NYIMBA TOWN COUNCIL

Meeting Title: Business Stakeholder Engagement on 2025 Budget Performance and 2026 Budget Submission.

Date: 18th June, 2025.

Time: 10:30 – 13:30 hours.

Location: Nyimba Town Council Chamber

Facilitator:

1. Kamndarila Phiri – Chief Accountant.
2. Martin Nyirenda – Accountant.

ATTENDEES:

1. Cllr. Gadson Tembo - Council Chairperson
2. Cllr. Moses A. Tembo - Chamilala Ward Councillor
3. Cllr. Derrick Daka - Chinsimbwe Ward Councillor
4. Cllr. Joshua Lungu - Kaliwe Ward Councillor
5. Cllr. Mathews Daka - Katipa Ward Councillor
6. Cllr. Kelvin Sakala - Chinambi Ward Councillor
7. Cllr. Dismas Mwengwe - Luangwa Ward Councillor
8. Cllr. Petros Daka - Msima Ward Councillor
9. Cllr. Mumba Zulu - Katipa Ward Councillor
10. Mr. Gibson Mweemba -Council Secretary.
11. Ms. Chabula Sambala - Council Advocate
12. Mr. Pelivis Masongozi -Director Planning.
13. Mr. Kamndarila Phiri - Acting Director Finance.
14. Mr. Martin Nyirenda - Accountant.
15. Mr. Dackwell Mwanza - Mtilizi WDC Chairperson
16. Mr. Mabvuto Tembo - Chinsimbwe WDC Chairperson

17. Mr. Fordson J. Daka - Kaliwe Ward Chairperson
18. Mr. Jackson Zulu - Lwezi WDC Chairperson
19. Mr. John Nyendwa - Chamilala WDC Chairperson
20. Mr. Brian Malunga - Chinambi WDC Chairperson
21. Mr. Joseph Phiri - Nyimba C. WDC Chairperson
22. Mr. Lazarous Banda - WDC Chairperson
23. Ms. Leny Lungu - Msima WDC Chairperson
24. Mr. Morgan Phiri - Vizimumba WDC Chairperson
25. Ms. Clarence Sakala - Luangwa WDC V/ Chairperson
26. Mr. Isaac Kachali - Katipa WDC Secretary
27. Ms. Christine Mulyabila - Chinsimbwe WDC Secretary
28. Mr. Edson Mumba - WDC Secretary
29. Mr. Zachariah Moyo - Lwezi WDC Secretary
30. Ms. Felidah Phiri - Msima WDC Secretary
31. Mr. Elias Mwanza - Mombe WDC Secretary
32. Mr. Joseph Mwanza - Chamilala WDC Secretary
33. Mr. Dickson Jere - Mtilizi WDC Secretary
34. Mr. Mark Ndhlovu - Nyimba C. WDC Secretary
35. Mr. Strive Mukwenya - Vizimumba WDC Secretary
36. Ms. Mary Mwanza - Vizimumba WDC Treasurer
37. Mr. Rabson Daka - Kaliwe WDC Treasurer
38. Ms. Bridget Zulu - Nyimba C. WDC Treasurer
39. Ms. Eneless Lungu - Chinambi WDC Treasurer
40. Mr. Arghum Tembo - WDC Treasurer
41. Mr. Martin Mubita - Chamilala WDC Treasurer
42. Mr. Jackson Zulu - Lwezi WDC Treasurer
43. Mr. Davies Zulu - Chamilala WDC Revenue Agent
44. Mr. Jimmy Mumba - Nyimba C. WDC Revenue Agent
45. Ms. Agness Tembo - Lwezi WDC Revenue Agent
46. Mr. Charles Mwale - WDC Revenue Agent
47. Ms. Megina Mwale - WDC Revenue Agent
48. Mr. Robert Phiri - Msima WDC Revenue Agent

AGENDA:

1. Opening Remarks.
2. Presentation on Budgeting and Planning Framework.
3. Presentation on 2025 Budget Performance.
4. Presentation of 2026 Budget Proposals and Submissions.
5. Plenary Session.
6. Closing Remarks.

WELCOMING REMARKS

In his opening remarks, The Council Secretary, Mr. Gibson Mweemba, began by expressing his appreciation for the strong turnout from the business community, civic groups, traditional leaders and council officials. He emphasized that the meeting served as an essential platform for presenting Nyimba Town Council's budget performance for 2025 and outlining the planned resource allocations for the 2026 fiscal year. Mr. Mweemba highlighted that it was important for stakeholders to clearly understand the council's financial position, the progress made during the current budget cycle and the strategic priorities informing the proposed investments for the coming year.

He further explained that the consultation was designed not only to inform stakeholders but also to actively engage them in reviewing the council's proposals particularly those related to revenue enhancement, economic growth and improved financial sustainability. Mr. Mweemba stressed that the business community's insights and lived experiences were invaluable to shaping practical, inclusive and implementable budget measures.

Additionally, he reaffirmed that the meeting formed part of the council's broader accountability commitments under the Zambia Devolution Support Programme (ZDSP), which promotes transparency, participatory decision-making and responsible management of public resources. By involving stakeholders directly in the budget review and planning process, Mr. Mweemba noted, the Council aimed to strengthen trust, deepen collaboration and ensure that the 2026 budget truly reflects the needs and aspirations of the people of Nyimba.

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PRESENTATION ON BUDGETING AND PLANNING FRAMEWORK

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The Director Planning provided a comprehensive overview of the budgeting and planning framework that informs the formulation of the 2026 budget. He began by giving an outline of Nyimba District's demographic and socio-economic profile, noting that the district has an estimated population of 145,119 people. He emphasized that agriculture remains the backbone of the local economy, with the majority of households engaged in crop production and livestock rearing. This economic context, he explained, plays a critical role in shaping the district's development priorities and budget focus areas.

In his presentation, the Director highlighted that the 2026 budget has been developed in alignment with key national and local policy instruments. These include the National Development Plan, which outlines the country's overall development agenda, and the Integrated Development Plan (IDP) 2020 – 2030, which remains the guiding blueprint for long-term development in Nyimba. He reiterated that the IDP continues to serve as a living document, providing direction for annual planning and ensuring continuity in the implementation of district-level programmes.

He further explained that the budgeting process is also guided by the government's ongoing decentralisation reforms and the objectives of the Zambia Devolution Support Programme (ZDSP). These frameworks promote local decision-making, enhanced community participation, and improved accountability in the management of public resources. By aligning the budget with these reforms, the Council aims to reinforce the principles of transparency, responsiveness and inclusive development.

The Director Planning stressed the importance of ensuring that all programmes and budget items remain consistent with the strategic priorities outlined in the IDP. Key focus areas identified for 2026 include improvements in water and sanitation infrastructure, the rehabilitation and grading of feeder and township roads and the promotion of infrastructure development across key social and economic sectors. He noted that these priorities are essential for stimulating economic activity, improving service delivery and addressing gaps identified through previous community consultations and performance reviews.

In concluding his presentation, the Director reaffirmed that the 2026 budgeting and planning process was designed to create a coherent, strategic and results-oriented financial framework that supports sustainable development and responds to the evolving needs of the Nyimba community.

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PRESENTATION ON BUDGET PERFORMANCE (2025)

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The Director Finance gave a detailed presentation on the performance of the 2025 budget, highlighting both achievements and challenges experienced during the fiscal year. He began by reviewing the status of local revenue performance, noting that while progress had been made across several revenue streams, the overall collection rate remained below expectations as at September 2025.

He explained that local taxes had reached 50% of their annual target, reflecting moderate compliance among ratepayers. Fees and charges, which make up a substantial component of the Council's own-source revenue, recorded 48% of the expected collections. In contrast, levies performed relatively well, achieving 84%, driven by improved enforcement and increased transactions within local markets. Despite these pockets of progress, the total local revenue collected stood at 51% of the approved budget, signalling the need for strengthened revenue mobilization strategies going into 2026.

Shifting to national grants performance, the Director noted that the Council had received 63% of its total expected grant allocations by the reporting period. He highlighted that key grants such as the Constituency Development Fund (CDF) had a disbursement rate of 67%, allowing substantial progress on community projects. However, some grants performed significantly below expectation, including Motor Vehicle Licensing, which stood at 31%, and Social Welfare, which had only received 10% of its allocation. The Director further reported that the Devolution Capital Grant had not been released at all during the period under review, recording 0%, which posed considerable challenges for planned capital projects.

He continued by providing an overview of the programme outputs achieved across departments. Several programmes performed exceptionally well, meeting or exceeding targeted outputs. These included successful construction of classroom

blocks, completion of ward-level committee trainings, high numbers of environmental inspections, and consistent progress on infrastructure maintenance. He emphasized that these achievements demonstrated the commitment of Council departments to delivering services despite resource constraints.

However, the review also revealed areas where performance fell short. Notable gaps were observed in the review of the Integrated Development Plan (IDP), which did not progress as planned, and in several employee-related outputs, such as legal instrument reviews and the liquidation of outstanding debts. The Social Protection Unit also faced difficulties in delivering planned assistance to vulnerable households, achieving limited progress due to funding delays. Similarly, certain health-related activities, such as disease surveillance, and various agricultural interventions, including field days and farmer support programmes and did not meet their yearly targets.

In summarizing the performance, the Director Finance emphasised that while commendable gains were made in key service delivery areas, persistent under-collection of local revenue, uneven national grant disbursements, and shortfalls in cross-sectoral programme implementation collectively underscored the need for strengthened planning, improved resource allocation and enhanced monitoring mechanisms in the 2026 budget cycle.

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PRESENTATION OF 2026 BUDGET PROPOSALS AND SUBMISSIONS

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The Director Finance proceeded to present the proposed budget for the 2026 fiscal year, beginning with an overview of the projected revenue outlook. He informed stakeholders that the Council anticipates generating ZMW 9,123,800 in local revenue for 2026. This forecast, he explained, is anchored on several key assumptions aimed at enhancing the district's revenue base. Among these assumptions is the implementation of the updated 2023 valuation roll, which is expected to significantly increase property-related revenues. He also highlighted progress made on the Carbon Trading Levy By-law, noting that once approved, it would introduce a new revenue stream that aligns with national climate response initiatives.

In addition, the Director mentioned several upcoming business ventures that the Council intends to operationalize, including poultry production, the establishment of a

truck park, and the finalization of the Metal Certification License, which is awaiting approval from the Zambia Revenue Authority and the Ministry of Finance. These ventures are expected to stimulate local economic activity while contributing to the Council's financial sustainability. He further explained that the planned extension of township boundaries would create additional land parcels, thereby increasing revenue from land allocations and related fees.

Turning to national revenue inflows, the Director reported that Nyimba Town Council is projected to receive ZMW 87,434,769 in national grants in 2026. This represents an increase from the previous year and includes notable increments in key grants such as the Constituency Development Fund (CDF), which is expected to rise to ZMW 40,032,550, the Transport Services Grant and the Health Services Grant. He emphasized that these increases are critical for supporting major infrastructure projects, social services and community-level development initiatives.

The Director then presented the budget allocation by programme, outlining how funds will be distributed across the various functional areas of the Council. He noted that the Constituency Development Fund will receive the largest share at 41%, reflecting the district's commitment to community-driven development initiatives. Social Protection programmes will account for 23% of the total budget, supporting vulnerable households and strengthening social welfare systems. Transport Services will receive 6.5%, enabling continued rehabilitation of roads and expansion of street lighting. Meanwhile, Management and Support Services will take up 10%, ensuring effective administration and oversight. Smaller allocations will support Public Health (3%), Housing and Community Amenities, and Education and Skills Development, the latter receiving 0.02% due to the narrow financing required for its specific statutory obligations.

He further detailed the budget's economic classification, explaining that the largest allocation 26.67% is earmarked for non-financial assets such as infrastructure projects and capital investments. Social assistance benefits will account for 21.97%, consistent with the district's heightened focus on welfare programmes. Use of goods and services will take up 21.78%, while personnel emoluments will consume 13.02% of the budget. Additional provisions include grants and other transfer payments at 10% and liabilities at 2.27%, which largely relate to contingent and statutory payments.

The Director Finance also presented the district's debt situation and liquidation plan for 2026, revealing a total outstanding debt of ZMW 48,476,274 as of September 2025. For the year 2026, the Council has allocated ZMW 4,284,797 toward debt servicing. He explained that the debt portfolio is comprised of salary arrears, long service bonuses, ZRA PAYE arrears, NAPSA obligations, LASF contributions, and medical insurance arrears. These obligations, he noted, continue to exert pressure on the Council's budget but remain a priority in efforts to restore financial stability and compliance.

In concluding this section, the Director reviewed the proposed allocation of the 2026 Constituency Development Fund (CDF). He reported that 61% of the CDF allocation will support community projects, including school infrastructure, borehole drilling and health facility improvements. Youth and Women Empowerment initiatives will receive 17%, aimed at supporting entrepreneurship and income-generating activities. Another 17% will be channelled toward Secondary School Bursaries and Skills Development, ensuring continued educational support for learners. The remaining 4% will cover CDF administration costs to ensure efficient and transparent management of the fund.

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PLENARY SESSION

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The plenary session provided an opportunity for stakeholders to engage directly with the Council on the issues presented and to offer their insights on the proposed 2026 budget. A number of substantive observations and recommendations were raised, reflecting the diverse concerns of the business community, civil society representatives and other attendees.

Several stakeholders emphasized the urgent need for the Council to intensify efforts toward automating revenue collection systems, noting that manual processes have continued to expose the institution to leakages and inefficiencies. They highlighted that automation would not only enhance transparency but also improve compliance and expand the local revenue base.

Participants also expressed concern regarding the low performance of local revenue collection, which stood at 51% by September 2025. They encouraged the Council to strengthen enforcement measures, broaden the taxpayer base and introduce targeted

strategies aimed at improving compliance, especially within the informal business sector.

A recurring issue raised by business representatives was the need for improved feeder road infrastructure and particularly roads leading to farming areas. They emphasized that poor road conditions continue to hinder the transportation of agricultural produce, increase operational costs for businesses and limit market access for farmers. Stakeholders urged the Council to prioritize the rehabilitation and grading of these roads under the CDF and the Transport Services Programme.

The business community further suggested that the Council consider introducing incentives to support the formalization of small and medium enterprises (SMEs). They noted that many informal businesses are willing to register but face financial and administrative barriers. Such incentives, they argued, would broaden the tax base while fostering entrepreneurship and economic growth.

Additionally, stakeholders raised concerns about the delayed disbursement of national grants, which has negatively impacted the timely implementation of projects and the delivery of essential services. They encouraged the Council to intensify engagement with the Ministry of Finance to facilitate more consistent releases moving forward.

There was also broad support for the Council's proposal to extend township boundaries, with stakeholders observing that the expansion would create additional land parcels for development, attract investment and increase future revenue streams.

In response to these inputs, the Council assured stakeholders that the full rollout of automated revenue systems would be implemented in 2026 as part of its strategy to enhance efficiency and reduce financial leakages. Council officials also reaffirmed their commitment to prioritizing the grading and rehabilitation of key roads under both the CDF and Transport Services funding lines. With regard to delayed national grants, the Council informed participants that ongoing engagements were underway with the Ministry of Finance to expedite the release of outstanding funds to ensure timely execution of planned activities.

Following the extensive discussions held during the plenary session, several key decisions were reached to guide the refinement of the 2026 budget and immediate operational priorities of the Council. The Council acknowledged the concerns raised by

stakeholders and committed to taking concrete steps to address them in a structured and timely manner.

One of the major decisions agreed upon was the full-scale implementation of automated revenue collection systems beginning in 2026. This commitment arose from the shared understanding that automation is essential to reducing financial leakages, improving efficiency and strengthening accountability within the revenue management process. The Council resolved to prioritize the procurement, installation, and staff training associated with the new digital systems.

The meeting also concluded that road rehabilitation and grading, particularly for feeder roads that support agricultural activities and business logistics, would be elevated as a priority under both the Constituency Development Fund (CDF) and Transport Services Programmes. Stakeholders and Council officials jointly recognized that improving road access is critical for stimulating local economic activity, easing movement of goods and services and reducing transportation costs for farmers and small enterprises.

In response to concerns about inconsistent release of national grants, the Council agreed to strengthen its engagement with the Ministry of Finance and National Planning. This will include more proactive follow-ups and periodic reporting aimed at ensuring timely disbursement of funds necessary for project implementation and service delivery.

Additionally, the Council committed to exploring the introduction of SME support incentives, including simplified business formalization procedures and targeted awareness campaigns to encourage small enterprises to register and participate more actively in the formal economy. This decision was made in recognition of the strong link between business formalization, revenue expansion and local economic development.

To operationalize these commitments, a set of specific action items was agreed upon. The Planning Department, working with Finance and ICT units, will lead the rollout of the revenue automation system. The Engineering and Works Department was tasked with preparing a priority schedule for road rehabilitation to be integrated into the 2026 work plan. Meanwhile, the Council Secretary's Office will coordinate formal communication with the Ministry of Finance regarding outstanding grant

disbursements. The Economic and Business Development Unit will spearhead the development of SME sensitization programmes and proposed incentives.

These decisions and corresponding action items reflect the Council's resolve to incorporate stakeholder perspectives into practical interventions, ensuring that the 2026 budget is both responsive and aligned with the district's development needs.

CLOSING REMARKS

In his closing remarks, the Council Secretary, Mr. Gibson Mweemba, expressed his sincere gratitude to all participants for their active engagement and thoughtful contributions throughout the meeting. He noted that the wide range of views shared by business representatives, community members, traditional leaders and civil society organizations reflected a strong collective commitment to the development of Nyimba District.

Mr. Mweemba emphasized that the Council places high value on participatory planning and budgeting, and he reaffirmed that the insights provided during the session would play a pivotal role in refining and finalizing the 2026 budget. He acknowledged the critical feedback raised in relation to revenue mobilization, infrastructure development, delayed grant disbursements, and the creation of an enabling environment for business growth. These issues, he assured the stakeholders, would be taken into careful consideration as the Council moves toward the consolidation of the budget.

He further reiterated the Council's commitment to strengthening accountability and transparency under the Zambia Devolution Support Programme (ZDSP), noting that stakeholder engagement is not a one-off event but an ongoing process that supports effective governance and improved service delivery. He encouraged all participants to remain involved throughout the budget cycle, including implementation and monitoring, to ensure that projects deliver tangible benefits to the people of Nyimba.

Mr. Mweemba also acknowledged the challenges highlighted during the plenary discussions, particularly related to revenue leakages, infrastructure gaps, and the rising demand for essential services. He assured stakeholders that the Council would accelerate efforts to automate revenue systems, enhance administrative efficiencies, and improve coordination with central government institutions. He emphasized that overcoming these challenges would require collective responsibility, continuous dialogue, and a shared vision for the district's progress.

In concluding the meeting, he thanked everyone once again for dedicating their time to this important process and encouraged them to continue collaborating with the Council in fostering sustainable development. He expressed confidence that with unity of purpose and consistent stakeholder engagement, Nyimba District would continue to make meaningful strides in improving livelihoods and expanding opportunities for its residents. The meeting was then officially adjourned at 13:45 hours.

CERTIFIED AS A TRUE AND CORRECT RECORD OF THE PROCEEDINGS

Prepared By: **ENVIRONMENTAL PLANNER**..... **DATE** ..... 27 June, 2025.

Signed By: **COUNCIL SECRETARY**.....**DATE** ..... 27. June, 25

NYIMBA TOWN COUNCIL
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27 JUN 2025
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