for the total sum of Rs 42.3 million.

In the financial year 2018-2019, 80 houses were budgeted for construction for an amount of Rs 80 million. A sum of Rs 40 million was earmarked for construction of FCH units while another Rs 40 million was provided for the purchase of NHDC housing units.

The contract for the construction of 40 FCH units across Mauritius was awarded for the sum of Rs 42.3 million on 27 May 2020. Construction of these housing units started in September 2020. As of December 2020, 34 housing units were under construction and none was completed.

In the financial year 2019-20, Rs 95 million had been budgeted as follows: Rs 46.5 million were earmarked for purchase of NHDC houses under the “10% NHDC Scheme”. The remaining amount of Rs 48.5 million was provided for the construction of housing units for vulnerable families.

As of December 2020, NEF had approved the construction of 30 conventional housing unit (Lot 4) across Mauritius and 24 housing units using pre-fabricated material for plots that were considered small.

For the 30 FCH units, tender was launched in May 2020 and contract was awarded in August 2020 for the total sum of Rs 29.9 million while tender was launched in August 2019 for the construction of 24 housing units using pre-fabricated materials and contract was awarded in January 2020 for a total value of Rs 23.6 million.

As of December 2020, out of the 54 housing units awarded for construction, 49 housing units were under construction but none were completed.

The actual construction of housing units was below the targeted level. As of December 2020, for contracts awarded in financial years 2016-17 and 2017-18, 81 and 87 per cent of the targeted units were achieved whereas in financial years 2018-19 and 2019-20 no housing unit was completed. The details of actual and targeted construction are shown in the Table 7.

Table 7: Actual Construction compared to Targeted Construction

Financial Year	No. of Housing Units Targeted	No of houses completed	Percentage Completed	Types of Housing Units
2015-16	0	0		
2016-17	126	102	81	FCH
2017-18	93	81	87	FCH
2018-19	40	0	0	FCH
2019-20	54	0	0	FCH and Pre-Fab

Source: NEF

There were lengthy delays in the implementation of construction projects. The main causes identified by NEF are as follows:

- The application for a Building and Land Use Permit (BLUP) was a lengthy process and took a long time. Previously it took several months to obtain a BLUP. However, recently, applications for BLUP were being made online and hence the BLUP was expected to be received within 23 days.
- In some instances, the beneficiary did not have clear access to site.
- Sometimes, the beneficiary refused to proceed with construction of the house or there was a stop order from court.
- There were several instances where works needed to be stopped or were delayed due to bad weather conditions. Also, there were instances where the topography of the ground was such that major earthworks needed to be done prior to construction.
- The poor performance of contractors during execution of works. NEF had terminated the contract of two contractors because of their slow progress.
- In some cases, tenders submitted were not responsive and invitation to bid had to be launched a second time resulting in additional delays.

Moreover, the construction of housing units using pre-fabricated materials received low acceptance from beneficiaries. This is illustrated in the case study below.

Case Study

Pre-Fabricated Housing Units

In 2018, Government took note that the then Ministry of Social Integration and Economic Empowerment was working on a new Housing Model based on the modular concept for provision of housing support to vulnerable households who were living in very deplorable conditions. The Ministry was proposing to construct a number of pre-fabricated / modular housing units that can be put up within a period of three to six months (from tendering to delivery/commissioning).

These housing units could be provided within the least possible delay and would be more affordable to beneficiaries as the total estimated cost for a modular housing unit of 50 square metres would amount to Rs 650,000. The major advantages of this type of housing unit were that it could be installed on any plot of land irrespective of its topography, and was fire and cyclone resistant and its durability was as good as a fully concrete housing unit.

On 16 January 2020, NEF approved the award of contract for the design, supply and fixing of 24 social housing unit across the island using pre-fabricated materials for a total contract value of Rs 23.6 million. Letter of award was issued on 20th January 2020. Construction work was still on-going as of April 2021.

However, in spite of the various advantages associated with this type of housing units, the concept received low adherence from beneficiaries as pre-fab housing units had limitations with regards to extension (horizontal or vertical) as this particular structure, unlike concrete structures, could not be added upon. As of February 2021, out of the 24 targeted beneficiaries, NEF had been able to obtain acceptance of only 16 beneficiaries for this type of housing unit.

In addition, based on actual figures with respect to ongoing projects, the average cost of one pre-fabricated housing unit was in fact slightly higher than an FCH unit, that is, Rs 1.1 million for pre-fabricated housing unit and Rs 1 million for FCH.

In May 2020, NEF informed the Ministry that the contractor could not import the structural elements from China due to restrictions. BLUP drawings for ten housing units had been completed and for the remaining 14 units, they were expected to be completed by end of May 2020.

The Ministry stated the following:

- For financial year 2016-2017, for the remaining 24 housing units that had still to be constructed, 15 had to be transferred to other lots and nine had to be cancelled.
- For financial year 2017-2018, four housing units were not constructed mainly due to refusal or death of the beneficiary. These were replaced by new beneficiaries and NEF was presently in the process of preparing the drawings for obtention of the necessary BLUP.
- The construction of 40 FCH (budgeted in financial year 2018-19) started in September 2020 and was expected to be completed in September 2021. Following the lockdown in March/April 2021 and bad weather conditions, the intended completion date has been reviewed. As of start of April 2021, the progress of work was 50 per cent.
- Progress of work as of May 2021 was as follows: Lot 1 (50 housing units) – 95 per cent, Lot 2 (24 housing units) – 90 per cent, Lot 3 (40 housing units) – 55 per cent, Lot 4 (30 housing units) – 25 per cent and plot too small (24 housing units) – 15 per cent.
- As of June 2021, 191 housing units have been constructed and construction works on 79 social housing units were ongoing.

B.5 Budgeted and Actual Expenditure

Actual construction of housing units was regularly below the target and this resulted in large unspent amount. For the past four financial years from 2016-17 to 2019-20, out of the Rs 375 million disbursed to NEF by the Ministry for the construction of social housing units for vulnerable people, some Rs 220 million remained unspent as at 30 June 2020, representing some 59 per cent as shown in Table 8.

Table 8: Budgeted and Actual Expenditure on Construction of Social Housing

Financial Year	Scheme	Budgeted Amount (Rs million)	Amount spent as at June 2020 (Rs million)	Unspent Balance (Rs million)
2016-17	FCH	85.0	84.3	0.7
2017-18	FCH	115.0	43.3	71.7
2018-19	FCH	40.0	-	40.0
	10% NHDC	40.0	19.2	20.8
2019-20	FCH	48.5	-	48.5
	10% NHDC	46.5	7.4	39.1
Total		375.0	154.2	220.8

Source: Annual Reports of Accountant General, MSSNS and NEF

The Ministry stated that out of the Rs 375 million disbursed to NEF, as at April 2021, an amount of Rs 210.5 million had been spent and the remaining funds of Rs 164.5 million

were already committed for ongoing projects and purchase of NHDC housing units. Any funds disbursed to NEF in excess of requirements would be offset against future disbursement.

B.6 Contribution / Roles of NGOs

According to the UN Habitat Agenda Goals and Principles, Commitments and the Global Plan of Action 2003, the provision of adequate housing for everyone requires action not only by Governments, but by all sectors of society, including the private sector, non-governmental organisations, communities and local authorities, as well as partner organisations and entities of the international community. Within the overall context of an enabling approach, Governments should take appropriate action in order to promote, protect and ensure the full and progressive realization of the right to adequate housing.

The contribution of NGO in the provision of social housing is described below.

B.6.1 Non-Governmental Organisations

In the UNDP report of 2013 on the Overview of Social Housing Programs in Mauritius, the following key roles of NGOs were emphasised:

1. Identify people in need and help them submit an application to NEF or other institutions.
2. Promote communication between beneficiaries and local authorities and institutions.
3. Provide support to NEF for the implementation of the ‘Social Contract.’
4. Assist and support to beneficiaries as soon as beneficiaries are identified and throughout the project implementation and construction.
5. Provide training to beneficiaries to save money, understanding the importance of regular rent payment.
6. Set up and implement the whole integrated housing project.

Also, as per Habitat III Country Report of 2014 on Mauritius, NGOs were active in advocacy to lobby for decent housing conditions at the level of the different Ministries. However, officers of NEF explained that NGOs did identify people and help them to communicate with Government institutions involved in social housing and help them to submit application. However, they were not involved in the following:

- Providing support to NEF for the implementation of the ‘Social Contract.’
- Assisting and supporting beneficiaries throughout the project implementation and construction as soon as they are identified.
- Providing training to beneficiaries to save money and understanding the importance of regular rent payment.

NGOs, NSIF and NEF worked in close collaboration for the implementation of housing projects. However, they were facing challenges in fulfilling their roles effectively, as described in the next paragraphs.

B.6.2 Challenges faced by the National Social Inclusion Foundation

The Foundation maintains a register of NGOs for allocating funds dealing in specific priority areas. NSIF requests and examines calls for proposal for implementation of programmes and projects by NGOs / NPOs in listed priority areas.

As of April 2021, the number of NGOs registered with NSIF was 418. However, only one NGO responded to the call for proposal for the implementation of social housing projects. The work consisted of the demolition of asbestos houses and construction of new ones in several regions across Mauritius and providing living spaces to those families whose houses have been demolished. Fifteen families in all would benefit from this project. The funding from NSIF on this project and its status are shown in Table 9.

Table 9: Funding and Status of Projects at NSIF

Financial Year	Details	Amount Approved (Rs)	Status
2017-18	Refurbishment of 5 Asbestos Houses – Pilot phase	1,275,145	Completed
2019-20	Refurbishment of 5 Asbestos Houses – Phase 2	1,119,525	Completed
2020-21	Refurbishment of 5 Asbestos Houses – Phase 3	1,258,600	Ongoing

Source: NSIF

The Foundation had not really embarked on a social housing project and as per its mandate, it was funding only one NGO for the refurbishment of asbestos houses in a poverty-stricken region.

The Ministry stated that since its setting up, NSIF did not receive any proposals relating to social housing projects for the construction of social housing units and this was due to the lack of capacity and technical know-how of NGOs to embark on such projects. Moreover, the role of the NSIF was not to embark on social housing projects but to act as a facilitator in providing funding to NGOs. A Coordinating Committee had just been set up by the Foundation for consultations with MHLUP to reflect on how NGOs could effectively be engaged in the implementation of social housing programmes.

B.6.3 Community Working Group

Poverty is a social problem and concerns everyone in the society. The economic empowerment and social integration of the vulnerable is Government's priority and the goals are attained more efficiently and easily with the conjoint efforts of the private sector and NGOs. In a spirit of partnership, Community Working Groups (CWGs) have been set up by NEF to support eligible beneficiaries under the SRM to connect with various Government programmes and services and to open doors for their empowerment.

CWGs is an initiative taken by the Ministry/NEF in line with the Marshall Plan to combat poverty and serve as a platform to bring together all key stakeholders, mobilise resources, conceptualise projects and coordinate efforts of various actors to tackle poverty at grassroots level so as to empower vulnerable beneficiaries and to avoid any duplication of resources.

As from October 2017, NEF has set up CWGs in each district across Mauritius with different stakeholders. The interventions of CWGs were in the following main areas: Health, Training and Entrepreneurship Initiatives, Employment, Family Empowerment and Education Support. There were no direct interventions in respect to housing facilities.

B.7 Contribution of the private sector

The CCIS Housing Scheme had been implemented by MSSNS (Social Integration Division) since 2010 for applicants with monthly household income of less than Rs 6,200. In October 2014, a Memorandum of Understanding was signed between NEF and a Private Company for the construction of CCIS housing units across Mauritius. However, the Ministry and NEF faced difficulties in implementing this project as illustrated in the case study below.

Case Study - Project by Private Sector

In 2014, a private company contributed Rs 6.03 million for the construction of CCIS Houses for twenty-five beneficiaries (which was later reduced to 23) in the districts of Moka, Pamplémousses, Flacq and Rivière Du Rempart. However, in 2015, NEF had been requested to standstill on the construction of CCIS Housing Scheme and to consider the new Housing Scheme, namely, the Full Concrete Housing (FCH) Scheme. Consequently, NEF could not implement the construction of the CCIS housing units under the Project and the latter was eventually put on hold as not all of the 23 applications were considered for FCH, as most of them were not eligible under PMT 1 / PMT 2 and only some of them were eligible as per land criteria.

For the period 2016 to 2018, NEF worked on a second model of housing support, namely the Pre-Fabricated Housing Unit and same was proposed for the project. Several site meetings were held and there were only 12 eligible beneficiaries for the project.

For the period 2018 to 2020, NEF had been unsuccessful in securing bidders for the Pre-Fabricated Units and the Project was delayed considerably. The advice of the then Ministry of Finance, Economic Planning and Development (now MoFEPD) was sought on this complex situation and the latter informed that, since these beneficiaries may no more be on the SRM, it would be very difficult for NEF to implement the projects.

NEF contemplated on returning the funds to the private company, but was informed that the funds have to be returned to the Consolidated Fund given that CSR funds were now available.

The MoFEPD also recommended the following:

- (i) To launch a dedicated bidding exercise to construct houses for the sum of Rs 6 million.
- (ii) To include this amount in NEF housing project, if the contributor is agreeable.
- (iii) To upgrade existing CCIS houses with this amount so as to provide decent houses to the beneficiaries with the consent of the contributor.
- (iv) To use this amount to pay for NHDC houses (from the 10% meant for NEF) to beneficiaries, if the contributor is agreeable.
- (v) To use the funds for existing NEF support programmes if agreeable to all.

As of December 2020, out of the 23 families, there were 11 families who were still awaiting for housing support from the project, and out of which, only four were eligible under the SRM. In the advent of the forthcoming re-certification exercise, it is believed that the eligibility status of those four remaining families would also be altered.

In January 2021, a meeting was held with the private company and it was agreed that since the 11 families had a legitimate expectation for housing support from NEF and the private company, the following was decided:

- (i) That an urgent site visit of the 11 beneficiaries be carried out as soon as re-certification exercise was over, to assess on the updated land prerequisites of these beneficiaries and their housing units;
- (ii) Following the site visit, NEF would have a broad proposal of the options for housing support to be presented to the private company; and
- (iii) Subsequently, an MoU would be drafted and sent to private company for their views.

Financial contribution made by the private company dated back to October 2014. As of January 2020, the project has not yet been implemented. The project was in a status-quo at NEF due to policy decisions and several unsuccessful tender exercises in the last two years.

The Ministry stated that since 2020, several meetings had been carried out at the level of the Ministry and between NEF and the private company. Site visits were carried out with a specific scope of work for each site and a technical report was being compiled by NEF with recommendations to be submitted to the private company for approval. Thereafter, a new MoU would be signed with the private company following which NEF would launch tenders for the construction of the housing units for the beneficiaries.

The project had been considerably delayed due to change in policy with regard to eligibility of households under the Social Register of Mauritius (PMT 1/PMT 2) and Housing Scheme (from CCIS Scheme to FCH Scheme) in 2016 and unsuccessful bids during the period 2018 to 2020.

B.8 Monitoring and Evaluation

According to UN Guideline No 15 dealing with effective monitoring and accountability mechanism, independent monitoring of the implementation of the right to housing was a central component of the obligation to progressively realise the right. The monitoring activities of MSSNS were examined and issues arising are described below:

B.8.1 Memorandum of Understanding between NEF and the then Ministry of Social Integration and Economic Empowerment

A Memorandum of Understanding (MoU) between NEF and the then Ministry of Social Integration and Economic Empowerment was signed in March 2019 for the provision of funds in connection with the implementation of programmes and administrative costs of NEF. The MoU will remain in force for a period of three years.

Some of NEF undertakings in the MoU are to:

- submit at the beginning of each financial year a detailed action plan for the implementation of programmes/projects.
- define the objectives of the programmes/projects.
- set KPI and annual targets for each programme/project.
- put in place a monitoring and evaluation system for efficient and effective implementation of Programmes/Projects.

However, NEF was not strictly adhering to some conditions set in the MoU. Some issues related to the construction of social housing units were as follows:

- Key Performance Indicators (KPI) and annual targets regarding construction of Fully Concrete Housing units and Modular Housing Units were not set.

- Detailed Action Plans duly approved by the Board of Directors of NEF for the implementation of projects specifying targets for each field of activity and under every item of expenditure together with a yearly forecast of expenditure were not seen for previous years. However as from financial year 2018-19, Action Plans were being prepared and sent to the Ministry.
- Progress/Status Reports were prepared but were not in accordance with the MoU e.g. achievement in accordance with set targets were not stated.
- A well-structured monitoring and evaluation system for efficient and effective implementation of the Programmes/Projects was not in place at NEF. With the recruitment of a Project Manager in June 2020, the Foundation was working towards putting up such a system. Processes and procedures at NEF were being reviewed to reduce delays regarding construction of social housing units. Consultations with local authorities were held concerning applications for Building and Land Use Permits (BLUP) whereby issues with these applications were discussed and importance for a harmonization of processing and analysis of applications were stressed upon as each local authority had a different approach and speed for processing of BLUP at its level.

In view of the untimely and / or non-submission of documents / information by the NEF, the Ministry had established a protocol in August 2019 with time-frames to exercise better control and monitor compliance by NEF. The latter was requested to ensure strict compliance to the protocol.

Following this measure, progress was noted as far as compliance to the submission of documents was concerned but there were still room for improvements especially regarding their achievements against targets for construction of social housing units for the vulnerable; and submission of same on a timely manner and according to defined format.

The Ministry stated that NEF has been requested to submit a Project Implementation Schedule upon award of contracts for social housing projects. Action plans were submitted to the Board of NEF on a quarterly basis and since July 2020, they were forwarded to the Ministry. These action plans would henceforth include planned targets.

Since June 2020, NEF had put in place a new and more streamlined monitoring and implementation system for social housing programmes through the setting up of an internal mechanism to speed up the process for preparation of drawings, online application of BLUP and follow up with local authorities. Furthermore, the Project Management Unit of NEF has since April 2021 been strengthened with the recruitment of a Civil Engineer and a Technical Officer. NEF will also prepare short-term plans in the field of social housing for its beneficiaries.

B.9 Coordination of activities

As per the UN Guidelines, the allocation of responsibilities for implementing the right to housing within a State is a matter of internal decision-making but must be consistent with the State's obligation to realise the right to housing.

In Mauritius, MSSNS (Social Integration Division), NEF and NSIF are mandated to play their part in the provision of social housing. However, weaknesses were noted in the coordination of activities as follows:

- The UNDP in 2013 reported that there were poor communication and collaboration between ministries and stakeholders involved in social housing projects. Governmental stakeholders often complain about the lack of coordination and communication amongst themselves, leading to delays, or overlapping of projects or actions.
- As per the Marshall Plan 2016, over the past 20 years, the centralised institutional system for meeting housing demand among the lowest income group was not sufficient.
- Since 2009, private sector corporations were required to establish a CSR Fund, equivalent to two percent of their taxable income, for strategic actions that support society. As per Marshall Plan 2016, since its introduction, the CSR levy had given rise to a myriad of small and large CSR foundations, which added to the already fairly rich universe of NGOs. However, lack of coordination among these and with government institutions had led to fragmentation, diseconomies of scale and few results on the ground.

Our analysis showed that over the past five years, no NGO availed of the CSR fund for social housing projects except for asbestos project.

- Beneficiaries of Social Housing, in Mauritius, were selected from the SRM and another list kept at NHDC Ltd. The criteria to benefit from empowerment schemes for vulnerable persons in the SRM are different from NHDC criteria. The fact of having two stakeholders working and having different records did not give a clearer and broader picture of social housing demand and was a limitation to coordination of activities and development of a social housing strategy.

As from financial year 2018-19, there was an attempt to coordinate activities of NEF and NHDC Ltd. In line with Budget Speech 2018-19, a decision was taken for the provision of 10 per cent of all NHDC housing units of up to 50 square metres constructed across Mauritius to beneficiaries of NEF who are landless and eligible in the SRM, so that they may be provided with a decent housing unit during their empowerment process.

A total amount of Rs 40 million and Rs 46.5 million were earmarked for purchase of NHDC Housing Units in financial years 2018-19 and 2019-20 respectively. As of December 2020, 98 units were purchased at a total cost of Rs 55.7 million as shown below:

Table 10: NHDC Housing Units Purchased

No of Housing Units	Amount Rs (million)	Status / Remarks
34	19.2	Payment completed in April 2019
13	7.5	Payment completed in February 2020
51	29.0	As at June 2020, not yet paid. Board approval recently obtained.
<u>98</u>	<u>55.7</u>	

Source: Social Integration Division

As of 25 June 2020, there was a demand for 1043 social housing units under the 10% NHDC Scheme for landless SRM households and as of 30 November 2020 the demand increased to 1982 units under the scheme. In April 2020, 47 housing units were allocated to beneficiaries, representing only some 2.4 per cent of demand of 1982 units.

The Ministry stated that a Memorandum of Understanding was signed on 2nd October 2019 between NHDC Ltd and NEF with regard to the allocation of 10% NHDC social housing units to NEF. The payment for the 51 NHDC housing units for Rs 29 million was effected in August 2020. In April 2020, the 47 units were allocated from a waiting list of 99 potential beneficiaries who had scored 100 points after screening and eligibility exercise, representing 47 per cent of the demand for such type of housing unit.

B.10 Evaluation

According to the UNDP Report of 2013 on the Overview of Social Housing Programs in Mauritius, the degree of success of a project can be determined through a variety of parameters: rent payment, loan reimbursement, maintenance of community areas and through sustained social improvements, allowing a population to evolve socially, economically and civically within a given environment.

At NEF, a Social Contract Agreement for Conventional Housing Units is signed between NEF and the beneficiary. Some of the conditions in the contract concerned, in addition to repayment conditions, maintenance obligations of the housing units, promoting the highest possible standards of clean environment, show interest in children's education, beneficiaries to seek employment, to work regularly without absenting, to support campaigns to eliminate drug trafficking among other conditions and to evaluate success of the provision of social housing, under the conditions set in the Social Contract Agreement for Conventional Housing Units. According to NEF, compliance for Social Contract Agreement for Conventional Housing Units does not form part of the core conditions of the Marshall Plan Social Contract.

The Marshall Plan Social Contract (MPSC) was the point of entry of eligible beneficiaries living in absolute poverty to benefit from empowerment schemes based on various conditions that were laid down in the contract. The objectives of the MPSC were as follows:

- To eliminate absolute poverty with the introduction of the monthly subsistence allowance.
- To offer personalized support to families via a case management approach.
- To improve access of beneficiaries to services available.

The core conditions of the MPSC relate to four main pillars, namely education of children, economic empowerment, healthcare, and family empowerment. The beneficiary should also agree, among others:

- to provide information on the family members pertaining to education, health issues, housing conditions, employment and judicious use of the subsistence allowance.
- to receive periodic visits (monthly in the first six months and every two months after that period) from Case Management Officers (CMOs) of the Foundation who will provide guidance and support to the Beneficiary in relation to the family development objectives through increased access to services offered by Government agencies and any other approved bodies / stakeholders.

Families had been guided by field staff and main interventions were carried out to help them improve their condition of vulnerability. These interventions consisted of provision of full concrete housing units and other supports as per existing schemes available at the Ministry.

In line with the implementation of the Marshall Plan, households registered and found eligible under the SRM and who have signed the MPSC were followed through case management to link them to programmes, projects and schemes to promote their empowerment.

Moreover, NEF, through case management, can evaluate the impact of programmes executed and prepare reports accordingly. Case Management visits have to be carried out monthly for an initial period of six months and thereafter, periodic visits (every two months) were effected to monitor their compliance with the social contract, follow up on empowerment programmes and to track their progress in graduating out of poverty. However, due to lack of staff, proper evaluation could not be effected.

A random sample of case management files in respect of beneficiaries who received support, including social housing support, from the Ministry was reviewed and the following were observed:

- Periodic visits, as stated in the MPSC, that is, monthly in the first six months and every two months after that period, from Case Management Officers of the Foundation were not effected. Visits were rather done on an ad-hoc basis.
- Since no proper continuous case management was effected, there was poor visibility in terms of needs / demand and services provided by NEF and other stakeholders to the beneficiaries.
- Case management visits effected might not be reported or filed in the respective beneficiaries' files and as such files lacked evidence of follow-up actions taken by the Foundation.
- The Family Development Plan was the key tool that track beneficiaries' empowerment progress. However, once the plan was set, there was no evidence in files scrutinized that follow-up on the achievements of those goals was being made.
- CMOs collected information through visits manually, that is, on paper and same were entered in electric format by the CMOs. This was time consuming.
- Weekly plans of work were devised by Community Project Coordinators of districts but these were not always followed in view of more urgent work that cropped up at NEF or following specific requests from the Ministry. For example, plans were disrupted in view of the SMS project, or Low Attendance Reasons for Child Allowance.

It should also be pointed out that case management was being done concurrently with other tasks such as implementation of projects, follow-up and reporting on non-compliance of conditions in connection with child allowance scheme, training being conducted and follow-up with respect to non-renewal of social contract.

The Ministry stated that remedial measures will be taken with regard to the case management of households having received housing support by the Foundation.

CHAPTER FOUR

CONCLUSION AND RECOMMENDATIONS

This Chapter concludes against the audit objective based on the analysis and findings supported by audit evidence as elaborated in the previous Chapter. It also presents the recommendations based on the findings and conclusion.

Government is committed through MHLUP and MSSNS to address the social housing needs in Mauritius by investing significantly in the sector. Despite their interventions, both Ministries, have been facing challenges to respond to the demand for social housing in an effective manner. This led to a continued lengthening of the waiting list for social housing units and delays in their construction. Unavailability of appropriate land, insufficient monitoring of the activities of the implementing agencies, lengthy processes in obtaining clearances and several project management issues are the main of the low level of achievement, some of which were already identified by the Ministries concerned.

The absence of a well-defined strategy for addressing the housing constraints and guiding key choices and actions on provision of Social Housing might have contributed to the above weaknesses. Both Ministries have also not evaluated projects to ensure the degree of success of the Social Housing Programme for the low-income households and vulnerable families.

4. Recommendations

To meet the above challenges and to enhance the effectiveness of the interventions in the provision of social housing, the following measures are recommended to MHLUP and MSSNS.

4.1 Recommendations for the Ministry of Housing and Land Use Planning

4.1.1 Development of a Social Housing Strategy

The Ministry should develop a well-defined Social Housing Strategy that maps its long-term vision to its objectives, and is in line with the Government Policy of providing social housing to the needy.

The Social Housing Strategy could include, amongst others, the following:

- Clearly defined goals/ objectives.
- An implementation plan with clear targets.

- Clear roles, responsibilities and deliverables of organisations involved directly or indirectly in the provision of social housing.
- Monitoring and evaluation mechanisms for each organisation to improve decision making.

Strategies on land availability for future social housing units should be clearly indicated in the Plan. The land needs to be categorised based on its suitability for the type of constructions of social housing units; for example, high rise building apartments or small individual houses. This could enable the Ministry to save time in identifying land for construction.

4.1.2 Updating the Social Housing waiting list

The Ministry should request NHDC Ltd to regularly update the database of applicants for social housing to ensure that those on the waiting list are still in search for social housing and meet the eligibility criteria. Any applicant who is no longer interested for a NHDC housing unit along with those no more satisfying the eligibility criteria should be removed from the list upon confirmation of same. This information should be regularly communicated to the Ministry.

4.1.3 Developing a monitoring and evaluation mechanism

- (i) The Ministry should exercise proper monitoring of the activities of NHDC Ltd to ensure that objectives of programmes and projects relating to social housing are met.
- (ii) The Ministry should evaluate the success of its interventions on social housing projects.
- (iii) The SLA between the Ministry and NHDC Ltd. needs to be reviewed to include, amongst others, the performance level expected from NHDC Ltd and thereafter to renew it regularly in light of changing circumstances. It should be accompanied by appropriate targets and a monitoring mechanism for performance evaluation. The Memorandum of Understanding signed between the then Ministry of Social Integration and the National Empowerment Foundation includes some good practices which the Ministry may consider to include in the SLA prior to its renewal.
- (iv) The internal audit of the Ministry should regularly examine and evaluate the social housing programme and projects to provide assurance on its efficiency and effectiveness.

4.2 Recommendations for the Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division)

4.2.1 Development of monitoring and evaluation mechanism

- i. The Ministry should exercise proper monitoring of the activities of NEF to ensure that objectives of programmes and projects relating to social housing for the vulnerable groups are met.
- ii. Case Management visits should be carried out regularly as stated in the MPSC to connect beneficiaries to services and empowerment programmes of relevant stakeholders. Also, it is imperative to follow closely the evolution of each beneficiary and conditions of the MPSC should be strictly monitored in order to track progress and performance.
- iii. To improve coordination and decision making, there should be a consolidated list of applicants for social housing.
- iv. Follow-up on the achievements of goals that have been set up in the Family Development Plan should also be effected. This will provide stakeholders with information on how efficiently existing programmes and services are achieving their objectives. In particular, it will enable assessment of the extent to which the programmes are helping beneficiaries graduating from poverty.

4.2.2 Re-engineering the roles of NGOs

UNDP has laid much emphasis on additional roles of NGOs in the provision of social housing. Their roles should not be limited only to identifying people and help them to communicate with Government institutions involved in social housing and to submit application.

The roles of NGOs in the provision of social housing should be broadened to include educating recipients on social housing. NGOs should educate prospective recipients of NEF housing units on the importance of social housing to their development and that of their family. They should educate recipients on the need for keeping cleanliness, regularly going to work and sending children to school and contributing to syndic and effecting rental payments.

4.2.3 Management of Social Housing Projects

- (i) In view of the fact that construction of housing units is a key component in the empowerment process of vulnerable families registered in the SRM, it is essential for NEF to address the causes delaying the execution of housing projects to enable better and more efficient project management.
- (ii) The Ministry must ensure that funds disbursed to NEF are utilised before disbursement of additional funds. Public funds for construction of social housing units for the vulnerable groups should be used judiciously. The Ministry should consider the disbursement of funds to NEF when contracts for construction projects had already been awarded and BLUP secured.
- (iii) Although initiatives taken by the Ministry in providing housing support to vulnerable groups through NEF are laudable, yet more can be done to improve the situation such as better monitoring of projects, setting of Key Performance Indicators and targets, and adequate follow ups.

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Designed & Printed by the Government Printing Department