

Minutes

of the Special Council Meeting – tabling of the budget and tariffs for the financial year 2025/2026 financial year, held in the Civic Centre Council Chambers, Walvis Bay on Friday 16 May 2025 at 17:03

Present:

Councillors

Councillor T Forbes (Chairperson)
Councillor S Mutondoka
Councillor R Hoaeb
Councillor O Andrews
Councillor R Bramwell
Councillor L Victor
Councillor P Kauhondamwa
Councillor A Nkoshi
Councillor E Shozi
Councillor R Gordon

Officials

Chief Executive Officer (VN Kapenda)
General Manager: Finance (F !Gonteb)
General Manager: Roads and Building Control (T Potgieter)
General Manager: Community and Economic Development (E Mwanyekange)
Acting General Manager: Water, Waste and Environmental Management (H Shikongo)
Manager: Corporate Services (J Kruger)

Also present: 22 Members of the public
4 Members of the media

1. Opening and adoption of agenda: (File 3/1)

The Chairperson then welcomed all present and declared the meeting officially open.

On a unanimous vote, the agenda be adopted.

2. Application for leave of absence: (File 3/3/1/4)

None.

3. Declaration of interest

None.

4. Opening remarks by His Worship the Mayor and Chairperson of Council. Councillor Trevino Forbes

Honourable Florian T Donatus, Walvis Bay Rural Constituency Councillor
Honourable Deriou Benson, Walvis Bay Urban Constituency Councillor
Fellow Councillors
Mrs. Victoria N Kapenda, Chief Executive Officer
Management and all staff members present
Distinguished invited guests
Members of the Media

 

Welcome to the tabling of the 2025/2026 Budget & Tariffs for Council's deliberation and adoption.

The new budget, as the Chairperson of the Management Committee will reveal, demonstrates the council's unwavering dedication to delivering essential services despite the numerous challenges we face, both internally and externally.

Our community's progress depends on prudent planning, strategic investments, and the collective effort of all stakeholders. We are committed to ensuring that every dollar spent serves the best interests of our residents, fostering growth, safety, and well-being for all. Let this budget be a testament to our resolve — that no matter the hurdles, our focus remains on serving our community with integrity, transparency, and purpose.

Ladies and gentlemen, I now have the pleasure to announce that Councillor Richard Hoaeb, Chairperson of the Management Committee, is ready to go into more details as he will table the budget for the 2025/2026 Financial year.

Thank you, Councillor Hoaeb.

5. **Budget Speech for the financial year 2025/2026 by the Chairperson of the Management Committee, Councillor R Hoaeb**

Honourable regional councillors of Walvis Bay Rural and Urban Constituencies.
Her worship the Mayor of Walvis Bay;
Fellow councillors of Walvis Bay Municipality;
The Chief Executive Officer;
Management and staff members present;
Distinguished rate payers and guest;
Members of the media.

Good afternoon

It is both an honour and a privilege to table the budget for the financial year ending 30 June 2026. These budgets are presented in accordance with the provisions of Section 83, Sub-section 1 of the Local Authorities Act, Act No. 23 of 1992, which states, among other things:

Every management committee -

"shall in each financial year cause to be prepared, after consultation with the regional council in whose area the local authority is situated, a statement of its estimated income and expenditure during the following financial year; which statement shall be submitted by the chairperson of the local authority council concerned to the local authority council for its adoption and subsequent approval by the Minister."

The total budget presented today amounts to N\$1.3 billion, comprising both the Capital Budget and the Operating Budget, which are allocated N\$632 million and N\$660 million, respectively.

The Capital Budget encompasses both continuing and new capital projects.

Of this amount, 43% equating to N\$272 million has been allocated to Land Development Projects, reaffirming our prioritisation of land delivery as a catalyst for economic growth and development.

The remaining 57% of the Capital Budget is distributed among various project categories, including:

- Infrastructure Repair and Replacement (24%)
- Service Delivery Projects (7%)
- Social Projects (7%)
- Vehicle Replacement and New Acquisitions (17%)
- Operating Capital-Related Expenditure financed through revenue (2%)

Infrastructure Development receives the second-largest allocation, amounting to N\$152 million, or 24% of the Capital Budget. The remaining categories each account for between 2% and 9% of the total capital allocation.

These budgetary provisions have been developed in alignment with the Council's Strategic Plan, adopted in July 2021, which is set to conclude in June 2026. This budget, therefore, represents the final instalment under the current Strategic Plan and underscores our continued dedication to its strategic objectives.

I want to assure this Council and the residents of Walvis Bay that we remain firmly committed to land delivery, a foundational pillar in our strategy to attract investment, stimulate economic activity, and create employment opportunities. In line with our strategic imperatives and in support of public-private partnerships, I am pleased to highlight a range of ongoing land development projects currently being undertaken by the Council. These initiatives are integral to our broader vision of stimulating economic growth and enhancing the quality of life for all our residents.

I will now proceed to provide a synopsis of the proposed Budgets and Tariffs for the financial year ending 30 June 2026.

THE CAPITAL BUDGET:

Total Capital projects with a value of N\$ 1 150 billion will be executed over periods of more than one year.

The total amount on the capital budget which is anticipated to be spent during the ensuing financial year amounts to N\$ 632 million and the remaining N\$ 518 million during the year ending June 2027 and beyond.

A breakdown of the combined projects provided for in the anticipated spending for the year ending June 2026 is set out as follows:

Land Development Projects: N\$ 272 million

The land delivery projects run over more than one financial year. From the above total land development budget, N\$ 88 million has been budgeted for the development of Farm 37, Portions 10 and 11. Both portions will yield 727 erven of which 677 are residential. Currently, the total number of 151 residents has willingly moved to Farm 37 and the list continues as the demand is increasing.

Even though Farm 37 has not fully been serviced, sewerage, sanitation and water services are provided with the latter one free of charge. Arrangements to provide pre-paid water are in progress.

N\$ 52 million has been budgeted for the development of Narraville Extension 8 and is expected to yield 225 erven of which 194 erven are residential erven.

N\$ 42 million has been budgeted for the development of Extension 9 Walvis Bay, light industrial erven and is expected to yield about 50 Light Industrial erven, 5 General Business erven and 2 Industrial erven amongst others.

Finally, N\$ 25 million has been budgeted, for the development of residential erven for Shack Dwellers Federation.

Other Capital Project: N\$ 57 million

Consist of Infrastructure Repair and Replacement which involves tarring of street, resealing and rehabilitation of streets and intersections which account for 24% of the budget. Service Delivery-related Projects which involve amongst others the implementation, upgrading and replacement of water and sewer infrastructure, planning and construction of a New Wastewater Treatment Plant which accounts for 7% of the budget. Social Projects equate to 7% of the total budget. Vehicle Replacements and Additions including plant machinery and replacement of which the main component under this category are the replacement of existing vehicles and acquisition of new vehicles which are 8% and 9% respectively.

The Capital Expenditure (Capex) Budget for the replacement of vehicles, plant, machinery has been significantly influenced by the frequent breakdown of refuse collection trucks. This has had a direct impact on service delivery, particularly on the timely removal of refuse — an issue that has understandably caused frustration among our residents.

In response, the Council has prioritised the procurement of 5x new refuse trucks as part of this budget, with the aim of restoring consistent and reliable refuse removal services across Walvis Bay. This investment reflects our commitment to maintaining essential municipal services and addressing operational challenges with urgency and responsibility.

Comprehensive details of all individual capital projects, including vehicle procurement and other key initiatives, are contained in the Detailed Capital Budget. I therefore encourage all stakeholders to obtain copies from our municipal offices for your review, engagement, and recordkeeping.

THE OPERATING BUDGET:

The expected revenue and expenditure for the new financial year is estimated at N\$660 million. This total excludes non-cash items, which account for a net non-cash expenditure of N\$157 million.

In line with directives from our line Ministry, this budget is balanced — there is no surplus or deficit, as required.

Approximately 79% of the total estimated revenue is derived from utility services and related service charges, with primary contributions from:

- Water Sales Services
- Property Rates and Taxes
- Refuse Removal Services
- Sanitation Services



To ensure financial sustainability while remaining sensitive to economic pressures, tariff adjustments have been proposed for these services. While the average inflation rate over the period was 5%, an average tariff increase of 3% has been implemented across these utility services, including rates and taxes.

I would like to express my sincere gratitude to all municipal staff for their dedication to ensure that our annual fees are consistently paid on time. Thanks to this commitment, our Council remains one of the few with no outstanding annual payments to external parties, and minimal to no external debt obligations.

As we prepare for the 2025/2026 financial year, the Council has carefully considered our community's pressing needs. A key priority identified is the urgent repair and refurbishment of infrastructure, particularly road maintenance and pothole repairs.

This area represents a significant backlog, and the deteriorating state of our roads poses challenges to safety, efficiency, and quality of life. A renewed and focused approach has therefore been adopted to address this issue. Our objective is to implement a comprehensive road infrastructure program, ensuring timely and sustained improvements to our transport network. This is not just a maintenance concern — it is a public safety imperative. By investing in our roads, we invest in the well-being and daily convenience of every resident and road user.

We must also acknowledge that some service delivery challenges stemmed from the absence of a substantive Chief Executive Officer in recent past years. However, we are pleased to have announced that Ms. Victoria Nelago Kapenda has formally assume the role of CEO on 01 September 2024. This budget marks the first under her leadership, and we are confident that her presence will significantly improve budget execution — particularly in terms of capital projects. We anticipate a notable increase in execution rates, reflecting her experience and commitment.

Let me extend heartfelt appreciation to:

- My fellow Councillors, for your unwavering support.
- Most importantly to our new CEO, Ms. Kapenda, who will soon take charge of executing this budget.
- The administrative leadership and municipal staff, for your hard work and commitment.
- Walvis Bay community for their patience and unwavering support under the current circumstances.

Together, we embark on a journey of renewal, accountability, and improved service delivery.

It is now my honour and privilege to officially present the Capital Budget, Operating Budget, and Tariff Structure Changes for the 2025/2026 financial year to His Worship the Mayor of Walvis Bay, Councillor Trevino Forbes, for tabling to this esteemed House for approval.



6. **Recommendations of the Management Committee meeting held on Friday 16 May 2025**

6.1 **Principle approval request for the creation of new positions for budgeting purposes**
(Add. 2; MC 16/05/2025; File 5/17/1) (SCM No. 04/2025/05/16)

The Municipal Council RESOLVED:

- (1) That the Municipal Council grants principle approval for the inclusion of the following proposed positions in the 2025/2026 budget submission due by 30 May 2025:

	DIVISION	PROPOSED TITLE	NUMBER	BAND	BUDGET
1.1	PMU	Procurement Officer: Contracts	1	C4	945,548
		Procurement Officer: Administration	1	C4	945,548
		Procurement Officer	2	C1	1,492,089
		Assistant Procurement Officer	1	B4	613,562
1.2	ICT	Senior IT Technician	1	C4	945,548
		Assistant IT Technicians	2	B4	1,227,124
1.3	Fleet	Superintendent: Fleet Management	1	C4	945,548
		Clerk/ Administration	1	B2	451,503
		Mechanic	3	B4	1,840,687
		Factotum	2	B2	903,006
1.4	Building Inspection	Building Inspector	2	C3	1,732,572
		Clerk: Building Plans	1	B2	451,503
1.5	Electrical	Clerk: Administration	1	B2	451,503
		Electrical Artisan	2	B4	1,227,124
		Assistant Artisan/ Factotum	2	B2	903,006
		Labourer	2	A2	611,288
Total					15,687,161

- (2) That the total estimated annual budgeted implications of the positions under 1.1 – 1.5 above which amounts to N\$15,687,161 be noted and its inclusion within the budget be condoned.
- (3) That the job descriptions of the above positions be finalised and submitted for grading, and that the final graded structure and actual costs be submitted to the Management Committee for consideration and final approval.

6.2 **Consideration of the capital estimates and operating estimates for revenue and expenditure for the 2025/2026 financial year** (Add. 3; MC 16/05/2025; File 5/3/1/2) (SCM No. 05/2025/05/16)

The Municipal Council RESOLVED:

That, subject to the conditions of section 83(1) of the Local Authorities Act, 1992, the Municipal Council of Walvis Bay adopts for subsequent approval by the Minister:

- (1) The total Capital Project estimates amounting to N\$ 1,150,338,590.

- (2) The anticipated spending for Capital estimates for the 2025/2026 financial year amounting to N\$ 632,366,991.
- (3) The Operating Budget (Expenditure) for the 2025/2026 financial year amounting to N\$ 660,456,348 excluding non-cash items of N\$ 193,360,600.
- (4) The Operating Budget (Income) for the 2025/2026 financial year amounting to N\$ 660,456,348 excluding non-cash items of N\$ 36,000,000.
- (5) That the Municipal Council take note of motivation to Capital estimates.

Councillors R Bramwell and E Shoji recorded their dissentient votes against the budget.

6.3 Consideration of the tariffs for the 2025/2026 financial year (Add. 4; MC 16/05/2025; File 5/5/2/18) (SCM No. 06/2025/05/16)

The Municipal Council RESOLVED:

That the tariffs for the 2025/2026 financial year for all operating services as set out in the attached schedule, be adopted by Municipal Council under section 30(1)(u) of the Local Authorities Act, 1992 (Act No. 23 of 1992), to become effective from the date that it is published in the Government Gazette.

Discussion by the Council in camera:

[REDACTED]

The meeting terminated at 18:28


CHAIRPERSON
Date signed:


CHIEF EXECUTIVE OFFICER
Date signed: 03/04/2025