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பொது நிர்வாக, உள்ளாட்டலுவல்கள், மாகாண சபைகள் மற்றும் உள்ளூராட்சி அமைச்சு  
Ministry of Public Administration, Home Affairs, Provincial Councils & Local Government

## කාර්යසාධන වාර්තාව - 2019

பொது நிர்வாக, உள்ளாட்டலுவல்கள், மாகாண சபைகள் மற்றும்  
Annual Performance Report for the year 2019

වියදම් ශීර්ෂය : 155

உள்ளூராட்சி அமைச்சு : 155

Expenditure Head No : 155

පළාත් සභා හා පළාත් පාලන අංශය

மாகாண சபைகள் மற்றும் உள்ளூராட்சிப் பிரிவு  
Provincial Councils & Local Government Division

# 2019



**Ministry of Public Administration, Home Affairs, Provincial Councils &  
Local Government**

**Provincial Councils & Local Government Division**

**Annual Performance Report for the year 2019**  
**Expenditure Head No : 155**

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# Chapter 01 - Institutional Profile/Executive Summary

## 1.1. Introduction

This report is a comprehensive summary of the financial and physical performance of development projects including local and foreign funded projects, national programs, formulated policies on Provincial Councils & Local Government, guidelines and amended statutes under each division and institution falling under the subject of Provincial Councils & Local Government of the Ministry of Public Administration, Home Affairs, Provincial Councils & Local Government from 2019.01.01 to 2019.12.31.

Accordingly, execution of policies and guidelines of Local Authorities (Municipal Councils, Urban Councils and Pradesheeya Sabhas), development of infrastructure facilities and liaison of Provincial Councils and line Ministries could be more fruitfully directed. Further, foreign and local funded development projects were successfully implemented in every part of the country with the collaborations of all Provincial Councils.

**Rs.20,182.75 million** worth of both local and foreign funded projects were implemented in the year 2019. Physical infrastructure improvement of health and education sectors, provincial and rural roads, rural bridges, offices of local authorities, multipurpose buildings, weekly fairs, marketing complexes, playgrounds and children's parks, medical clinic centers, ayurvedic centres, bus stands, drainage systems, drinking water schemes, and cemeteries etc. are marked among those projects. In the field of development of human resources also continued to support providing training programs to provincial Councils & Local authority officers through Sri Lanka Institute of Local Governance.

Execution of guidelines and policies of the Provincial Councils and Local Government field is recognized as a commendable effort. Accordingly, necessary action were taken to implement very significant policies such as introducing Mixed Member proportionate system to the Provincial Councils passed in Parliament have been referred to the legal Draftsmen through the Cabinet of Ministers for drafting Legislation, the bill drafted, introducing legal provisions to credit the Stamp Duties directly to the accounts of Local Authorities referred to the Provincial Councils to get their concurrence in the year 2019.

Further, this will be presented more details of the performance of the Provincial Councils & Local Government Division of the Ministry during the year 2019.

In conclusion, it is highlighted that the guidance of Hon. Minister, assistance of Hon. State Ministers and valuable contributions of Secretary, State Secretary, Additional Secretaries of the Ministry, Chief Secretaries and Commissioners of Local Government of the Provinces, Directors of Institutions and Foreign Funded Projects to get fulfilled the objectives and functions of the Ministry more efficiently and productively in year 2019.

## **1.2. Vision, Mission, Objectives of the Institution**

### **Vision**

Empowering Provincial and Local Governing

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### **Mission**

A Provincial and Local Government System which is effective, collaborative, innovative and accountable and provides high quality services in the communities.

### **Objectives**

- ❖ Formulate policies to develop the Provincial and Local Government system.
- ❖ Enhance the capacity of Provincial and Local Government to exercise their powers and provide services.
- ❖ Ensure public interests and reflected in the Provincial and Local Government system.
- ❖ Work for the betterment of all communities through partnerships with Provincial Councils, Local Governments and other organizations.

### **1.3 Key Functions**

As per the subjects and functions of the new Ministries published by the extraordinary gazette no: 2103/33 dated 28.12.2018 of the Democratic Socialist Republic of Sri Lanka, duties and functions coming under the Provincial Councils and Local Government Division are mentioned in the below.

- Formulation of Policies, Programs and Projects; implementation, monitoring and evaluation in relation to the subject of Provincial Councils and Local Government and those subjects that come under the purview of Departments, Statutory Institutions and Public Cooperation.
- Regulation of activities relevant to Provincial Councils
- Training of Members, Officers and Employees of Provincial Councils.
- Government functions related to Local Authorities.
- Grant of credit facilities to Local Authorities for development of public utilities.
- Training of Members, Officers and Employees of Local Authorities.
- Conduct of research on all aspects of administration of provincial Councils and Local Government Authorities.

## **1.4. Organizational Chart**

Please see Annex 1

### **Institutions /Main Divisions of the Ministry**

01. Office of the Minister of Public Administration, Home Affairs , Provincial Councils and Local Government
02. Office of the State Minister of Provincial Councils and Local Government
03. Secretary's Office
  - I. Local Government Restructuring Unit
  - II. Complaint and Information Unit
04. Administrative Division
05. Provincial Councils Division
06. Local Government Division
07. Development Division
08. Projects Monitoring Division
  - I. Project Monitoring Unit
  - II. Information Technology Unit
09. Planning Division
10. Legal Division
11. Financial Division
12. Expenditure Monitoring Division
13. Internal Audit Division
14. National Solid Waste Management Support Centre
15. Local Loans Development Fund (LLDF)
16. Sri Lanka Institute of Local Governance (SLILG)
17. Media Unit

## **1.5 Institutions/Funds coming under the Ministry**

- I. Government of Sri Lanka (GOSL)
- II. World Bank (WB)
- III. Asian Development Bank (ADB)
- IV. European Union (EU)
- V. European Investment Bank (EIB)
- VI. Japan International Cooperation Agency (JICA)
- VII. United Kingdom
- VIII. Netherland
- IX. Austrian



## 1.6 Details of the Foreign Funded Projects (if any)

There are 15 number of Foreign Funded Projects were implemented during the year and basic details are as follows.

No	Name of the Project	Donor Agency	Estimated Cost of the Project Rs. Mn	Project Duration
1	Greater Colombo Wastewater Management Project (GCWWMP)	Asian Development Bank (ADB)	14,657.00	2010 Sep - 2020 Dec
2	Greater Colombo Water & Waste Water Management Improvement Investment Programme (GCWWMIP) Tranche 2	Asian Development Bank (ADB)	1,396.00	2016 Sep - 2020 June
3	Greater Colombo Water & Waste Water Management Improvement Investment Programme (GCWWMIP) Tranche 3	European Investment Bank (EIB) Asian Development Bank (ADB)	26,953.00	2016 Nov - 2020 Dec
4	Local Governance Enhancement Sector Project (Puraneguma) – Addiitonal Financing	Asian Development Bank (ADB)	10,184.00	2017 Apr - 2021 Dec
5	Construction of 618 Rural Bridges	United Kingdom (UK)	22,600.00	2014 Dec - 2019 Sep
6	Construction of 250 Rural Bridges	United Kingdom (UK)	11,163.98	2018 - 2020
7	Construction of 490 Rural Bridges	Netherland	16,500.00	2014 Dec - 2019 Sep
8	Construction of 230 Rural Bridges	Netherland	10,356.73	2018 - 2020
9	Primary Healthcare System Strengthening Project (PSSP)	World Bank (WB)	23,852.00	2018 - 2023
10	General Education Modernization Programme (GEM)	World Bank (WB)	15,505.00	2018 Apr - 2024 Jun

<b>No</b>	<b>Name of the Project</b>	<b>Donor Agency</b>	<b>Estimated Cost of the Project Rs. Mn</b>	<b>Project Duration</b>
11	Rural Infrastructure Development Project in Emerging Region (RIDEP)	Japan International Cooperation Agency (JICA)	21,186.00	2017 Jul - 2021 Dec
12	Transport Connectivity and Asset Management Project - Provincial Road Development Project (TCAMP- PRDP)	World Bank (WB)	17,802.00	2019 May - 2023 Mar
13	Urban Project Preparatory Facility (SHSDP)	Asian Development Bank (ADB)	890.00	2019 - 2022
14	Local Development Support Project (LDSP)	World Bank (WB)	17,947.00	2019 - 2022
15	Supplying Fire Fighting Equipment	Austrian	2,037.91	2019 Jan- 2020 Dec

## Chapter 02 – Progress and the Future Outlook

### Special Achievements:

Percentage of Overall Financial Progress as at 31<sup>st</sup> December 2019 against the Target set up.

Total Allocation for year 2019	=	Rs. 20,182,750,000.00
Actual Expenditure for year 2019	=	Rs. 7,929,617,000.00
Percentage of financial achievement	=	39.28%

### Progress of the Local Funded Project in year 2019

No	Name of the Project	Financial Target 2019/Rs (million)	Financial Progress/Rs (million)	Physical Progress
1	Solid Waste Management Project	1215.00	400.99	9 Bobcat machine & 9 Gulley Bowser provided
2	e LG Project	106.25	9.61	20% completed
3	Development assistance for backward LAs- Implementation of income generating projects	170.00	16.21	2% completed
4	Upgrading Infrastructure in Newly Established Local Authorities	35.00	32.82	100% completed
5	Sewerage system infrastructure development - Colombo Municipal Council (Providing Infrastructure Facilities to Shangri-La Hotel Project)	400.00	299.36	100% completed
6	Development of 1000 km of road length in rural areas	375.00	351.62	69 roads, 2 culverts, 1 retaining wall constructed.
7	Strengthening of Pradeshiya Sabha (Recurrent)	1200.00	161,89	294 roads, ,56 drainages,31 public toilets,26 weekly fairs, 20 children parks, 24 drinking water schemes, ,4 public libraries,1 culvert constructed.
8	Strengthening Local Authorities (Capital)	825.00	161.89	132 roads, 3 drainages, 3 retaining walls, 1 playground, 1 weekly fair, 1 composed yard and 1 public toilet constructed.

No	Name of the Project	Financial Target 2019/Rs (million)	Financial Progress/Rs (million)	Physical Progress
9	Establish Pilgrims Rests- (Construction of 4 Comfort Centers)	75.00	7.50	50% completed
10	Local Authority Library Development	20.63	8.50	100% completed
11	Construction of public library building of Batticaloa Municipal Council	85.00	0.14	-
12	Implement the "Ammachchi" Concept	19.30	16.81	100% completed
13	Supply of Garbage Collecting Compactors to Local Authority	1280.00	-	100 compactors distributed
14	UNICEF Funded Programme	50.00	35.92	-
15	Establishment of a Data base for LAs	2.50	-	-

The different types of Special Development Programs of the Presidential Secretariat were coordinated and funds released to respective Provincial Councils aiming to improve the living standards of the people. They are,

1. Food Production Programme
2. Protection of Children Programme
3. Empowering people with special needs & elderly community programme
4. Sustainable School Development Program
5. Environmental Conservation Programme
6. National Drug Eradicated Week

A Pilot programme to establish legal background of the Local Authorities has been commenced strengthening committee system with the citizen participation in six selected Pradeshiya Sabhas in Western Province under the second stage of National Action Plan of Open Government Partnership.

During the year 2019, In the event of unsatisfying with the services provided by any Local Authorities of the country, an investigation unit is established attaching to the Local Government Division to refer such complaints received form the public to find solutions.

Consequently, 642 such complaints referred to relevant Provinces to give solutions, as appropriate. In addition to that, 12 petitions and 6 petitions have been submitted to the Public Petition Committee and Advisory Committee respectively to obtain solutions for them.

Under the Constitution / Upgrading of New Local Authorities, in the early 2019, it was launched provincial level meetings to provide instructions in order to review set criteria and make recommendation for necessary modifications. At present, recommended proposals are being received by this Ministry.

In case of providing credit facilities to Local Authorities for implementation of income generation project, Local Loan and Development Fund (LLDF) has provided 17 numbers credit facilities, worth of Rs.652.83 million during the year 2019.

Sri Lanka Institute of Local Governance (SLILG) has conducted 293 Local Training /Work Shop conducted for officials of Provincial Council and Local Government and 11,614 officials participated for the above training/workshop. In addition to that, 43 officials representing different category of the Ministry participated foreign training in year 2019. Research Division SLILG has conducted research studies called Local Government Sector and Relationship between Provincial Councils and Local Authority during the year 2019. Draft reports of both studies are ready.

#### **Progress of the foreign funded projects in year 2019**

<b>No</b>	<b>Name of the Project</b>	<b>Financial Target/Rs (million)</b>	<b>Financial Progress/Rs (million)</b>	<b>Physical Progress</b>
1	Greater Colombo Wastewater Management Project (GCWWMP)	1500.00	1445.84	Cumulative – 83.7%
2	Greater Colombo Water & Waste Water Management Improvement Investment Programme (GCWWMIP) Tranche 2	500.00	355.25	Cumulative - 31%
3	Greater Colombo Water & Waste Water Management Improvement Investment Programme (GCWWMIP) Tranche 3	2800.00	1247.54	Cumulative – 26.5%
4	Local Governance Enhancement Sector Project (Puraneguma) – Additional Financing	2676.20	2352.24	1 Health Center, 1 Marketing Center, 1 Weekly Fair, 2 Public Libraries, 1 Auditorium and 6 Local Authority offices constructed

No	Name of the Project	Financial Target/Rs (million)	Financial Progress/Rs (million)	Physical Progress
5	Construction of Rural Bridges (Phase 2 & 2c)	675.80	389.38	48 bridges constructed
6	Construction of 250 Rural Bridges(Phase 3 & 3c)	1625.33	206.53	71 bridges constructed
7	Primary Healthcare System Strengthening Project (PSSP)	1380.00	1145.00	Progress in 2019 – 5% Cumulative – 5%
8	General Education Modernization Programme (GEM)	1680.00	-	-
9	Rural Infrastructure Development Project in Emerging Region (RIDEP)	980.00	318.08	Progress in 2019 – 5% Cumulative – 7%
10	Transport Connectivity and Asset Management Project - Provincial Road Development Project (TCAMP- PRDP)	520.00	100.70	Progress in 2019 – 2% Cumulative – 2%
11	Urban Project Preparatory Facility (SHSDP)	300.00	52.22	Progress in 2019 – 60% Cumulative – 60%
12	Local Development Support Project (LDSP)	300.00	282.40	1582 Ward Level Need Assessment Plans and 134 Local Authority Participatory Development Plans (LAPDPs) formulated.
13	Supplying Fire Fighting Equipment	350.00	-	Progress in 2019 – 35% Cumulative – 35%

### Challenges:

Absence of envisage allocation for the local and foreign funded projects were affected to achieve anticipated targets of development activities implemented under Provincial councils and Local Government Division of the Ministry in year 2019.

## Future Goals

- i. Reducing of annual maintenance cost spent for community infrastructure of Pradeshiya Sabha by 50% by implementing Strengthening of Local Governmnet Pradeshiya Sabha
- ii. Development of 1.2 % of total length of rural road network in Sri Lanka by implementing program of 1000 km of road length in rural areas.
- iii. Increase Local Authority income by 10% by implementing Program on Strengthening of Local Government Authorities.
- iv. Automation of 30% of Public Libraries in Local Authorities area in Sri Lanka by implementing Local Authority Library Porgram.
- v. Reduce the growing rate of CKD in the country and increase life expectancy of vulnerable groups by implementing Puraneguma Project.
- vi. Uplift and improve the identified rural roads, supply potable water and enhancement of small and medium scale irrigation infrastructures by RIDEP project.
- vii. Establish safe drinking water connections for 10,000 households.
- viii. Improvement of the internal relationship within the province through the enhancement of road network by TCAMP project.
- ix. Increase utilization and quality of primary health care services.
- x. Improve the knowledge, skills and experiences of officials in Provincial Councils and Local Government.
- xi. Enhance the core business of the organizations and strengthening the Local Authority financial capacity through revenue generation projects.
- xii. Increase the mobility and enhance the quality of living standards of population by implementing Rural Bridges Project.
- xiii. Strengthen local government authorities' capabilities to deliver service to communities by LDSP project.
- xiv. Manage of solid waste in administrative areas of Local Authorities.



.....  
Chief Accounting Officer

S. Hettiarachchi  
Secretary  
Ministry of Public Administration, Home Affairs  
Provincial Council & Local Government  
No. 333, Union Place,  
Colombo 02.

Date :22/02/2020

## Chapter 03 - Overall Financial Performance for the Year

### 3.1 Statement of Financial Performance

ACA -F

#### Statement of Financial Performance for the period ended 31<sup>st</sup> December 2019

Rs.

Budget (Current Year)	Note	Actual		
		Current Year	Previous Year	
-	<b>Revenue Receipts</b>	-	-	
-	Income Tax	-	-	} ACA-1
-	Taxes on Domestic Goods & Services	-	-	
-	Taxes on International Trade	-	-	
-	Non Tax Revenue & Others	-	-	
-	<b>Total Revenue Receipts (A)</b>	-	-	
-	<b>Non Revenue Receipts</b>	-	-	
-	Treasury Imprests	206,135,048,550	188,807,144,488	ACA-3
-	Deposits	115,766,741	296,684,039	ACA-4
-	Advance Accounts	11,929,282	13,109,349	ACA-5/5(a)
-	Other Receipts	86,542,529	51,546,050	
-	<b>Total Non Revenue Receipts (B)</b>	<b>206,349,287,103</b>	<b>189,168,483,926</b>	
-	<b>Total Revenue Receipts &amp; Non Revenue Receipts C = (A)+(B)</b>	<b>206,349,287,103</b>	<b>189,168,483,926</b>	
	<b>Less: Expenditure</b>			
-	<b>Recurrent Expenditure</b>	-	-	
-	Wages, Salaries & Other Employment Benefits	159,076,348	146,443,556	} ACA-2(ii)
-	Other Goods & Services Subsidies, Grants and	93,339,585	99,652,515	
-	Transfers	200,911,590	676,697,756	
-	Interest Payments Other Recurrent	-	-	
-	Expenditure	30,000	50,000	



-	<b>Total Recurrent Expenditure (D)</b>		<b>453,357,523</b>	<b>922,843,827</b>	
	<b>Capital Expenditure</b>				
-	Rehabilitation & Improvement of Capital Assets	<b>10</b>	6,700,590	14,850,061	} ACA-2(ii)
-	Acquisition of Capital Assets	<b>11</b>	1,539,628	5,824,842	
-	Capital Transfers	<b>12</b>	754,186,674	2,087,955,389	
-	Acquisition of Financial Assets	<b>13</b>	335,307,126	309,355,433	
-	Capacity Building Other Capital Expenditure	<b>14</b>	1,654,430	1,785,486	
-		<b>15</b>	<b>6,376,870,734</b>	<b>11,719,867,708</b>	
-	<b>Total Capital Expenditure (E)</b>		<b>7,476,259,180</b>	<b>14,139,638,919</b>	
	<b>Main Ledger Expenditure (F)</b>		<b>218,731,650</b>	<b>155,569,915</b>	
	<b>Deposit Payments</b>		199,222,093	136,179,909	ACA-4
	<b>Advance Payments</b>		19,509,558	19,390,006	ACA-5/5(a)
	<b>Total Expenditure G = (D+E+F)</b>		<b>8,148,348,354</b>	<b>15,218,052,661</b>	
-	<b>Imprest Balance as at 31<sup>st</sup> December..... H = (C-G)</b>		<b>198,200,938,749</b>	<b>173,950,431,265</b>	

### 3.2 Statement for Imprest Adjustment

Imprest Adjustment Account		Rs.
<p><b>Cash collected by Other Heads on behalf of This Department</b></p> <p style="text-align: right;">-</p> <p><b>Payments made on behalf of Other Heads</b></p> <p>Advance B – Cr(012)                      2,849,455</p> <p>Payment for Provincial councils and other Institute                      <u>203,216,593,100</u></p> <p><b>Main Ledger Payments</b></p>    <p style="text-align: right;"><u>203,219,442,555</u></p>	<p><b>Payment made by other Heads on behalf of This Department</b></p> <p>Advance B .....012 Dr                      4,027,051</p> <p>Direct Payment                                      5,027,176,771</p> <p><b>Cash Collected on behalf of Other Heads</b></p>    <p><b>Main Ledger Receipts</b></p>    <p>Due Imprest Acc.                                      198,188,238,733</p> <p style="text-align: right;"><u>203,219,442,555</u></p>	

Due Imprest Account		Rs.
<p>Imprest Adjus.Ac.                                      198,188,238,733.34</p> <p>Imprest Balance settled to TOD as at 31.12.2019                                      12,700,015.57</p> <p style="text-align: right;"><u>198,200,938,748.91</u></p>	<p>Balance as per the Financial Performance                                      198,200,938,748.91</p>    <p style="text-align: right;"><u>198,200,938,748.91</u></p>	

### 3.3 Statement of Financial Position

ACA-P

#### Statement of Financial Position

As at 31<sup>st</sup> December - 2019

	Note	Actual	
		Current Year	Previous Year
		Rs	Rs
<b><u>Non Financial Assets</u></b>			
Property, Plant & Equipment	ACA-6	510,937,219.88	509,397,592.00
<b><u>Financial Assets</u></b>			
Advance Accounts	ACA-5/5(a)	46,176,422.38	38,596,147.00
Cash & Cash Equivalents	ACA-3	-	-
<b>Total Assets</b>		<b>557,113,642.26</b>	<b>547,993,739.00</b>
<b><u>Net Assets / Equity</u></b>			
Net Worth to Treasury		(168,079,121.51)	(259,114,749.00)
Property, Plant & Equipment Reserve		510,937,219.88	509,397,592.00
Rent and Work Advance Reserve	ACA-5(b)		
<b><u>Current Liabilities</u></b>			
Deposits Accounts	ACA-4	214,255,543.89	297,710,895.60
Imprest Balance	ACA-3	-	-
<b>Total Liabilities</b>		<b>557,113,642.26</b>	<b>547,993,738.60</b>

Detail Accounting Statements in above ACA format Nos. 1 to 6 presented in pages from 5 to 73 and Notes to accounts presented in pages from 74 to 128 form and integral parts of these Financial Statements. The Financial Statements have been prepared in complying with the Generally Accepted Accounting Principles whereas most appropriate Accounting Policies are used as disclosed in the Notes to the Financial Statements and hereby certify that figures in these Financial Statements, Notes to accounts and other relevant accounts were reconciled with the Treasury Books of Accounts and found to in agreement.



Chief Accounting Officer

S. Hettiarachchi  
Secretary  
Ministry of Public Administration, Home Affairs  
Provincial Council & Local Government,  
No. 330, Union Place,  
Colombo 02.

Date: 27.02.2020



Chief Financial Officer/ Chief Accountant/

M.W.A.R.P. Wijesinghe  
Chief Financial Officer  
Ministry of Internal & Home Affairs and  
Provincial Councils & Local Government,  
No. 330, Union Place, Colombo 02.

### 3.4 Statement of Cash Flows

ACA-C

#### Statement of Cash Flows for the Period ended 31<sup>st</sup> December 2019

	2019 Rs.	Actual 2018 Rs.
<b><u>Cash Flows from Operating Activities</u></b>		
Total Tax Receipts	-	-
Fees, Fines, Penalties and Licenses	-	-
Profit	-	-
Non Revenue Receipts	59,548,240	52,607,654
Revenue Collected for the Other Heads	-	-
Imprest Received	206,135,048,550	189,051,220,873
<b>Total Cash generated from Operations (a)</b>	<b>206,194,596,790</b>	<b>189,103,828,527</b>
<b><u>Less - Cash disbursed for:</u></b>		
Personal Emoluments & Operating Payments	285,113,356	5,490,660,553
Subsidies & Transfer Payments	141,574,164	136,179,909
Imprest for other Institute	468,339,333	
Expenditure on Other Heads	202,617,474,280	183,466,663,082
Imprest Settlement to Treasury	12,700,016	1,191,275
<b>Total Cash disbursed for Operations (b)</b>	<b>203,525,201,150</b>	<b>189,094,694,819</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (C)=(a)-( b)</b>	<b>2,669,395,640</b>	<b>9,133,708</b>
<b><u>Cash Flows from Investing Activities</u></b>		
Interest	-	-
Dividends		

	-	-
Divestiture Proceeds & Sale of Physical Assets	121,705	-
Recoveries from On Lending	-	-
Recoveries from Advance	1,164,105	10,042,696
<b>Total Cash generated from Investing Activities (d)</b>	<b>1,285,810</b>	<b>10,042,696</b>
<b><u>Less - Cash disbursed for:</u></b>		
Purchase or Construction of Physical Assets & Acquisition of	2,494,931,879	
Other Investment	15,482,507	19,176,404
Advance Payments	<b>2,510,414,385</b>	<b>19,176,404</b>
<b>Total Cash disbursed for Investing Activities (e)</b>	<b>(2,509,128,576)</b>	
		<b>(9,133,708)</b>
<b>NET CASH FLOW FROM INVESTING ACTIVITIES( F)=(d)-(e)</b>		
	<b>160,267,064</b>	-
<b>NET CASH FLOWS FROM OPERATING &amp; INVESTMENT ACTIVITIES (g)=( c) + (f)</b>		
<b><u>Cash Flows from Fianacing Activities</u></b>	-	-
Local Borrowings	-	-
Foreign Borrowings	-	-
Grants Received	24,008,893	-
Deposit Received	<b>24,008,893</b>	-
<b>Total Cash generated from Financing Activities (h)</b>		
<b><u>Less - Cash disbursed for:</u></b>	-	-
Repayment of Local Borrowings	-	-
Repayment of Foreign Borrowings	184,275,957	-
Deposit Payments	<b>184,275,957</b>	-
<b>Total Cash disbursed for Financing Activities (i)</b>		
	<b>(160,267,064)</b>	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (J)=(h)-(i)</b>	<b>(0)</b>	

Net Movement in Cash (k) = (g) -(j)

-

Opening Cash Balance as at 01<sup>st</sup> January

-

Closing Cash Balance as at 31<sup>st</sup> December

-

### 3.5 Notes to the Financial Statements

It is enclosed in Annex 2

### 3.6 Performance of the Revenue Collection

Rs. ,000

Revenue Code	Description of the Revenue Code	Revenue Estimate		Collected Revenue	
		Original	Revised	Amount (Rs.)	as a % of Revised Revenue Estimate
-	-	-	-	-	-

### 3.7 Performance of the Utilization of Allocation

Rs. ,000

Type of Allocation	Allocation		Actual Expenditure	Allocation Utilization as a % of Revised Allocation
	Original	Revised		
<b>Recurrent</b>	1,511,050	1,510,550	453,358	30%
<b>Capital</b>	17,907,000	18,672,200	7,476,259	40%

### 3.8 Performance of the Reporting of Non-Financial Assets

Rs. ,000

Assets Code	Code Description	Balance as per Board of Survey Report as at 31.12.2019	Balance as per financial Position Report as at 31.12.2019	Yet to be Accounted	Reporting Progress as a %
9151	Building and Structures	10,000	10,000		
9152	Machinery and Equipment	493,937	493,937		
9153	Land	7,000	7,000		
9154	Intangible Assets	-	-		
9155	Biological Assets	-	-		
9160	Work in Progress	-	-		
9180	Lease Assets	-	-		

### 3.9 Auditor General's Report\*\*

\*\* The final audit report issued by the Auditor General to be scanned and placed here while submitting to the Parliament.

## Chapter 04 – Performance indicators

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

S/N	Specific Indicators	Actual output as a percentage (%) of the expected output		
		100%- 90%	75%- 89%	50%- 74%
1	Number of members and officers trained under the Capacity Building programs conducted at Provincial and Local authority Level	100		
2	Number of Local Authorities (Local Authority area) received grant facilities through the Ministry Budget for local service improvement	100		
3	Percentage of utilization of Annual Allocation by the Ministry			39.28
4	Number of Local Authorities prepared & implements “Solid waste Management Action Plans” (Collecting /Composting/Recycling...)		80	
5	Number of Local Authorities established well & implement “Grievance Redress Mechanism”	100		
6	Number of credit facilities provided for development of public utilities in Local Authorities			56
7	Percentage of credit recovery from Local Authority	92.25		
8	No of Chief Secretary’s meetings conducted		75	
9	No of National Steering Committee meetings conducted per foreign funded project		75	
10	Number of researches/studies and evaluations conducted	90		



## Chapter 05- Performance of the achieving Sustainable Development Goals (SDG)

### 5.1 Indicate the Identified respective Sustainable Developments Goals

Please note that numbers of Targets and Indicators are included into the below table based on the “Status of Sustainable Development Goals Indicators in Sri Lanka – 2017” published by the Department of Census and Statistics. Further, since absence of the baseline data we are unable to measure the progress of the achievement.

S/N	Goal / Objective	Targets	Indicators of the achievement	Progress of the Achievement to date		
				0%-49%	50%-74%	75%-100%
1	<b>Goal No. 1</b> End poverty in all its forms everywhere	<b>1.5</b>	<b>1.1.1,</b> <b>1.2.1,</b>			
2	<b>Goal No. 2</b> End Hunger, Achieve Food Security and Improved Nutrition and Promote Sustainable Agriculture	<b>2.1,</b> <b>2.2,</b> <b>2.3,</b> <b>2.4,</b> <b>2.a</b>	<b>8.3.1</b>			
3	<b>Goal No. 3</b> Ensure Healthy Lives and Promote Well-Being for all at all Ages	<b>3.4,</b> <b>3.8,</b> <b>3.9,</b> <b>3.b</b>	<b>2.2.1,</b> <b>3.1.1,</b>			
4	<b>Goal No. 4</b> Ensure Inclusive and Equitable Quality Education and Promote Lifelong Learning Opportunities for all	<b>4.1,</b> <b>4.a,</b> <b>4.c</b>	<b>4.1.1,</b> <b>4.a.1,</b> <b>4.c.1</b>			

5	<b>Goal No 5</b> Achieve gender equality and empower all women and girls	<b>5.5,</b> <b>5.c</b>				
6	<b>Goal No 6</b> Ensure availability and sustainable management of water and sanitation for all	<b>6.1,</b> <b>6.3,</b> <b>6.b</b>	<b>6.1.1</b>			
7	<b>Goal 9</b> Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	<b>9.1,</b> <b>9.c</b>				
8	<b>Goal 10</b> Reduce inequality within and among countries	<b>10.2</b>	<b>1.4.1</b>			
9	<b>Goal 11</b> Make cities and human settlements inclusive, safe, resilient and sustainable	<b>11.2,</b> <b>11.6,</b> <b>11.7,</b> <b>11.a</b>	<b>10.7.2,</b> <b>12.4.2</b>			
10	<b>Goal 12</b> Ensure sustainable consumption and production patterns	<b>12.4,</b> <b>12.5</b>	<b>1.5.3</b>			

## 5.2 Briefly explain the achievements and challenges of the SDG

Since absence of the base line data in relation to the targets and indicators, Ministry is not in a position to measure the progress of the achievement.

## Chapter 06 - Human Resource Profile

### 6.1 Cadre Management

	Approved Cadre	Existing Cadre	Vacancies / (Excess)**
Senior	35	25	10 / 2**
Territory	4	2	2
Secondary	151	108	43
Primary	63	56	7

### 6.2 \*\* Briefly state how the shortage or excess in human resources has been affected to the performance of the institute.

Unavailability of approval carder positions is cause to carry out work improperly. However, it is managed by the existing carder positions and go forward enabling to achieve targets.

### 6.3 Capacity Development of the Staff

Name of the Program	No. of staff trained	Duration of the program	Total Investment (Rs Mn)		Nature of the Program (Abroad/Local)	Output/Knowledge Gained*
			Local	Foreign		
Recycling Industry Development & Waste Management Policy	01	2019.01.13 – 2019.01.19		\$240	Abroad	Gained a sound knowledge
Woman in Politics and Civil Society	01	2019.04.22 – 2019.05.10		\$920	Abroad	Gained a sound knowledge
Plant visit in ST. Fertility Co. Ltd	01	2019.04.19 – 2019.04.21		\$120	Abroad	Gained a sound knowledge

JICA Knowledge Co-Creation Program Local Governance	01	2019.05.21 – 2019.06.29		\$1200	Abroad	Gained a sound knowledge
2 <sup>nd</sup> China – South Asia Cooperation Forum	01	2019.06.09 – 2019.06.14		\$450	Abroad	Gained a sound knowledge
Invitational Capacity Building Program in Employment Policy for Asian Local Government Officials	01	2019.06.08 – 2019.06.23		\$600	Abroad	Gained a sound knowledge
Mechanized “Screw Type” Compost Plants (RA - X) Inspection	01	2019.07.26 – 2019.07.31		\$450 \$742	Abroad	Gained a sound knowledge
A Knowledge Exchange with Costa Rica to facilitate a transition to a more ‘People Centric’ primary healthcare system	01	2019.09.06 – 2019.09.16		\$440	Abroad	Gained a sound knowledge
Belt & Road construction & Advancement for Sri Lanka	02	2019.10.10 – 2019.10.30		\$880	Abroad	Gained a sound knowledge
Making cities more livable smart city in Environment Equity & Economy	01	2019.10.28 – 2019.10.31		\$240	Abroad	Gained a sound knowledge
Local government exchange and cooperation seminar 2019	01	2019.12.15 – 2019.12.21		\$280	Abroad	Gained a sound knowledge

## Chapter 07– Compliance Report

No.	Applicable Requirement	Compliance Status (Complied/Not Complied)	Brief explanation for Non Compliance	Corrective actions proposed to avoid non-compliance in future
1	<b>The following Financial statements/accounts have been submitted on due date</b>			
1.1	Annual financial statements	Complied		
1.2	Advance to public officers account	Complied		
1.3	Trading and Manufacturing Advance Accounts (Commercial Advance Accounts)	-		
1.4	Stores Advance Accounts	-		
1.5	Special Advance Accounts	-		
1.6	Others	-		
2	<b>Maintenance of books and registers (FR445)</b>			
2.1	Fixed assets register has been maintained and update in terms of Public Administration Circular 267/2018	Complied		
2.2	Personal emoluments register/ Personal emoluments cards has been maintained and update	Complied		
2.3	Register of Audit queries has been maintained and update	Complied		

2.4	All the monthly account summaries (CIGAS) are prepared and submitted to the Treasury on due date	Compiled		
2.5	Register for cheques and money orders has been maintained and update	Compiled		
2.6	Inventory register has been maintained and update	Compiled		
2.7	Stocks Register has been maintained and update	Compiled		
2.8	Register of Losses has been maintained and update	Compiled		
2.9	Commitment Register has been maintained and update	Compiled		
2.10	Register of Counterfoil Books (GA – N20) has been maintained and update	Compiled		
03	<b>Delegation of functions for financial control (FR 135)</b>			
3.1	The financial authority has been delegated within the institute	Compiled		
3.2	The delegation of financial authority has been communicated within the institute	Compiled		
3.3	The authority has been delegated in such manner so as to pass each transaction through two or more officers	Compiled		

3.4	The controls has been adhered to by the Accountants in terms of State Account Circular 171/2004 dated 11.05.2014 in using the Government Payroll Software Package	Complied		
4	<b>Preparation of Annual Plans</b>			
4.1	The annual action plan has been prepared	Complied		
4.2	The annual procurement plan has been prepared	Complied		
4.3	The annual estimate has been prepared and submitted to the NBD on due date	Complied		
4.4	The annual cash flow has been submitted to the Treasury Operations Department on time	Complied		
5	<b>Audit queries</b>			
5.1	All the audit queries has been replied within the specified time by the Auditor General	Complied		
6	<b>Internal Audit</b>			
6.1	The internal audit programme has been prepared at the beginning of the year after consulting the Auditor General in terms of Financial Regulation 134(2)	Complied	-	-
6.2	All the internal audit reports has been replied within one month	Complied	-	-
6.3	Copies of all the internal audit reports has been submitted to the Management Audit Department in terms of Sub-section 40(14) of the National Audit Act No. 19 of 2018	Complied	-	-

6.4	All the copies of internal audit reports has been submitted to the Auditor General in terms of Financial Regulation 134(3)	Complied	-	-
7	<b>Audit and Management Committee</b>			
7.1	Minimum 04 meetings of the Audit and Management Committee has been held during the year as per the MAD circular 1/2019	Complied	-	-
8	<b>Asset Management</b>			
8.1	The information about purchases of assets and disposals was submitted to the Comptroller General's Office in terms of Paragraph 07 of the Asset Management Circular No. 01/2017	Complied		
8.2	A suitable liaison officer was appointed to coordinate the implementation of the provisions of the circular and the details of the nominated officer was sent to the Comptroller General's Office in terms of Paragraph 13 of the aforesaid circular	Complied		
8.3	The boards of survey was conducted and the relevant reports submitted to the Auditor General on due date in terms of Public Finance Circular No. 05/2016	Complied		



8.4	The excesses and deficits that were disclosed through the board of survey and other relating recommendations, actions were carried out during the period specified in the circular	Complied		
8.5	The disposal of condemn articles had been carried out in terms of FR 772	Complied		
9	<b>Vehicle Management</b>			
9.1	The daily running charts and monthly summaries of the pool vehicles had been prepared and submitted to the Auditor General on due date	Complied		
9.2	The condemned vehicles had been disposed of within a period of less than 6 months after condemning	Complied		
9.3	The vehicle logbooks had been maintained and updated	Complied	-	-
9.4	The action has been taken in terms of F.R. 103, 104, 109 and 110 with regard to every vehicle accident	Complied	-	-
9.5	The fuel consumption of vehicles has been re-tested in terms of the provisions of Paragraph 3.1 of the Public Administration Circular No. 30/2016 of 29.12.2016	Complied		
9.6	The absolute ownership of the leased vehicle log books has been transferred after the lease term	Complied		

10	<b>Management of Bank Accounts</b>			
10.1	The bank reconciliation statements had been prepared, got certified and made ready for audit by the due date	Compiled		
10.2	The dormant accounts that had existed in the year under review or since previous years settled	Compiled		
10.3	The action had been taken in terms of Financial Regulations regarding balances that had been disclosed through bank reconciliation statements and for which adjustments had to be made, and had those balances been settled within one month	Compiled		
11	<b>Utilization of Provisions</b>			
11.1	The provisions allocated had been spent without exceeding the limit	Compiled		
11.2	The liabilities not exceeding the provisions that remained at the end of the year as per the FR 94(1)	Compiled		
12	<b>Advances to Public Officers Account</b>			
12.1	The limits had been complied with	Compiled		
12.2	A time analysis had been carried out on the loans in arrears	Compiled		
12.3	The loan balances in arrears for over one year had been settled	Compiled		
13	<b>General Deposit Account</b>			
13.1	The action had been taken as per F.R.571 in relation to disposal of lapsed deposits	Compiled		

13.2	The control register for general deposits had been updated and maintained	Compiled		
14	<b>Imprest Account</b>			
14.1	The balance in the cash book at the end of the year under review remitted to TOD	Compiled		
14.2	The ad-hoc sub imprests issued as per F.R. 371 settled within one month from the completion of the task	Compiled		
14.3	The ad-hoc sub imprests had been issued exceeding the limit approved as per F.R. 371	Compiled		
14.4	The balance of the imprest account had been reconciled with the Treasury books monthly	Compiled		
15	<b>Revenue Account</b>			
15.1	The refunds from the revenue had been made in terms of the regulations	Compiled		
15.2	The revenue collection had been directly credited to the revenue account without credited to the deposit account	Compiled		
15.3	Returns of arrears of revenue forward to the Auditor General in terms of FR 176	Compiled		
16	<b>Human Resource Management</b>			
16.1	The staff had been paid within the approved cadre	Complied	-	-
16.2	All members of the staff have been issued a duty list in writing	Complied	-	-

16.3	All reports have been submitted to MSD in terms of their circular no.04/2017 dated 20.09.2017	Complied	-	-
17	<b>Provision of information to the public</b>			
17.1	An information officer has been appointed and a proper register of information is maintained and updated in terms of Right To Information Act and Regulation	Complied	-	-
17.2	Information about the institution to the public have been provided by Website or alternative measures and has it been facilitated to appreciate / allegation to public against the public authority by this website or alternative measures	Complied	-	-
17.3	Bi- Annual and Annual reports have been submitted as per section 08 and 10 of the RTI Act	Complied	-	-
18	<b>Implementing citizens charter</b>			
18.1	A citizens charter/ Citizens client's charter has been formulated and implemented by the Institution in terms of the circular number 05/2008 and 05/2018(1) of Ministry of Public Administration and Management	Complied	-	-

18.2	A methodology has been devised by the Institution in order to monitor and assess the formulation and the implementation of Citizens Charter / Citizens client's charter as per paragraph 2.3 of the circular	Not Complied	Will be implemented in future	-
19	<b>Preparation of the Human Resource Plan</b>			
19.1	A human resource plan has been prepared in terms of the format in Annexure 02 of Public Administration Circular No.02/2018 dated 24.01.2018.	Not Complied	Not Conducted training programs as per the circular in 2019	Measures have been taken in to conduct training programs as per the circular in 2020
19.2	A minimum training opportunity of not less than 12 hours per year for each member of the staff has been ensured in the aforesaid Human Resource Plan			
19.3	Annual performance agreements have been signed for the entire staff based on the format in Annexure 01 of the aforesaid Circular			
19.4	A senior officer was appointed and assigned the responsibility of preparing the human resource development plan, organizing capacity building programs and conducting skill development programs as per paragraph No.6.5 of the aforesaid Circular			

20	<b>Responses Audit Paras</b>			
20.1	The shortcomings pointed out in the audit paragraphs issued by the Auditor General for the previous years have been rectified	Compiled	-	-