

2022 අගෝස්තු 24
2022 ஆகஸ்ட் 24
24 August 2022



2018 අංක 19 දරණ ජාතික විගණන පනතේ
14 වන වගන්තිය ප්‍රකාරව පාර්ලිමේන්තුව වෙත
ඉදිරිපත් කරනු ලබන විගණකාධිපති ත්‍රෛවාර්ෂික වාර්තාව

2018 இன் 19 ஆம் இலக்க தேசிய கணக்காய்வு அதிகாரச்சட்டத்தின்
14 ஆவது பிரிவின் பிரகாரம் பாராளுமன்றத்திற்கு சமர்ப்பிக்கப்படுகின்ற
கணக்காய்வாளர் தலைமை அதிபதியின் மூன்றாண்டு அறிக்கை

**Triennial Report of the Auditor General presented in
parliament in terms of Section 14 of
the National Audit Act, No. 19 of 2018**

එකලොස් වන කාණ්ඩය - 06 (iii)
பதினோராவது தொகுதி - 06 (iii)
Eleventh Volume - 06 (iii)

ප්‍රාදේශීය සභා
பிரதேச சபைகள்
Pradeshiya Sabhas

ජාතික විගණන කාර්යාලය
தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE



Triennial Report for the years 2018, 2019 and 2020

Pradeshiya Sabha

	<u>Contents</u>	
	<u>Introduction</u>	<u>Page No.</u>
01.	Kahatagasdigiliya Pradeshiya Sabha	10
02.	Kekirawa Pradeshiya Sabha	10
03.	Kebithigollewa Pradeshiya Sabha	11
04.	Galen Bindunu Wewa Pradeshiya Sabha	11
05.	Thalawa Pradeshiya Sabha	12
06.	Thirappane Pradeshiya Sabha	14
07.	Nochchiyagama Pradeshiya Sabha	15
08.	Padaviya Pradeshiya Sabha	15
09.	Medawachchi Pradeshiya Sabha	15
10.	Mihinthale Pradeshiya Sabha	16
11.	Rambewa Pradeshiya Sabha	16
12.	Horovupathana Pradeshiya Sabha	17
13.	Dimbulagala Pradeshiya Sabha	17
14.	Elahera Pradeshiya Sabha.	18
15.	Hinguraggoda Pradeshiya Sabha	19
16.	Embilipitiya Pradeshiys Sabha	19
17.	Imbulpe Pradeshiya Sabha	20
18.	Ayagama Pradeshiya Sabha	21
19.	Eheliyagoda Pradeshiya Sabha	22
20.	Galigamuw Pradeshiya Sabha	25
21.	Dehiovita Pradeshiya Sabha	25
22.	Ruwanwella Pradeshiya Sabha	26
23.	Matale Pradeshiya Sabha	26
24.	Dambulla Pradeshiya Sabha	26
25.	Wilgamuwa Pradeshiya Sabha	27
26.	Kandy Kadawathsathra and Ganga Wata Korale Pradeshiya Sabha	27

27.	Udapalatha Pradeshiya Sabha	27
28.	Pasbage Korale Pradeshiya Sabha	28
29.	Thumpane Pradeshiya Sabha	29
30.	Poojapitiya Pradeshiya Sabha	29
31.	Pathahewaheta Pradeshiya Sabha	29
32.	Akurana Pradeshiya Sabha	29
33.	Meda Dumbara Pradeshiya Sabha	30
34.	Panvila Pradeshiya Sabha	31
35.	Minipe Pradeshiya Sabha	31
36.	Uudumbara Pradeshiya Sabha	32
37.	Kundasale Pradeshiya Sabha	32
38.	Kotagala Pradeshiya Sabha	34
39.	Kothmale Pradeshiya Sabha	35
40.	Hanguranketha Pradeshiya Sabha	36
41.	Akmeemana Pradeshiya Sabha	36
42.	Elpitiya Pradeshiya Sabha	37
43.	Karandeniya Pradeshiya Sabha	37
44.	Baddegama Pradeshiya Sabha	37
45.	Balapitiya Pradeshiya Sabha	39
46.	Benthota Pradeshiya Sabha	39
47.	Habaraduwa Pradeshiya Sabha	40
48.	Devinuwara Pradeshiya Sabha	40
49.	Kamburupitiya Pradeshiya Sabha	43
50.	Kotapola Pradeshiya Sabha	44
51.	Dickwella Pradeshiya Sabha	44
52.	Hakmana Pradeshiya Sabha	45
53.	Sooriyawewa Pradeshiya Sabha	46
54.	Katuwana Pradeshiya Sabha	46
55.	Jaela Pradeshiya Sabha	47
56.	Katana Pradeshiya Sabha	52
57.	Minuwangoda Pradeshiya Sabha	53
58.	Biyagama Pradeshiya Sabha	54

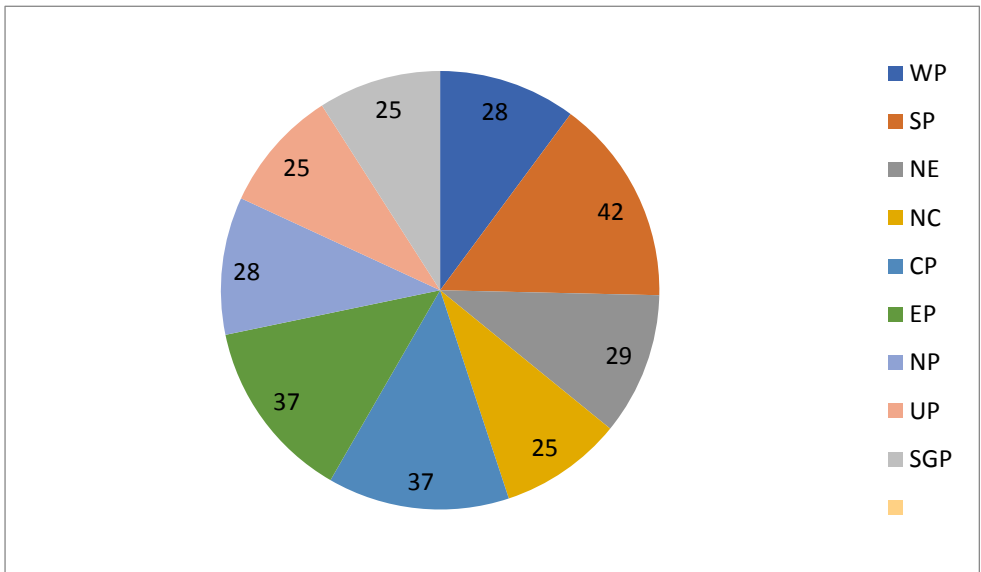
59.	Attanagalla Pradeshiya Sabha	54
60.	Beruwala Pradeshiya Sabha	56
61.	Dodangoda Pradeshiya Sabha	57
62.	Bulathsinhala Pradeshiya Sabha	57
63.	Madurawala Pradeshiya Sabha	58
64.	Homagama Pradeshiya Sabha	58
65.	Pothuvil Pradeshiya Sabha	59
66.	Uddalachenai Pradeshiya Sabha	60
67.	Ninthavur Pradeshiya Sabha	60
68.	Alaiyativembu Pradeshiya Sabha	61
69.	Navithanvely Pradeshiya Sabha	63
70.	Thirukkovil Pradeshiya Sabha	63
71.	Samanthurai Pradeshiya Sabha	63
72.	Kareithivu Pradeshiya Sabha	64
73.	Damana Pradeshiya Sabha	64
74.	Namaloya Pradeshiya Sabha	65
75.	Irakkamam Pradeshiya Sabha	65
76.	Verugal Pradeshiya Sabha	67
77.	Thambalagamuwa Pradeshiya Sabha	67
78.	Trincomalee Town and Gravest Pradeshiya Sabha	67
79.	Muththur Pradeshiya Sabha	68
80.	Morwewa Pradeshiya Sabha	69
81.	Kuchcheveli Pradeshiya Sabha	70
82.	Kinniya Pradeshiya Sabha	72
83.	Chilaw Pradeshiya Sabha	73
84.	Wennapuwa Pradeshiya Sabha	74
85.	Naththandiya Pradeshiya Sabha	77
86.	Wanathavilluwa Pradeshiya Sabha	78
87.	Karuwalagaswewa Pradeshiya Sabha	79
88.	Pannala Pradeshiya Sabha	79
89.	Bingiriya Pradeshiya Sabha	80
90.	Ibbagamuwa Pradeshiya Sabha	80

91.	Kurunegala Pradeshiya Sabha	83
92.	Galgamuwa Pradeshiya Sabha	83
93.	Giribawa Pradeshiya Sabha	85
94.	Nikaweratiya Pradeshiya Sabha	85
95.	Polgahawela Pradeshiya Sabha	86
96.	Buththala Pradeshiya Sabha	87
97.	Thanamalwila Pradeshiya Sabha	88
98.	Badalkumbura Pradeshiya Sabha	89
99.	Wellawaya Pradeshiya Sabha	89
100.	Katharagama Pradeshiya Sabha	90
101.	Bandarawela Pradeshiya Sabha	91
102.	Mahiyangana Pradeshiya Sabha	91
103.	Soranathota Pradeshiya Sabha	92
104.	Ridheemaliyedda Pradeshiya Sabha	93
105.	Valikamam South Pradeshiya Sabha	94
106.	Karainagar Pradeshiya Sabha	94
107.	Nallur Pradeshiya Sabha	94
108.	Vadamarachchi Pradeshiya Sabha	95
109.	Valikamam East Pradeshiya Sabha	95
110.	ValikamamNorth Pradeshiya Sabha	96
111.	Valikamam South West Pradeshiya Sabha	96
112.	Velanei Pradeshiya Sabha	97
113.	Punakary Pradeshiya Sabha	98
114.	Vavuniya South Tamil Pradeshiya Sabha	98
115.	Pachchileipalli Pradeshiya Sabha	99
116.	Karachchi Pradeshiya Sabha	99
117.	Vauniya North Pradeshiya Sabha	101

Pradeshiya Sabha is the smallest Local Body in Sri Lanka. These local bodies have been established under the Pradeshiya Sabha Act No. 15 of 1987. These Pradeshiya Sabha have been established to provide an opportunity to enable the general public to participate in decision making process relevant to administrative and development activities within the province. At present, 276 Pradeshiya Sabha have been established in the Island.

Basic function of Pradeshiya Sabha is to be the local body of the area for each Pradeshiya Sabha is incorporated and it should include regulation, control and administration of all matters relating to public health in the area, public utility services, public thoroughfares and generally with the protection, promotion of the comfort and convenience and welfare of the people. The main structure of these Pradeshiya Sabha consist of the chairman, vice chairman and such number of other members to be elected as the Minister may prescribe by order published in the Gazette, taking into consider action the extent, population and economic development level in the area for which the Pradeshiya Sabha is to be established.

In Sri Lanka 276 Pradeshiya Sabha have been established covering the main Provincial Councils. Twenty eight Pradeshiya Sabha for Western Province , 42 Pradeshiya Sabha for Southern Province, 29 Pradeshiya Sabha for North Western Province, 25 Pradeshiya Sabha for North Central Province , 25 Pradeshiya Sabha for North Central Province, 37 Pradeshiya Sabha for for Central Province, 37 Pradeshiya Sabha for Eastern Province, 28 Pradeshiya Sabha for Northern Province ,25 Pradeshiya Sabha for Uva Province and 25 Pradeshiya Sabha for Sabaragamuwa Province have been established. Milleniya Pradeshiya Sabha had been established with effect from 20 March 2018 in the Kalutara District belongs to the Western Province. Expansion of these Pradeshiya Sabha according to provinces is shown in the following diagram.



(Photograph 1)

While the overall revenue of 276 Pradeshiya Sabha for the three years 2018, 2019 and 2020 according to financial statements amounted to Rs. 97,762 million, overall expenditure for these three years according to financial statements amounted to Rs. 92,708 million. While the growth of revenue of these 276 Pradeshiya Sabha by the year 2020 was 26 % when compared with the year 2018, growth of expenditure when compared with that year was 19 %. While deficits were shown in 68 Pradeshiya Sabha according to financial statements, overall total of those deficits amounted to Rs. 1,311 million. By the year 2019, out of these Pradeshiya Sabha, deficits were shown in 86 Pradeshiya Sabha according to financial statements, overall deficit of those Pradeshiya Sabha amounted Rs. 1,882 million. However, by the year 2020, out of these Pradeshiya Sabha, deficits were shown in 98 Pradeshiya Sabha according to financial statements, overall deficit of those Pradeshiya Sabha amounted to Rs. 1,974 million. When these deficits are analysed, a clear cut feature was an indication of a continuous deficits in 19 Pradeshiya Sabha during the years 2018, 2019 and 2020. Out of these 24 Pradeshiya Sabha, a continuous growth in the surplus was shown for both years 2019 and 2020, when compared with the year 2018.

According to financial statements presented, total assets in 276 Pradeshiya Sabha were represented as Rs. 91,438 million during the year 2018, Rs. Rs. 104,579 million during the year 2019 and Rs. 140,874 during the year 2020. Accordingly growth of total assets of these Pradeshiya Sabha during the year 2020 was 54% when compared with the year 2018. . When compared with the year 2018, by the year 2020, growth of total assets observed was Rs.

7,881 million in Mulleriyawa Pradeshiya Sabha; Rs. 652 million in Horana Pradeshiya Sabha; ; Rs. 790 million in Agalawatta Pradeshiya Sabha; ; Rs. 1,510 million in Dompe Pradeshiya Sabha; ; Rs. 913 million in Biyagama Pradeshiya Sabha and ; Rs.3,953 million in Attnagalla Pradeshiya Sabha. This increase was mainly due to revaluation of assets of the local bodies in accounting and taking the value of land and buildings into accounts due to preparation of accounts in the local authorities in the Western Province with effect from the year 2020 in accordance with Public Sector Accounting Standards for local authorities of Sri Lanka.

According to financial statements presented, total liabilities in 276 Pradeshiya Sabha were Rs. 13,430million during the year 2018, Rs.14,292 million during the year 2019 and Rs. 16,326 during the year 2020. Accordingly, growth of total liabilities of these Pradeshiya Sabha by the year 2020 was 22% when compared with the year 2018.

The amount of net assets of 276 Pradeshiya Sabha as at 31 December was Rs. 124,548. Out of these Pradeshiya Sabha, highest net assets was represented by the Kotikawatta Mulleriyawa Pradeshiya Sabha in a sum of Rs. 10,939 million while lowest net assets was represented by Agarapathana Pradeshiya Sabha in sum of Rs. 19 million.

In terms of sub Section 172 (1) of the Pradeshiya Sabha Act No. 15 of 1987 and provisions in the National Audit Act No. No. 19 of 2018, financial statements had been presented by all the Pradeshiya Sabha. Financial statements relevant to the years 2018, 2019 and 2020 were audited and summary reports containing audit opinion and management reports were forwarded to all Pradeshiya Sabha. Qualified opinion for 270 Pradeshiya Sabha. For the year 2018, and unfavourable opinion for Udunuwara Pradeshiya Sabha had been expressed. An unqualified opinion had been expressed for Wanathavilluwa and Ipologama Pradeshiya Sabha. Opinion had been disclaimed for Pannala, Galenbindunuwewa and Thalawa Pradeshiya Sabha. While qualified opinion had been expressed for 260 Pradeshiya Sabha for the year 2019, an unqualified opinion had been expressed for Velivitiya, Divithura, Rajanganaya, Padaviya and Kebithigollewa Pradeshiya Sabha. While unfavourable opinion had been expressed for 10 Pradeshiya Sabha, opinion had been disclaimed for Pannala and Horovepathana Pradeshiya Sabha. While qualified opinion had been expressed for 267 Pradeshiya Sabha for the year 2020, an unqualified opinion had been expressed for Kotagala, Ganga Ihala Korale, Vavuniya North and Chenkalaveddikulam Pradeshiya Sabha. Unfavourable opinion for Udunuwara, Mihinthale and Hinguraggoda Pradeshiya Sabha had

been expressed and opinion had been disclaimed for Laggala and Galenbindunawewa Pradeshiya Sabha.

In terms of Section 14 Of the National Audit Act No. 19 of 2018, within nine months after at the end of every three financial year period a status report of every entity audited shall be tabled in the Parliament by the Auditor General. among matters to be included in this report, major deficiencies identified, recommendations made by the Auditor General for those and preventive action taken by the entity in that connection should be included, while position prevailed at the time of handing over such report should be indicated. Audit observations of 117 Pradeshiya Sabha not settled up to now are shown below.

01. Kahatagasdigiliya Pradeshiya Sabha

Audit Observation	Recommendation of the Auditor General	Preventive course of action taken by the entity	Present Position
A sum of Rs1,452,928. Recoverable as beef stalls, fish boards and leasing out vehicle parks for the period from the year 2004 to the year 2019 had not been recovered.	action should be taken to in terms of the agreements and recover the arrears'	II has been informed that action will be taken to recover the amounts in arrears during this year.	.A sum of Rs. 1,061,500wa outstanding to be recovered as at 08 February 2022.

02. Kekirawa Pradeshiya Sabha

In spite of instructions given vide letter No. NCP/LG/DE/04/04/2020 by the North central Province Commissioner of Local Government not to hire out machines and equipment of the Sabha on credit basis, 04 machines of the Sabha had been hired out on credit basis in 240 instances. Due to that, Hire Charges Income amounting to Rs.1, 061,500 had not been recovered.	action should be taken to recover vehicle hire charges.	It has been informed that action will be taken to recover	A sum of Rs. 1,061,500 remains to be recovered.
---	---	---	---

03. Kebithigollewa Pradeshiya Sabha

Although 46 trade stalls had been constructed in the Kebithigollewa Bus stand Market Complex Ground having spent a sum of Rs. 45,000,000 during the year 2017, 19 trade stalls remained idle even as at 28 February 2022 due to objections raised by the members for calling for opened tenders.

Action should be taken to lease out these trade stalls without delay.

Action is being taken to lease out after calling for tenders.

Only 25 trade stalls had been given after calling for tenders as at 01 January 2022.

04. Galen Bindunu Wewa Pradeshiya Sabha

While properties of the Sabha had been auctioned and payments were made as per judgement relevant to Ponds Project, a further sum of Rs. 4,245,707 remained to be paid. Although 08 years had elapsed from the year 2012 to 2020, proper legal agreements had not been reached by the management with the relevant parties with regard to the balance money.

Proper legal course of action should be taken.

It has been informed that future action will be taken after obtaining legal advice.

Action had been taken to get legal advice.

05. Thalawa Pradeshiya Sabha

- (a) Tipper vehicle belongs to the Sabha had been engaged in running without attending to the repairs relating to the break system identified on 07 January 2019. Due to that, a loss of Rs.933, 500 had occurred consequent to an accident took place on 31 January 2019. Action should be taken to minimize possible losses by carrying out repairs within the appropriate time limits. There had been a delay in vehicle repair works. Repairs were being carried out even at present.
- (b) Although a loss amounting to Rs. 3,400,520 had occurred due to an accident took place on 15 April 2019 to a vehicle valued at Rs. 6,390,000 belongs to the Sabha, insurance claim had been refused on the grounds of wrong information relating the accident and misuse of the vehicle. The vehicle had been parked in a regional repair centre of the local agent. Action should be taken to expedite to conduct the inquiry and take necessary action to recover the .loss. Inquiry work is being done in this connection. Although it has been decided to recover 90 percent from the chairman and 10 percent from the driver out of this, recoveries had not been made.
- (c) While a sum of Rs. 3,446,848 had been received from the Orugalayaya Garbage Yard Karagahawewa is permanently unused continuously. Action should be taken to use the is permanently unused continuously. This remains unused continuously.

- Central Environment garbage Yard. used for Authority for the disposal of construction of garbage of the Karagahawewa Garbage Yard during the years from 2012 to 2017, a sum of Rs.1, 121,026 had been spent out of it. However, it had not been possible to achieve the expected objectives as the construction works of the Garbage Management Centre has not been completed.
- (d) Thambuththegama weekly Fair Building Complex constructed having spent a sum of Rs. .9,500,000 during the year 2017, had not been used and remained idle, allowing the growth of wild plants Action should be taken to use. Action will be taken to use after attending to lapses existing here. That had not been taken to use even at present.
- (e) Construction work of the Eppawala Crematorium had been completed as at 31 December 2018 having spent sum of Rs. 5,421,890 by the Pradeshiya Sabha. Action should be taken to use. Action will be taken to commission this for public possession during the year 2021 Even at present, it is in the same condition. Furnaces had not been fixed.

However, it remained idle without being used during a period exceeding past two years due to nonmixing the furnaces required for that.

06. Thirappane Pradeshiya Sabha

- (a) Water Purification Machine This Water Has been installed Had not been installed in Mankulama, Filtering Machine in the Pradeshiya utilized for the Divulwewa Village during the should be utilized Sabha ground. expected objective year 2019 incurring an expenditure as a source of generation. amounting to Rs. 1,344,000 with income the objective of income generation had been removed after dismantling and reinstalled during the year 2020 in the Sabha premises Due to that, expected objective had not been achieved.
- (b) Although a case had been filed by Trade Licence Action will be The amount had not the Sabha on 12 November 2020 Revenue should taken according been recovered. against a hotel registered in the be recovered. to the case judgement. Tourist Board and situated in the area of authority of the Sabha, for defaulting payment of tax receivable amounting to Rs.. 3,332,341 for the year 2019, that money had not been received.

07. Nochchiyagama Pradeshiya Sabha

While the Compost Production Centre constructed in September 2019 incurring an expenditure amounting to Rs.1,299,378 remained idle, garage brought during the year incurring expenditure amounting to Rs. 16,938,732 had been stacked and burned. in the 4-acre land near the compost yard. Machines required for the production of compost had not been purchased.	Action should be taken to obtain the machinery and equipment required for garbage management.	Garbage management will be performed properly after receiving the required equipment.	Compost production is not done as the required machinery and equipment were not purchased, Garbage burning is being carried out.
---	---	---	--

08. Padaviya Pradeshiya Sabha

Action had not been taken to identify the parties responsible for the loss occurred amounting to Rs. 800,000 due to fire took place on 16 August 2019 to the bailing machine of the Pilisaru Project.	The parties responsible for this loss should be identified and that loss should be recovered.	An officer has been appointed to carry out a preliminary investigation for this by the Commissioner of Local Government.	Although a board of inquiry has been appointed on 23 February 2021 to conduct an investigation work had not been carried out.
---	---	--	---

09. Medawachchi Pradeshiya Sabha

although 48 trade stalls constructed through Pura Neguma Project had been handed over to the Sabha had been given on rent having entered into agreements, rent	Action should be taken to recover arrears in terms of the agreements.	It has been informed that legal steps will be taken for the recovery of arrears amounts	Not recovered. Requests have been made to reduce the rent stating that assessed amount is
--	---	---	---

receivable amounting to Rs. .19,250,000 for the relevant trade stalls had not been recovered.

receivable for high. At present the trade stalls. action is being taken for this.

10. **Mihinthale Pradeshiya Sabha**

Although a loan instalment of Rs. .50,150 was being paid monthly for the the loan of Rs. .3,958,710 obtained from the Local Loans and Development Fund obtained by the Sabha for the construction of Mihintale library and auditorium, construction of that auditorium had not been commenced.

Steps should be taken to finalize the construction woks of the auditorium and use it.

Awaiting to Auditorium had not been developed the not been constructed. upper floor as a tourist bungalow under any available project.

11. **Rambewa Pradeshiya Sabha**

- (a) Relevant parties for the recovery of vehicle /rent in arrears amounting to Rs. .2,159,775 as at 31 December 2019 due on account of vehicles and machinery provided on a rental basis had not been identified. .Action should be taken to identify the relevant parties and recover the arrears of revenue. Action will be taken to identify the parties liable for the revery. Recoveries had not been made ip to 16 December 2021.
- (b) Action had not been taken to recover a sum of Rs. .1,583,250 from the parties responsible for the accident took place on 16 May 2019 to the cab vehicle valued at Rs. .6,390,000 belongs to the Sabha. This amount should be recovered soon from the parties responsible for that. Action has been taken to recover this amount. Only a sum of Rs.100,000 had been recovered. A further sum of Rs. 1,483,250 remains to be recovered.

- (c) Although a sum of Rs. 2,978,302 had been spent to repair the old library building of the Sabha, action had not been taken to complete that work and convert it to an effective condition. While it should be converted to a usable condition, that money should be recovered from the officers who paid the retention money without completing the balance work. While a sum of Rs. .2,978,302 had been paid for the work done by the Sabha, retention money amounting to Rs. 324,148 had been released by the Department of Local Government. It had not been converted to a usable condition having completed the works.

12. Horovupathana Pradeshiya Sabha

An estimated assessed loss amounting to Rs. 840,000 had occurred to the Sabha as at 31 December 2019 due to failure in leasing out after repairing 09 trade stalls in the public market belong to the Sabha since a period of more than 08 years. Action should be taken to recover income having repaired the relevant trade stalls. It has been proposed to construct this trade complex through the LDSP Project. The loss had amounted to Rs. .988,800 as at 31 December 2020.

13. Dimbulagala Pradeshiya Sabha

A proper course of action had not been taken with regard to misappropriation of Rs. 2,625,660 by recording a lesser amount in the duplicate receipt than the amount recorded in the original copy when recovering. The loss should be recovered after carrying out a preliminary investigation. A preliminary investigation is being carried out by North Central Local government department. While a case is being filed up in the Polonaruwa Court now, an audit officer had been nominated as a witness.

water charge during the period from June 2016 to 28 June 2018.

letter dated 21.05.2020 has been sent requesting to expedite the preliminary investigation works.

14. Elahera Pradeshiya Sabha.

While the sum of Rs. 15,675,708 paid during the period from 2015 to 2017 for breaking and removal of a graphite stone without following proper financial procedure for implementation of a project for the construction of a long distance bus service stand and a trade complex without Sabha approval and carrying out a feasibility study, had been a fruitless expenditure, a case too had been filed against the Sabha by the contractor requesting a further sum in arrears amounting to Rs. 16,200,000 due to him. However, action had not been taken against the officers responsible for that.

Sabha attention should be drawn with regard to fruitless expenditure and other contingent liabilities while action should be taken to recover from the parties responsible.

It has been informed that action will be taken on the basis of the investigation report of the Department of Local Government. Although an investigation has been conducted in connection with this by the Department of Local Government, reports have not been submitted.

15. Hinguraggoda Pradeshiya Sabha

- (a) The action had not been taken to recover Tender fees amounting to Rs. 3,465,325 outstanding to be recovered relevant to 16 trade stalls constructed in the land vested relevant to lawyers office complex constructed in the Hinguraggoda Magistrate Court Ground and monthly rent money outstanding to be recovered amounting to Rs. 720,000
- Legal course of action should be taken to recover amounts in arrears.
- . Agree. Onward works will be implemented in soon.
- Action had not been taken to recover money.
- (b) While a cab vehicle purchased on leasing basis had met with an accident during the year 2015, a sum of Rs.3,300,000 received as insurance claim had been kept idle in the current account continuously. The balance sum of Rs. 3,000,000 due as full insurance claim for the vehicle had not been obtained from the Sri Lanka Insurance Corporation.
- Action should be taken to get the full claim.
- While lease payments have been finalized by now, documents relevant to auctioning after obtaining absolute ownership of the vehicle and for the purchase of a new vehicle have been sent to the Department of Local Government.
- . Not rectified.

16. Embilipitiya Pradeshiys Sabha

- .In spite of the fact that there was no any obligation to supply raw materials required to the entities assigned with construction of 07 roads
- A formal inquiry should be conducted and persons responsible
- While this case is being heard in the courts at present, wish to inform that
- This case is being heard in the courts at present.

development projects should be lawyer fees implemented under Maga identified. were paid to the Neguma Project during the year lawyer 2011, required block stones had appealing for been supplied having entered that on the into an agreement by the approval of the Chairman with a private firm Sabha. without an approval of the Sabha. Final bills and retention money of 04 works had been paid to the relevant societies without deducting the sum of Rs. 2,088,000 remained to be paid to the firm relevant to that. While a case had been filed against the Sabha by the firm supplied the block stones, relevant to those 04 works for non-payment of a sum of Rs. 1,308,780, a sum of Rs. 461,500 had been spent as at the end of the year 2021 as lawyer fees of the relevant case.

17. Imbulpe Pradeshiya Sabha

Although a sum of Development While estimates Weekly fair had Rs..4,561,397 had been spent should be done for completing not been during the years 2015 and 2017 in a way the balance developed even up for development of Pambahinna suitable to work of this to December 2021. weekly fair, development works conduct the fair fairground have had not been made in a way having obtained been sent to the suitable to conduct the fair. provisions. Local Therefore the Sabha had failed Government

to reach the expected objectives during the year 2020 as well.

Ministry for approval during the year 2018, action will be taken to prepare the weekly fair in a way suitable to be used by the traders after receiving provisions.

18. Ayagama Pradeshiya Sabha

- | | | | | |
|-----|--|---|---|--|
| (a) | Action had not been taken even as at 31 December 2020 to recover Key Money outstanding for 16 trade stalls totalling to 2,077 square feet in extent and trade stalls in Agricultural Products Sales Centre amounting to Rs. 716,000 and Rs. 1,460,000 respectively | Action should be taken to recover revenue due to the Sabha without delay. | It was not possible to recover that money due to spreading out corona epidemic since March 2020. Action will be taken to recover that money soon. | It has been informed to pay the key money through letters. Recoveries had not been received up to the date of this report. |
| (b) | Six employees, vehicles and machinery and 02 equipment costing Rs. 882,122 had been deployed for disposal of about 324 tons of solid wastes in the area of authority of the Sabha during the year 2020. However, | A proper wastes management program should be planned and implemented. | Action is being taken already to purchase a land for disposal of wastes and that | That necessary action will be taken to purchase the land required for disposal of |

those wastes had been buried in pits dug in the ground, without following an environment friendly and proper procedure, causing a number of environmental problems.

proper wastes management program will be planned and implemented immediately thereafter.

19. Eheliyagoda Pradeshiya Sabha

- (a) Provisions of Rs. 58,905,292 had been made available on 02 August 2017 for implementation of 02 roads development projects within the area of authority of Sabha under the Program for Development of 1000 Kilo Meters of Roads in Rural Areas - 2017 implemented through the Provincial Councils and Local Government Ministry. Although a procurement advertisement had been published having spent a sum of Rs. 120,750, construction works had been assigned to. Constructions Developments and Machinery Equipment Authority, without considering that. A sum of Rs. 13,054,363 had been spent for that as at the date of termination of the project due to failure in finalizing the project on the
- All course of action should be taken for effective utilization of provisions received for development of the province.
- According to the Chief Ministry's letter dated 29 September 2017, it was decided to assign these 02 projects to the Constructions Developments and Machinery Equipment Authority for performance. The project could not be finalized due to very short time limit fixed for the performance of these two projects; transfer of the local
- Project had not been completed up to the end of the year 2021.

specified date. Provision had been withdrawn in November 2018.

government engineer; non extension of the agreement period and location of the two projects in difficult area.

- (b) In removing the parts of buildings under the implementation of development projects in the Eheliyagoda Town, it had been agreed to bear the transporting expense of residues to the required places by the Pradeshiys Sabha and get the reimbursement later through the Urban Development Authority. Although an advance of Rs. 900,000 had been paid out of Sabha fund during the year 2013 on the basis of that verbal agreement, it had been failed to get reimbursement even up to the end of the year 2020.
- Due to the inability in settlement of the balance amount of Rs. 4,390,000 payable to the contractor as per liability entered into, court action had been resorted by the contractor claiming a compensation
- Before implementing a project agreement should be entered into and properly accomplished.
- Eheliyagoda Town Development Project was a project to be implemented soon. The relevant works were performed without signing the agreement after informing the Sabha by former Chairman. The agreement has been signed after performing the relevant works and receiving bills. There is a court case in this connection.
- Courts proceedings had not been finalized up to February 2022.

amounting to Rs. 2,634,000 as damages in addition to the amount in arrears.

- (c) While Getahaththa Multi-Purpose Building constructed spending a sum of Rs. 39,281,227 under Asian Development Bank Loan Assistance and work completed in December 2012 remained idle up to the year 2018, first floor and the ground floor of the building had been leased out for one year at monthly rent of Rs. 100,000 on 31 December 2018. However, the lessee had defaulted the payment of rent pointing out various lapses of the building and requesting to repair those. In spite of completing all those repairs having spent a sum of Rs. 2,331,013 out of Sabha fund, action had not been taken by the lessee to apply the building for the expected objectives and to pay the rent as per agreements.
- While the assets belong to the Sabaha should be utilized effectively, arrears of rent should be recovered.
- Written notices were sent to the lessee to pay the lease rent from time to time. By this time, the building has been vested in the Sabha together with equipment belong to the lessee. Requests were made to the office of the Divisional Health Services Director to obtain an assessment relating to the health equipment .available in the building in order to recover the money defaulted by the lessee and the lessee had been
- Relevant works had not been finalized even up to February 2022.

recover lease money from the commencement of work by the lessee. Due to that, the revenue lost amounted to Rs. 2,400,000.

informed in this connection. A request has been made to the Valuation Department to get the necessary assessment report for retendering this building at present.

20. Galigamuwa Pradeshiya Sabha

Action had not been taken to recover the sum of Rs. 525,146 in arrears since the year 2014 from the beef stall.

Action should be taken to recover area rs of revenue.

Although money should be recovered as per case judgement, it has been informed that it had been reported to the courts that there are no assets belong to him.

Arrears money had not been recovered.

21. Dehiovita Pradeshiya Sabha

Although there was a balance of Rs. 1,656,808 in arrears for more than 5 years out of the Acreage Tax balance as at the end of the year 2019, action had not been taken to recover it

Action should be taken to recover balances in arrears.

It has been informed that action is being taken to recover balances in arrears.

Balances in arrears had not been recovered.

22. Ruwanwella Pradeshiya Sabha

.Although one percent tax Action should It has been Charges to be should be recovered to the be taken informed that recovered on Sabha out of sales value of according to the particulars of actual sales had lands sold in plots in terms of Act and the land sold had not been Section 154 of Pradeshiya Circular. been given to the recovered. Sabha Act No. 15 of 1987 and revenue Clause 3 (iv) and 3 (x) the inspector and Circular No. 2005/04 dated 01 that action is June 2005 of the Commissioner being taken of Local Government accordingly. Sabaragamuwa Province, having obtained the particulars from the Land Registry, tax amounting to Rs. 1,121,730 had been recovered based only on the assessed value of lands sold in plots during the period from the year 2010 to the year under review.

23. Matale Pradeshiya Sabha

Total Water Charges in Action should Action will be Amounts in arrears to be recovered as at be taken to taken recover arrears had not the end of the year 2020 recover charges amounts in been recovered. amounted Rs. 3,709,745. in arrears. arrears in due course.

24. Dambulla Pradeshiya Sabha

Debit balance of Rs. 12,587,598 Reasons for Preventive Not corrected. in the Stores Suspense Account the debit action had not been taken. at the end of the year 2020 had balance in the Stores Stores Suspense

been brought forward without Account
being settled. should be
ascertained
and corrected.

25. Wilgamuwa Pradeshiya Sabha

While there was a credit balance	Suspense	Adjustments	Lases	Not
of Rs. 1,501,545 as final balance	account should	made to the	corrected.	
after recording erroneous debit	be settled	Suspense		
and credit entries of the year	having made the	account under		
2018, to the credit balance of	necessary	journal entries		
Rs. 3,068,983 existed in the	adjustments. In	N0. 3, 6 and 7		
Suspense Account at the	the accounts.	have been		
beginning of the year 2018,		correctly done.		
action had not been taken to				
correct balance in the Suspense				
Account.				

26. Kandy Kadawathsathra and Ganga Wata Korale Pradeshiya Sabha

Bio Gas Unit valued at Rs.	Assets should be	Action will be	Remains idle.
480,000 had been kept idle	utilized	taken to re-	
during a period of 05 years.		establish.	

27. Udapalatha Pradeshiya Sabha

(a)	Water Charges amounting to Rs.	Action should	It was decided	A sum of Rs.
	775,528 outstanding since a	be taken to	to conduct a	40,472 has been
	number of years from 07	recover arrears	water survey.	recovered Balance

- Water Supply Schemes had not of revenue. amounts had not been recovered. been recovered.
- (b) Water Charges amounting to Rs. 1,239,000 outstanding from 14 water schemes in active condition was in arrears since a long period. Action should be taken to recover arrears of water charges. It was decided to conduct a water survey. A sum of Rs. 40,472 has been recovered. Balance amounts had not been recovered.
- (c) Stalls Rent amounting to Rs. 9,648,000 recoverable on new assessment of the year 2015 from 14 trade stalls in the Pussellawa New Market Complex had not been recovered. Revenue recoverable should be collected. Letters were sent informing that stalls rent in arrears should be paid as per agreements entered into. Rent had not been recovered on the basis of the new assessment.

28. Pasbage Korale Pradeshiya Sabha

- (a) Although a sum of Rs. 1,650,000 had been paid to the Land Reform Council for the land use for the past years relevant to Green Wood Granite Project, action had not been taken to earn income through the project. Action should be taken to get maximum benefit through specific management if the project. Necessary action has been taken to get the permit. Lapses not rectified.
- (b) 480 Water Meters valued at Rs. 2,176,440 purchased during the period from the year 2014 to the year 2016 through a loan. Maximum use should be obtained. Fixing water meters. 466 Water meters had not been fixed.

obtained from the Local Loans through assets.
and Development Fund remained idle without being utilised for providing water connections up to the end of the year under review.

29. Thumpane Pradeshiya Sabha

Fees receivable amounting to Rs. 1,576,090 for 447 registered three wheeled vehicles had not been recovered.	Three wheeled vehicle fees should be recovered.	Taking action to recover arrears.	Not recovered.
--	---	-----------------------------------	----------------

30. Poojapitiya Pradeshiya Sabha

A course of action had not been taken with regard to 10 vehicles valued at Rs. 19,527,492 belong to the Sabha, but not used by the Sabha.	A correct course of action should be taken after inspection.	That steps will be taken for appropriate course of action.	Appropriate course of action had not been taken.
---	--	--	--

31. Pathahewaheta Pradeshiya Sabha

A sum of Rs. 4,493,500 to be recovered for 506 three wheeled vehicles and charges to be recovered for 07 communication towers had not been calculated and recovered.	Revenue to be recovered should be obtained.	Conducting a formal survey.	Fees had not been recovered.
--	---	-----------------------------	------------------------------

32. Akurana Pradeshiya Sabha

While 570 three wheeled vehicles had been registered in 29 three wheeled vehicles parks	Action should be taken to recover fees	While a survey of three wheeled vehicles was	Fees had not been formalized and recovered.
---	--	--	---

<p>by the Sabha in terms of Circular No. 7 dated 31 July 2013 of the Commissioned of Local Government during the year 2020, annual fees amounting to Rs. 1,543,000 was outstanding to be recovered as at the end of the year under review.</p>	<p>from all registered three wheeled vehicles.</p>	<p>commenced by the Sabha during the year 2020, it had not been possible finalized it due to Corona epidemic condition prevailed. A sum of Rs. 514,400.00 had been recovered as fees for that year.</p>
--	--	---

33. Meda Dumbara Pradeshiya Sabha

- | | | | |
|------------|--|--|---|
| <p>(a)</p> | <p>While lands belong to Sabaha had been leased out without being assessed, arrears money amounting to Rs. 468,815 relevant to the period from 08 months to 09 years due from 10 lessees had not been recovered.</p> | <p>Action should be taken to recover assessed lease rent.</p> | <p>Action has Lapses not been taken to rectified formalize.</p> |
| <p>(b)</p> | <p>Lease Rent in arrears due on account of leasing out assets belong to the Sabah for the period from the year 2004 to the year 2015 amounted to Rs. 1,081,396</p> | <p>Course of action should be taken immediately with regard to these taxes in arrears.</p> | <p>Action is being Arrears as at taken to 31.12.2021 recover taxes in amounts to Rs. arrears. 1,075,621.49.</p> |

34. Panvila Pradeshiya Sabha

When recovering the trade stall rent relevant 30 trade stalls belong to the Sabha, without recovering the assessed rent relevant to the years 2009 and 2016, rent had been recovered according to assessed rent relevant to years prior to those. Due to that, revenue amounting to Rs. 3,110,500 had been lost.

Action should be taken to recover value after carrying out the assessment.

By this time, the case connected with 30 trade stalls is scheduled to be inquired into by April 2020.

Not settled.

35. Minipe Pradeshiya Sabha

(a)

Judgement had been given to pay a sum of Rs. 500,000 and legal interest to the plaintiff relevant to a case filed regarding the loss occurred due to breaking and removal of a foundation by the former chairman. While the cab vehicle valued at Rs. 1,500,000 and trade stall No. 14 in the Hasalaka town belong to the Sabha had been taken to the custody of courts due to non-payment of money by the Sabha, a compensation of Rs. 530,500 had been paid on 26 July 2018 having settled the case. Action had not been taken in connection with the loss

Inquiries should be conducted with regard to the losses and action should be taken to recover in terms of financial regulations.

A Board of inquiry has been appointed through the Assistant Commissioner of Local Government and an inquiry is being carried on.

Action had not been taken to recover the loss occurred to the Sabha Fund.

amounting to Rs. 2,030,500 occurred to the Sabah having conducted inquiries.

- (b) Although it had been proposed to establish the Public Library, the Information Technology Centre, Health Centre, Maternity and Ayurvedic Centre and the Community Hall in the Multi-Purpose Building constructed under Pura Neguma Project having spent a sum of Rs. 59,078,700, first floor had been taken to use for the office premises while 14,000 square feet in extent of the ground floor and second floor had not been taken for any use and remained idle.
- Should be used for a fruitful purpose soon.
- Necessary works have been arranged to lease out the first floor to the Mahavally Development Establijhment and the C.W.E.
- Second floor is in idle condition.

36. Ududumbara Pradeshiya Sabha

Although the rent of 19 trade stalls belong to the Sabha had been assessed on 22 May 2018, it had not been possible to recover a sum of Rs. 1,656,640 to be recovered, due to non-implementation of that assessment.

Course of Taking legal action to be taken for the recovery of rent according to new assessment should be expedited.

Five trade stalls are not willing to pay the money according to new assessment.

37. Kundasale Pradeshiya Sabha

- (a) Although a sum of Rs. 1,230,910 had been paid during
- .Action should be taken either
- It has been informed to
- Not settled.

<p>the year 2015 for the purchase of No. 09 plot of land in Siirimalwatta Housing Scheme, action had not been taken to take over the land after paying the balance money or to get back the money already paid.</p>	<p>to purchase the land or to get back the money paid.</p>	<p>return the money paid to the Housing Development Authority through the Sabha and to transfer the portion of land allocated for common activities.</p>
---	--	--

<p>(b) While an income of Rs. 19,080,000 had been lost due to non-implementation of assessment of trade stalls in the Balagolla Moragahapitiya Multipurpose Building and the Digana Multipurpose Building, action had not been taken to get a new assessment as well.</p>	<p>Recovery of trade stalls on the basis of assessed value and implementation of a new assessment should be done.</p>	<p>While new assessment has been received for these trade stalls, accordingly lessees were informed to enter into agreements. Stall holders have raised objections on the grounds that the charges given through the new assessment is not acceptable. While these objections have been referred to</p>	<p>Not settled</p>
---	---	---	--------------------

the Valuation Department, their final decision has not been received up to now.

- (c) Although tax money amounting to Rs. 2,358,913 had been paid during the years 2015, 2016 and 2017 based on a false set of accounts by a private hotel, it had been revealed that a revenue of Rs. 14,462,640 had been under recovered according to the statements of accounts submitted to the Tourist Board. In spite of that, the Sabha had not taken action to recover that money while financial statements for the years 2018 and 2019 too had not been submitted to the Sabha by the relevant entity.
- Action should be taken to obtain financial statements relevant to the years and to recover the specific tax accordingly.
- Wish to inform that cases have been filed for each year separately, from the year 2015 up to the year 2021.
- Recovery of the specified income has become problematic.

38. Kotagala Pradeshiya Sabha

While the Pradeshiya Sabha had entered into an agreement on 11 May 2015 for the construction of a new building at an expenditure amounting to Rs. 83,373,432, a sum of Rs. 21,559,211 had been paid for

Action should be taken to get the project completed after agreeing with relevant

Preventive course of action had not been taken.

Not rectified.

that as at 31 December 2016. parties.

Work there had been stopped for a period of more than 03 years due to administrative and technical problems.

39. Kothmale Pradeshiya Sabha

- (a) Although a sum of Rs. 11,112,792 had been spent as at 09 August 2018 for the construction of first stage of the new two storeyed building of the Pradeshiya Sabha, in spite of availability of adequate funds of the Sabha, balance parts of construction work had not been commenced even as at April 2020. Consequent to that, getting benefits for the public funds applied had ben relayed and an unfavourable situation of rising up in prices had arisen. Action should be taken to get the project completed soon. Requiets have been made to Provincial Engineering Services Department through the Commissioner of Local Government to get an estimate for the second stage having finalized the first stage. Not rectified.
- (b) While work of the Navangana Drinking Water Project had been completed ion 13 December 2020 having commenced the work on 01 December 2020 and, bills for Rs. 1,979,598 had been submitted, a sum of Rs. 1,067,766 had been paid on 26 June 2021. However, it had not been possible to get drinking water. Projects should be implemented to enable achievement of objectives according to estimates and specifications. A part payment was made to the contractor due to lapses in the development plan. Not rectified.

40. Hanguranketha Pradeshiya Sabha

Trade Stalls Rent in arrears amounting to Rs. 2,214,537 existing during a period from 04 years to 09 years due from 12 trade stalls in Hanguranketha Market Complex. Preparation of files for vesting the possession only had been done.	Action should be taken to recover revenue in arrears.	Files were prepared for filing cases to get the possession legally and handed over to the office of the Commissioner of Local Government on 05 February 2020.	Not rectified.
--	---	---	----------------

41. Akmeemana Pradeshiya Sabha

While a sum of Rs. 1,187,475 had to be paid on the case filed by the owner for vesting on 11 December 1917 a part of Thalagaha Hettiya Gammedda paddy land by the Sabha without consent of the owner, a case too had been filed claiming compensation amounting to Rs. 46 million for removing the building in the relevant land.	Should act in compliance with rules and regulations.	Although the Commissioner of Local Government was informed to surcharge the relevant members for making recoveries, no reply has been received up to now. Wish to inform that the case No. 657 is still being probed.	While instructions have not been received from the Commissioner of Local Government up to 10.02.2022, the case No. 657 is still being probed.
---	--	---	---

42. Elpitiya Pradeshiya Sabha

Action had not been taken to recover Backhoe Machine revenue amounting to Rs.940,837 bringing forward in the financial statements since a long period.	Should be recovered.	be	Awareness for recovering revenue has been made continuously.	Action is being taken for recovery.
--	----------------------	----	--	-------------------------------------

43. Karandeniya Pradeshiya Sabha

While a stock of body building sports equipment of very high value had been provided during the year 2006 to the Sabha through the Southern Province Sports Ministry, a physical health and body building centre had been constructed during the year 2011 having spent a sum of Rs. 1,470,000 through provisions of the same ministry. While it was revealed at the physical audit inspection and according to information received from the Sabha, these equipment had not been used after the year 2011, any information with regard this was not available in the Sabha.	While equipment should be recorded in a register, a service should be provided to the people in the area.	Action will be taken to record the equipment and provide a service to the people in due course.	It has to be mentioned that the land belongs to the Sabha and that relevant sport equipment belong to the Karandeniya Divisional Secretariat and recorded in the registers maintained there.
--	---	---	--

44. Baddegama Pradeshiya Sabha

(a)	Although a sum of Rs. 2,044,000 had been paid for vesting Panvila, Lellawala	Action should be taken to vest ownership of	Wish to inform that legal works have been	While there is a case pending connected with
-----	--	---	---	--

Watta land in extent of 02 acres 14.4 perches belongs to the Land Reforms Commission, vesting had not been done. the land legally. commenced. this land, requests have been made in number of times to refund the money paid to the Land Reform Commission.

(b) Although a sum of Rs. 500,000 for obtaining lands relevant to construction of Makurugoda Watta Weekly Fair Land, construction of garbage Land and construction of the town hall had been paid to the Land Reforms Commission, vesting the lands had not taken place. Action should be taken to vest ownership of the land legally and implement the projects. It had not been possible to vest the lands up to now. In this connection, it had been informed the Land Reforms Commission in writing as well as verbally

(c) The fish stall leased out since the year 2003 to the Lanka Fisheries Corporation without a lease agreement had been closed down in January 2018. Although that stall had been taken over by the Sabha again on 31 May 2018, lease rent in arrears amounting to Rs. 652,723 outstanding to be recovered had not been recovered. Action should be taken to lease out the stall on agreement and to recover lease money in arrears. Action will be taken to earn income correctly during the year 2019. While Sabha approval has been received to write off a sum of Rs. 34,875, it has been forwarded to get the approval of the Hon Governor.

45. Balapitiya Pradeshiya Sabha

While there was no permanent solution with regard to the garbage collected within the area of authority of the Sabha, a sum of Rs. 626,520 had been spent for covering the garbage collected by putting earth.	A long-term plan should be prepared for garbage management.	Wish to inform that action will be taken to get a permanent solution. for garbage management having vested a government land in due course.	Although Kosgoda, Nanathota government land had been proposed for the Compost Project as a long term solution for garbage management, recommendation of the Central Environment Authority had not been granted..
--	---	---	--

46. Benthota Pradeshiya Sabha

Although a sum of Rs. 802,884 had been spent for full overhaul of the engine of a Sabha cab vehicle, the engine had fallen to a defunct condition before expiry of the one-year guarantee period. While the repairing entity had informed the Sabha that responsibility for that cannot be accepted as the drivers had not complied with the instructions given, an estimate of	Persons responsible should be identified having conducted a preliminary investigation and action should be taken to recover the losses.	A preliminary investigation is in progress through the Local Government Department.	While a preliminary investigation report has been given vide letter No. 04/03/01/08(3) dated 09.08.2019, action is being taken accordingly.
---	---	---	---

Rs.2,682,755 had been obtained from the agents for repairing it again. Although the mechanical engineer had informed on 05 April 2018 through a letter that a preliminary investigation should be conducted in this connection, a preliminary investigation had not been conducted up to 15 February 2019.

47. Habaraduwa Pradeshiya Sabha

<p>Action had not been taken to recover Rs. .17,055,200 as lumpsome money and Rs.410,149 as lease money from 77 ttrade stalls leased out in Ahangama public market complex.</p>	<p>Action should be taken to recover amounts in arrears.</p>	<p>Action will be taken to recover amounts in arrears.</p>	<p>Lump some money Rs. 2,742,400 and lease rent in arrears Rs. 260,210 remain to be recovered further, while a concessionary period of 03 months have been allowed for defaulting trade stalls, action will be taken in terms of the agreement after the end of that period.</p>
---	--	--	--

48. Devinuwara Pradeshiya Sabha

<p>(a) While a land in extent of 04 acres had been purchased in Uparekka area having spent a sum of Rs. 2,700,000 oiut of Sabha fund on 11</p>	<p>Garbage disposal should be done properly.</p>	<p>Action will be taken for proper disposal of decaying garbage only.</p>	<p>While daily collection of garbage is dumped to a private land in Wellamadama,</p>
--	--	---	--

December 2014 by the Sabha for disposal of daily collection of garbage, it had not been possible to implement that due to public protests. Garbage had been dumped improperly to a land adjacent to Matara Tangalle main road. Due to that, the university and the school situated nearby and people are faced with environmental problems.

Molawatta, it is a land situated near the lagoon. Since the year 2019 a program for sorting out and collection of polythene and plastic is in operation. Accordingly, only decaying garbage is dumped there, while non decaying garbage is handed over to Kotavila recycling centre.

- (b) While the Lot No. 34 in extent of 15.33 perches divided and separated in the land called Medagodahena Watta situated in Devinuwara, Kapugama had been given to the Sabha through a transfer deed on 21 June 2004, it had been sold to an outside person through sales deed No. 10980 by the chairman on 13 February 2006.
- Necessary course of action should be taken soon to get the land vested in the Sabha.
- Although the file containing documents relevant to the case filed against the seller for selling Sabha property had been handed over to the lawyer, according to instructions given by the lawyer, other Files were handed over to the lawyer for legal action. Court works had been delayed due to COVID -19 in these days.

documents relevant to present position were included and handed over to the lawyer again on 28 November 2019.

- (c) A revenue amounting to Rs. 4,016,300 had been lost to the Sabha due to failure in following the specified procedure in providing temporary stalls and ground portions for Devinuwara Esala festival. Leasing should be done after calling for tenders. Although it was initially planned to act according to the tender procedure during the year 2017, on the order of the Chief Minister and according to recommendation of the committee, that procedure had to be stopped. In certain instances, it was not possible to market the stalls according to the location of land., while certain traders had kept sales material in the Course of action had not been taken.

unsold stalls adjacent to their trading spot.

- (d) Stalls rent money amounting to Rs. 2,026,800 due from 84 trade stalls and ground portions engaged in trading activities relevant to Esala carnival activities had not been recovered.
- Action should be taken to recover soon.
- Action is taken always to remove mobile traders in unauthorized occupation of the unsold trade stalls and ground portions.
- Trading opportunity was given from the date agreed for payment of charges relevant to onward period relating to 84 temporary stalls and ground portions not marketable.

49. Kamburupitiya Pradeshiya Sabha

- (a) Although 06 motor vehicle parking places were shown in the four storied building plan in extent of 1306.93 square feet for commercial usage in Building Development Permit No. BA/2014/05 approved through planning committee decision dated 20 March 2014; space had been reserved for only 01 motor vehicle parking place. A sum of Rs. 2,500,000 at the rate of Rs. 500,000 per one parking place, had not been recovered on account of alteration of usage in terms of paragraph 05 in the gazette No.
- Necessary course of action should be taken soon.
- The owner, Co-operative Credit Society was informed to pay a sum of Rs. 2,500,000 at the rate of Rs. 500,000 per each place, for the 05 vehicle parking places shown in the Building Application No. BA/2014/05, but for which space
- Matter has been referred to Southern Province Legal Director seeking legal advice.

1597/8 dated 17 April 2009 of the Ministry of Urban Development and Community Grounds Development.

had not been provided.

- (b) Action had not been taken to settle even during the year 2020 the Credit balance of Rs. 1,168,845 which is being brought forward since the year 2006.
- It should be looked into and action should be taken to settle after making necessary adjustments.
- That it was not possible to settle up to now.
- Action had not been taken to settle up to now.

50. Kotapola Pradeshiya Sabha

Although the Sabha had decided to issue on hire 1300 plastic chairs valued at Rs. 900,900 purchased by the Sabha after recovering Rs. 8 per chair through an agreement, it had not been ascertained as at 08 September 2020 the party to whom 650 chairs valued at Rs. 450,450 were issued.

Providing chairs according to Sabha's decision should be done properly.

Action will be taken to maintain a register and provide chairs properly in due course.

Action will be taken to get back the balance chairs soon.

51. Dickwella Pradeshiya Sabha

- (a) While an estimate of Rs. 1,774,650 had been forwarded to Water Supply and Drainage Board on 15 November 2016 relevant to modification of parts of the roads damaged in laying water pipes in the road from Kottegoda, Pathegma Junction to Udupitiya, a sum
- Modificaion works of the relevant road should be finalized soon.
- Action will be taken to commence modification works of the relevant road.
- Modification works had not been done yet.

of Rs. 1,632,150 had been received on 19 October 2017 for that from that establishment. Although water pipes laying work had been completed on 29 May 2019, action had not been taken to finalize modification of the road.

- (b) While hotel charges amounting to Rs. 14,640,260 had been under recovered as at end of the year 2020, from 2 hotels operating in the area of authority of the Sabha in terms of Section 149 of the Pradeshiya Sabha Act No. 15 of 1987, charges had not been recovered from 12 hotels.
- Money should be recovered in terms of the Act.
- Action will be taken to recover amounts in arrears from charges under recovered hotels.
- Taking legal action with regard to recovery of charges in arrears will be considered in due course.

52. Hakmana Pradeshiya Sabha

Steps had not been taken to identify and adjust in accounts the debit balance of Rs. 873,211 in the Suspense Account which is being brought forward since a number of years.

It should be looked into and action should be taken to settle after making necessary adjustments.

Action will be taken to correct in due course.

Information required for correction is being searched.

53. Sooriyawewa Pradeshiya Sabha

Action had not been taken to correct the Suspense Account balance of Rs. 589,343 adjusted to the Accumulated Fund during the year 2017.	Account should be corrected after making necessary adjustments.	Attempts will be taken to identify in due course.	As it was not possible to identify the Suspense Account balance, the assistance of the Assistant Commissioner of local Government has been requested.
---	---	---	---

54 Katuwana Pradeshiya Sabha

- | | | | | |
|-----|--|---|---|--|
| (a) | Action had not been taken to recover Lump sum money amounting to Rs.8,745,000 receivable from 05 trade stalls during past years. | Action should be taken to recover amounts in arrears. | Cases have been filed for a sum of Rs. 200,000 receivable. Recovery of balance amounts has been referred to the Reconciliation Board. | Exemption for lump sum money has been referred to the Governor to get instructions. |
| (b) | Katuwana weekly fair building valued at Rs. 9,984,179 handed over to the Sabha during the year 2015 for a period of 05 years and trade stalls in Kirama bus stand remained idle even as at the end of the year 2020. | Action should be taken to utilize the assets belong to the Sabha. | The Fair building was not opened due to lack of water and the delay in laying granite on the ground. Letters are being prepared for assessment of bus stand trade stalls. | While there were lacks in the building handedover to the Sabha and some those were attended to. Action will be taken to use in due course. |

55. Jaela Pradeshiya Sabha

- (a) Balance in the Suspense Balances Accounting Wish to inform
Account not settled brought existing since works will be that the matter has
forward since the year 2000 prior period done in been referred to
amounted to Rs. 236,425. should e settled. accordance with the Ministry for
accounting approval through
standards and the Assistant
will be prepared Commissioner of
correctly. Local
Government. these
balances after
receiving approval
for that. Action
will be taken to
correct after
receiving approval.
- (b) While a person living in Action should It has been According to the
Kandana, Railway Station Road be taken to informed that a court judgement of
had filed a case against the recover the loss committee has this case, a sum of
Sabha for failure in taking occurred to the been appointed Rs. 4,168,015 had
action by the Sabha with regard Sabha from the to identify the been paid in three
to losses and damages taking officers parties instalments as
place to his house from a responsible for responsible. compensation to
building, an ex-parte judgement that. the party
had been given on 31 July 2003
as there was no representation
for the case on behalf of the
Sabha. The judgement had been
given in favour of the
complainer having confirmed by
courts that there was no
representation of the Sabha for

the case inquiry. Action had not been taken to get relief with regard to the payment of Rs. 500,000 and monthly loss of Rs. 10,000 ordered by courts. Due to that, charges payable had been increased to Rs. 4,168,015 by the year 2020. Action had not been taken even as at 31 December 2020 to pay this amount or to get an order for the payment of a minimum charge while action had not been taken against the officers responsible in this connection.

- (c) While 03 and 02 meat stalls respectively in Ragama and Kandana public markets had been given for the year 2019 deviating from tender procedure and without entering into agreements had been given to them on a Sabha decision in spite of non-recovery of arrears lease money amounting to Rs. 8,473,590 for the year 2018. Further, any course of action had not been taken for non-recovery of lease money amounting to Rs. 29,294,407 for the year 2019.
- Action should be taken for leasing out as the stalls for per procurement process and to recover lease money in arrears.
- Taking a decision to seal meat stalls were given after calling for tenders for the year 2021, tender money had not been paid. Although tenderers were informed to pay money, they had informed that they had to close down the stalls due to COVID epidemic and could not earn income.

- (d) Although a land in extent of 10 acres had been allocated for common activities in the sale of Starron Estate Land in lots, action had not been taken to vest that common land when establishing the Pradeshiya Sabha during the year 1986 and due to that, it had been acquired by outside parties. Although it had been agreed to transfer 69 perches of land to the Pradeshiya Sabha by a private entity enjoying the right of possession of this land, at least that extent of land had not been vested.
- Action should be taken to get the right of ownership of lands entitled to the Pradeshiya Sabha.
- Necessary action is being taken at present to. Transfer common amenities lands through deeds.
- Action had not been taken to get this deed according to that. .
- (e) Construction of Kudahakapola Multi Purpose Building at an estimate of Rs. 8,400,000 and agreement had been entered into on 10 December 1999 for a sum of Rs. 7,215,474. Bills had been submitted for a sum of Rs. 2,775,657 as at 20 December 2000. having constructed only the foundation. A sum of Rs. 402,291 had been paid on 02 May 2006 on the basis of total amount of work recommended by the Gampaha Regional Engineer. Although a sum of Rs.25 million allocated for this
- Steps should be taken to recover the loss occurred to the Sabha from the parties responsible.
- A written request was made to the Assistant Commissioner of Local Government (Gampaha) to get done an inquiry to identify the parties responsible in this connection.
- While matters relevant to this audit paragraph were accepted, it has been referred to the Commissioner of Local Government to identify the parties responsible for the loss.

by the President during the year 1999 had been returned due to non-performance of work, and a sum of Rs. 25 million had been released again during the year 2000 to Jaela Divisional Secretary under Gampaha Town Development Program. However, vouchers had been submitted incorrectly by the Sabha without completing the job and therefore Divisional Secretary had been informed not to release provisions by the Western Province Chief Secretary. It had been informed that the responsibility for not spending that money should be born by the Chairman and that it is not possible allocate provision further. The case No.HC/ARB/2516/10 filed by the contractor due to the problem of non-payment of the bill, had been lost by the Sabha. According to court order, a sum of Rs. 2,903,319 being case charges and the amount payable to the relevant contractor had been paid in 03 instalments at the rate of Rs. 967,773 during the years 2012 and 2013. While the foundation constructed had

been demolished and removed as at 30 November 2005, a loss amounting to Rs. 2,903,319 had been occurred to the Sabha due to this work.

- (f) Payments of Rs.3,866,537 and Rs. 2,228,787 had been made respectively for the first stage of development of first lane in Katuwana, Samagipura. In terms of clause 3.2.1 and clause 2.4.1 of the Government Procurement Guidelines Code, procurement process had not been implemented through procurement committees and technical evaluation committees having called for national level bids. Bid bond for this had been received on 18 May 2020 through a cheque dated 08 March 2020 after final payment to the contractor on 27 March 2020. Although payments had been made indicating that 235 cubic meters of ready mixed concrete were applied to a height of 0.225 meters, average height of concrete obtained by audit on 12 June 2020 from 04 cross cuttings was 0.191 meters.
- Provisions in the Government Procurement Guidelines Code should be complied with. Project should be completed according to specified standard.
- It has been informed that instructions were given to comply with Procurement Guidelines Code. It has been informed that need to prepare proper estimate were made known to technical officers while instructions were given to the superintendent of works for supervision activities.
- While it has been accepted that there had been a delay in banking cheques during this period, this has happened due to the delay in attendance of officers consequent on COVID epidemic situation. A sum of Rs. 487,716 only had been recovered out of the overpaid amounts.

When calculated according to that, quantity of concrete applied was 200.28 cubic meters, while the amount overpaid for 33.72 cubic meters was Rs. 565,148. Concrete had been applied to a part of second stage of the road had been to a length of 35 meters in the first stage as well and a sum of Rs. 949,539 had been overpaid for that part in the second stage.

56. Katana Pradeshiya Sabha

- | | | | | |
|-----|---|--|---|---|
| (a) | <p>Although 25 years had elapsed after vesting in the Sabha, a part of land in extent of 17.5 perches situated in Akkarapanaha, Sampath Place for common amenities, two small house made using timber and stone blocks had been constructed and used without authority due to failure in taking action to protect the land.</p> | <p>Action should be taken to protect assets belong to the Sabah.</p> | <p>It has been informed that provisions have been made every year for protection of assets belong to the Sabha and that action has been taken to erect wire fences with surveyor minutes when required.</p> | <p>Court action has been resorted to get possession having filed a case in the Negombo Magistrate Court through the Department of Local Government.</p> |
|-----|---|--|---|---|

(b) While a portion of land in extent of 40 perches situated in Konthegammulla area had been leased out at the request of a businessman to carry on a business of supplying construction materials deviating from government Procurement process, agreement had been entered into as a monthly lease rent of Rs. 2,000. While the basis applied for that not revealed, lease period had been extended for another year from 15 November 2019 to 14 November 2020.

For leasing out procurement process should be followed.

It is scheduled to transfer the possession after receiving the file from the office of the Assistant Commissioner of Local Government.

It has been informed that the file has been carried by the investigation officers for an investigation work and therefore legal work required to transfer of possession will be taken in due course immediately after receiving the file.

57.Minuwangoda Pradeshiya Sabha

While had been resorted by a business entity regarding rates assessment of a work shop with steel roofing in Japalawatta Industrial Town for assembling motor vehicles, the assessment had been upheld by the court. However, course of action had not been taken for the recovery of arrears of rates due amounting to Rs. Rs. 557,600 as at 31 December 2018.

Quick course of action should be taken to recover rates in arrears.

Although it has been informed to pay the relevant arrears amount, up to now the business activities of the relevant entity has not been commenced. It has been informed that action will be taken in due

While the relevant entity agreed to pay the amounts in arrears as a result of the red notice issued, a sum of Rs. 100,000 was paid on 19 November 2019. It has been informed that action will be taken in due

promised to pay course to recover the amounts in the arrears. arrears.

58. Biyagama Pradeshiya Sabha

<p>Stalls rent balance recoverable as at 31 December 2020 from 06 trade stalls in Kadawatha Sub Office involved in court cases amounted to Rs. 6,959,107.</p>	<p>Action should be taken to recover amounts in arrears.</p>	<p>As there is case pending relevant to trade stalls, it had not been possible to recover amounts in arrears while billings is continued.</p>	<p>As there is case pending relevant to trade stalls, it had not been possible to recover amounts in arrears while billings are continued.</p>
---	--	---	--

59. Attanagalla Pradeshiya Sabha

<p>(a) Action had not been taken to recover key money amounting to Rs. 3,276,363 outstanding to be recovered for more than 10 years from 23 trade stalls belong to Veyangoda Sub Office.</p>	<p>An agreement should be legally entered into before leasing out trade stalls.</p>	<p>It had not been possible to take legal action against stall holders who did not pay key money, due to lack of proper agreements. Although discussions were held to enter them into agreements at present, that attempt too had not been</p>	<p>Five trade stalls were sealed and taken over by the Sabha for non-payment of stall rent for more than 10 years. Rent is being paid by 18 trade stall holders. Key money in arrears of those 05 sealed stores amounts to Rs. 661,414.98. Although trade stall holders are</p>
--	---	--	---

successful due to problems with regard to lapses in the physical plan of that trade centre. Action is being taken to make a submission to the Sabha for write off of those key money and refer to the Governor for approval.

paying the stall rent, they refuse entering into agreements. Reasons for that is the lack of back ground required for trade; that is water, an access road and a vehicle park. Construction has been made contrary to the plan.

- (b) Action taken by the Sabha in connection with the land case 39/380 had been improper and negligent. Due to that, a sum of Rs. 1,876,800 had been paid out of Sabha fund to the plaintiff on 16 May 2019. Action had not been taken to conduct an inquiry and to fix Responsibility and to recover the loss occurred to the Sabha even up to 10 April 2021.
- Action should be taken as soon as possible to get the inquiry report and to recover the loss.
- The court Judgement relevant to the land case connected with a dispute took place in a road during the year 1996 had to be executed. Accordingly, it was entrusted to to the office of the Assistant Commissioner
- Although reminders have been sent to the the office of the Assistant Commissioner of Local Government to get the inquiry report, a reply has not been received up to now.

of Local Government to conduct an inquiry for fixing responsibility in order to settle the sum of Rs. 1,876,800 paid on 16 May 2019. Reminders have been sent to get that report.

60. Beruwala Pradeshiya Sabha

Out of 38 trade stalls modified with the financial assistance of a non-governmental organization during the year 2013 situated in the location of Aluthgama weekly fair, only 03 trade stalls had been opened. It had not been possible to lease out the trade stalls as those stalls had not	Action should be taken to avoid this type of lapses in future.	Action will be taken for proper planning of future construction works.	While 08 trade stalls have been leased out at present, it had not been possible to lease out the balance 30 trade stalls.
---	--	--	---

been planned the opening of trade stalls facing the road.

61. Dodangoda Pradeshiya Sabha

In a part of land in extent of 03 ruda 14 perches received for common activities through a land sale during the year 2000, 02 permanent houses had been constructed and occupied by unauthorized persons.

Course of action should be taken in connection with unauthorized occupants.

A spot inspection will be carried out as they were living during a number of years and action will be taken in that connection in due course.

Unauthorized occupants had not been removed up to now.

62. Bulathsinhala Pradeshiya Sabha

After receiving a favourable judgement of a case filed by a private firm against the Sabha in the first occasion, in the appeal made thereafter by the relevant firm an unfavourable judgement had been received to the Sabha due to neglecting the case by the Sabha and a sum of Rs.

Action should be taken to recover the expenditure incurred by the Sabha from the officers responsible.

A letter has been sent requesting an investigation from the Commissioner of Local Government. The problem has not been finalized even up to now.

7,840,000 had to paid to the relevant firm as compensation.

63. Madurawala Pradeshiya Sabha

Action had not been taken to recover the financial loss of Rs. 1,134,037 assessed by the Dehiwala – Mountlavinia Mechanical Engineer relevant to an accident occurred during the year 2016 to a cab vehicle belongs to the Sabha from the parties responsible for that.

Financial loss should be recovered from the parties responsible

While instructions were sought from the Commissioner of Local Government, will be submitted after receiving those.

Any inquiry had not been made up to now.

64. Homagama Pradeshiya Sabha

Arrears of lease money and fines receivable for the years from 2014 to 2018 for non-payment of newly assessed money during the year 2013 amounting to Rs.900,000 for the portion of land in

Action should be taken to recover income receivable without delay.

Although letters of demand were referred on 18 December 2020 to the members of the board of trustees of the economic centre for payment of this money by the Sabha Lawyer , as there was no response to

Although letters of demand dated 28.12.2020 were sent to the members held membership in the board of trustees of the Meegoda economic centre, those members

extent of 01 acre 02
 rude 10 perches
 transferred for an
 annual lease rent of
 Rs.300,000 to the
 Board of Trustees of
 the Meegoda
 economic centre
 amounted to Rs.
 14,750,000. The
 Sabha had not taken
 legal steps in this
 connection.

that up to now, have been
 action will be taken changed again
 to file a case as the and therefore
 onward step. action will be
 taken to send
 letters of demand
 to new members
 through the
 Sabha Lawyer.

65. Pothuvil Pradeshiya Sabha

- (a) While arrears of rent as Action should be Action will be taken Action had not
 at 31 December 2020 taken to recover to issue the order of been taken to
 amounted to Rs. arrears of rent. waiver. recover arrears
 6,197,567, this was of rent.
 relevant to period from
 1 – 20 years.
- (b) Stationery Recycling Course of action Training should be Assets remained
 Centre constructed should be taken to provided to defunct.
 utilizing funds of the utilize the relevant employees to
 World Vision assets for the operate this
 Establishment specified Stationery
 amounting to Rs. requirements. Recycling Centre.
 1,231,600 during the There is no
 year 2008 and Sabha electricity supply in
 funds amounting to that road to operate
 Rs. 1,612,127 during that. Equipment
 the year 2011 with the fixed there too had

objectives of promoting Sabha income and providing employment opportunities was getting devastated without being utilized.

been corroded and had been defunct causing impracticable to use at present. Therefore, course of action will be taken soon to sell these.

66. Uddalachenai Pradeshiya Sabha

Due to the delay in getting high voltage electricity connection to the Bones Grinding Centre constructed by the Sabha during the year 2014 at a cost of Rs. 1,400,000, that centre remained idle.

Steps should be taken soon to use the Bones Grinding Centre.

Steps are being taken soon. Assets remained idle.

67. Ninthavur Pradeshiya Sabha

- (a) While rent in arrears as at 31 December 2020 amounted to Rs. 3,173,466, this relates to a time period from 8 years to 40 years. Action should be taken to recover arrears of rent soon. Action has been taken to recover this. Arrears of rent had not been recovered.
- (b) At the rate of Rs. 15,400 per electric lamp 328 lamps and When making purchases, should be compared. Our technical officers have not been prepared. Purchases had not been done economically.

at the rate of Rs. 15,850 per electric lamp 72 lamps had been fixed. Electric lamps of this quality had been fixed at the rate of Rs. 9,600 by Karaithivu Pradeshiya Sabha. Accordingly, a sum of Rs. 2,352,400 had been spent uneconomically by the Sabha.

with other institutions and make purchases economically.

estimates after inquiring the prevailing prices from trade stalls where these goods are available in our district.

68. Alaiyadivembu Pradeshiya Sabha

- (a) Action had not been taken by the Sabha to apply an income generating source total sum of Rs. 2,365,914 remaining idle in two Bank current accounts since a period of more than 05 years.
- Bank account balances remaining idle/dormant should be applied in income generating sources.
- Course of action is being taken by now.
- Action had not been taken apply in income generating sources.
- (b) Carbonic Fertilizer Processing Centre had been constructed at an expenditure amounting to Rs. 1,253,940 during the
- Assets should be utilized effectively.
- This project could not be implemented due to public protests.
- Centre had been abandoned without being used.

year 2016 under the Provincial Specific Development Grants Program and machines valued at Rs 1,210,000 had been fixed for that during the year 2018. However, any course of action had not been taken by the Sabha to implement that since a period of more than two years.

- (c) A sum of Rs. 1,498,183 out of the amount provided under the Provincial Specific Development Grants Program for the year 2017 had been paid to the Water Supply and Drainage Board on 10 January 2018 for the program of laying drinking water pipes to a length of 425 meters from Samagam Road to Panangkadu Bridge. However, that pipe laying works had not
- Steps should be taken to commence drinking water pipes laying work soon.
- Action will be taken for laying drinking water pipes after holding discussions with the Water Supply and Drainage Board.
- Drinking water pipes laying works had not been done.

been commenced as
at November 17 2021,
date of audit.

69. Navithanvely Pradeshiya Sabha

Steps had not been taken to recover meat stalls taxes in arrears and arrears of market trade stalls rent amounting to Rs. 1,379,930. those are applicable to a time range of 1 – 3 years.	Steps should be taken to recover rent revenue outstanding to be recovered soon.	Steps have been taken to recover and to write-off.	Steps had not been taken to recover rent revenue.
---	---	--	---

70. Thirukkovil Pradeshiya Sabha

While rent in arrears as at 31 December 2020 amounted to Rs. 2,556,847, this is applicable to a time period of 1 – 20 years.	Action should be taken to recover rent revenue soon.	Suitable course of action will be taken to recover this.	Action had not been taken to recover rent revenue.
--	--	--	--

71. Samanthurai Pradeshiya Sabha

Electronic Publicity Advertisement Panel valued at Rs. 2,407,500 purchased	Steps should be taken to use the Publicity Advertisement Board soon.	While the entity fixed the Publicity Advertisement Board had not been	Steps had not been taken to use the Publicity Advertisement
--	--	---	---

for the Sabha during the year 2019 remained idle during a period of 08 months without being fixed. according to the specified standard.

able to activate it, Board. legal action has been taken against them.

72. Kareithivu Pradeshiya Sabha

Steps had not been taken by the Sabha to rent out 17 Trade stalls constructed at an expenditure amounting to Rs. 14,347,200 in North East Shore Line Community Development Project since a period of 12 years.

Steps should be taken to rent out trade stalls.

Steps will be taken to rent out trade stalls.

Steps had not been taken to rent out trade stalls.

73. Damana Pradeshiya Sabha

Action had not been taken to recover the sum of Rs. 208,440 from 02 trade stalls not paying rent during a period of more than 08 years or to take over after resorting to legal action.

Action should be taken to recover rent in arrears or to take over again.

Action will be taken in connection with that after attending to deficiencies in the agreements.

Action had not been taken to recover or to take over the trade stalls

after
taking
legal
action.

74. Namaloya Pradeshiya Sabha

<p>Although a sum of Rs. 1,323,500 had been incurred relating to development, cleaning the tank and purchase of 02 swan boats and 04 garden chairs for the common garden near Muwangala 07 Village Tank, relevant project had not been implemented.</p>	<p>Project should be implemented and obtain benefits to pay off the expenditure incurred.</p>	<p>It was not possible to implement this project due to COVID epidemic prevailing since the year 2020.</p>	<p>Action should be taken to implement the project.</p>
---	---	--	---

75. Irakkamam Pradeshiya Sabha

(a) Animal slaughter house constructed at a cost of Rs. 1,338,328 under Provincial Development Grants during the year 2015 had been constructed without taking into consideration

<p>Steps should be taken to use the building for the relevant objectives or requirements.</p>	<p>It has been planned to use this slaughter house for solid wastes recycling at present. .</p>	<p>Action had not been taken to use the building.</p>
---	---	---

the cemetery ground situated nearby. As a result of that, it remains unused up to now due to public protests.

- (b) The upper part of the public market constructed at an expenditure amounting to Rs. 4.975 million under UNDP Program during the year 2017 remained idle without being used even as at 28 May 2020. .
- Assets should be effectively used. .
- Proposals have been submitted to make changes under 2020 PSDG Program to make changes suitable to rent out.
- Market had not been taken to use.
- (c) Trade Stalls complex constructed at an expenditure amounting to Rs. 4.690 million during the year 2018 under Development Finance Program of the Ministry of Provincial Councils and Local Government had not been used for the relevant objective and remained idle even as at 28 May 2020.
- Steps should be taken to use the trade stalls complex.
- While various banks were contacted to rent out this Trade Stalls complex, People's Bank had consented to transfer branch there and requested for a very low value; and therefore it had not been given.
- Course of action had not been taken to use the Trade Stalls complex.

76. Verugal Pradeshiya Sabha

Two open market buildings belong to the Sabha, 07 trade stalls valued at Rs. 2,272,800 and work shop building valued at Rs. 1,483,472 had not been utilized since the year 2004 and remained idle even as at 31 December 2020.	Assets should be utilized effectively.	Discussions are in progress with regard to restoration of market buildings and ICE work shop.	Buildings had not been used.
--	--	---	------------------------------

77. Thambalagamuwa Pradeshiya Sabha

Action had not been taken to recover Tax Revenue in arrears amounting to Rs. 395,255 due from meat stalls in the area of authority of the Sabha even as at 31 December 2020.	Action should be taken to recover rent in arrears.	Speedy course of action was taken for the recovery.	Rent in arrears had not been recovered.
--	--	---	---

78. Trincomalee Town and Gravest Pradeshiya Sabha

While Market Rent Revenue in arrears amounting to Rs. 1,188,570 had been presented in accounts since a period exceeding 05 years; action had not been taken to recover amounts in arrears or to write off even up to 31 December 2020.	Rent in arrears should be recovered.	Action will be taken to recover amounts in arrears.	Amounts in arrears had not been recovered.
--	--------------------------------------	---	--

79. Muththur Pradeshiya Sabha

- (a) Action had not been taken to recover Rent in bus stand amounting to Rs. 922,250 to be recovered for the years from 2014 to 2019 even as at the end of the year 2020.
- Action should be taken to recover stalls rent in arrears.
- While stalls rent is being recovered in instalments, legal action will be taken against the defaulters in payments.
- Action had not been taken to recover amounts in arrears.
- (b) Market stalls rent in arrears amounting to Rs. 506,000 had not been recovered even as at the end of the year 2020.
- Action should be taken to recover rent in arrears.
- While action is being taken to recover amounts in arrears, wish to inform that action will be taken against the defaulters in payment of rent in arrears.
- While action had not been taken to recover amounts in arrears, legal action too had not been taken.
- (c) Although a contract amounting to Rs. 1,926,960 had been awarded to a community-based organization during the year 2017 for construction of Vallikanni main road; this contract had been stopped halfway as at the end of the year 2020.
- Contract works should be fulfilled timely with a reasonable supervision.
- Onward works of the road will be done and finalized soon.
- Construction works had not been finalized.

- (d) Bio Gas Building Assets should be It had been assured The building constructed at an utilized through letters that had not been expenditure amounting effectively. bio gas will be taken to use. to Rs. 1,115,226 under produced having Provincial Specific inspected the cattle Development Financial slaughter house Provisions on 07 belongs to the Sabha. December 2016 had not Action will be taken been taken to use for soon to use it production works up to 31 December 2020.
- (e) The Maternity and Assets should be This project could The Centre had Child Care Centre utilized not be implemented not been taken constructed at an effectively. as there was a to use. expenditure amounting shortage of to Rs. 4,094,702 during employees in the the year 2017 under office of the Medical provisions of Pura Officer of Health for Neguma Project in maintenance of the Sampur area had not centre. been used for the relevant requirement and had been handed over to the community centre.

80. Morwewa Pradeshiya Sabha

- (a) Suspense Account credit balance Action should be Action relating to The Suspense of Rs. 7,864,759 brought taken to settle the clear that balance is Account had forward since the year 2011 had Suspense Account. in progress. not been not been settled and that value settled.

had been shown under Accumulated Fund and reserves in the Balance Sheet as at 31 December 2020.

- (b) A sum of Rs. 1,826,485 given as an advance during the year 2017 had not been settled even as at the end of the year 2020. Action should be taken to settle the advance balances timely. Arrangements were made to settle in due course. Advance money had not been settled.
- (c) Although construction of 15 tube wells had been commenced in the area of authority of the Sabha during the year 2019 and a sum of Rs.1,426,528 had been paid as at 15 December 2020, work had not been completed even as at 31.12.2020 to make it possible to use the 15 tube wells. Work of the Motors have been fixed to some of the tube wells had completed soon and action should be taken to use the relevant assets. Works of the tube wells had not been finalized.

81. Kuchcheveli Pradeshiya Sabha

- (a) Rates in arrears, business tax and acreage tax revenue amounting to Rs. 1,108,043 that had elapsed more than 10 years as at end of the year 2020 had not been recovered. Relevant registers should be traced and lapses should be rectified. Information and registers relevant to rates in arrears, business tax and acreage tax revenue are not available. Action had not been taken to recover revenue in arrears.
- (b) Rates in arrears in meat stall rent income amounting to Rs.1,648,791 that had elapsed Relevant registers should be traced and lapses should be rectified. Information and registers relevant to rent in arrears and Action had not been taken to recover

more than 10 years as at end of the year 2020 had not been recovered. be rectified. meat stalls rent are revenue in not available arrears.

(c) Although a Garbage Management Centre had been constructed at an expenditure amounting to Rs. 17,943,879 in Nilavally through Pilisaru Project implemented by the Central Environment Authority had been handed over to the Pradeshiya Sabha on 26 March 2016, a fertilizer production process had not taken place there up to the end of the year 2020. Assets should be utilized effectively. As there is salt water in that place it had not been possible to commence that project. Fertilizer production process had not taken place.

(d) As the Pulmudde Market Building consisting 35 trade stalls had been constructed by the Sabah at an expenditure amounting to Rs. 24,444,588, having filled with earth of the Pulmudde tank, granting approval had been refused by the Central Environment Authority and the Coastal Conservation Department. These trade stalls had been constructed without inspecting whether this land is suitable for trading as well. Therefore those trade stalls Assets should be utilized effectively. Action will be taken to use the trade stalls. Trade stalls had not been taken to use. .

had not been taken to use even as at 31 December 2020 from the date of construction.

82. Kinniya Pradeshiya Sabha

- (a) Defaulted payments of lease money by the meat stall lessees had not been recovered from their security deposits. Therefore the amount in arrears at the end of the year 2020 amounted to Rs. 6,486,417. Action should be taken to recover amounts in arrears. Action will be taken to get instructions from the Assistant Commissioner of Local Government in this connection. Amounts in arrears had not been recovered.
- (b) Refundable Deposit totalling Rs. 1,720,000, as Rs. 30,000 from a stall for weekly fair activities and Rs. 20,000 from an opened stall should be recovered by the Sabha from 36 trade stalls in public market complex and from 32 opened trade stalls constructed at a cost amounting to Rs. 21,510,853 constructed during the year 2014 under financial provisions of the Pura Neguma Project. However, a sum of Rs. 593,000 only had been recovered as at the end of the year 2020 by the Sabah. Action should be taken to get Refundable Deposits completely. Necessary action is being taken in this connection by the Sabha. Deposits money had not been obtained.
- (c) Out of Tax in arrears amounting to Rs. 7,284,748 as at the end of the year 2020, a sum of Rs. 7,273,841 was relevant to a period prior to past 10 years. Suitable steps should be taken to recover amounts in arrears. Attention will be made with regard to this matter in due course. Amounts in arrears had not been recovered.

- (d) Although a latrine had been constructed at a cost of Rs. 1,000,000 for the welfare of tourists in Upparu area under Provincial Specified Development Grants and had been handed over on 31 December 2016 by the contractor, it remained idle without being used even as at the end of the year 2020. This latrine had been constructed in the boundary of religious place in the area. The proper documents with regard to ownership of the building constructed in this way had not been obtained by the Sabha.
- Action should be taken to reach the objective of the plan.
- While action is being taken to handover this for public use at present, the letter requesting to obtain documents connected with the land was sent to the Kinnia Divisional Secretary.
- While the building had not been taken to use, ownership too had not been vested.

83. Chilaw Pradeshiya Sabha

- (a) Out of the land called Karukkuwatawana, Kajugahawatta, sold in lots during the year 2005 a part of the land in extent of 115 perches reserved for the Sabha for common amenities, but not transferred through a deed, about 60 perches of land had been sold to another person
- Action should be taken to vest parts of land reserved for common amenities.
- While this entity identified as Shakthi Properties has been already blacklisted, Lot 23 and Lot 24 reserved for common amenities are displayed by using a board indicating as lands belong to Sabha.
- While legal works had not been taken with regard to the party involved in sale of lands belong to the Sabah having prepared fake documents even up to

during the year 2018 by the property dealer firm having prepared fake documents.

January 2022, action too had not been taken to vest the balance parts to the Sabha

- (b) While payment of lease Agreements While a preliminary Recovery rent for the period from entering into by investigation was works of tax in 25 September 2010 to 24 the Sabha should carried out through arrears had not September 2013 for be duly valid and the Local been finalized. Munneswaram Rest had should make it Government not been made by the possible to take Department with lessee, a further sum of legal action. regard to lease rent of Rs. 181,347 remained to be recovered. Sabha had failed in taking legal action against the lessee on the grounds of lack of validity in the agreement entered into with the lessee by the Sabha.

84. Wennapuwa Pradeshiya Sabha

- (a) Balances of 03 bank Action should be While one account Any step had current accounts totalling taken in out of these 03 not been taken Rs. 1,414,145 remained connection with accounts is operated in connection dormant since a number dormant bank jointly with the with dormant of years. current accounts Roads Development current soon. Authority, action is accounts even being taken to close as at end of the

			the other two month January accounts and transfer 2022. funds to the Sabha Fund.	
(b)	Although instructions had been given through the Accounts Committee on 13 October 2016 to recover the sum of Rs. 326,355 incurred by the Sabha .as surcharge for the delay in payment of contributions to the Employees Provident Fund and the Employees Trust Fund from the relevant officers, action had not been taken to recover up to now.	Action should be taken as per recommendation of the Accounts Committee.	While the relevant officer had gone on transfer to the Western Provincial Council, required action had not been taken, up to now. Therefore a reminder was sent by us on 19.11.2021 to the relevant establishment through the Commissioner of Local Government.	Required action had not been taken to recover the relevant amount to the Sabha up to the end of January 2022. .
(c)	While 150 bill books had been printed during the years 2018 and 2019 under the name; “Pre-school Development Society” through the Sabha for 15 pre-schools managed by the	While income should be disclosed in the financial statements, accounts relevant to expenditure should be presented to the	Necessary action has been taken to report those accounts and fund values through year end financial statements under other disclosures.	While action had not been taken to account the amounts collected through receipts containing the

Sabha, incurring an expenditure amounting to Rs. 14,900, a sum of Rs. 6,821,408 had been collected by Aril 2021 from the children of the relevant pre-schools through receipts indicating the name of the Sabha. While 15 bank accounts had been opened without appropriate approval and that money had been deposited, expenditure had been incurred out of that income and expenditure relevant to that had not been disclosed in the financial statements. Relevant accounts had not been subjected to any audt. Similarly, expenditure amounting to Rs. 15,731,976 had been incurred by the Sabha. during the year under review, for pre-

Sabha.

name of the Sabha properly, and to disclose the relevant income and expenditure in the financial statements, action too had not been taken to refer the relevant accounts to any audit.

schools managed by
the Sabha, out of
Sabha Fund

85. Naththandiya Pradeshiya Sabha

- (a) Action had not been taken to recover a sum of Rs. 600,000 given to 04 individuals during the year 2002 for construction of a slaughterhouse even as at the end of the year 2020. Although instructions were given on 13 October 2016 by the Provincial Accounts Committee to recover from the officers connected with this, action had not been taken to recover up to now.
- Action should be taken as per Accounts Committee decision.
- Cases have been filed against the four individuals relevant to this.
- While a case has been filed against the four individuals, two sessions have been concluded by now. The date of next session given by court is 23.02.2022.
- (b) Full land named Mavila, Keenakelewaththa in extent of 204 Hectares had been purchased by a private auction on 26 October 2019 firm having sub partitioned as two plans reducing to one hectare and approval of the chairman of the Pradeshiya Sabha had been obtained for sub partition
- Rules and Reugulations relevant to sub partitioning of lands should be complied with.
- A letter has been referred through the Nattandiya Pradeshiya Sabha on 20 October 2020 to the Urban Development Authority on 2020.10.20, inquiring whether
- Plans had been approved without vesting for common amenities. However, sub partitioning the full land reducing to one hectare though

on 12 March 2020. Presenting two plans for partitioning the full land appeared as an attempt to escape rules and regulations. Due to that a part of land in extent of about 64 perches entitle to the Sabha for common amenities had been lost to the Sabha.

reservations should be made for common amenities for the relevant land. preparation of two plans resulted in a loss of land in extent of about 64 perches entitle to the Sabha for common amenities.

86. Wanathavilluwa Pradeshiya Sabha

Buildings valued at Rs.3,209,301 and Body Building Equipment valued at Rs. 2,811,200 remained idle since the year 2019.

Action should be taken for full utilization of assets. It had not been possible to use the Karathivu Pradeshiya Sabha building due to irreparable condition and lack of applicants for taking on lease the Ismail Puram Public Utility Centre and the building adjacent to 6 mile post service centre. Body building equipment could not be taken to use due to lack of a suitable building.

Relevant Buildings and Body Building Equipment had not been utilized even up to January 2022.

87. Karuwalagaswewa Pradeshiya Sabha

Neela Bemma Holiday Home constructed having spent a sum of Rs. 18,000,000 during the year 2014 and 02 weekly fairs remained idle.	Techniques for obtaining maximum benefits from resources should be planned and implemented.	It has been planned to lease out on long term basis to a private entrepreneur after calling for tenders. Project reports have been called for that. While tenders were called for 02 weekly fairs, there was no response from any applicant.	Neela Bemma Holiday Home and 02 weekly fairs remained idle since a number of years even as at end of January 2022.
---	---	--	--

88. Pannala Pradeshiya Sabha

- | | | | | |
|------------|---|--|--|---|
| (a) | It had been failed to recover key-money in arrears amounting to Rs. 4,636,771 from 8 trade stalls in Kandanegedra Market Complex and key money amounting to Rs. 220,332 from 02 trade stalls in Wetakeiyawa Market Complex. | Action should be taken to recover key money as per agreements. | Action is being taken to recover key money in arrears not recovered up to now. | Key money had not been recovered. |
| (b) | While out of 326 trade stalls belong to the Sabha, Only 317 trade stalls had been leased out during the year | .Revenue in arrears should be recovered soon. | Action is being taken to recover amounts in arrears. | Balances in arrears amounting to Rs. 105,980 had not been |

under review, the balance in arrears as at 30 April 2021 amounted to Rs. 105,980.

recovered. Balance 09 trade stalls had not been leased out.

89. Bingiriya Pradeshiya Sabha

While a sum of Rs. 8,917,462 had been paid by the year 2017 keeping a sum of Rs.886,746 as retention money for Construction of Bowaththa Bus Stand commenced on 04 November 2015 at an estimated value of Rs. 8,528,443, it remained without being used due to non-performance of work such as fixing tiles to the building, hand railing and groundwork.

Action should be taken to provide benefits of those assets to the general public.

As the Pradeshiya Sabha has no provisions for the completion of balance work of the building and the ground, proposals with draft estimates have been forwarded to get provisions through the Ministry.

Balance work could not be completed due to lack of provisions.

90. Ibbagamuwa Pradeshiya Sabha

(a)

In terms of paragraph 1.2 of the Finance Commission Circular No. 2016/01 dated 30 December 2015 it is required to use carpet, tar or concrete in construction as well as in

Circular instructions should be complied with.

Circular requirement had to be overlooked due to increase in the number of members from 22 to 43, interest shown in development of the division, largeness of

Gravel had been laid in 04 roads having spent a sum of Rs. 1,042,218 during the year 2020 and 2021.

improving of local government roads in order to keep those durable. However, gravel had been applied for 38 roads having spent a sum of Rs. 12,172,648 during the year 2018 contrary to the that circular.

the area, increased road complex and public requests

- (b) While agreements had not been entered into when leasing out trade stalls in the Melsiripura Bus Stand, on prepayment basis, in terms of agreement signed on 09 February 2018 the lessor has the right to re tender in the event non payment balance pre payment money within three months However, a sum of Rs. 3,70i3,596 was outstanding to be recovered due to failure in taking action accordingly.
- Should take action as per agreements.
- While relevant parties had been informed continuously in this connection, legal action will be taken for the recovery of balance arrears in due course.
- A sum of Rs. 2,155,711 had not been recovered up to the year 2022.
- (c) The Gully Bowzer and the Compactor valued at Rs. 13,075,000 received
- If it is not possible to use effectively, action should be
- It is proposed to prepare a project proposal to obtain
- These 02 machines are not in use.

as donations during th taken to provide provision to get a
years 2015 and 2016 those to a needy place for disposal of
remained idle. institution. excrement. Pease be
informed that
compactor could be
used after opening
the solid wastes
centre.

- (d) Contrary to provisions in Should comply Wish to inform that Action had not
paragraph 3(b) of the with provisions in there is no loss to the been taken to
circular dated 05 June the Establishments Government recover this
1990 of the Secretary to Code and circular although contrary to money.
the Ministry of Proviicial instructions. Establishments
Counciils read in Code, Financial
conjunction with first Regulations and the
clause in chapter IX of circular. The money
the Establishments Code, remitted for the
out of administrative performance of
expenditure money relevant duties were
received from the paid to the relevant
Ibbagamuwa, parties.
Ganewaththa Divisional
Secretary from the year
2017 to 26 February
2019, 25 percent of that
money had been credited
to the Sabha fund and a
sum of Rs.943,842
being the balance 75
percent had been
distributed among 19

individuals serving in the Sabha on a decision taken by the Sabha.

91. Kurunegala Pradeshiya Sabha

Contrary to provisions in paragraph 3(b) of the circular dated 05 June 1990 of the Secretary to the Ministry of Provincial Councils read in conjunction with first clause in chapter IX of the Establishments Code, out of administrative expenditure money received in respect of development works based on provisions received from various public institutions to the Sabha fund from the year 2011 to 2017, a sum of 2,386,631 had been distributed among 22 officers serving in the Sabha without approval of the Governor.

Amounts paid without approval should be recovered.

Replies will be submitted after studying the circular copy of the Secretary to the Ministry of Provincial Council not dated 05 June 1990.

While letters have been referred for refund, these amounts have not been recovered.

92. Galgamuwa Pradeshiya Sabha

- (a) While the amount in arrears for hiring out the Action should be taken to transfer action will be taken Be informed that Amounts in arrears had not

the motor grader the arrears amount to transfer Sabha been machine as at the end of of sabha works works between recovered. the year 2020 amounted between accounts accounts and that to Rs.3,235,919, a sum and arrears amount action will be taken of Rs. .3,016,308 to be recovered in due course with included here had been from individuals. regard to amounts in arrears for more than arrears to be 01 year. recovered from individuals.

(b) Out of the sum of Rs. Action should be Wish to inform that Amounts in 1,314,972 in arrears taken to recover onward action is arrears had not receivable for hiring out amounts being taken at been properly compacting roller as at receivable from present in recovered. the end of the year 2020, the institutions and connection with balance brought forward individuals as amounts receivable since a period exceeding recoveries have from individuals. one year amounted to Rs. not been made up 1,309,472. to now.

(c) A balance brought ward Action should be Be informed that Amounts in since a period exceeding taken to recover action will be taken arrears had not one year amounting Rs. amounts to transfer Sabha been 1,302,656 was included receivable from works between recovered. in the arrears of rent the institutions and accounts and that receivable for the JCB individuals as action will be taken Machine amounting to recoveries have in due course with Rs. 2,665,358 as at the not been made up regard to amounts in arrears to be end of the year 2018. to now. recovered from individuals.

(d) The further balance to Action should be Be informed that Amounts in be recovered for hiring taken to recover action will be taken arrears had not out the Motor Grader the specified to transfer Sabha been Machine as at 17 June amounts. . works between recovered. 2020 amounted to accounts and that action will be taken in due course with regard to amounts in arrears to be recovered from individuals.

93. Giribawa Pradeshiya Sabha

Seven trade stalls had Action should be Agreed persons were Agreements been sold to outside taken as per informed that trade have been parties for a sum of Rs. conditions in the stalls should not be entered into 2,030,000 during the agreements sold and that in the with existing period from the year entered into. event of transferring lessees. 2006 to the year 2018 to outside parties, such transfers should without informing the Sabha by 07 lessees who made with the concurrence of the Pradeshiya Sabha. had signed agreements.

94. Nikaweratiya Pradeshiya Sabha

A revenue of Rs. Assets belong to Necessary course of Trade stalls not 420,000 due to failure in the Sabha should action has been taken leased out still taking action to lease be leased out and sole the relevant exist. out 05 trsde stalls action should be problems. belong to the Sabha in taken to earn

the Bus Stand; and a income. revenue of Rs. 1,434,000 due to absence of procurers, in spite of action taken to lease out 18 trade stalls in the ground floor and upper floor of the Health Centre, had been lost. Although 3 – 4 years had elapsed after opening trade stall in upper floor of the Bus Stand, and closing down due to reasons such as lack of electricity supply and pigeons' perch. Sabha had not attended to these lapses.

95. Polgahawela Pradeshiya Sabha

<p>Action had not been taken to recover Stalls Rent in arrears amounting to Rs. 1,192,709 due to be recovered from 14 trade stalls since a period prior to the year 2016</p>	<p>Amounts in arrears should be recovered timely.</p>	<p>The arrears. of the Prarthana Café trade stalls amounts to Rs. 1,076,858.66. A case has been filed to recover that. The arrears amount that could be set off against the amount in the Deposits Register was set off. Balance amount in arrears has been referred to the Revenue Inspector for recovery.</p>	<p>.A sum of Rs.1,076,854 had not been recovered further.</p>
--	---	---	---

96. Buththala Pradeshiya Sabha

- (a) A sum of Rs. 1,225,279 due for leasing out beef stalls, mutton stalls and chicken stalls belong to the Sabha in the weekly fair during the period from the year 1988 to the year 2012 had not been recovered.
- Action should be taken to recover tax in arrears and to avoid this type of situations.
- Making recovery by Rent in arrears now is problematic had not been as those relevant to recovered. the period from 1988 to 2011 had not been timely done.
- (b) A sum of Rs. 434,630 had been overpaid in making payments for the transport item applying rates applicable for less than 200 cubic meters, without applying rates applicable for more than 200 cubic meters relevant to 8 road development projects constructed utilizing gravel exceeding a quantity of 200 cubic meters.
- Loss occurred to the Sabha Fund should be recovered.
- The final quotation mentioned in road investigations for the being carried out by the Local Government Deatment in this connection. Overpayments have not been recovered.
- (c) Rent Income in arrears amounting to Rs. 5,033,718 recoverable as at 31 December 2019 for leasing out 09 vehicles /machines belong to the Sabha during the period from the year
- Income in arrears should be recovered..
- Various steps were taken for the recovery. Legal action will be taken against the
- Taking legal action or rccovery of money had not been done.

2010 to August 31 2019 had not been recovered.

defaulters.

- (d) When making recovery of monthly rent of 67 trade stalls leased out on long term basis by the Sabha, action had not been taken according to the assessment No. MO/RD/498 dated 24 July 2012 of the Uva Province Chief Valuer and therefore an income of Rs. 12,576,600 had been lost to the Sabha Fund as at 31 Decmbeer 2020.
- Trade stalls should be assessed timely and that assessed rent should be recovered.
- It was informed that the Assistant Commissioner of Local Government informed to continue to recover the present assessed rent.
- Recovery of trade stalls rent had not been done according to new assessment.

97. Thanamalwila Pradeshiya Sabha

- (a) A sum of Rs. 1,975,898 had been overpaid in making payments for the transport item applying rates applicable for less than 200 cubic meters, relevant to 12 road development projects constructed utilizing gravel exceeding a quantity of 200 cubic meters.
- Loss occurred to the Sabha Fund should be recovered soon..
- It has been informed that a further sum of Rs. 947,814 is outstanding to be recovered.
- A further sum of Rs. 940,815 is outstanding to be recovered.
- (b) Taxes in arrears amounting to Rs. 768,277 for leasing out meat stalls, fish stalls and weekly fair belong to the Sabha which is being
- Action should be taken to recover tax money in arrears.
- Be informed that request were made to the Chief Minister through the Assistant Commissioner of Local Government to
- Amounts in arrears had not been recovered.

brought forward since a period exceeding 10 years had not been recovered.

write off amounts in arrears .

98. Badalkumbura Pradeshiya Sabha

While taxes in arrears amounting to Rs. 417,556 due to recovered in respect of 13 properties belong to the Sabha leased out during past years had not been recovered, 10 properties had not been leased out during the year 2020.

Action should be taken to recover amounts in arrears and to lease out properties.

It has been informed that action will be taken to recover amounts in arrears, and that tenders were called for leasing out trade stalls not leased, but there was no response.

While adequate action had not been taken to recover amounts in arrears, action had not been taken to lease out 10 properties up to now.

99. Wellawaya Pradeshiya Sabha

A sum of Rs. 732,740 to be recovered as rent since a period prior to the year 2016 and a sum of Rs. 3,309,235 to be recovered for the period from year 2017 to year 2019 for leasing out 119 trade stalls belong to the Sabha had not been recovered.

Trade stalls rent in arrears should be recovered.

While there was a drawback in recovery of rent in arrears due to Corona epidemic situation, it has been informed that necessary action will be taken in due course.

Rent in arrears amounting to Rs. 3,362,212 existing since prior to the year 2016 up to the year 2019 remained to be recovered further.

100. Katharagama Pradeshiya Sabha

- (a) Tax money amounting to Rs. 5,458,237 recoverable from 12 properties belong to the Sabha as at 31 December of the year under review had not been recovered. Tax money recoverable should be recovered. Action will be taken to handover the files to the lawyer for taking legal steps. While adequate course of action had not been taken to recover tax money amounting to Rs. 5,458,237, legal action had not been taken for the recovery of that tax money in arrears.
- (b) Out of Environment Protection License Fees recovered by the Sabha during the period from the year 2012 to July 2020 a sum of Rs. 568,993 to 10 officers engaged in field inspection from the year 2012 to the year 2019; an allowance of Rs. 35,000 to 05 officers up to July 2020 had been paid without a proper approval. While payment of allowances to officers without proper approval should be stopped, allowances paid should be recovered. While subject officers were informed to provide information in this connection, it has been informed that action will be taken to rectify it. Although the payment of field inspection allowance had been stopped, improper payments made during the period from the year 2012 to the year 2020 had not been recovered.

101. Bandarawela Pradeshiya Sabha

Although the multipurpose building with an upstairs constructed incurring expenditure amounting to Rs. 40 million through Pura Neguma Project implemented under the Ministry of Provincial Councils and Local Government with the financial assistance of the Asian Development Bank and handed over during the year 2016 to the Sabha after completing with the objective of earning income, it had been used only for a public library and Sabha meetings activities.

That building should be utilized for earning income.

It has been mentioned, that it has been proposed to utilize that building as a source of income generation.

A pre-child age development centre and communication centre has been inaugurated newly.

102. Mahiyangana Pradeshiya Sabha

While various parties were carrying out trading activities for nine years since the year 2012 up to the

Sabha should enter into agreements with the lessees and recover lease rent.

It has been mentioned that relevant agreement has been submitted to get approval of

Entering into agreements and recovery of lease rent had not been done.

year under review for nine years, in the trading complex consisting 31 trade stalls constructed by lessees in a land situated in Mahiyangana town belongs to the Sabha, Sabha had not entered into agreements with the lessees or recovered lease rent.

the Hon. Governor through the Commissioner of Local Government.

103. Soranathota Pradeshiya Sabha

The building constructed with the objective of earning income through an auditorium and leasing out rooms to outside parties, out of the loan of Rs 8,834,609 obtained from the Local Loans and Development Fund for construction of a multi purpose building during the year 2009 had not been utilized according to the way it was planned, in that the auditorium had been

A correct plan should be prepared and objectives shown should be fulfilled.

Although the upper floor of this building had been planned for the office, at present Sabha office is located as it has not been constructed .It has been mentioned that the building could not be utilized for income earning work.

Observation remains as it is.

used to conduct monthly meetings, while rooms there had been used for office works. Due to that, it had not been possible to pay the instalments of the loan obtained. Therefore loan instalments and penal interest not paid to the Local Loans and Development Fund amounted to Rs. 5,795,722 as at 31 December of the year under review.

104. Ridheemaliyedda Pradeshiya Sabha

In leasing out the right to trade in the Andhaulpotha fair ground, condition 04 in the agreement connected with that had not been complied with. Due to that, it had not been possible to recover an income of Rs. 833,746 due to be recovered as at 31 December 2020.

Fair income in It has been informed While a case to trade in the arrears should be that a case has been has been filed Andhaulpotha fair recovered. filed in court. in court, case ground, condition 04 in the agreement connected with that had not been complied with. Due to that, it had not been possible to recover an income of Rs. 833,746 due to be recovered as at 31 December 2020. works has not been finalized.

105. Valikamam South Pradeshiya Sabha

Property Tax in arrears Effective course of Course of action is Steps had not amounting to Rs. action should be being taken to been taken to 2,926,355 had not been taken soon to register 45 burial recover that recovered in accordance recover amounts in grounds. Action will income up to with Section 134 (i) of arrears. be taken to recover now. the Pradeshiya Sabha Act charges after No. 15 of 1987 since a finalizing period exceeding past 05 registration work. years from properties situated in the area of authority of the Sabha.

106. Karainagar Pradeshiya Sabha

Although a sum of Assets should not Action will be taken Those assets Rs.15,827,506 was be kept unused. to call for bids again. remained spent for activities unused further. such as beatification of Kasurina Coastal Line, Traditional Restaurant, Latrine and construction of Childrens' Park, those assets remained unused up to now.

107. Nallur Pradeshiya Sabha

- (a) Lands .purchased Suitable course of Action will be taken Those assets having spent a sum of action should be to construct the road remain Rs. 5,354,000 rmaind taken to utilize towards end of this unutilized unused since 07 years. lands. . year. further.
- (b) Rates in arrears Sabha should Epidemic condition Steps had not

amounting to Rs. 6,263,614. The proper management of this revenue was the reason for the loss of Rs. 6,263,614. The revenue collection for the year 2002 had not been recovered. The revenue up to now.

108. Vadamarachchi Pradeshiya Sabha

Although a period of 05 years should be obtained for the amount spent. Adequate utility Steps have been taken to implement distribute drinking water according to the report obtained from the Manager, Water Supply and Drainage Board. Action to distribute drinking water up to now. Mudaleikkuli Drinking Water Project, the sum of Rs. 2,999,724 spent for that had become a fruitless expenditure due to failure in taking action to distribute drinking water up to now.

109. Valikamam East Pradeshiya Sabha

Constructions works in a shopping complex remain unused and therefore the sum of Rs. 3,794,808 spent for that had become a fruitless expenditure. Steps should be taken to avoid idle assets. More attention will be taken in future. Remain idle up to now..

110.

Valikamam North Pradeshiya Sabha

Although a sum of Rs. 10,262,245 was spent to construct a wastes cleaning centre during the year .2018, wastes cleaning works had not been fulfilled up to now. Suitable course of action should be taken to get benefits of projects. Indian Technical Wastes Officer inspected cleaning works this. There had been had not been a delay due to fulfilled up to epiemic situation. now.

111.

Valikamam South West Pradeshiya Sabha

(a)

Action had not been taken to recover amounting Rs. 25,498,555, Rent amounting to Rs. 2,800,311 and Water Supply Service Charges amounting to Rs. 161,030 in arrears and old between 02 years and 05 years. Revenue collection Rates should be properly managed. While epidemic situation was the reason for this, action is being taken to recover these arrears of revenue.. Steps had not been taken to recover that reenue.

(b)

Although 05 works such as Trade complexes, Draiage and Children's Parks etc. had been completed having spent a sum of Rs. 22,670,268, all those projects remained unused up to now. Assets should not be kept unused. Suitable course of action is being to utilize. Those Assets are stll not in use.

(c) Any step had not been taken during the period of past 16 years to get back a cab vehicle belongs to the Sabha taken away by the ex chairman at the time of dissolution of the Sabha on 17 February 2003. A suitable step should be taken to get back the cab vehicle soon. It remains ineffective due to lack of suitable officers in the committee appointed, to come forward to undertake this work and lack of suitable guidelines. Although that vehicle had been returned after 16 years in defunct condition, any course of action had not been taken against that.

112. Velanei Pradeshiya Sabha

(a) A weekly fair constructed at an expenditure amounting to Rs. 885,000 remained unused. Action should be taken to use the weekly fair. Nobody came forward to get the lease of weekly fair. Those assets remain unused further. Therefore, course of action has been taken to convert the weekly fair to a trade stalls complex and to give on rent.

(b) Machinery purchased for a sum of Rs. 30,880,937 during the year 2016 for development of tourism industry in Mandathievu area remained idle since a period of more than 04 years. Assets should not be kept unused. Those machines will be used after receiving funds provided by the District Secretariat. Those assets remain unutilized further.

113. Punakary Pradeshiya Sabha

- (a) Although 42 houses had been constructed in paddy lands, no steps had been taken against that in terms of Section 32(1) of the Agricultural Development Act No. 46 of 2000. Action should be taken in terms of the Act . Course of legal action is being taken Except informing the Distirct Secretary in this connection , any other action had not been taken.
- (b) Necessary action had not been taken to recover rent and lease income amounting to Rs. 2,446,753 in arrears since a period between 01 and 07 years. Income in arrears should be collected. Cases had been filed in the Mediation Board against 08 tenants during the year 2017. No evidence was received with regard to present position.

114. Vavuniya South Tamil Pradeshiya Sabha

- (a) Although the construction work of Askkulam Water tanks Complex had been finalized having spent a sum of Rs. 1,883,353 during the year 2018, it had not been used up to now. Action should be taken to use. Action is being taken to use after discussing with the relevant departments. Remain unused up to now.
- (b) Trade Stalls and Heavy Vehicle Rent in arrears totalling Rs. 2,324,340 were old between 01 and 09 years. Revenue collection should be well managed. While requests have been made to exempt a part of rent in arrears on the grounds of epidemic These balances had not been recovered..

situation, balance will be recovered in due course

115. Pachchileipalli Pradeshiya Sabha

Although the Children's Park constructed in Iththavil having spent a sum of Rs. 933,223 had been handed over to the Sabha during December 2019, it remained unused up to now.	Steps should be taken not to keep the assets belong to the Sabha unused.	The children park had not been prepared in a manner suitable for use. Action will be taken to use after completing necessary works.	These assets remain unused further.
---	--	---	-------------------------------------

116. Karachchi Pradeshiya Sabha

- | | | | | |
|-----|--|--|---|--|
| (a) | It was not possible to fill water to the Water Tank provided to the Wattakachchi Ayurvedic Hospital constructed having spent a sum of Rs. 700,000 during the year 2018. Due to that it remained idle | Assets should not be kept unused. | Although tube wells were constructed twice to fill water, water was not suitable for public use. Accordingly, it has been planned to fill water through the Agricultural Department | The water tank remained unused up to now. |
| (b) | Demurrage charges amounting to Rs. 1,420,409 to be recovered on the basis | Demurrage charges should be recovered as per agreements. | These demurrage charges have been deposited. Action will be taken on the | Taking action on the basis of relevant instructions. |

of delay in construction of 12 projects had not been recovered.

basis of the Commissioner of Local Government.

- (c) While quotations had not been called for Hanging Bridge Project, in terms of Guideline 2.14.1 of the Government Procurement Guidelines Code of 2006, a sum of Rs.1,400,000 had been paid without signing agreements too.
- Procurement Guidelines should be complied with.
- As experts are available in connection with construction of Hanging Bridges in the Kilinochchi area, necessary for procurement process did not arise.
- Necessary in onward steps had not been taken to this act done contrary to rules and regulations.

- (d) Although 169 unauthorized trade stalls had been constructed in the lands situated in the Kanagapuram Road provided with the objective of settlement of people by the Karachchi Divisional Secretariat, steps had not been taken to remove those of Section 52 of the Pradeshiya Saha Act No. 15 1987.
- Provisions in the Act should be complied with.
- When trade stalls are constructed in lands given for residential purpose, a situation of refusing approval for buildings exits.
- A reasonable step had not been taken with regard to unauthorized constructions.

- (e) Steps had not been taken to recover taxes and rent in arrears old between a period of 01 and 05 years, amounting to Rs. 11,740,658
- Adequate steps should be taken to recover taxes and rent in arrears
- Legal action is being taken.
- These balances in arrears remain unsettled up to now.
- (f) Two parks and the carbonic fertilizer processing building valued at Rs. 11,238,788 belong to the Sabha remained unused since a period exceeding 03 years.
- Effective steps should be taken to use the assets belong to the Sabha.
- Course of action is being taken to use.
- These assets remained unused.

117. Vauniya North Pradeshiya Sabha

- (a) Six years old Trade Stalls Rent amounting to Rs. 2,400,090, 03 years old Lease Rent amounting to Rs. 885,917, Acreage Tax and Vehicle Rent totalling Rs. 557,785 had not been recovered.
- Trade Revenue collection should be well managed.
- Action is being taken to recover revenue in arrears.
- These rents had not been recovered
- (b) While the Bus stand at Nedhrkerny and trade stalls constructed through Northern Spring Program during
- Effective course of action should be taken to use properties belong
- Studies are being .made with regard utilization of the trade stalls and the weekly fair building
- Those assets remain unused up to now.

the year 2011 to the Sabha. for other suitable
amounting to Rs. activities.
26,137,591 and handed
over to the Sabha
remained unused since
a period exceeding 10
years up to now, steps
had not been taken to
use Bogaswewa
weekly fair building
amounting to Rs.
825,697 since a period
exceeding past 05
years.

