

VOTE 17: URBAN AND RURAL DEVELOPMENT

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INTRODUCTION

The mandate of the Vote

The mandate of the Ministry of Urban and Rural Development is to Coordinate and manage Decentralization in Namibia. This entails the transferring powers to Regional Councils, Local Authorities and Traditional Authorities structures, providing advisory services, technical support and capacity building. This involves developing policy guidelines and procedures, evaluating institutional readiness of Line Ministries and Sub-National Government and legislation harmonisation as well as introduce good governance principles; facilitating the recognition of traditional communities and ensure compliance with provisions of the law/legislations.

It also ensures adequate Legislation, Policies and standards for Sub-National structure. It coordinates and facilitating the Rural Development activities, policies and legislation to ensure sustainable rural livelihoods, reduction of poverty, improve living condition and shelter, mitigate rural-urban migration and ensuring appropriate town planning and establishment; infrastructure development and land use management.

EXECUTIVE SUMMARY OF THE VOTE

The executive summary indicates main achievements and challenges during 2014/15 only.

Achievements 2014/15

- Establishment of Rural Development Steering Committee
- Construction of Nine (9) new Local Authorities offices (Kamanjab, Bethanie, Berseba, Tses, Maltahohe, Aranos, Otjinene, Bukalo, Otavi)
- Compensate 1800 homesteads
- Procurement of 38 firefighting equipment
- Hosting of 5th Local Economic Development conference
- Construction of nine (9) offices for traditional Authorities (Baglagdi, Kung, Kakurukoue, Witbooi, Joahansi, Kao-Aes; Swartbooi and Gaiodaman)
- Develop a 5 – year sectoral execution plan on housing
- Finalise the review of the amendment Bill to Regional Council Act, 1992 and Local Authorities Act
- Investigation of tribal disputes of Otjikaoko and Swartbooi Traditional Authorities
- Finalise the new proposed planning bill
- Commissioned the new Urban Land Integrated Management System

Delegates the following functions:

- **Ministry of Education, Arts and Culture**

Functions: Primary and Secondary education, Adult education and Library services

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- **Ministry of Works and Transport**

Functions: Maintenance functions

- **Ministry of Information Communication Technology**

Functions: Print and Audio-visual production (Gazetted).

- **Ministry of Gender Equality and Child Welfare**

Functions: Community Development, Early Childhood Development, Child Welfare and Gender Equality

Challenges

- Higher rate of unemployment at rural areas
- Difficult to access to market by rural communities
- Unsustainability for some of Local Authorities
- Lack of capacity to implement capital projects
- Unavailability of serviced land
- Lack of technical capacity (Technical people) in Planning and Technical services
- Absence of implementation agreement for Mass Housing Projects
- Reluctance of line ministries to decentralize
- Lack of office facilities at regional level to accommodate decentralized activities
- Unfunded mandates (decentralized of activities without funds)
- Too many tribal disputes
- Unending of application of recognition by traditional authorities
- Lack of capacity at sub national level
- Insufficient fund for compensation of homesteads due to town expansions
- Bureaucracy in the recruitment process
- Shortage of operational vehicles
- Shortage of office space for the Governors

The main objectives of the Vote

Overall vote actual performance

Breakdown \ Year	2014/15	
	N\$	
	Estimate	Actual
Operational Budget	1,685,318,000	1,678,661,980
Development Budget	963,670,000	963,670,000
Development Partners	0	0
Total	2,648,988,000	2,642,331,980

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Overview of the of ministerial targets

Name of the Ministerial Targets	2013/14 Actual	2013/14- 2015/16	2014/15 Forecast	2014/2015 Actual
Delegation of at least eight functions	4	3	3	3
Proclamation of three local authorities by 2016/17	3	3	3	2
Construct 2000 houses per year under rural /social housing	0	10,800	10,800	976
Establishment two Rural Development centres by 2016/17	0	2	2	0
Construction of one office per year for local authority	2	1	2	2
Construction of three Regional Office park by 2016/17	0	1	0	0
Construction of eight traditional office by 2016/17	2	3	2	3
Construction of services infrastructure in 20 town by 2016	37	5	20	18
Get rid of bucket system in 11 villages and settlement	0	0	5	0

Targets:

Target 01: Delegation of at least eight (8) functions to the regions

Decentralization

The Ministry target was aimed to delegate at least eight functions of the sector mentioned below namely, **Ministry of Information and Communication Technology, Gender and Child Welfare and Ministry of Land Reform, Ministry of Works and Transport as well as Ministry of Education.**

The Ministry planned to facilitate the DPIC meetings, but could not materialize. Awareness sessions on decentralization and good governance were conducted and consultations on the amendment of the RC Act were done. Regional Councils readiness assessments were conducted for all 13 regions. **MICT:** The Ministry facilitated a consultation meeting with Regional Council Chief Regional Officers on the final framework in preparation for delegation of MICT functions: Audio Visual and Print Media Production and to finalize draft Cabinet submission and handover agreements.

ML&R: Regional Consultations are finalized and a Cabinet submission was made. **MGECW:** A consultation meeting was held with the Ministry on the finalization of the structure.

MOE: The process could not be finalized due to the fact that moveable stocks verification cannot be finalized and shortage of office accommodation at the regional level: This target did not

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Target 02: Proclamation of three Local Authorities by 2016/17

This target achieves its objective as set out in the MTP because two new local Authorities, namely Bukalo and Divudu have been proclaimed during the period under review.

Efficiency: It was possible to reach this target because the process and financial resources was within our control due to the fact that the consultation and planning stages was already done in previous years.

Impacts: The proclamation of these new local authorities has improved the living conditions of their respective communities by providing employment opportunities and bringing the municipal services and housing close to them. However these services should be rendered on cost recovery principle in order to sustain them. The subsidies from Central Government is still required due to the fact that revue basis are not able to maintain self-sustaining.

Target 03: Construction of 2000 houses under rural/social housing sub programme

This target did not achieve its objectives because it only achieves 9% of the anticipated output. The program underperforms due to some external factors which are not in our domain, e.g the cost of building materials and the capacity of contractors to deliver. Currently only 976 houses has been completed under this programme and the target has been revised to fall under Mass Housing programme.

Efficiency: Although the program has reached 100% expenditure rate, it was not possible to achieve this target because the financial resources allocated was not sufficient to cater for the expected output. However the absences of implementation strategy of the program will remain a challenge.

Impact: The main aim of this target is to provide affordable houses to the poor people, however the housing units constructed are not affordable by the intended beneficial. The programme has been temporally put on hold by Cabinet in order to review the process and look at the best way to implement it effectively.

Target 04: Construction of two Rural Development Centres by 2016/17

This activity did not achieve its target yet but significant progress has been completed, such as the fencing and guard houses for Rural Development centre at Zambezi, Kavango west, Eembaxu, Hardap and //Karas. The construction of services at Opuwo and Omusati has also started and expected to be completed by September 2016.

Efficiency: Limited financial allocation to these activities makes it impossible to meet the target. The maximum amount per centre is N\$10 million per year while the construction cost is N\$220 million per centre.

Impact: Rural development centres aim to provide employment opportunities and poverty alleviation at the rural communities however the delay in the program will leave a huge gap to address unemployment. The Ministry is facing challenges during the implementation due to budget constraints and disputes over location of the sites among the communities.

Target 05: Construction of one Local Authority office per year

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This activity exceeds the target with 100%. Two Local Authorities offices has been constructed, namely Bukalo and Matahohe village council.

Target 06: Construction of one Traditional Authorities office per year

This activity exceeds the target due to the fact that three Traditional Authorities has been completed. Kakurukouje, Hai// om in Kunene region and Witbooi in Hardap region has been completed during the period under review. Noticeable progress on for, Swartbooi and Joa-hansi Traditional Authority offices which are expected to be completed during March 2016.

Efficiency: The allocated amount is not sufficient to complete because the estimate were done during the planning phase which escalate gradually due to different site condition.

Impact: The offices will improve service delivery to the communities under their subject because the Traditional Authority play important role to resolve issues through traditional courts.

Target 07: Construction of services infrastructure in 20 towns by 2016/17

The activity did not achieve its target yet but significant progress has been completed. The assumption was 80% of our project infrastructure services will be completed on time.

Efficiency: The allocated amount is sufficient to complete the estimated projects during the planning phase which escalate gradually due to different site condition.

Impact: The infrastructure services will improve service delivery to the communities under their subject because the most of the people will have access to serviced urban land.

Target 08: Get rid of the bucket system in 11 villages and settlements

The activity did not achieve its target at all because no budget provision was made for replacing bucket system. This target will be removed as result of limited financial resources.

Efficiency: There were no financial resources allocated.

Impact: The removal of the bucket system will improve on the sanitation because communities will have flushing toilets and this will also decrease or minimise environmental pollution because the people will have access to modern sanitation.

PROGRAM-ACTIVITIES DESCRIPTION

*P-Code	Programme Name	*A-Code	Activity Name	*MD in Charge	2014/15		
					Estimate	Actual	Execution rate(%)
01	Rural Development	1	Poverty alleviation and employment creation	7	99,574,800	99,141,546	99.56
							0.00
							0.00
							0.00
Sub-Total					99,574,800	99,141,546	99.56
02	Support to Planning, Infrastructure & Housing	1	Policy formulation on housing and servicing of land	5	1,354,139,800	1,352,842,227	99.90
							0.00
							0.00
							0.00
Sub-Total					1,354,139,800	1,352,842,227	99.90
03	Enhancement of Public Participation	1	Decentralisation Co-ordination	4	10,008,900	8,586,241	85.79
							0.00
							0.00
							0.00
Sub-Total					10,008,900	8,586,241	85.79
04	Co-ordination of Local Authority and Regional Council Affairs	1	Regional,Local and Traditional Authority	3	1,059,265,100	1,057,208,128	99.81
							0.00
							0.00
							0.00
Sub-Total					1,059,265,100	1,057,208,128	99.81
05	Policy supervision and support services	1	Policy supervision (Office of the Minister)	1	6,699,100	6,470,673	96.59
		2	General Support services	2	52,501,000	52,669,438	100.32
		3	Information Technology	6	5,319,700	5,130,114	96.44
		4	Risk Management	8	3,731,600	3,494,056	93.63
		5	Representative of Central Government	9	57,748,000	56,789,558	98.34
Sub-Total					125,999,400	124,553,839	98.85
Sub-Total					0	0	0.00
Vote-Total					2,648,988,000	2,642,331,980	99.75

EXPENDITURE FROM CONTINGENCY 2014/15

None

EXPENDITURE BY STANDARD ITEMS

Breakdown	Year	2014/15	
		Estimate	Actual
Personnel Expenditure		151,580,000	128,181,354
Goods and Other Services		102,385,000	106,403,933
Subsidies and Other Current Transfers		1,426,290,000	1,437,795,456
Acquisition of Capital Assets(Operational)		5,063,000	6,281,237
Capital Transfers (Operational)			
Operational Budget		1,685,318,000	1,678,661,980
Operational Capital		0	
Acquisition of Capital Assets (Development)			
Capital Transfers (Development)		963,670,000	963,670,000
Development Budget		963,670,000	963,670,000
Total State Revenue Fund Appropriation		2,648,988,000	2,642,331,980
Development Partners			
Grand Total		2,648,988,000	2,642,331,980

Explanations on variances

The overall vote budget execution rate is 99.75%. There is no major expenditure variance however the following has contributed to expenditure variances.

- 1.1 The variances were the saving from the remuneration due to the vacant position which cannot be filled during the period under review. The Ministry has two Director Positions which have been vacant and cannot be filled before the Public Service Commission avail the investigation report. The high staff turnover more specially at management level and Technical division (Town Planning and Engineering and , Land user Planner) has also prove to be a serious contributor to the under spending.
- 1.2 Saving in the Subsistence and Traveling allowance resulting from the over provision in the Governor vote. This activity is now revised to reflect the reasonable estimate to prevent the under spending.
- 1.3 Other saving variances were the late submission of invoices for security contract and the purchase of vehicles from the supplier.

NON-TAX REVENUE

Revenue Source	Year	2014/15	
	Estimate	Actual	Variance %
Private calls	1 000	0	-100
Unclaimed cheques	62 380	688 167	1 003
Subdivision,consolidation & e	320 000	577 895	81
Leasing of community hall	0	4 051	-4 051
Low cost houses and Self b	2 012 903	2 244 193	12
Total	2 396 283	3 514 306	47

HUMAN RESOURCES CAPACITY

No of Staff	2014/15
Approved	371
Funded	358

SUMMARY OF MOVABLE ASSETS

Furniture and equipment: Worn and damages

worn and damages						
	Description	Quantity	Average estimated market unit value (N\$)	Toal Value (N\$) BiXCi	Quantity available to date	% of items not take for to auction(current stock level of individual items)
	A	B	C	D	E	
1	Computers HP	60	1200	72,000	15	0.0
2	Table (desk)	10	120	1,200	15	1.3
3	Chairs without Arms	15	60	900	0	0.0
4	Cuboard with drawers	4	40	160	4	2.5
5	Pigen 16 Division	1	10	10	1	10.0
6	Pigen 6 Division	1	10	10	1	10.0
7	Notice board	3	15.5	47	3	6.5
8	Chairs with Arms	11	60	660	60	9.1
9	Files	40	3.5	140	40	28.6
10				0		0.0
11				0		0.0
12				0		0.0
13				0		0.0
14				0		0.0
15				0		0.0
16				0		0.0

These stocks will be disposed immediately after the Treasury approval has been granted.

Vehicle: Obsolete and redundant

Obsolete and redudant						
	Description	Quantity	Average estimated market unit value (N\$)	Toal Value (N\$) BiXCi	Quantity available to date	% of items not take for to auction(current stock level of individual items)
	A	B	C	D	E	
1	2WD Pick up	0	0	0	0	0.0
2	4WD Pick ups	28	65000	1,820,000	14	0.0
3	Sendan Vehicles	2	38000	76,000	2	0.0
				0		0.0
				0		0.0
				0		0.0
				0		0.0
				0		0.0
				0		0.0

The obsolete and redundant vehicles will only be taken to the Ministry of Works and Transport Government Store auction yard after stock –taking has been conducted for 2014/15 financial year and after Treasury approval has been granted.

Vehicles

No, vehicles have been disposed during the period under review

