



## **MUNICIPALITY OF WALVIS BAY**

# **AGENDA**

## **ORDINARY COUNCIL MEETING**

**To be held in the  
Civic Centre Council Chambers,  
Nanagolo Mbumba Drive,  
Walvis Bay**

**ON THURSDAY  
05 OCTOBER 2023  
AT 10:00**



# Municipality of Walvis Bay

Civic Centre • Nangolo Mbumba Drive • Private Bag 5017 • Walvis Bay • Namibia  
Phone +264 (0)64 201 3111 • Fax +264 (0)64 204 528 • [www.walvisbaycc.org.na](http://www.walvisbaycc.org.na)

Enquiries Gwenneth Gaoses  
Phone (064) 201 3236  
E-mail [ggaoses@walvisbaycc.org.na](mailto:ggaoses@walvisbaycc.org.na)  
Date 29 September 2023

## NOTICE

His Worship the Mayor and Councillors  
General Managers

### SEPTEMBER 2023 - ORDINARY COUNCIL MEETING OF THE LOCAL AUTHORITY COUNCIL OF WALVIS BAY

Notice is hereby given that the Ordinary Council meeting of the Local Authority Council of Walvis Bay will be held in the Council Chamber, Civic Centre, Nangolo Mbumba Drive, Walvis Bay on: -

Thursday 05 October 2023 at 10:00

Yours faithfully,

**J Esterhuizen**  
Acting Chief Executive Officer

Date	Time
29/09/2023	15:20

Official	Date	Time	Signed off
Compiler	29/09/2023	14:31	
AGM: HRCS	29/09/2023	14:45	



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**Agenda**

1. **Opening by prayer** (File 3/1)

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2. **Adoption of agenda and declaration of interest**

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3. **Application for leave of absence by members of council** (File 3/3/1/4)

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4. **Confirmation of minutes of previous meeting/s** (File 3/3/2/3/1)

Minutes of the Ordinary Council meeting held on Tuesday 29 August 2023 to be confirmed and approved.

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5. **Interviews with deputations or persons summoned or requested to attend meeting** (File 3/3/2/3/2)

Tuesday, 26 September 2023

- Lithon Developers
- Fire Victims
- Red Force

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6. **Official announcements, statements, and communications**

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7. **Petitions** (File 3/2/1/6)

No petitions received.

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8. **Motions of members** (File 3/3/1/1)

- 8.1 **Motion:** "To rescind Council resolution taken on 31 July 2012 concerning annual participation in NALASRA and SAIMSA Games (*see next page*)

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9. **Answers to questions of which notice has been given** (File 3/3/1/2)

None.



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Phone +264 (0)64 201 3111 · Fax +264 (0)64 204 528 · www.walvisbaycc.org.na

## MOTION FORM

To submit a motion for consideration by the Municipal Council of Walvis Bay, please complete and sign this form and submit it to the Chief Executive Officer at least 6 working days prior to the date of the next ensuing Council meeting as contemplated in Rule 13 of the Standing Rules of Order

Motion sequence number: 21  
(to be completed by the administration)

**MOTION: TO RESCIND COUNCIL RESOLUTION CONCERNING ANNUAL PARTICIPATION IN NALASRA AND SAIMSA GAMES TAKEN IN JULY 2012**

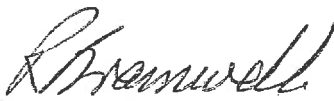
Motion submitted by: Councillor **RONALD NOEL BRAMWELL**

**Objective of Motion: TO RESCIND A RESOLUTION OF COUNCIL TAKEN AT THE COUNCIL MEETING OF 31-7-2012 WHICH GIVES BLANKET APPROVAL FOR ANNUAL PARTICIPATION IN AND EXPENDITURE ON THE NALASRA AND SAIMSA GAMES**

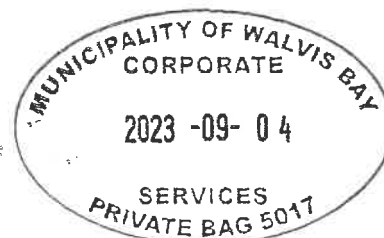
**Rationale and motivation: THE RESOLUTION TAKEN BY COUNCIL IN 2012 BINDS THE COUNCIL TO SPEND RATEPAYERS MONEY ON THE GAMES WITH DISREGARD TO THE FINANCIAL STATE OF THE WALVIS BAY MUNICIPALITY AND THE OBJECTIVES OF THE CURRENT COUNCIL.**

**Proposal to be considered by Council: THE PURPOSE OF THIS MOTION IS TO RESCIND THE COUNCIL RESOLUTION TAKEN IN JULY 2012 TO RELIEVE THE CURRENT COUNCIL OF A RECURRING FINANCIAL BURDEN AND TO ALLOW THE CURRENT COUNCIL TO DECIDE ON THE WAY THE RATEPAYERS MONEY IS SPENT FOR THE BENEFIT OF THE RESIDENTS OF THE LOCAL AUTHORITY.**

Chairperson of Council. I so move.

  
Cllr insert name here

04 / 09 / 2023  
Date



10. **Report of the Management Committee for September 2023**  
[Report referred to in section 26(1)(e) of the Local Authorities Act]

There were no items concluded by the Management Committee for September 2023 under the powers delegated to it.

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11. **Recommendations of the Management Committee for September 2023**

*The Chairperson of the Management Committee must individually propose the recommendations of the Management Committee to the Council for consideration - Rule 22(2), and unless there are dissentient votes against a recommendation each recommendation is regarded as seconded (Rule 22(5) and adopted by general consensus.*

11.1 **Rezoning of Erf 2839 Walvis Bay from General Residential 1 (1:100) to Office with consent to operate while the rezoning is in process** (Add. No. 1; M/C Meeting 27/09/2023; File: 2839 W)

The purpose of the report is to obtain the approval of the Municipal Council for the following:

- (a) Rezoning of Erf 2839 Walvis Bay from "General Residential 1" with a density of (1:100m<sup>2</sup>) to "Office "and
- (b) Consent to operate agency while the rezoning is in process.

The applicant and owner is Mrs Marie Van Rhyn of P.O Box 5731 Walvis Bay. The owner has given the Power of Attorney to Stewart Planning Town and Regional Planners (the Consultant) to submit the application on their behalf.

Erf 2839 Walvis Bay is located on the corner of Peter Dixon Street and Bramwell Street, as illustrated by Figure 1 below.



Erf 2839 Walvis Bay is zoned as General Residential 1 and measures 821m<sup>2</sup> in extent.

The usual "General Residential 1" conditions apply. The erf has a main dwelling unit and a subsidiary dwelling unit. The owner intends to redevelop the site to consist office space which will allow Seventy7Consulting (a Human Resource Recruitment Agency) to have their offices on the property on a permanent basis, for their own business and rental office space.

The application submitted by the consultant is made up of two components, rezoning and consent.

### **Rezoning Component**

The **first** part of the application is for the rezoning of Erf 2839 Walvis Bay from "General Residential 1" with a density of 1:100m<sup>2</sup> to "Office" and is made in terms of Section 105(1)(a) of the *Urban and Regional Planning Act, 2018* (Act No. 5, 2018). The applicant will pay a betterment fee deposit of N\$ 120,851.20, being 40% of the increase in value of the rezoned property.

### **Consent Component**

The **second** part of the application is for the consent to operate Offices on the property and permission to proceed with development while rezoning is in process and is made in terms of the Town Planning Scheme.

The application was advertised for comments and objections in the Namib Times, the Namibian, and Government Gazette. Notices of the rezoning and consent were displayed on the site and on the Municipality of Walvis Bay's notice board. Furthermore, adjacent landowners and occupiers were notified about the application by hand-delivered mail and some by standard mail. The closing date for comments/objections were 03 August 2023. No objections were received and one letter from the public supporting application was received.

The application for the rezoning and consent use has been evaluated from the town planning point of view based on conformity of the proposed development with the Town Planning Scheme. Clause 19.1 of the Walvis Bay Town Planning (Zoning) Scheme makes provisions for the establishment of office premises as on Office zoned properties, as primary uses.

The application is for the Rezoning of Erf 2839 Walvis Bay from "General Residential 1" with a density of (1:100m<sup>2</sup>) to "Office" and Consent to proceed with development while the rezoning is in process, which will thus comply with the Town Planning (Zoning) Scheme. The rezoning will enable the site to be use for its primary land use which will be office space on the Office zoned erf.

From a Town Planning point of view, the rezoning and consent use are supported based on the following:

- (a) Erf 2839 Walvis Bay operations will be limited to standard business hours unlikely to create a disturbance at night.
- (b) The erf is sufficiently large to accommodate the office space.
- (c) Redevelopment of the site will contribute to the overall improvement of the aesthetic character of the neighbourhood, which currently is in a slow state of decline.
- (d) The use of property for office purposes is considered ideal and suitable since the property is highly accessible and the neighbourhood is already characterised by mixed land uses which include home based businesses.



- (e) The proposed development has a potential to create employment opportunities to local people.
- (f) Consent to proceed while the rezoning is in process will allow additional staff and office space, which is urgently needed to enable the business to remain open and prevent the loss of jobs.
- (g) The use of property for office purposes will therefore not create noise pollution to the surrounding residents.
- (h) No major traffic related issues will occur as the result of the proposed rezoning and consent.
- (i) The proposed rezoning will generate income for the Municipal Council in terms of Rates and Taxes.
- (j) The rezoning and consent use will not conflict with the Walvis Bay Town Planning Scheme.
- (k) The proposed rezoning and consent will not negatively affect the amenity of the area.

**RECOMMENDED:**

- (1) That the Municipal Council recommends for approval the application for the Rezoning of Erf 2839 Walvis Bay from General Residential 1 with a density of (1:100m<sup>2</sup>) to Office with Consent to operate agency while the rezoning is in process, to the Urban and Regional Planning Board, in accordance with Section 109(2)(a) of the Urban and Regional Planning Act (Act No. 5 of 2018), subject to the following conditions:
  - (a) That the applicant pays a betterment fee deposit of N\$ 120,851.20, being 40% of the increase in value of the rezoned, prior to the submission of the rezoning application to the Urban and Regional Planning Board, whichever is earlier.
  - (b) That the rezoning of Erf 2839 Walvis Bay be proclaimed in the Government Gazette.
  - (c) That, in case the Minister of Urban and Rural Development approves a betterment fee lower than the deposit paid, the Municipal Council shall refund the difference between the betterment fee approved by the Minister of Urban and Rural Development and deposit paid by the applicant to the Municipal Council.
  - (d) That, in case the Minister of Urban and Rural Development approves a betterment fee higher than the deposit paid, the Municipal Council shall claim the difference between the betterment fee approved by the Minister of Urban and Rural Development and deposit paid by the applicant from the applicant.
  - (e) That the applicant notes that the payment of the betterment fee deposit should neither create an expectation nor should it bind the Minister of Urban and Rural Development to consider and approve the Amendment Scheme; and the provisions of the Town Planning Ordinance 18 of 1954 therefore still apply.
- (2) That consent be granted in accordance with Clauses 6.1.2 and 19.1 of the Walvis Bay Town Planning Scheme, which provides for the establishment of office premises (Human Resource and Recruitment Agency Office) on Erf 2839 Walvis Bay subject to the conditions listed below:
  - (a) No materials or products shall be stored on the erf outside the buildings in such a manner as to be visible from any adjacent property.



- (b) The office premises shall not create any objectionable noise, odour, vibration, or unsightly conditions.
- (c) The office premises shall not create a health or safety hazard.
- (d) The office premises shall not create any interference with communication transmission or reception in the vicinity.
- (e) That parking facilities must be provided to the satisfaction of the General Manager: Roads and Building Control.
- (f) That the use of the buildings as well as the required parking bays for office premises must be indicated on building plans and submitted to the Department of Roads and Building Control prior to commencing with the consent use.
- (g) That this approval is subject to the applicable laws and regulations of both the Government and the Municipality.
- (h) That this permission lapses when the property is sold, leased or alienated in whatever process engaged or when the property is rezoned to Institutional.
- (i) That should valid complaints be received, or the imposed conditions not be complied with and after giving the owner 14 days written notice, consent may be withdrawn.
- (j) That the consent approval lapses after rezoning have been proclaimed in the Government Gazette.

(3) That all cost regarding the above be borne by the owner (applicant).

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11.2 **Rezoning of Erven 5413, 5414, 5415 and 5416 Walvis Bay Extension 18 from Local Business to General Residential 1 (1:100m<sup>2</sup>)** (Add. No. 2; M/C Meeting 27/09/2023; File: 5413 W; 5414 W; 5415 W; 5416 W)

The purpose of the report is to obtain the Municipal Council's decision on the application for the rezoning of Erven 5413 – 5416 Walvis Bay Extension 18 from Local Business to General Residential 1 (1:100m<sup>2</sup>).

The applicants and owners of Erven 5413, 5414, 5415 & 5416 Walvis Bay Extension 18 are Siya, Vusize, Thembsy and Lorraine Properties (Pty) Ltd respectively, of P.O Box 90757 Windhoek. The applicants have given the Power of Attorney to Stewart Town Planning to submit the application on their behalf.

Erven 5413, 5414, 5415 & 5416 Walvis Bay Extension 18 are located along David Hipondoka Crescent in Kuisebmond

**Existing Zoning and Density**

ERF NUMBER	LOCATION	ZONING	SIZE
5413	Walvis Bay Extension 18	Local Business	4128m <sup>2</sup>
5414	Walvis Bay Extension 18	Local Business	4120m <sup>2</sup>
5415	Walvis Bay Extension 18	Local Business	4102m <sup>2</sup>
5416	Walvis Bay Extension 18	Local Business	4187m <sup>2</sup>

The usual "Local Business" title deed conditions apply while the sites have existing three multi-storey blocks of flats each.



The application was advertised for comments and objections in the Namib Times, the Namibian, and Government Gazette. Notices of the rezoning were displayed on the site and on the Municipality of Walvis Bay's notice board. Furthermore, adjacent landowners and occupiers were notified about the application by hand-delivered mail and some by standard mail. No written comments or objections were received.

#### **Conformity of the Rezoning with the Residential Density Policy**

Erven 5413 – 5416 Walvis Bay Extension 18 is located in Zone 10 of the Residential Density Policy. In terms of aforesaid Policy, sites that are larger than 1500m<sup>2</sup> can accommodate a maximum of 1 unit per 250m<sup>2</sup>. The application (for a density of 1 per 100m<sup>2</sup>) does not conform with the above policy. therefore, we recommend for approval a density of 1:250 m<sup>2</sup> , to ensure that the application conforms with the current Residential Density Policy.

#### **Conformity of Proposed Development with the Town Planning Scheme**

<b>Control Measure</b>	<b>TPS Clause &amp; Requirements</b>	<b>Conformity of current Development with the TPS</b>
Land Uses	Clause 14.1 – Blocks of Flats are allowed on General Residential 1 zone.	There are currently high-density residential developments on the erven, the rezoning application will spatially justify the current development. Therefore, the rezoning application conforms with the Walvis Bay Town Planning Scheme.
Minimum Erf Size	Clause 14.2.5.1 – The minimum size for General Residential 1 erven ranges from 300m <sup>2</sup> to 1500m <sup>2</sup> .	The subject sites are all larger than 4000m <sup>2</sup> . Therefore, the rezoning application <b>conforms</b> with the Walvis Bay Town Planning Scheme.

It is acknowledged that the existing blocks of flats are permitted on Local Business zoned erven. However, the owner's intent to solely use the properties for residential purposes with no current possibility of establishing business activities on these

properties. Furthermore, the proposed rezoning will correctly charge rates and taxes for residential purposes as per status quo on the properties. The proposed rezoning will not have a significant effect on the neighborhood as it will fit the current development of the erven.

**RECOMMENDED:**

- (1) That the Municipal Council recommends for approval the application for the rezoning of Erven 5413, 5414, 5415 and 5416 Walvis Bay Extension 18 from Local Business to General Residential 1 (1:250m<sup>2</sup>), to the Urban and Regional Planning Board, in accordance with Section 109(2)(a) of the Urban and Regional Planning Act (Act No. 5 of 2018).
  - (a) That, in terms of the *Policy on the Levying of Betterment Fees for Local Authorities in Namibia*, the applicant pays a betterment fee deposit of 20% of the increase in the municipal land value of the rezoned property, prior to the submission of the application to the Urban and Regional Planning Board.
  - (b) That, in case the Minister of Urban and Rural Development approves a betterment fee lower than the deposit paid, the Municipal Council shall refund the difference between the betterment fee approved by the Minister of Urban and Rural Development and deposit paid by the applicant to the Municipal council.
  - (c) That, in case the Minister of Urban and Rural Development approves a betterment fee higher than the deposit paid, the Municipal Council shall claim the difference between the betterment fee approved by the Minister of Urban and Rural Development and deposit paid by the applicant from the applicant.
  - (d) That the applicants note that the payment of the betterment fee deposit should neither create an expectation nor bind the Minister of Urban and Rural Development to consider and approve the Amendment Scheme; and the provisions of the *Urban and Regional Planning Act (Act No. 5 of 2018)* therefore still apply.
- (2) That all cost regarding the above be borne by the applicant.

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11.3 **Transfer of funds for the rehabilitation of Union Street** (Add. No. 3; M/C Meeting 27/09/2023; File: 8/25/135)

To obtain approval from Council to transfer funds for the rehabilitation of Union Street to supplement the under budgeted vote to successfully complete the project Bid No: W/ONB/MWB-135/2022 which is subject to be completed before 31 December 2023.

A bid for the rehabilitation of Union Street closed on 23 January 2023. During the bid evaluation process, it was noted that the vote was under budgeted even though the Individual Procurement Plan (IPP) was approved by the Accounting Officer on 09 October 2022.

The bid set out was to appoint a contractor for the rehabilitation of a section of Union Street, which will be the first road under the rehabilitation program the Municipality is embarking upon for 2023 onwards. J-Basement Construction Trading CC was appointed on 20 February 2023 for an amount of N\$ 8,618,052.00 (excl. VAT) and the project commenced on 28 June 2023.

The project does not have any margin for delays based on financial constraints as the location is within a residential built-up area. The project timeline specifically the critical path cannot be delayed due to lack of funds from the Municipality of Walvis Bay, hence the proactive approach to supplement the vote from which the contract is funded.

**RECOMMENDED:**

- (1) That the Municipal Council takes note that the vote utilised for the Rehabilitation of Union Street vote B562/5402/0000 was under-budgeted and that the available amount on this vote of N\$3,596,640.00 will not be sufficient to complete this project successfully.
- (2) That the Municipal Council takes note that there is a shortfall of N\$5,500,000.00 to complete this project.
- (3) That the Municipal Council approves the transfer of an amount of N\$5,500,000.00 to vote B562/5402/0000 (Union Street) from the following votes:
  - (i) C582/9952/0000 (W/Bay Ext 19) where N\$3,000,000.00 is available and from which N\$1,000,000.00 is to be transferred,
  - (ii) C523/9952/0000 (Meersig Ext 3) where N\$9,000,000.00 is available and from which N\$ 2,500,000.00 is to be transferred,
  - (iii) C628/9952/0000 (Narrawille Ext 10) where N\$1,000,000 is available and from which N\$500,000.00 is to be transferred,
  - (iv) C700/9952/0000 (Aquaculture Sites) where N\$3,000,000 is available and from which N\$1,000,000.00 is to be transferred, and
  - (v) C805/9952/0000 (Kuseibmond Ext 15) where N\$1,000,000 is budgeted and available and from which N\$500,000.00 is to be transferred.

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11.4 **Report of the Auditor-General on the accounts of the Municipality of Walvis Bay for the financial year ending June 2021** (Add. No. 4; M/C Meeting 27/09/2023; File: 5/15/1/1/3)

The purpose of the report is to submit the audited Annual Financial Statements (AFS) for the financial year ending 30 June 2021 to the Municipal Council in accordance with the provisions of Section 87(3)(a) of the Local Authorities Act, 1992 (Act 23 of 1992).

The Auditor-General under Section 26(2) of the State Finance Act, 1991 (Act No. 31 of 1991), appointed the audit firm Mostert Landgrebe Chartered Accountants & Auditors to audit the accounts of the Municipal Council of Walvis Bay on behalf of the Auditor-General and under his supervision.

Section 87, subsections (3) to (5) of the said Act, stipulates as follows:

- “(3) The mayor of a municipality or town, or the chairperson of a village council shall after he or she has received a report from the Auditor-General submit such report-*
- (a) to the next succeeding ordinary meeting of the local authority council in question for consideration and to decide which rectifying steps are to be taken should the report reveal any irregularities; and*
  - (b) to the regional council of the region in which the local authority council is situated, for consideration.*

- (4) *Within two months after the date of the meeting referred to in subsection (3), the mayor or chairperson, as the case may be, shall submit a copy of the minutes of such meeting, containing the comments of the local authority council in regard to the report and indicating which steps were taken or are to be taken in connection with any irregularity revealed by the report, to the Minister who may take such further steps as he or she may deem necessary.*
- (5) *The Minister shall forthwith submit a copy of the minutes in question to the Auditor-General, and shall notify the Auditor-General of the steps taken by him or her under subsection (4)."*

Due to the voluminousness of the AFS, it is not possible to re[produce it, and a detailed version of the AFS is available under the reports of the Auditor General's following website, i.e. [www.oag.gov.na](http://www.oag.gov.na).

The Auditor General has an **Adverse** audit opinion on this report. An adverse opinion is when the auditor disagrees with the overall truth and fairness of the Annual Financial Statements. This form is a result of strong misstatement which will affect the opinion of Annual Financial Statement as a whole.

This opinion is as a result of prior year figures which were revised in 2021. IPSAS 33 makes provision for 3-year transitional period and the revision of prior year figures are in terms of IPSAS standard 3. The latter two statements simply mean that any organisation implementing IPSAS has got three-year transitional period for retrospective re-statement of figures.

The reason as well as impact of such re-statements has been disclosed unto AFS and audit evidence to that effect is available, therefore this action should not have impacted the audit opinion. It is therefore advisable that the office of the Auditor General as well as the appointed auditor familiarize themselves with IPSAS 33 & IPSAS 3.

Even though the report for the year under review is adverse, it must be noted that:-

- no fruitless, unauthorized or avoidable expenditure were revealed by the audit; and
- no irregular expenses and losses, illegal acts and irregularities were revealed by the Audit.

#### **RECOMMENDED:**

- (1) That the report of the Auditor General on the accounts of the Municipality of Walvis Bay for the financial year ended June 2021 be noted.
- (2) That the report be submitted to the next Ordinary Council's meeting for consideration in accordance with Section 87(3)(a) of the Local Authorities Act, 1992 (Act 23 of 1992).
- (3) That the report be submitted to the Erongo Regional Council for consideration in accordance with the provision of Section 87(3)(b) of the Local Authorities Act, 1992 (Act 23 of 1992).
- (4) That the Mayor or Chairperson of Council submits the copy of the minutes to the Minister as provided for under section 87(4) of the Local Authorities Act, 1992 (Act 23 of 1992).
- (5) That it be noted that Council is not satisfied with the Adverse finding and therefore, the Office of the Chief Executive Officer will engage the Office of the Auditor General on IPSAS 3 and 33, with respect to the findings of the Audit Report for June 2021.



**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE  
MUNICIPALITY OF WALVIS BAY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

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**1. ADVERSE AUDIT OPINION**

I have audited the financial statements of the Municipality of Walvis Bay for the financial year ended 30 June 2021, provided by the Accounting Officer as attached in Annexures. These financial statements comprise the statement of financial position, the statement of financial performance, the statement of changes in net assets, the statement of cash flows, notes to the financial statements for the year then ended, and a summary of significant accounting policies.

In my opinion, because of the significance of matters discussed in the Basis for Adverse audit Opinion paragraph, the financial statements do not present fairly the financial position of the Municipality of Walvis Bay for the financial year ended 30 June 2021 and its financial performance for the year ended in accordance with International Public Sector Accounting Standards (IPSAS).

**2. BASIS FOR ADVERSE AUDIT OPINION**

I conducted the audit in accordance with International Standards for Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of the audit report. I am independent of the entity in accordance with the Code of Ethics for Supreme Audit Institutions together with the ethical requirements that are relevant to the audit of the financial statements in Namibia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for the audit opinion. The adverse audit opinion is expressed due to the following:

**2.1 OPENING BALANCES**

The auditors expressed an adverse audit opinion in the prior year opening balance due to the fact that opening balances are revised/restated after the audit. Consequently, the auditors could not obtain sufficient appropriate audit evidence to satisfy that the opening balances, accumulated surplus and comparative figures in the current year statement of financial position, statement of financial performance, statement of changes in net assets, cash flow statement, and notes of the annual financial statements for the year then ended are fairly presented.

**3. KEY AUDIT MATTERS**

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the audit opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there are no key audit matters identified in respect of the financial statements for the Municipality of Walvis Bay.

#### **4. OTHER INFORMATION**

In connection with the audit of the financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the audit or otherwise appears not to be materially misstated. If, based on the work I have performed, I conclude that there is no material misstatements of this other information; I am required to report that fact. I have nothing to report in this regard.

#### **5. RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with legislation, and for such internal control as management deems it necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

#### **6. AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes the audit opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs), will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions for users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I exercise professional scepticism throughout the audit; I also

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for the audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an audit opinion on the effectiveness of the Entity's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence, obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. I conclude that a material uncertainty exists, I am required to draw attention in the report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify the audit opinion. My conclusions are based on the audit evidence obtained up to date of the audit report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.
- I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements at the current period and are therefore the key audit matters. I describe these matters in the audit report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in the audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


## **7. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

The accounts were submitted later than required by the Accounting Officer to the Auditor-General on 18 November 2021 instead of 30 September 2021, while an extension was granted to Municipality of Walvis Bay in compliance with Section 85 of the Local Authorities Act, 1992 (Act No. 23 of 1992).

## **8. ACKNOWLEDGEMENT**

The co-operation and assistance by the management and staff of the Municipality of Walvis Bay during the audit is appreciated.

WINDHOEK, June 2023

  
**JUNIAS ETUNA KANDJEKE**  
**AUDITOR-GENERAL**

11.5 **Motion: Sale of affordable serviced or unserviced plots to the very low-income group** (Add. No. 6; M/C Meeting 27/09/2023; File: 3/3/1/1)

To consider the motion submitted by Councillor Ryan Cordon to the Ordinary Council meeting held on 06 September 2022.

The motion was submitted to the Council and introduced at the Council meeting held on 06 September 2023 by Councillor Ryan Cordon, under Rule 12(1) of the Rules of Order for Local Authority Councillors, 2015. The Municipal Council then under item 9.1 of its agenda of 06 September 2023, accepted the motion as an unopposed motion under Rule 15. As the execution of the motion may result in the revenue of the Council being affected, the motion cannot be passed by the Council and the chairperson of Council under Rule 18 referred the motion of the Management Committee for a report to the Council.

The motion proposed that Narraville Extension 11, in particular erven 4608 and 4609 Narraville, be made available for low-income groups. The motion further requests that this erven/land be made available for general workers included but not limited to following groups: -

- Taxi drivers
- Petrol attendees
- Security guards
- Domestic workers

In order to provide clarity on the motion and for the Management Committee to submit a concise report to Council, the following is submitted: -

- The sale/lease of land Policy of Council read with Local Authorities Act of 1992 (Act No 23 of 1992), as amended clearly stipulates the method of sale of any immovable properties within the jurisdiction of the Walvis Bay Municipality.
- Council since the submission of the motion has made various parcels of land available to ultra low-income groups in Walvis Bay as follows: -
  - Block erf 4607 Narraville to Shack Dwellers Federation of Namibia (yield ±170 erven)
  - Portion 19 of Remainder Farm 37 to Backyard Tenants Group (yield ± 230 erven)
  - Portion 18 of Remainder Farm 37 to Land and Housing Federation (yield ±220 erven)
  - Extension 15 Narraville to Development Bank of Namibia (yield ±268)
  - Extension 15 Kuisebmond to Venmar Fishing (yield ±130 erven)
  - Remainder erf 5757 Kuisebmond to Seawork Fishing (yield ± 600 units/erven)
  - Portion 1 & 2 of Remainder Farm 37 to Powershield (yield ±340 erven)
  - Portion 4 of Remainder Farm 37 to National Housing Enterprise (yield 225 erven)
  - Narraville Extension 11 to Shack Dwellers Federation of Namibia (yield 268 erven)
  - Erf 4607 Narraville to Shack Dwellers Federation of Namibia (yield 170 erven)
- To accelerate serviced land in Walvis Bay, Council further allocates four blocks in Narraville, namely Extension 9, 10, 13 and 16 to private developers (yield ±719 erven)
- Portions 15 – 17 of Remainder Farm 37 to Shack Dwellers Federation of Namibia (yield ± 660)
- Extension 8 Narraville is under the current capital budget to be serviced and a contractor has been appointed to provide infrastructure (yield 185 erven)
- Extension 17 Narraville for servicing by Council under current capital budget (yield 145 erven)

In summary, if all unserviced land allocated to various groups and those that will be serviced by Council is provided with infrastructure, even in excess of ±4330 will be make available to the public.

**RECOMMENDED:**

- (1) That the Management Committee considered the motion and submits to Council that it be noted that Council had made land available to various groups including low-income groups in Walvis Bay.
- (2) That the specific groups of people (taxi drivers, petrol attendants, security guards and domestic workers) be encouraged to join the existing formalised housing groups.

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11.6 **Application to purchase Erf 7554 Kuisebmond: Word Embassy Ministry** (Add. No. 7; M/C Meeting 27/09/2023; File: 7554 K)

The purpose of this report is to recommend that Erf 7554 Kuisebmond, be sold by private transaction to Word Embassy Ministry (the applicant).

The Council in December 2017 resolved for sale of eight (8) institutional erven and the properties were advertised for sale during 2019. The remaining five (5) erven were re-advertised for sale during March 2022. Two development proposals were received after the sale advert in March 2022. The two proposals were recommended to Council for sale, which Council resolved to sell accordingly. Erf 7554 Kuisebmond was one of the remaining three erven, of which Council already in January 2023 resolved the other two.

Word Embassy Ministry have identified Erf 7554 Kuisebmond for their envisaged church facility and other related structures for social responsibility activities and have applied accordingly.

Erf 7554 Kuisebmond is an institutional erf and have access to municipal services. The property has been advertised for sale on previous occasions. Although there has been significant interest, the erf was not secured for purchase by any institution or developer. Significantly it can be stated that access to institutional erven is on demand from churches. However, access to finances have made the purchasing of such erven difficult.

The property is strategically located with regards to the members of the congregation, where majority lives in Kuisebmond. This location will allow a sizable church building to accommodate all the congregation members.

Although the applicant has not addressed some important aspects such as employment creation and capital funding of the project, it is recommended that the erf be alienated to them. There is no other applicant that participated during the time the erf was advertised for expressions and these properties have been vacant for approximately 5 years.

**RECOMMENDED:**

- (1) That Erf 7554 Kuisebmond zoned "Institutional" measuring 2820m<sup>2</sup>, be sold by private transaction to Word Embassy Ministry at the price of N\$ 456 840.00.

- (2) That 10% of the purchase price be paid on date of sale, and the balance of the purchase price be settled in 24 equal monthly installments from date of sale at an interest rate of 5% per annum.
- (3) That any new additions to, alterations to, or relocation of municipal services shall be the responsibility and for the account of the applicant.
- (4) That, in the event the purchaser fails to pay the 10% deposit on date of sale which will be on 14 days from the date of notice, the sale be regarded as null and void.
- (5) That the applicant, at its own cost, provides all outstanding services and adheres to the guidelines and standard requirements for all services, i.e. water connection and water/sewerage/electrical reticulation.
- (6) That electrical requirements/services and/or any other information in this regard be taken up by the applicant with Erongo RED.
- (7) That the development shall commence within 24 months from date of sale and be completed within 48 months. Failing to comply that the erf be revert back to Council at the cost of the developer and the full deposit shall be forfeited to the Municipality for administrative cost and as pre-estimated damages.
- (8) That the applicant be informed that the business relationship and transaction can only be concluded and become effective once Section 21 of the Financial Intelligence Act, 2012 (Act No.13 of 2012) read with Section 26 of the said Act, is complied with, and that it is required from the applicant to provide such information at such time and in such format as instructed by the Anti-Money Laundering Compliance Officer of the Municipality of Walvis Bay.

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11.7 **Application for acquisition of unsurveyed/unserviced single residential erven on Erf 8635 Kuisebmond – Tunacor Limited** (Add. No. 8; M/C Meeting 27/09/2023; File: 8635 K)

The purpose of this report is to recommend amongst others that unsurveyed/unserviced single residential erven of Erf 8635 Kuisebmond be sold by private transaction to Tunacor Limited (the applicant) for construction of houses for their employees.

The applicant indicated that they wish to acquire land from Council to build affordable houses for their employees. The applicant did not apply for a specific location, however during consultations between the applicant and Municipality of Walvis Bay, it was mutually agreed that Erf 8635 Kuisebmond will best suit the applicant's needs. Therefore, the application was tabled to Council.

Council at its meeting which was held on 8 March 2022 resolved under item 11.12, inter alia, as follows:

- (1) *That the unserviced/unsurveyed single residential erven on erf 8635 Kuisebmond (to be known as Extension 14), in extent 36,238 m<sup>2</sup>, be reserved to Tunacor Limited (the applicant).*

Furthermore, this application was tabled to Council on 23 March 2023 as per Annexure B and it was resolved under item 10.3 as follows:

*"That the matter be referred back to the submitting department for more details and sufficient information".*

Tunacor Limited is a Namibian registered company and one of the leading fishing factories in Walvis Bay that wish to acquire land from Council. The Council had reserved unserviced/unsurveyed single residential erven on Erf 8635, Kuisebmond until the Town Planning Division complete the township establishment on Erf 8635 Kuisebmond in terms of the Urban and Regional Planning Act No. 5 of 2018. The planning process was completed, and the township was approved by the Urban and Regional Planning Board.

Whilst the township establishment was in process, Tunacor has through HEH Urban Nest Creations indicated that they wish to acquire erf 8635 Kuisebmond as a block and not only the single residential erven, after the township is approved. Moreover, the applicant mentioned they would like to be afforded the opportunity to their own design of a township. Eventually a comprehensive report with recommendations was submitted to Council on 23 March 2023 and it was resolved that the matter be referred back to the submitting department for more details and sufficient information. An informal discussion was also held with the applicant on 30 May 2023.

In their application, Tunacor Ltd has indicated that they want to build affordable houses for their employees. This proposal must be seen as a unique development proposition that will significantly contribute to the growth and development of Walvis Bay. This development will uplift the area and contribute toward the social wellbeing of Walvis Bay through adequate housing provision. Therefore, the application by Tunacor Limited is supported as it will bring about much needed job opportunity to Walvis Bay.

The applicant, in their proposal, has not made any offer to purchase land from Council. However, Council at its meeting held on 8 June 2022 under item 12.5 sold unsurveyed/unserviced Portion 4 of Remainder Farm 37 at N\$50.06/m<sup>2</sup>. Therefore, the opinion is held that the unserviced/unsurveyed single residential erven of Erf 8635, Kuisebmond be offered to the applicant at N\$50.06/m<sup>2</sup>.

**RECOMMENDED:**

- (1) That unsurveyed/unserviced single residential erven of Erf 8635 Kuisebmond measuring approximately 36 238m<sup>2</sup> be sold by private transaction to Tunacor Limited, at N\$50.06/m<sup>2</sup>.
- (2) That the applicant note that all erven not zoned "single residential" remain in the ownership of Council.
- (3) That the sale of unsurveyed/unserviced single residential erven of Erf 8635 Kuisebmond to Tunacor Limited be as per the approved township layout obtained by Council.
- (4) That the applicant, in consultation with our Department of Roads and Building Control, appoint a land surveyor at their own cost, for surveying of Erf 8635 Kuisebmond and obtain the approved General Plan of Erf 8635, Kuisebmond.
- (5) That the exact land size to be purchased be based on final surveyed diagrams of Erf 8635, Kuisebmond.
- (6) That the applicant, at its own cost, advertises the sale by private transaction for objections in terms of the provisions of Section 63(2)(b) of the Local Authorities Act, 1992 (Act 23 of 1992).
- (7) That the applicant submits the necessary Environmental Impact Assessment Study (EIAS) and Environmental Clearance Certificate, in terms of Section 56 of the Environmental Management Act, Act 7 of 2007, from the Ministry of Environment and Tourism, Directorate: Environment Affairs, for the development of this land as a satellite campus.

- (8) That after all approvals have been obtained, the agreement of sale be signed and a 10% deposit of the purchase price be paid on the date of sale, and the balance be paid within 120 days from the date of sale.
- (9) That, the applicant pays 10% of the purchase price towards the landscaping fund at the date of sale.
- (10) That the applicant contributes to the actual cost of the provision of bulk services of Erf 8635, Kuisebmond, and the Department Roads and Building Control determines the exact contribution when final designs of bulk services are approved.
- (11) That the applicant, at own cost, do all and/or or any required ground works, provides all outstanding services and adheres to the guidelines/standard requirements for all services, i.e. water connection, water/sewerage/electrical reticulation, tarred roads and that such services be donated to Council, free of charge.
- (12) That electrical requirements/services and/or any other information in this regard, be taken up with Erongo Regional Electricity Distributors.
- (13) That the applicant shall commence with development within twenty- four (24) months from the date of transfer in the Deeds Office, and that such development be completed within thirty-six (36) months from such date of transfer; failing to comply would result in the undeveloped erf/erven to revert back to Council at the cost of the applicant.
- (14) That the applicant be informed that the business relationship and transaction can only be concluded and become effective once Section 21 of the Financial Intelligence Act, 2012 (Act No.13 of 2012) read together with Section 26 of the said Act, is complied with, and that it is required from the applicant to provide such information at such time and in such format as instructed by the Anti-Money Laundering Compliance Officer of the Municipality of Walvis Bay.

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11.8 **Application to purchase a portion of Portion 9 of Farm 42 Langstrand and the Caretakers' residence: Ocean Key** (Add. No. 9; M/C Meeting 27/09/2023; File: PTN 1 / Farm 42)

The purpose of this report, amongst others, recommend that the application from Mr. Gunther Heimstadt (the applicant: Ocean Key), to purchase a portion of Portion 9 of Farm 42 Langstrand and Caretaker's Residence, by private transaction be considered by Council.

Council at its Ordinary Meeting held on 29 November 2022 under item 11.2 resolved as follows:

- “(1) That it be noted that Mr Gunther Heimstadt, as per the Council resolution dated 11 September 2012, has not performed, and adhered to the conditions.*
- (2) That Council resolution item 12.3 dated 11 September 2012 therefore be rescinded. “*

The applicant was informed of the Council resolution and informal discussions with the developer was held on 4 July 2023. The developer has presented to the Council their revised development on private property and their proposal to reapply for portion of Portion 9 of Farm 42 Langstrand.

The applicant indicated in their application that they want to purchase the Caretakers residence and land of  $\pm 1000 \text{ m}^2$  of a portion of Portion 9 of Farm 42 Langstrand. The development of Portion 8 of Farm 42 can only be proceeded with if Portion 9 of Farm 42 is allocated to the applicant. Therefore, the application of the applicant is supported to start with the development that has been delayed for years as a matter of urgency.

It is further important to note that the applicant has opted for outright sale of the property. Therefore, Council must be reimbursed for improvements on the property, which is the VIP/Caretakers residence.

The portion on which the VIP Chalet is situated, is approximately  $\pm 1000 \text{ m}^2$  in size, and is zoned "Conservation" in terms of the Walvis Bay Town Planning Scheme. The said VIP Chalet is situated between the Ocean Key development and the Lalandi houses.

The required portion needs to be surveyed, subdivided, and consolidated with Portion 8 of Farm 42. Therefore, the applicant must attend to all town planning matters at their own cost.

Regarding the purchase price, the applicant has made an offer of N\$1 000,000.00, to purchase the land from Council. However, it is important to note that the portion of land was valued at N\$1,250,000.00 by an independent valuator during March 2012, when the initial application was received from the applicant.

Therefore, the opinion is held that the price should be escalated with 10% over the period of 11 years and that the price be set at N\$3,566,400.00 plus improvement of N\$780,500.00.

**RECOMMENDED:**

- (1) That a portion of Portion 9 of Farm 42, in extent  $\pm 1000 \text{ m}^2$ , be sold by private transaction to Mr Gunther Heimstadt – Ocean Key (the applicant) at a purchase price of N\$3,566,400.00.
- (2) That the applicant reimburses Council N\$780,500.00 for improvements on the property.
- (3) That the Ministry of Urban and Rural Development be consulted on the proposed sale and its conditions in terms of Section 30 (t) read with section 63 (2) of the Local Authorities Amendment Act, 2018 (Act No.3 of 2018).
- (4) That the applicant, at its own cost, advertises the sale by private transaction for objections in terms of the provisions of Section 63(2)(b) of the Local Authorities Act, 1992 (Act 23 of 1992), as amended.
- (5) That after all approvals have been obtained, the agreement of sale be signed and a 10% deposit of the purchase price be paid on the date of sale, and the balance be paid within 120 days from the date of sale.
- (6) That the applicant shall commence with development within twelve (12) months from the date of transfer in the Deeds Office, and that such development be completed within twenty-four (24) months from such date of transfer; failing to comply would result in the undeveloped erf/erven to revert back to Council at the cost of the applicant.
- (7) That any outstanding electrical requirements/services and/or any other information in this regard, be taken up with Erongo RED and be provided by the applicant to their satisfaction.



- (8) That applicant attends to any outstanding Town Planning matters at its own cost.
- (9) That the applicant contributes actual cost in the provision of any outstanding bulk services.
- (10) That the applicant further contributes 10% of the purchase price towards landscaping and establishment of a green belt.
- (11) That the applicant, at own cost, do all and/or or any required ground works, provides all outstanding services and adheres to the guidelines/standard requirements for all services, i.e. water connection, water/sewerage/electrical reticulation, tarred roads and that such services be donated to Council, free of charge.
- (12) That the applicant be informed that the business relationship and transaction can only be concluded and become effective once Section 21 of the Financial Intelligence Act, 2012 (Act No.13 of 2012) read together with Section 26 of the said Act, is complied with, and that it is required from the applicant to provide such information at such time and in such format as instructed by the Anti-Money Laundering Compliance Officer of the Municipality of Walvis Bay.

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11.9 **Status report on Hostel Redevelopment Area and Tataleni Resettlement** (Add. No. 10; M/C Meeting 27/09/2023; File: 218 K; 2007 K)

The purpose of this report is to inform Council on the status of Hostel re-development area (Family Units), and Tataleni resettlement area.

**Hostel Re-development (Family Units)**

During the year 1999, the Department of Community and Economic Development in co-operation with the Department of Roads and Building Control started off with the investigation to establish better housing for residents of the old Kuisebmond Single Quarters. This action resulted from a request by the then Minister of Regional, Local Government and Housing, for Municipalities in Namibia to do away with Single Quarter and Hostel type of accommodation.

After various discussions and different housing options viewed, a non utilised section of the former Kuisebmond Hostel was identified to be redeveloped into family housing units. The proposed project was submitted to, and approved by the Ministry of Regional, Local Government and Housing now known as Ministry of Urban and Rural Development with a once off grant of N\$/N\$ towards the cost of construction of the "phase one" area at the Hostel.

After relocation of tenants to the new family units which were completed, the old Single Quarter buildings, in which they were living over the years, were demolished.

Since completion of "phase one", the project was extended and further completed in phases, through capital budget provisions. As the project progressed, some beneficiaries that were residing in the Hostel were also relocated. The hostel redevelopment project was done under four phases.

Only the registered tenants of the old hostel and single quarters were relocated and allocated with new family units.

### **Tutaleni Resettlement area**

The construction of informal housing in Kuisebmond has resulted in serious sewerage problems over the years. Too many people were accommodated on residential properties in Kuisebmond, and the existing sewerage network could not cope with the extra demand placed on the infrastructure.

This situation has resulted in the birth of Tutaleni project. The project was undertaken with extensive public consultations through the steering Committee.

The action plan addressing the way forward was approved by Council and target areas to relocate backyard squatters was identified. The target areas were identified from the sections of Kuisebmond where sewerage problems were experienced and 1094 people have been relocated.

The aim of establishing Tutaleni settlement was to accommodate four households on one  $\pm 300\text{m}^2$  erf. Each household was provided with a toilet building, cement slab (to construct a dwelling) and a kitchen sink/wash basin attached to the external wall of the toilet. The residents of the settlement have access to clean water, sanitation/sewerage, waste removal and optional power connection.

The area/erven are thus already occupied by four households per erf, and in some cases more than four households per erf due to illegal occupations.

The family units are now in existence for the past 24 years and Tutaleni settlement 23 years, and the conditions of most of the facilities are in a very bad state. The main reason being the type of structure design of people sharing units which leads to overcrowding with a no-care attitude, and thereby causing a heavy burden on the available services and interior amenities resulting in abnormal high wear and tear. The maintenance of these facilities runs into thousands of N\$ every month and most of the tenants cannot even pay their monthly bills to Council. The common problems that prevailed at the rental facilities are as follows:

- Poor ventilation and insufficient natural light – broken windows are replaced with cardboard/hardboard.
- Power points are overloaded.
- Algae growth in shower cubicles.
- Most toilet flushing mechanisms not working properly – water waste.
- Interior water taps damaged or leaking – water waste.
- Waste pipe leakages at sinks and hand basins.
- Roofs in poor conditions
- Overcrowding
- Building of illegal structures

As a result of the conditions of the available units and Tutaleni settlement, it is our opinion that these two facilities be alienated to registered tenants. However, the residential blocks at the hostel redevelopment area must be subdivided into individual erven. These means that each dwelling unit will be on its own erf to encourage security of tenure. The first option to sell off the erven/units will be given to current registered tenants.

It will further be made a condition that all potential buyers remove shacks from their properties prior to signing of the sale agreement. In case of the family units, Council will be required to build firewalls between all the units without existing firewalls. The Ministerial approval must also be obtained to have erven less than  $300\text{ m}^2$ . Therefore, once the firewalls have been built and Ministerial approval obtained, the purchase price of the units will be determined by Council.

The slabs at Tataleni settlement are built on an erf of 300 m<sup>2</sup> and divided into four smaller erven of 75 m<sup>2</sup>. These arrangements need to be formalized or erven be consolidated to create General Residential erven to enable Council to alienate blocks to give security of tenure to current tenants. The current residents of Tataleni at numerous occasions indicated their willingness to purchase the portion of the land they are leasing from the Municipal Council. Furthermore, many residents would like to upgrade their dwellings at Tataleni from substandard fire hazard building materials to brick and mortar. It is a financial risk for the residents to build or upgrade their dwellings on the land they do not possess. It is for this reason that some Tataleni residents have resorted to using fire prone temporary materials for their dwellings. This situation has resulted in damaging and life threatening fire outbreaks that have become a common phenomenon at Tataleni; an occurrence that the Municipal Council plans to put to rest. Hence, the option to alienate and give ownership to current registered tenants once the planning matters has been attended to reduce the size of the erven or to consolidate the erven.

**RECOMMENDED:**

- (1) That the contents of the report be noted.
- (2) That the Council, *in principle*, approve the alienation of Family Units and Tataleni settlement area.
- (3) That the Town Planning Division proceed to obtain approval from the Ministry of Urban and Rural Development for the reduction of erf sizes for both Family Units and Tataleni settlement area or alternatively introduce workable solution as per the planning scheme of Walvis Bay.
- (4) That once the approval in (3) above has been obtained, a comprehensive report be submitted to Council to determine the selling price of the units.
- (5) That uninhabitable buildings at the old hostel area and as per the Council resolution dated 25 March 2015, be demolished and the area be earmarked for residential development.

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**11.10 Transfer of funds to supplement the under-budgeted votes for the supply and delivery of vehicles** (Add. No. 11; M/C Meeting 27/09/2023; File: 6/2/1/6)

The purpose of this memorandum is to obtain approval from Council to transfer funds among capital projects for Section: Parks and Cemeteries and Section: Sport, Youth, Arts and Culture to supplement the under budgeted votes for the supply and delivery of Heavy Vehicles (Trucks) for the two sections.

The two Sections: Parks and Cemeteries and Sport, Youth, Arts and Culture were scheduled to receive trucks through the Bid for Supply and delivery of heavy vehicles which closed on 27 June 2023. After the bid evaluation process, it was noted that the two respective votes were under budgeted (N\$700,000) in comparison to the best evaluated lowest bidder's offered price of N\$864,110.80 (VAT excluded) per truck, hence, a short fall of N\$164,110.80 each.

The transfer is required to supplement the under budgeted projects for as follows:

Vote: B324/9457/0000- Replace Play Park Equipment-Parks where an amount of N\$200,000.00 was budgeted for and still available to Vote: B324/5372/0000 and Vote: B336/9100/0000- Upgrade Indoor Sport complex where an amount of N\$2000,000.00 was budgeted for and still available to Vote: B336/5381/0000.

The acquisition of trucks for both Sections is of paramount importance as it will improve the general service delivery of refuse removal at public places and sport fields. Currently, Section only has one truck each which is not sufficient to render the required services.

**RECOMMENDED:**

- (1) That it be noted that there is a shortfall of N\$164,110.00, to procure one truck each for the for the Sections: Parks and Cemeteries and Sport, Youth, Art, and Culture.
- (2) That it be noted that procurement of vehicles (trucks) for the Sections: Parks and Cemeteries and Sport, Youth, Art, and Culture are of paramount importance.
- (3) That the transfer of N\$164,110.00 from vote B324/9457/0000 (Replace Play Park Equipment-Parks) where an amount of N\$200,000.00 was budgeted for and still available to Vote: B324/5372/0000 (Replace Truck M306-Parks) and N\$164,110.00 from vote B336/9100/0000 (Upgrade Indoor Sport complex) to Vote B336/5381/0000 (New truck -Sport) to address mentioned short falls, be approved.

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11.11 **Request to sponsor accommodation for students attending the Namport maritime week** (Add. No. 12; M/C Meeting 27/09/2023; File: 17/19/2/4/2; 17/19/2/5/2)

The purpose of this report is to obtain approval from Council to sponsor four (4) nights' accommodation at Esplanade and Dolphin Parks from 25 to 29 September 2023, for Namport to host leaners and teachers from all fourteen (14) Namibian regions to celebrate the Namport Maritime Week in Walvis Bay.

A request was received to sponsor accommodation for ninety-two (92) students and teachers that will be participating on the Namport Maritime week scheduled for 26 to 30 September 2023.

The Namport Maritime Week is celebrated in line with the World Maritime Day, the last Thursday of September, which is celebrated on an annual basis by the international community. To aid the celebration for the learners, Namport has planned to host a debating competition, port tour for schools, career talk and exhibition by stakeholders in the maritime industry. To make this possible, Namport is requesting the Municipality's assistance in accommodating 92 learners and teachers from the invited schools at the two Municipal Resorts, Esplanade and Dolphin Park respectively. To promote the spirit of mutual support and strong partnership between the two institutions, that Council sponsor accommodation for ninety-two (92) students and teachers for four (4) nights.

The value of the sponsored accommodation is estimated at N\$ 87,690.00.

**RECOMMENDED:**

That the Municipal Council of Walvis Bay sponsor accommodation at Dolphin Park and Esplanade Park Resorts for the 92 learners and their teachers, for the period 25 to 29 September 2023, during their participation in the Namport Maritime Week, and that the cost be shared on a 50/50 basis between Council and Namport.

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11.12 **Familiarisation visit: Cape Town Film Studios** (Add. No. 13; M/C Meeting 27/09/2023; File: 11/3/2/1)

The purpose of this report is to provide a possible program for a delegation of Council to visit the Cape Town Film Studio and other entities managing and administrating the motion film industry in the Western Cape.

During discussions at the Council meeting held on 15 June 2023 regarding the approval of a portion of Land at Farm 37 for the establishment of a motion pictures film studio, it was clear that certain members of Council did not have a clear picture of the magnitude and/or extent of such a development.

During July 2023, a request was submitted by Councilors that the possibility be considered that a familiarization visit to Cape Town be undertaken, where a film studio, similar as to what is to be proposed for Walvis Bay, already exist.

The following information is submitted to provide a more broader background as to the coming about and extent, of the Cape Town motion pictures film studio:

- Since the 1970's, commercial television and South Africa's growing advertising, communications, IT, hospitality and transport sectors, have developed and achieved global recognition.
- Originally, the film industry was mostly concentrated in Johannesburg. Since then, Cape Town and the Western Cape emerged as the industry's growth center, particularly with the building of the Cape Town Film Studios as its catalyst.
- The Cape Town Film Studio is today reckoned as the only custom build, high-end motion picture studio of its kind in Africa and the first investment in permanent film infrastructure in South Africa's history.
- Main players in the development of this studio were private sector investment, as well as the SA Department of Trade and Industry, the International Development Corporation of SA, the City of Cape Town and the Provincial Government of the Western Cape (WESGROW).
- Today this studio has been used to make a host of motion film pictures, resulting in some staggering figures:
  - In the last 4 years 47 000 people have been employed at the studio (mostly from previously disadvantaged communities).
  - In the past 4 years N\$ 2 billion was invested, to realize an economic impact of N\$ 6 billion.
- WESGROW will continue to concentrate marketing strategies around and focused on, the Cape Town Film Studios and so also further promote the Western Cape as an ideal film production destination, targeting both local and international markets.

The desire expressed by Councilors to visit the above motion picture studio and to see firsthand what such development entails, would enable Council to visualize the impact, size and magnitude of such a film studio and consequently form a pretty good picture as to what such development could mean for Walvis Bay, and in the broader sense, Namibia.

It would therefore enable the Council to physically experience and observe the magnitude of such a development and the consequent necessity for the large area of land required by developers applying to Council for land in this regard. All the different aspects of a film studio will also be shown, which would make it easier to comprehend the extent and nature of what a film studio is all about.

When dealing with applications in this regard, the Council would therefore have a good grasp and perspective of the land involved and the consequences and value of decisions made in this regard.

Such a visit would also include meetings with the industry and governing bodies currently managing and administrating the film industry in the Western Cape.

In order to make sure that such a familiarization visit to the Cape Town Film Studio would not be a waste of time or construed as a pleasure ride for participants, contact was made with the former CEO of the Cape Town Film Studios, Mr. Nico Dekker, to facilitate such a visit for Council. Mr. Dekker suggested that such a visit take place within one day, with all meetings and site visits crammed into the shortest possible period of time, as participants solicited to speak and attend to Council delegation, also have limited time available within very busy schedules.

The following program is proposed:

1. Meeting with the CEO of the Cape Town Film Studio, Mr. Makkie Slamong: Mr Slamong would mainly elaborate on the establishment of the studio, its achievements up to date, immediate future programs in the pipeline and future prospects and developments of the studio.
2. Extensive tour of the Cape Town Film Studio.
3. Discussions after the tour with Mr. Nico Dekker, former CEO of Cape Town Film Studios and now international consultant: Mr. Dekker would further elaborate on the tour and questions emanating from the tour. He will discuss with Councilors issues related to job creation at the studio, economic input, skills transfer as well as sharing some of his wide experience in the global film industry (Mr. Dekker would have just returned from the City of Rome, where he is currently consulting on a similar development for Rome).
4. Meeting with Me. Monica Rovric, Head of WESTGROW (Provincial Government) Film Division: Me. Rovric will provide background on the role of the marketing arm of the Western Cape in the film industry. She will address the benefits brought by the studio to the Western Cape and she will also touch on certain administrative and formal procedures being followed, not only to control the filming industry, but to make it a streamlined and a client friendly environment for potential film makers.

Mr. Dekker indicated that the Council's visit could be arranged in such a way that all the above interested parties would avail themselves at the offices of the Cape Town Film Studios. Council delegates will therefore only have to travel to one meeting destination.

It is submitted that the programme and the short time in which it is presented will be strenuous and taxing on participants. No real time for relaxation or rest is allowed within the proposed time frames.

In conclusion it is also submitted that for the Council to undertake such a familiarization visit is not essential per se, particularly should Council not have the need to have a clear picture and idea as to what a film studio entails and what consequences the approval of vast areas of land for such purposes may hold for Walvis Bay.

**RECOMMENDED:**

- (1) That the Municipal Council take note of the possible itinerary for a familiarization visit to the Cape Town Motion Picture Film Studio.
- (2) That the Municipal Council indicates its approval or disapproval on the possibility of embarking on such an exercise, and if approved, those Councillors and officials/portfolios to participate be nominated.

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11.13 **Report on Council's Sports and Recreational lease properties** (Add. No. 14; M/C Meeting 27/09/2023; File: 17/7/1)

The purpose of this report is to submit the current lease agreements of all sports facilities on Council property and make recommendations for lease periods for the next lease period.

Walvis Bay is one of a few Local Authorities in Namibia that provides a host of sports facilities to its ratepayers at subsidised costs. It has always been the viewpoint of this municipality that sports, and participation therein, are important to the well-being and development of its people. This service to the community is a heavily subsidised action from Council and have substantial financial impact on Council coffers.

Although the provision of sports facilities is a decentralised function from Government to Local Authorities, Government still contributes towards the establishment and maintenance of such facilities throughout Namibia. It should be mentioned however, that no contribution whatsoever has ever been made by the Government of Namibia to assist Walvis Bay in our efforts to provide sports facilities or to maintain them.

A variety of clubhouses and facilities associated with sporting codes in Walvis Bay, have been established on Council property, over the years. As a result, Council has several lease agreements in place, with either a Sports Club or an Individual.

The leasing of these sports facilities to Sports Clubs or an individual, should be to the advantage of both Council and the community. Sports facilities are thus leased to clubs and/or respective sports codes with the necessary expertise and experience to manage the specific sports codes and concomitant facilities. In most cases the Lessees of the leased facilities are responsible for the payment of water and electricity of the facilities and in most cases the Lessees are responsible for the maintenance of these sports facilities. In all cases the community have controlled access to the facilities managed by the Sport Clubs.

At its meeting held on 29 May 2018, the Municipal Council, amongst others, resolved the following leases to Sport Clubs for a fixed term of 5 years, from 1 July 2018 to 30 June 2023:

<b>Sports Facility</b>	<b>Club/Institution/Individual</b>	<b>Amount p/a (N\$)</b>
Golf Clubhouse and facilities	Walvis Bay Golf Club	6 888.20
Bowling Clubhouse and facilities	Namib Park Bowling Club	6 888.20
Sparta Clubhouse	Sparta Recreational Club	6 888.20
Endurance Club	Walvis Bay Endurance Club	6 888.20
Equestrian Centre	Walvis Bay Equestrian Club	6 888.20
Riding Stables	Namib Riding Stables	6 888.20
Indoor Squash Courts (4)	Buccaneers Squash Club	6 888.20
Indoor Gymnasium	Greenibia cc.	31 950.00
Esplanade Cricket Club House	Mr.Walter Ceilotto	6 888.20
Esplanade Kiosk	Wind & Kite Surf Club	6 888.20

The respective lease agreements define the terms and conditions under which the Lessor (Council) agrees to allow the Lessee (Sports entity) to access and use specified facilities. Signed agreements forms a legally binding contract under law and Sports Clubs and Individuals are expected to meet all the terms and conditions of any agreement they sign.)



Council also resolved at the same meeting that the Kuisebmond Sports Complex should be managed by the Kuisebmond Sports Club for a term of 5 years from 1 July 2018 to 30 June 2023, at an annual lease amount of N\$ 264 000.00.

In certain cases, one (1) year lease agreements are approved by the General Manager: Community and Economic Development in terms of his powers of delegation. Lease agreements longer than one year have to be approved by Council. In some cases, specifically where Sports Clubs are accommodated on townlands, such lease agreements also need Ministerial approval.

The Sports Clubs with lease agreements with Council, can be clustered as follows;

Clubs with lease agreements approved by Council.

- Walvis Bay Golf Club
- Namib Park Bowling Club
- Sparta Recreational Club
- Esplanade Cricket Club House
- Esplanade Kiosk
- Buccaneers Squash Club
- Walvis Bay Endurance Club
- Walvis Bay Equestrian Centre
- Namib Riding Stables
- Buccaneers Squash Club

Club which tendered for lease agreements

Gymnasium Indoor Complex

Club which tendered for a management contract

Kuisebmond Sports Club

Club facilities managed by Council

- Esplanade Tennis Clubhouse
- Narraville Clubhouse

It should be mentioned that in the past the leasing of sports facilities to Sports Clubs as set out above was submitted to the Tender Board. The Tender Board procedures was replaced by the Procurement Act of 2015. It should therefore be mentioned that it would not be necessary to submit leases for procurement procedures because it should again be considered that, as set out above, all Sports Clubs be charged the same lease amount, for the same period of ten (10) years and at the same commencement date.

The lease agreement of all Sports Clubs addressed in this report terminates on 30 June 2023. Currently all these Sports Clubs pays lease amounts of N\$ 8 500.00 as per Council structure. However, all leases to Sports Clubs and recreational bodies, longer than one (1) year, will have to be approved by Council, after which the approval of the Minister need to be obtained.

The mentioned sports clubs and the facilities they lease from Council, is further summarised as follows;

1. Walvis Bay Golf Club

The Golf Clubhouse and surrounding land (fairways and greens) is leased from Council by the Walvis Bay Golf Club (WBGC). A letter to renew the lease agreement was received by the Walvis Bay Golf Club for another period of 10 years.

The WBGC has grown from strength to strength through the years, and it currently have 190 fully paid-up members. The WBGC is the third largest golf club in Namibia in terms of membership. WBGC is the oldest sports club in Walvis Bay and held their centenary celebrations in 2017.

Through the years, the club members and club committee worked tirelessly to maintain and upgrade the club building and surrounding areas to keep the WBGC as far as possible on par with the rest of Namibia. Specialist attention and equipment is needed regarding the upkeep and maintenance of the golf course. The golf course, and sensitive greens in particular, necessitates a lot of meticulous daily care. The desert environment and wind and salt circumstances also contribute to much more specialized care than other golf courses in the world. Bearing in mind these special and unique circumstances, and the current standing of the course, the opinion is held that the WBGC has succeeded to maintain a high standard of golfing facilities in our town.

The efforts necessary to maintain the course and club are evident in the annual cost incurred by the WBGC. The clubs' annual financials are evidence to these costs.

An average amount of approximately N\$ 900,000.00 per year is spend on maintenance of the course. This includes a full time staff compliment of 1 Green Keeper (a specialist) and 6 workers and an annual amount of approximately N\$ 500,000.00 towards the daily functionality and operations of the club house, which include the average water account of between N\$ 20,000.00 and N\$ 30,000.000 per month, the electricity account, as well as costs associated with a staff compliment (Manager, an Accountant and four workers).

The WBGC and the golf course are deemed mayor attributes to the town of Walvis Bay and its image. The WBGC hosts a series of mayor Namibian golf competitions, which lures visiting golfers and their families to Walvis Bay on a regular basis. The Walvis Bay Open Championship, the Coastal Open, the Christmas Cup and many more, annually ensures a mayor injection into Walvis Bay 's tourism coffers. Should this facility not be on par, the economic effects on Walvis Bay could be significant!

Furthermore, although the Golf Club is a non-profit organisation and obviously much needs to be done to ensure solvency, the Club also has a direct influence on the social upliftment of the residents of Walvis Bay. This is done by allowing various organizations to use the club's facilities to host golf days and thus generate funds for needy causes. Such organisations range from schools, churches, old age homes, childcare facilities, and service organisations (Round Table, Rotarians, and Lions Club).

The Walvis Bay Golf Club is also active in promoting the sport to junior players in order to ensure the growth and existence of the sport for the future. This includes development programmes for young players. The club has been quite successful in this regard, as not only a few senior players, but also a number of junior players from the club has represented Namibia on the international golfing scene, over the years, every year.

All accounts due to Council are fully paid up.

## 2. Namib Park Bowls Club

The Bowls Clubhouse is leased by Namib Park Bowls Club (NPBC). The club established the bowling facilities and an initial club house, at own and considerable cost on Council property, at the time when the Club and its facilities were founded on the land they currently occupy.

Over the years the NPBC have invested a lot of resources expanding the infrastructure of the facility. Some of the expansions include the building of a proper club house with

the necessary facilities, storerooms, and a committee room. It should be mentioned that the two greens built by the NPBC were valued at N\$ 1,200,000.00 and that the buildings are valued at N\$ 2,000,000.00, which is a total investment of N\$ 3,200,000.00 over the last 20 years.

Specialist attention and equipment is needed regarding the upkeep and maintenance of the two very sensitive bowling greens. The maintenance of these greens takes a lot of meticulous daily care. Like with the Golf Club, the desert environment and wind and salt circumstances also contribute to much more specialized care than other bowling greens in the world. Bearing in mind these special and unique circumstances, the opinion is held that the WBGC has succeeded to maintain a high standard of bowling facilities in our town.

The cost to maintain one bowling green on a monthly basis is estimated to be approximately N\$ 20,000.00 per month, and it includes water and electricity as well as two full time employees.

The NPBC is a non-profit organisation, and have 28 registered members and 80 league members, and the main source of income for the club are membership fees as well as the two cooperate leagues which are organised by the members and presented annually. The club maintains all club house facilities for their own account.

It should be mentioned that the Club have spent more than N\$ 100 000.00 over the past 5 years to rebuild one of the Greens which was totally destroyed by salty purified water supplied by Council.

All accounts due to Council are fully paid up.

### 3. Sparta United Recreational Club

Sparta United Recreation Club (SURC) is currently leasing the Sparta Clubhouse facilities from Council.

SURC is particularly a recreational club with its club house as main facility. The Club is termed as a non-profit organisation.

The SURC is however very involved with Cricket, Rugby, Hockey, and Netball. During the past years SURC has become a force to be reckoned with in domestic leagues in all sports codes with which they are affiliated. This resulted in a revival of cricket in Walvis Bay and some of their players represented Namibia in this sport.

Currently SURC took hands with the municipality and with considerable financial input and other resources, are busy transforming the grassed facilities next to the club in a facility that will be rated one of the best in Namibia. In fact, the club has all but taken over the maintenance of the whole grassed and ancillary areas next to the club, on behalf of Council. This includes the appointment of three staff members just for the maintenance of Council property. The areas are however still utilized by Council as public sports areas.

Their involvement in the national cricket league also resulted in strong bonds formed with the Namibian Cricket Board and other National teams. The relationship and strong involvement in this sport led to the Namibian Cricket Board to be influenced to invest into our facilities. The first biggest contribution towards the game here in Walvis Bay, was made through assistance with the installation of an international standard bully pitch on the cricket field at an estimated cost of N\$ 400,000.00.

SURC established a rugby field, at their own cost, to accommodate the three rugby teams currently participating in the Namibian Rugby League.

The SURC has an average financial outlay of approximately N\$ 50,000.00 per month, which include the salaries of six full time employees, water, and electricity. The club maintains all club house facilities and the mentioned municipal facilities, for their own account.

This club has 246 members.

All accounts due to Council are fully paid up.

#### 4. Esplanade Cricket Clubhouse

The Esplanade Cricket Clubhouse is leased by Mr Walter Antonio Celotto, a private individual. This club house is situated next to the cricket oval. The current lease agreement is for a period of 1 (one) year and was extended on a yearly basis since 30 June 2023. The reason for the shorter, one year, lease agreement, is due to the possible Walvis Bay Waterfront Development.

It should be mentioned that the Lessee is informed about the Walvis Bay Waterfront Development and that he is prepared to vacate the premises at any time, given timeous notice.

The club house is particularly a recreational club with the club house as main facility. No membership fees are charged by Mr Celotto.

There are however also some unique arrangements that took place at this facility over the years.

A strong relationship has been established between Mr Celotto and especially junior cricket. A strong emphasis was placed on cricket development over the last few years and substantial success has been achieved in this regard, with Mr Celotto instrumental in this process. Assistance regarding the development of cricket, especially amongst the schools and youth of Walvis Bay, has also been provided over the past years. Mr Celotto is a firm manager of the property and proper supervision at the cricket clubhouse over the past years has brought the club and its facilities back to life. Council property is well looked after.

All equipment, currently valued and ensured at approximately N\$ 300 000.00, to manage and administer the club facilities on an acceptable standard, have been established by Mr Celotto. All such equipment is his personal property.

It should be mentioned that Blue Waters Cricket Club assisted Council to maintain the Esplanade Oval for the last four (4) years.

All accounts due to Council are fully paid up.

#### 5. Esplanade Kiosk building

The Esplanade Kiosk and a small surrounding area is leased by the Wind & Kite Surf Club. This area is situated adjacent to the splash pools, adjacent to the Esplanade public swimming pool.

The current lease agreement is for a period of one (1) year and was extended until 30 June 2023. There is an option for renewal of the lease agreement for another period of

one (1) year. The reason for the one-year lease agreement is due to the possible Walvis Bay Waterfront Development.

It should be mentioned that the Lessee is informed about the Walvis Bay Waterfront Development and that the Club is prepared to vacate the premises at any time, if informed in advance. All facilities established on the site leased, are temporary.

The Club does not pay for water, as this is used very minimally. The club maintains all facilities used by them, themselves.

Important to mention in this regard, is that the Esplanade public swimming pool is usually open to the public between November and April every year. For the remainder of the year no activities take place in this area leaving it open for vandalism. Alcohol abusers also frequently visited this area and various complaints in this regard have been received from the public. Since the Wind and Kite surfing fraternity rented the area, most of the above problems were solved. They also assist with the day-to-day maintenance of the surrounding area to the benefit of Council and all visitors. Their presence is conducive to the prevention of vandalism and creates a safer environment during the day for all visitors and especially to children, using the splash pools.

This club has 42 members.

All accounts due to Council are fully paid up.

#### 6. Indoor Squash Courts

The squash courts (four (4)), at the Indoor Sports Complex, are leased by the Buccaneers Squash Club.

All 4 courts were renovated by Buccaneers Squash Club during 2018/19 at their own cost, to the value of about N\$ 300 000.00. The club also need to do daily maintenance in order to keep the facilities clean and up to standard. Council do however also affect maintenance to the infrastructure of the Indoor Complex building, from time to time.

It is envisaged that the club would further invest in the facilities in the near future, as one of the courts need to be repaired soon.

The four squash courts contribute towards the high standard of facilities that the Buccaneers Club offer, not only to our own community, but also on national level to visiting squash players, who frequents our town due to regular tournaments and competitions. The Buccaneers Club also runs a development programme at these squash courts.

No water and electricity are paid by the Lessee, as usage thereof is part of the Indoor Sports Complex usage.

The club has 67 members.

All accounts due to Council are fully paid up.

#### 7. Walvis Bay Equestrian Centre

The Walvis Bay Equestrian Centre (WEC) leases a portion of land, portion of portion 194 of the remainder of portion B, Town and Townlands, No. 1, from Council. This property is situated next to Namib Riding Stables and bordering Union Street and the road leading to the refuse dump.

The WEC is a horse-riding club, specialising in show jumping and dressage. This is a very particular discipline in the horse-riding fraternity.

The Equestrian Centre has grown steadily over the years and is currently stabling 23 horses, with a total of 36 active riders of different levels, at the stables. In the past few years, the Walvis Bay Equestrian Centre has grown considerably and has fast established itself to be one of the biggest riding stables at the coast. The Management of the club played an important role to put Walvis Bay on the map through development, marketing and hosting major equestrian events in Walvis Bay.

Over the years a lot of upgrading at the facilities has taken place. Some of the upgrading includes the building of wooden structures to serve as Vet lanes, holding areas and grooming points, extensions to the stables, purchase of jumps and the building of a jumping and dressage arena, just to mention a few.

The club maintains all facilities on the leased premises, for its own account.

The club has 36 members.

All accounts due to Council are fully paid up.

#### 8. Namib Riding Stables

Namib Riding Stables (NRS) leases a portion of land, portion of portion 194 of the remainder of portion B, Town and Townlands, No. 1, from Council. This property is situated next to the Walvis Bay Equestrian Centre and bordering the road leading to the refuse dump.

The NRS is a horse-riding club that provides basic training and recreation, with horses. A combination of dressage, jumping and endurance disciplines are taught at the club.

This club is the oldest of the two horse riding clubs in Walvis Bay and has also done a lot to develop the sport amongst young and old and to bring facilities to an acceptable level.

The club maintains all facilities on the leased premises, for its own account.

The club has 14 members.

All accounts due to Council are fully paid up.

#### 9. Kuisebmond Sports Complex

The Kuisebmond Sports Complex is the only sports facility of Council being operated by means of a management contract. The Complex offers facilities in the body building, boxing, aerobics, karate, and judo.

With the completion of the Kuisebmond Sports Complex during 2013, it was decided that it would be in the best interest of Council to obtain the services of an organisation/institution, to manage the Kuisebmond Sport Complex as a whole, instead of Council managing the facility (Tender 65/2010 – Tender Board Meeting 30 April 2013, Item 6.1. The reason for this opinion was two-fold.

- Firstly, it was clear that it would be financially advantageous to Council. The current situation remains the same. For Council to appoint at least two staff on a level B1 and another on level A1, to manage matters at the complex, would today cost Council approximately N\$ 700 000 per annum (cost to company remuneration

only). This does not include any overtime payments associated with a gymnasium, nor consumables, equipment, or security services, to look after property. The current agreement with the Kuisebmond Sports Club, determines that Council expenses regarding the management of the complex, amounts to N\$ 264 000.00 (15 % VAT excluded), per annum.

- Secondly, it was the intention of Council, from the start, that the Kuisebmond Sports Complex be presented to the community as a specialised facility, particularly regarding the body building, boxing, and aerobics sports codes. A high premium was to be placed on specialised knowledge and experience of this sport codes. Such qualifications, should Council have to source same and finance it, will amount to even more than N\$ 700 000 per annum.

At the time, tenders were invited for the management and administration of the Kuisebmond Sports Complex on behalf of Council. The most favourable offer for this endeavour was received from the Kuisebmond Sports Club and Council entered into a three (3) year management contract with this Club.

The motivation for awarding the tender to the Kuisebmond Sports Club, was primarily based on the fact that the Club has been involved in fitness training, body building and other sports codes in Kuisebmond, since 1986. In the same vein, the club, albeit in different forms, have been involved in the Council's old gymnasium in Kuisebmond, also for more than 23 years.

The club's involvement with the Kuisebmond Sports Complex included general management of facilities (sports and ablution facilities), cleaning, maintenance of equipment, promotion of body building, boxing and aerobics, general education of sports men and women, etc. since July 2013. The Kuisebmond Sports Club has a good name in Kuisebmond, knows the cultures and preferences of the Kuisebmond sporting public and has portrayed a culture of high values and commitment, not only within themselves, but also through the sports men and woman who have been members of, and excelled from, this club through the years. The Club played a major role in the presentation of a host of body building tournaments and clinics at the previous gymnasium in Kuisebmond as well as the current complex over the past years and a healthy relationship has been built up with various sponsors in an effort to aid body building and boxing development. The Club also boasts the development of a number of national and international body building champions over the years and is today one of the leading body building club in Namibia.

Apart from being involved with sports development in Kuisebmond, the Kuisebmond Sports Club offers free gymnasium, aerobics, and other facilities in the club, to senior citizens and handicapped people.

The Kuisebmond Sports Club also has experienced instructors and members who are acquainted with the equipment and the maintenance of particularly the gymnasium and boxing fraternities.

Currently a staff structure of two specialised gymnasium instructors, one specialised boxing instructor, two staff members regulating control and access to the facilities and one cleaner, are employed at the club. It is expected from these employees to open the Complex at 05:00 in the mornings, Monday to Saturday and the club shuts its doors at 21:00 in the evenings, Monday to Friday and 12:00 on Saturdays. The Club also employs security services to guard all facilities.

The maintenance of particularly gymnasium equipment is also undertaken by the club, with no interference from Council.



The Kuisebmond Sports Club also purchases new equipment on a monthly and regular basis, at high cost of this club. It should be clear that significant investments are undertaken by the Kuisebmond Sports Club to keep this club on par.

This club averages a membership tally of approximately 45 persons per month.

The current remuneration received by the Kuisebmond Sports Club from Council, amounts to N\$ 24 000.00 per month (15% VAT Excluded). Annual budget provision is made for this purpose. This budget is utilised mainly by the Club to finance personnel expenses to the tune of N\$ 16 000.00 per month and the acquisition of consumables for the daily cleaning of the building and its facilities (ablutions, halls, gymnasium, etc.).

#### 10. Gymnasium Indoor Sports Complex

The Indoor Gymnasium is leased by Greenibia CC.

The amount paid to Council to lease the facility is N\$ 31,950.00 per annum (15% VAT excluded). This amount was tendered for by the Lessee. The Gymnasium is run as a profit organisation and all income derived from the gymnasium are for the Lessee's account.

All equipment and facilities at this gymnasium are purchased and maintained by Council. No water and electricity are paid by the Lessee, as usage thereof is part of the Indoor Complex usage.

Greenibia cc averages membership of around 35 per month.

The gymnasium facilities are not satisfactorily managed by Greenibia cc. because the Lessee find it difficult to pay the tendered amount. The equipment, when broken, is not fix by the Lessee.

Greenibia cc and all the other tenders prior to Greenibia cc are struggling financially to obliged to their commitment made when they tender for the Indoor Gymnasium.

In this case all accounts due to Council have not been settled in full (N\$ 150 000.00).

#### 11. Esplanade Tennis Clubhouse

This Clubhouse is underutilized and is managed by Council. It is a very small building that serves the Esplanade Tennis Courts. All tennis activities are however outsourced, and private trainers and players do not use the building anymore. The building also falls within the proposed Walvis Bay Waterfront Development.

#### 12. Playtime Namibia

Playtime Youth Development Trust (PYDT) leases the old tennis courts in Kuisebmond as well as a portion of land adjacent to the Tennis Courts, approximately 3 788 m<sup>2</sup>, for a period of five (5) years. PYDT pays the same lease amount as other sports clubs. This contract expires 30 June 20

PYDT commenced with development at this area, at a cost of N\$ 1 739 770.00 and established the following facilities:

- an artificial Soccer pitch (36 m<sup>2</sup>).
- an area to host action Cricket.
- additional ablution facilities.

It should be mentioned that PYDT also installed security cameras and three (3) permanent staff to oversee the security and management of the facility. The facility is currently being utilized daily by almost 250 children and is an immense attribute to sports and sports facilities in Walvis Bay. These facilities greatly support the current huge interest in Soccer and Cricket amongst the youth in Kuisebmond.

PYDT also intend to extend this kind of facility to other suburbs in Walvis Bay, because of the current success story at the Kuisebmond old tennis courts.

All accounts due to Council are fully paid up.

In conclusion, the provision of the facilities to the sporting community of Walvis Bay, are heavily subsidised by Council.

From the above it should be clear that most of the sports clubs or individuals leasing facilities or land from Council, to make possible active participation in sports, contributes more towards Council property than is specified in the respective lease agreements, or what is expected from them. In fact, in most cases the involvement of these sports bodies is essential to ensure that sports facilities in Walvis Bay are presented on an acceptable standard to our public. Council would not be in a position, neither financially nor professionally, to manage our sports facilities on the same high standard.

It should also be mentioned that most of the clubs mentioned above, makes their facilities available to schools, senior citizens, development actions and service organisations, at lower fees than normal member- or participant fees, in fact, in some instances the facilities are made available to these groups, for free.

The opinion is therefore held that in Walvis Bay, through the years and currently, a win-win situation exists between sports clubs leasing Council facilities and land, and Council. On the one hand the clubs are offered subsidised land and facilities for their members and the public of Walvis Bay, whilst from their side, the clubs contribute towards a good quality of life and the proud image of Walvis Bay as "Your Oasis of Opportunities", in Namibia. The current sports clubs in Walvis Bay and in particular those with lease agreements with Council, should therefore be nurtured and supported to continue with this important aspect of life in our town, Walvis Bay.

In view of the above, it is recommended that the framework for the lease of Council's facilities by sports bodies or individuals, be approved, with tariffs as gazetted, annually.

**RECOMMENDED:**

- (1) That the following lease conditions per respective sports clubs, be approved for a five-year term the period 1 July 2023 to 30 June 2028 at an annual rental amount of N\$ 8,500.00 each, excluding VAT: -

No	Sports Facility	Club/Institution/Individual
(i)	Golf Clubhouse and facilities	Walvis Bay Golf Club
(ii)	Bowling Club	Namib Park Bowling Club
(iii)	Sparta Club	Sparta Recreational Club
(iv)	Indoor Squash Courts	Buccaneers Squash Club
(v)	Endurance Club	Walvis Bay Endurance Club
(vi)	Namib Riding Stables	Namib Riding Stables
(vii)	Esplanade Cricket Clubhouse	Mr W Celotto/ Blue Waters Cricket Club
(viii)	Esplanade Kiosk	Wind &Kite Surf Club

- (2) That the management of the Esplanade Tennis Clubhouse facility continued to be managed by Council and should a sports entity emerge to take over such responsibilities, the facility be initially leased on a year-to-year basis, at the same rate as all other sports clubs.
- (3) That the management of the Narraville Clubhouse facility be continued to be managed by Council and should a sports entity emerge to take over such responsibilities, the facility be initially leased on a year-to-year basis, at the same rate as all other sports clubs.
- (4) That being a Council property for economic gain, the lease of the Cricket Clubhouse be determined through the procurement process, for a period of 5 years.
- (5) That being a Council property for economic gain, the lease of the Indoor Gymnasium, be determined through the procurement process, for a period of 5 years.
- (6) That new expression of interest to run the facility for a period of five (5) years be invited for the management of the Kuisebmond Sports Complex, provided that the terms and conditions pertaining to the invitation for expression of interest be submitted to Council for approval.
- (7) That in terms of Section 30 (1) (t) of the Local Authorities Act, 1992 (Act 23 of 1992), the approval of the Minister of Urban and Rural Development be obtained for lease periods more than one year as set out above. Lease agreements with Sports Clubs be extended at the same rate until such time as Ministerial approval has been obtained and new lease agreements concluded.
- (8) That the lease of the Esplanade Cricket Clubhouse and Esplanade Kiosk be subject to the contract of the Waterfront Development.

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12. **Reports and recommendations of Advisory Committees and the Chief Executive Officer**

None received.

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13. **Minutes of associations**
- 13.1 **Management Committee of the Association for Local Authorities (ALAN)** (File 12/1/2/1/2)
- No minutes have been received.*
- 13.2 **National Executive Committee of the Namibia Association of Local Authorities Officers (NALAO)** (File 12/1/2/1/11)
- No minutes have been received.*
- 13.3 **Namibia National Mayors' Forum** (File 12/1/2/1/17)
- No minutes have been received.*
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