



REPUBLIC OF ZAMBIA

REPORT

OF THE

**COMMITTEE ON LOCAL GOVERNANCE, HOUSING AND CHIEFS' AFFAIRS
ON THE**

**PERFORMANCE AUDIT REPORT ON THE MANAGEMENT OF URBAN AND
REGIONAL PLANNING IN ZAMBIA WITH A FOCUS ON LAND USAGE 2017-2021
FOR THE**

SECOND SESSION OF THE THIRTEENTH NATIONAL ASSEMBLY

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FOREWORD

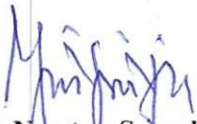
Pursuant to Standing Orders No. 198 (g), of the National Assembly Standing Orders, 2021, the National Assembly is vested with the power to consider audit reports referred to it by the Speaker or a resolution of the House. Thus, the Committee on Local Governance, Housing and Chiefs' Affairs was mandated to consider the Performance Audit Report of the Auditor General on the Management of Urban and Regional Planning in Zambia with a Focus on Land Usage 2017-2021.

Urban and regional planning ensures that the land is used effectively and efficiently and that buildings are located in positions where services and facilities can be provided. It also tries to secure a proper balance between competing demands for land so that the land is used to the best of all the community.

The main objective of the audit was to assess the effectiveness of measures put in place by the Ministry of Local Government and Rural Development (MLGRD) in delivering municipal services with respect to land usage. The audit focused on evaluating whether the measures developed by the MLGRD in forty three out of 116 districts to manage land usage were effective. The audit covered a period of five (5) years from January 2017 to December 2021. The Report is organised in two parts; Part I presents the audit's objectives and comments from the Auditor General while Part II constitutes the Committee's findings from its deliberations and the Committee's observations and recommendations.

In order to acquaint itself with the Performance Audit Report under consideration, the Committee sought both written and oral submissions from stakeholders. The stakeholders, who appeared before the Committee are listed at Appendix II. The Committee held eight meetings to consider the Audit Report.

The Committee is grateful to all stakeholders who tendered both written and oral submissions. The Committee further wishes to thank you, Madam Speaker, for affording it an opportunity to carry out its work. It also appreciates the services rendered by the Office of the Clerk of the National Assembly and his staff throughout the Committee's deliberations.



Mr Newton Samakayi, MP
CHAIRPERSON

June, 2023
LUSAKA

Table of Contents

1.0	MEMBERSHIP OF COMMITTEE	1
2.0	AUDITOR GENERALS COMMENTS	1
2.1	BACKGROUND OF THE AUDIT	1
2.2	MOTIVATION OF THE AUDIT	1
2.3	OBJECTIVES OF THE PERFORMANCE AUDIT REPORT	2
2.4	AUDIT SCOPE AND COVERAGE	2
2.5	AUDIT QUESTIONS	2
3.0	CONSIDERATION OF THE AUDIT REPORT BY THE COMMITTEE	2
3.1	DEVELOPMENT AND APPROVAL OF THE NATIONAL URBANISATION POLICY (NUP)	2
3.2	DEVELOPMENT OF THE INTEGRATED DEVELOPMENT PLANS	3
3.3	APPLICATIONS FOR CHANGE OF LAND USE	4
3.4	PROVISION OF LAND DEVELOPMENT SERVICES	4
3.5	DEVELOPMENT OF URBAN REGIONAL PLANNING REGULATIONS (URP Regulations)	5
3.6	DEVELOPMENTS IN PROTECTED AREAS-FOREST RESERVES	5
4.0	CONCLUSION	6
	APPENDIX I - LIST OF NATIONAL ASSEMBLY OFFICIALS	8
	APPENDIX II- LIST OF WITNESSES	9

ACRONYMS

MLGRD	-	Ministry of Local Government and Rural Development
NUP	-	National Urbanisation Policy
NPF	-	National Planning Framework
IDPs	-	Integrated Development Plans
URP	-	Urban Regional Planning

1.0 MEMBERSHIP OF COMMITTEE

The Committee consisted of Mr Newton Samakayi, MP (Chairperson); Mrs Maureen Mabonga, MP (Vice Chairperson); Mr Christopher Shakafuswa, MP; Mr Tyson Simuzingili, MP; Mr Menyani Zulu, MP; Mr Kenny Siachisumo, MP; Mr Remember Mutale, MP; Dr Simon Mwale, MP; Mr Luhamba Mwene, MP; and Mr Twaambo Mutinta, MP.

2.0 AUDITOR GENERALS COMMENTS

The Auditor General informed the Committee that in accordance with the provisions of *Article 250 of the Constitution of Zambia (Amendment) No.2 of 2016, Public Audit No.13 of 1994 and Public Finance Management No.1 of 2018*, the Office of the Auditor General was mandated to carry out Performance Audits in Ministries, Provinces and Agencies (MPAs) and to report the results to the President and Parliament for debate.

2.1 BACKGROUND OF THE AUDIT

The Committee was informed by the Auditor General that Performance Auditing was an independent, objective and reliable examination of whether Government undertakings, systems, operations, programmes, activities or organisations were operating in accordance with the principles of economy, efficiency and effectiveness and whether there was room for improvement.

The main objective of Performance Auditing was to promote economical, effective and efficient governance as well as contribute to accountability, transparency and quality delivery of public services.

2.2 MOTIVATION OF THE AUDIT

The Auditor General informed the Committee that urban and regional planning ensured that the land was used effectively and efficiently and that buildings were located in positions where services and facilities could be provided. It also tried to secure a proper balance between competing demands for land so that the land was used to the best of all the community.

The Committee learnt that the increasing demands of a growing population, rapid growth of urban areas, escalating poverty levels and its attendant pressures on the environment had negatively affected the performance of land use management functions. The Auditor General informed the Committee that where planning functions existed, they had been confined to urban areas to the detriment of regional areas. Even so, in urban areas, the Committee learnt that the application of regulations was weak and enforcement was limited. Approved Land Use Plans were often not followed up with land development services while planning controls and land use guidelines were restricted to urban and industrial settlements on state land to the exclusion of customary land use practices. As a result, a number of settlements on customary land were approaching urban population densities without the benefit of planning schemes.

The Auditor General informed the Committee that there could be no meaningful development without an effective and efficient land administration system. It was for this reason that the Government had attached great importance on land as being at the centre stage of all

economic development activity. The Committee was informed that in order to enhance national development, land should be made available for different economic ventures, which included agricultural, industrial, commercial, human settlements and other uses.

The Auditor General stated that the audit was carried out to assess the extent of measures taken by the MLGRD as regards delivery of municipal services with respect to land usage.

2.3 OBJECTIVES OF THE PERFORMANCE AUDIT REPORT

The audit objective was to assess the effectiveness of measures put in place by MLGRD in delivering municipal services with respect to land usage.

2.4 AUDIT SCOPE AND COVERAGE

The audit covered the period 2017- 2021. The target population was the MLGRD, Line Ministries, Professional and Regulatory bodies. The sample size consisted of forty-five (45) out of the 116 Local Authorities, four (4) out of the ten (10) Provincial Planning Authorities in nine (9) provinces were drawn. The sample size was purposively selected for the forty-five (45) Local Authorities that had risks identified while random sampling was employed in the selection of districts with/without Integrated Development Plans (IDPs). The purposive and random sampling were collectively used in this audit based on a mix of town, district and municipal councils. The areas visited were selected districts in Lusaka, Central, Copperbelt, North-western, Western, Eastern, Southern, Luapula and Northern Provinces.

2.5 AUDIT QUESTIONS

In line with the audit objective, the audit questions were as follows:

- (a) To what extent was the policy, regulatory framework and guidelines for Urban and Regional Planning adequate to ensure efficient and effective delivery of municipal services?
- (b) To what extent had the Ministry of Local Government and Rural Development put in place effective measures to ensure land usage was planned in accordance?

3.0 CONSIDERATION OF THE AUDIT REPORT BY THE COMMITTEE

The Committee considered submissions from various stakeholders whose list is at Appendix II. The submissions from the stakeholders and the Permanent Secretaries as well as the Committee's observations and recommendations are set out hereunder.

3.1 DEVELOPMENT AND APPROVAL OF THE NATIONAL URBANISATION POLICY (NUP)

Stakeholders acknowledged and bemoaned the lack of the National Urbanisation Policy (NUP) and the delay surrounding its approval for over four years. Stakeholders stated that a lack of this policy greatly affected the presence of the National Planning Framework (NPF) and subsequently urban development.

Ministry's Response

The Ministry informed the Committee that the NUP was not approved as of December 2021 from 2019. This was because of the realignment of mandates in relation to urban development which was assigned to the Ministry of Infrastructure, Housing and Urban Development. The Committee was informed that the Government had to revisit the NUP to ensure that it was streamlined to the mandate after the realignment of ministries. The Committee learnt that the NUP had since been resubmitted to Cabinet office for further processing. With the foregoing, the Government had since started the preparation of the (NPF) while awaiting the approval of the NUP. To this effect, the MLGRD had submitted a Memorandum informing Cabinet about the intent to commence the preparation of the NPF. Preliminary work had also started including formation of the core ministerial technical committee. The Committee was informed that a concept note and some secondary data had been collected in readiness for the commencement of the preparation of the NPF after Cabinet approval.

Committee's Observation and Recommendation

The Committee is pleased to learn that strides to have the National Urbanisation Policy in place are being made. The Committee, therefore, recommends that the Ministry of Local Government and Rural Development should continue to make continuous and haste efforts to see to it that the NUP is finalised and in place. The Committee further recommends that the preparations for NPF should be completed, as it would affect the achievement of coordinated planning.

3.2 DEVELOPMENT OF THE INTEGRATED DEVELOPMENT PLANS

Stakeholders submitted that the MLGRD had been providing technical support and backstopping to local authorities in supporting the preparation of the IDPs. However, they stated that that the effective preparation of the IDP required adequate resources which most local authorities were lacking. Local authorities informed the Committee that line ministries were not fully engaged in the development of the IDPs. They highlighted that the failure to coordinate had the potential of giving rise to omissions and misrepresentation of the concerned Regional Development Plans in the overall National Development Plan which would subsequently lead to the misplacement of resources and poor land management.

Ministry's Response

The Committee was informed that the development of Integrated Development Plans was a challenge for most local authorities due to financial challenges. However, there had been an improvement in the number of approved IDPs from the time the audit was done. The Committee learnt that the number of approved IDPs had increased from nine to twenty-seven and those under development at various stages were seventy-eight, leaving a balance of eleven local authorities that were yet to start preparing their IDPs. In order to enhance support for those that were struggling with the preparation of IDPs, the Ministry informed the Committee that it was revising the IDP preparation guidelines and had also financially supported a total of eighteen local authorities that had a low revenue base.

Committees Observation and Recommendation

The Committee observes that the lack of financial resources will continue to impede the development of the IDPs as it is a very expensive document to develop. The Committee in agreeing with the stakeholders recommends that adequate funds should be allocated towards the preparation of the IDPs. The Committee further recommends that the Ministry of Finance and National Planning should consider establishing a budget line to fund the development of the Local Area Plans and subsequently the IDPs.

In view of the lack of coordination from the line ministries, the Committee recommends that local authorities engage all stakeholders from the inception of the process. The Committee adds that this will make the IDP document more consultative.

3.3 APPLICATIONS FOR CHANGE OF LAND USE

Stakeholders acknowledged delays in the processing and approval of change of land use beyond the prescribed ninety days and twenty-eight days respectively.

Ministry's Response

The Ministry informed the Committee that the causes of the delays in the processing of applications for planning permissions for change of land use within the prescribed ninety days, was due to the lengthy processing procedures. The Committee learnt that an application was subjected to consideration by the planning committee of the local authority and then escalated to the full council which met quarterly, thereby consuming the whole ninety days that were provided in the Urban and Regional Planning Act. The Committee was informed that the Government was considering amending some provisions of the *Urban and Regional Planning Act, No. 3 of 2015* in order to cure such inefficiencies.

Committees Observation and Recommendation

The Committee observes that section 50 of the *Urban and Regional Planning Act, No. 3 of 2015* has centralised the approval of the change of land use to the Minister of Local Government and Rural Development alone. In this regard, the Committee recommends that the approval process be decentralised from the Ministry to the district and the clause in the *Urban and Regional Planning Act, No. 3 of 2015* be amended accordingly.

3.4 PROVISION OF LAND DEVELOPMENT SERVICES

Stakeholders informed the Committee that servicing of areas opened up for development was important. Local authorities informed the Committee that they engaged utility companies like the water and sanitation companies and ZESCO to quote them for the services that they would provide. However, the fees that were quoted were too high for the local authorities to implement.

Ministry's Response

The Ministry informed the Committee that the main cause of this problem was the poor revenue base for most councils, which made it difficult for them to provide services such as proper road networks and water reticulation before allocating plots to prospective developers.

The Committee was informed that the Government would continue to support councils and encourage the provision of serviced plots to prospective clients. The Ministry stated that councils were expected to work with service providers such as ZESCO and water utility companies to service a specific area before plots could be offered to members of the public.

It was the hope of the Government that through implementation of good policies such as the decentralisation policy, councils would be empowered to be able to raise their own revenue that could be used to among other things, ensure that plots were serviced before they were offered to the public.

Committee's Observations and Recommendation

The Committee observes that due to poor revenue base for most local authorities, it was difficult to effectively service land before it was sold. In this regard, the Committee recommends that local authorities must include a cost reflective price to the plots they sell, so that order and proper development of land is assured.

3.5 DEVELOPMENT OF URBAN REGIONAL PLANNING REGULATIONS (URP Regulations)

Stakeholders informed the Committee that the absence of the URP regulations contributed to the weak institutional framework and inefficient urban planning. The stakeholders highlighted that only one set of regulations which was the URP General Regulations was approved in 2020 while three (3) sets namely; Planning Procedures; Land Use Classes and Exempted Development Classes and Improvement Areas were still in draft form as at December 2021.

Ministry' Response

The Ministry informed the Committee that the Land Use Classes and Exempted Development Classes Regulations had been outstanding despite the Ministry of Local Government and Rural Development submitting them to the Ministry of Justice (MoJ). However, as of 2nd June, 2023, the final draft was submitted to the MLGRD for final verification. This was done and resubmitted to Ministry of Justice for finalisation. The Ministry stated that the delays in the issuance of regulations had mostly been beyond the Ministry's control.

Committee's Observation and Recommendation

The Committee observes that the provisions in the *Urban and Regional Planning Act, No. 3 of 2015* require all guidelines to be in place that will aid enforce the provisions of the Act. In view of this, the Committee recommends that the Ministry of Local Government and Rural Development should urge the Ministry of Justice to hasten the process and finalise the whole process to ensure the regulations are in place.

3.6 DEVELOPMENTS IN PROTECTED AREAS-FOREST RESERVES

Stakeholders informed the Committee that forest reserves had been highly encroached and that this was as a result of the lack of IDPs and the lack of planning agreements as prescribed

in the *Urban and Regional Planning Act, No 3 of 2015*, which had contributed to the encroachment of protected areas.

Ministry's Response

The Ministry confirmed that protected areas had been encroached by illegal settlers. They stated that this had always posed a challenge for the Government to evict such individuals especially in the case of vulnerable households. The Ministry informed the Committee that the Government had been treating this matter gradually in order not to leave people destitute.

The Ministry stated that it was important to note that the role of the MLGRD in the management of forests was limited to planning (zoning) because the enforcement of development controls on land designated as forest fell under the department of forestry in the Ministry of Green Economy and Environment except in land that was within the township. However, the MLGRD, through local authorities, worked in liaison with the Department of Forestry to curb encroachment. Notwithstanding the foregoing, the Ministry stated that one of the challenges was that often forestry boundaries were disputed in some cases by traditional authorities that permit their subjects to occupy the land designated as forest. The Committee was informed that the Government would continue with sensitisation campaigns to tackle the issue of encroachment. The Ministry added that it would endeavour to collaborate with the Department of Forestry to protect forests from encroachment.

Committee's Observation and Recommendation

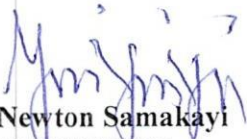
In light of the foregoing, the Committee observes that the public, specifically those in the rural areas, are not knowledgeable of the boundaries of protected areas. The Committee, therefore, recommends that there is need to put in place planning agreements between the local authorities and the traditional leaders. This will ensure that traditional leaders and their subjects are knowledgeable of the boundaries of protected areas and will further provide guidance on where allocation of settlers can be made. The Committee adds that the presence of IDPs and planning agreements will ensure that protected areas remain safeguarded by the traditional leadership and the local authorities.

4.0 CONCLUSION

The Committee observes that gaps exist in the management of urban and regional planning in Zambia with particular focus on land usage. The Committee notes that the absence of the National Urbanisation Policy and the National Planning Framework prohibits the overall coordinated direction to national development. Notwithstanding the many challenges associated to development such as low financial capacity of local authorities, poor stakeholder coordination in the development of the IDPs, the Committee commends the effort that is being put in to see to it that coordinated Urban Development is achieved.

We have the honour to be, Madam, the Committee on Local Governance, Housing and Chiefs' Affairs mandated to consider the Performance Audit Report on the Management of

Urban and Regional Planning in Zambia with a Focus on Land Usage 2017-2021 for the
Second Session of the Thirteenth National Assembly.



Mr Newton Samakayi
CHAIRPERSON

June 2023
LUSAKA

APPENDIX I - LIST OF NATIONAL ASSEMBLY OFFICIALS

Mr Francis Nabulyato, Principal Clerk of Committees (SC)
Mrs Chitalu K Mumba, Deputy Principal Clerk of Committees (SC)
Mrs Angela M Banda, Senior Committee Clerk (SC1)
Ms Racheal Mumba, Committee Clerk
Mrs Charity Muyunda, Typist
Mr Danny Lupiya, Committee Assistant
Mr Muyembi Kantumoya, Parliamentary Messenger

APPENDIX II- LIST OF WITNESSES

1. Office of the Auditor General
2. Zambia Environmental Management Agency
3. Lusaka City Council
4. ZESCO
5. Lusaka Water and Sanitation Company
6. Chibombo District Council
7. Zambia Statistics Agency
8. Rufunsa District Council
9. Ministry of Community Development and Social Services
10. Ministry of Infrastructure, Housing and Urban Development
11. Civic Forum on Housing and Habitat Zambia
12. Ministry of Finance and National Planning
13. Local Government Service Commission
14. Choma Town Council
15. Ministry of Lands and Natural Resources
16. Zambia Institute of Planners
17. Ministry of Local Government and Rural Development