



REPUBLIC OF NAMIBIA

MINISTRY OF WORKS AND TRANSPORT

VOTE 23: DEPARTMENT OF WORKS

BUDGET SPEECH

2013 - 2014

BY

HONOURABLE ERKKI NGHIMTINA, MP

MINISTER OF WORKS AND TRANSPORT

05 APRIL 2013

Honourable Chairperson of the Whole House Committee

Honourable Members

May I extend our gratitude as a Ministry for this opportunity to introduce to this August House Vote 23 for the Department of Works for the financial year 2013/2014.

Vote 23 caters for the provision of institutional facilities, office accommodation, housing, as well as the management and maintenance of Government properties. Under this Vote, the Department of Works also renders essential services to Offices/Ministries and Agencies with regard to the implementation of Capital Construction Projects on the Development Budget, the provision of standard stock and material supplies as well as printing services and the maintenance of garden infrastructure and equipment, to mention just a few.

Honourable Chairperson of the Whole House Committee

Honourable Members

Let me highlight some of the activities, which the Department of Works has undertaken to bring about improvement in service delivery.

During the 2012/2013 financial year, the Department successfully managed a variety of ongoing capital construction projects on behalf of line Ministries worth in excess of N\$ 400 million. *The typical construction project cycle* is currently under close scrutiny so as to

streamline the many activities. Offices/ Ministries and Agencies are being sensitized on budgeting within the Development Framework.

The analysis assignment will highlight known and unknown causes of delay affecting the implementation of capital construction projects by the Department of Works and all stakeholders participating in the erection of buildings for the Government of the Republic of Namibia. The Department endeavours to maintain the target of 80% for the 2013/14 financial year.

During the 2012/2013 financial year, the Department intensified efforts to receive on secondment a total of ninety seven (97) qualified and experienced professionals from Zimbabwe. Treasury and the Public Service Commission were approached to address the logistical arrangements. Thus far, a total of sixty five (65) professionals from Zimbabwe have been seconded to Namibia. Arrangements are being made to deploy five professionals to each Region. This exercise caters for various professional fields such as, Architecture, Civil Engineering, Structural Engineering, Electrical Engineering, Mechanical Engineering and Quantity Surveying.

The retention of Namibian building industry professionals and cultivation of Namibian building industry professionals is constantly being addressed in terms of market related salaries for the former and bursaries and understudy opportunities for the latter. The intention is to send candidates to Zimbabwe for further education in the various fields of study once the

Memorandum of Understanding (MOU) have been signed by the two Countries.

A bill to establish a *Namibian Construction Industry Council* and a *bill on the Architectural and Quantity Surveying Professionals* were both tabled in the National Assembly some time ago, but were withdrawn for further consultations. This exercise was done and the two bills are now pending re-submission to the National Assembly again.

Honourable Chairperson of the Whole House Committee

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The exercise on the sale of non-assigned government houses is approaching its final stage of implementation. The offers that are still outstanding are mainly for those houses erroneously transferred to the various towns during proclamation and now in a process of being rectified and returned to the Government and those on block ervens to be subdivided. During the financial year 2012/13; **52 houses** were sold and **NS6 048 300** was netted up to 31 January 2013. Since the implementation of the Scheme, **1225 offers** to sell were made to sitting tenants of which **137 offers** are still pending acceptance or approval at financial institutions. In total **1 050 houses** were sold countrywide, while **14 deeds of sale** are still in a process of being registered at the Deeds Office. An amount of **NS197 071 812** was generated since the implementation of the Scheme in 2000.

The alienation of some houses was delayed due to the fact that some block ervens needed to be subdivided before offers can be made to the sitting tenants. The Department of Works has obtained Tender Board Exemption to appoint Town Planners to assist in the exercise. The Department of Works is currently busy attending to subdivisions of affected properties in Oshakati, Ondangwa, Katima Mulilo, Mariental, Keetmanshoop, Tsumeb and Windhoek. Thereafter valuations will be conducted by the valuers in the Ministry of Lands and Resettlement.

As the Honourable Members will recall, Cabinet adopted the decentralization policy in 1996 and launched it as a Government decentralization programme in March 1998, with a view to devolve some of the functions, responsibilities and resources of the Central Government to the Regional Councils.

The maintenance function within the Department of Works is among the functions that have been identified to be decentralized to the Regional Councils to speed up maintenance activities and enhance efficiency. It is within this context that the Department of Works under the delegation phase has officially handed over the maintenance function to the thirteen (13) Regional Councils.

In consultation with the Ministry of Regional and Local Government and Housing and Rural Development, the Ministry has developed criteria for the monitoring, evaluation and re-aligning of strategies governing the decentralization of the maintenance function under the Delegation phase

and is now geared for Devolution to the Regional Councils during the 2015/16 Financial Year.

Honourable Chairperson of the Whole House Committee

Honourable Members

Cabinet by its Decision No.22nd 11.12.07 of 2008 already mandated all Government Offices, Ministries, Agencies and Regional Councils to establish their own Maintenance Units to cater for preventative maintenance. With reference to the Maintenance Management Framework approved by Cabinet, this includes the following routine maintenance activities:

Civil work: clean gutters and gulleys from obstructions, replace worn-out washers of leaking taps and toilet cisterns, attend to blocked sewer and drains, tighten loose screws or replace door locks and hinges, window handles and stays, broken window panes as well as other minor day-to day activities .

Electrical work: replace blown bulbs and fluorescents, regular minor services to generator sets such as replacement of filters, oil, batteries, etc.

Mechanical work: minor services to mechanical plants and installations such as the replacement of filters, oil, batteries, etc.

Hence I urge those Offices/ Ministries/ Agencies who have not yet created their own in-house Maintenance Units to do so, and to forthwith commence with the development of their internal maintenance strategies/ policies as per the guidelines contained in the Maintenance Management Framework document applicable to users of Government facilities

We simply cannot continue with the situation where Government buildings and schools remain for months, if not years, with broken window panes and door locks, leaking taps, blocked gutters and gulleys, broken chairs and tables. It is therefore imperative that a maintenance culture with a sense of responsibility and accountability amongst *users of government facilities* be created, and that Ministries make sufficient budgetary provision to cater for preventative and routine maintenance activities as well as to embark on an awareness campaign in this regard amongst their own staff members.

The Department of Works is ready to assist in training staff members recruited to these Units, as well as to assist in the overall technical supervision. At the same time, the Department will remain responsible for all other technical activities that do not fall under preventative maintenance such as:

- Major electrical, mechanical and civil repairs
- Repairs to electrical, sewer and water reticulations
- Major services on electrical/ mechanical equipment
- Compilation of costs estimate and for renovations

- Recommendation for appointment of maintenance contractors
- Supervision of work executed by maintenance contractors
- Investigation into structural or other defects on buildings
- Regular quality inspections

It should be noted that budgeting on the development budget for major renovations, upgrading etc, remain the responsibility of Offices/ Ministries/ Agencies.

Honourable Chairperson of the Whole House Committee

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The collection of raw data from all thirteen regions to compile a database on fixed assets is nearly completed and an electronic Property Manager Module to register and manage government fixed assets on an Oracle Web base has been developed, even though, customisation is still ongoing to improve the system before the final implementation.

With regard to the management of official accommodation of government quarters and other fixed assets, I wish to state that the management of fixed assets has not been decentralized to the Regional Councils. Hence this function remains the responsibility of the Department of Works and Regional Councils are only involved in coordinating and advising the Department on the management, control and utilization of the assets in their Regions.

It is important to inform the Honourable Members that all new allocation of official Government quarters to public servants was terminated in June 2006 due to the unavailability of accommodation as a result of the Alienation Scheme of some non- assigned government houses to sitting tenants. This directive was communicated by means of a circular to all the Offices, Ministries and Agencies.

The Department of Works has through regular inspections identified tenants who were occupying Government quarters illegally and is in a process of arranging for the necessary legal actions to evict them from the flats and houses. Other tenants are accumulating huge outstanding municipal bills with regard to their monthly water and electricity consumption. The Department has requested the Local Authorities to cut services once a bill is exceeding N\$ 2 000.00.

The Department of Works is also in a process to approach Offices, Ministries and Agencies to urgently request affected employees in their employ to immediately settle their outstanding accounts with the relevant Local Authorities.

Failure to adhere to this request, or to make satisfactory arrangements by entering into an agreement with their Employers to create a Departmental debt whereby Ministries will then be paying on their behalf and deduct money from their salaries on a monthly basis until the debt is cleared, will result in staff members forfeiting their privilege to occupy Government

accommodation. Staff members will then be given ninety (90) days notice to vacate, where after the accommodation will be offered to new tenants.

Honourable Chairperson of the Whole House Committee

Honourable Members

The division Information Technology is rendering services such as Network services, Database Services, Technical Support Services as well as End User Support Services to the Ministry of Works and Transport's head office and Regional Offices.

Honourable Chairperson of the Whole House Committee

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At this juncture allow me to introduce the total budgetary requirements for the Department of Works for the 2013/2014 financial year, which amounts to **N\$596 083 000**. From this amount, **N\$561 317 000** which represents 94.17% of the total budget will go into operational activities. The remaining **N\$34 766 000** which represents 4.83% of the total budget will be spent on capital related investments.

Let me now table the individual Programs for which the allocation of N\$596 083 000 will be utilized.

PROGRAM 1: PROVISION OF HORTICULTURAL SERVICES TO GRN OFFICE BUILDINGS AND SERVICE CENTRES

The purpose of this program is to render gardening services to Government Office Buildings and service centres including planning, layout, planting, watering, fertilizing, pruning, cleaning, general maintenance, supply and maintenance of pot plants, maintenance of swimming pools and providing advice for decorations during functions.

For this activity, I request an amount of N\$ 8 136 000 under this program.

PROGRAM 2: PROVISION OF STORES AND PRINTING SERVICES

The purpose of this Program is to facilitate the provision of office furniture, equipment and other materials and supplies as well as printing services to all Government Institutions, and the administering of auctioneering services for Government. The Program also allows for budgetary provision to commence with the upgrading and renovation of the Government Central Nursery in Windhoek.

For these activities, I request an amount of N\$ 24 769 000 under this program.

PROGRAM 3: MAINTENANCE OF GOVERNMENT PROPERTIES

The purpose of this program is to ensure sustainable and reliable maintenance and rehabilitation of existing Government property and related infrastructure to the best possible standard according to the

availability of funds and priorities set by the Government of Namibia, and to improve working conditions for staff members of Offices/ Ministries/ Agencies of Government in order to operate more effectively and efficiently.

The Programme is to improve living conditions in both rural and urban areas in all thirteen regions by providing sound environment management to Government facilities at far off remote places where municipal services are not provided by any Local Authority. Benefits will accrue to the local communities through use of the effluent for agricultural purposes, and improved health standards.

The service, maintenance and/or overhaul of water pumps and electrical generator plants as well as the design, upgrading and/or rehabilitation of existing specialised installations example boilers, cooling plants, lifts, sewer plants is also part of this program in order to cater for municipal services in remote areas and to ensure sustainability of the electrical and mechanical reticulation and infrastructure at government complexes.

The program also caters for the budgetary provision of maintenance funds to be transferred to the various Regional Councils to execute their responsibilities in respect of the already decentralised maintenance function under the delegation phase.

For these activities, I request an amount of N\$ 245 324 000 under this program.

PROGRAM 4: PROVISION OF OFFICE ACCOMMODATION REQUIREMENTS

This Program provides for the office accommodation requirements of all Ministries. Included in the amount required for this Program is provision on the operational budget (utilities) for paying rates and taxes to Local Authorities is the amount of N\$28 241 000 while N\$114 152 000 provided for under Property Rental and Related charges will be used for financing the rental of offices accommodation for Offices/ Ministries/ Agencies to ensure that Government Institutions have reasonable and adequate facilities to operate from.

The program further includes the purchasing of land for development, property assessment studies as well as the finalisation of the newly developed electronic Asset Register and a Property Management System.

For these activities, I request an amount of N\$ 155 455 000 under this program.

PROGRAM 5: GOVERNMENT CONSTRUCTION BUILDING REGULATION, COORDINATION AND SUPERVISION

As the technical Department responsible for the implementation of all capital construction projects for both construction and renovation of all functional and institutional buildings, the purpose of this Program is to successfully plan, supervise, monitor and finally hand over to Line Ministries completed capital construction projects, renovated Government

buildings and suitable upgraded and properly maintained electrical and mechanical systems in buildings. The Program is actively involved in regulating, coordinating and initiating building quality and technical standards to an average of 450 projects running concurrently during any given financial year.

Photo-Voltaic systems, allowing for basic power; lights and hot water, are installed and / or refurbished in existing Government schools and clinics in remote areas where there is no National electrification grid yet, and provision is made during the 2013/14 financial year for the installation of photo-voltaic systems in the Oshana Region.

The Program administers and regulates the Act on Professional bodies involved in the Construction Industry (Architects, Quantity Surveyors and Engineers) and supervises and monitors the construction work by contractors on Government projects including office buildings and service centres.

For these activities, I request an amount of N\$ 59 556 000 under this program.

PROGRAM 6: SUPERVISION AND SUPPORT SERVICES

The purpose of this program is to provide Administrative support services, including budgeting, accounting of personnel affairs. Another activity of the Program is to provide and manage a stable, reliable, sustainable and

cost-effective ICT services and to establish and maintain a sustainable network infrastructure, the maintenance of computer software and hardware networking, maintenance and support.

The Program is also to oversee all policies and operations related to Government building construction and maintenance as well as Transport, and to ensure that objectives are achieved and policies are properly implemented and to advice in the development of relevant policies in accordance with legislation requirements and national objectives to the Ministry.

This Program also oversee the implementation of the Ministerial Wellness Programmes to ensure that all staff members are well informed about deceases like HIV/AIDS and related illness as well as risks involved with the abuse of alcohol and risks associated with obesity etc.

For this activity, I request an amount of N\$102 843 000 under this program.

**Honourable Chairperson of the Whole House Committee
Honourable Members**

In the light of the Programs outlined above, I now humbly request this August House to approve the total expenditure of N596 083 000 for the Department of Works, Vote 23.

I herewith conclude the Budget Speech for 2013/2014 for my Ministry on Vote 23.

I THANK YOU FOR YOUR ATTENTION!