

2018/19

Annual Report



MUNICIPAL
COUNCIL OF
MANZINI



ESTABLISHED AROUND
1890



The City of Manzini is open for business and investment that can stimulate economic growth and create employment opportunities for the citizens.

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Manzini city's historical background

The embryo of the city was formed in the 1890s when white settlers descended the Eswatini territory and settled in what is today known as Manzini. At the time, the area was nothing more than just a veld with one homestead situated by the Umzimnene River belonging to one Manzini Motsa. The white people came in to seek concessions for cattle grazing and trade from the then ruler of the territory, King Mbandzeni. The white settlers bought an existing store from one Arthur Bremer to set up an administrative government for white settlers to start commercial activity in the area. The condition of the sale was that the administrative capital should be named after him hence the area became known among the settlers as Bremersdorp; "dorp" being an Afrikaans name meaning agricultural town. However, native Swazis preferred to call the place "kaManzini".

As more white settlers descended Bremersdorp for various reasons, activities, especially trade, were on the rise. In 1898 Bremersdorp was declared a town and, henceforth, private plots began to be sold to private individuals. One settler, DJA Danford, drew a sketch of town land uses which became the first Town Planning Scheme. This also saw the development of some of the streets in today's Manzini as well as the centrally located Somhlolo Park (formerly known as Jubilee Park). In the late 1890s Swazis suspected that malicious supernatural forces were at play amongst themselves and witch-hunt activities ensued. These events culminated in the killing of

King Bhunu's Chief Indvuna, Mbhabha Sibandze, and his two attendants on 9th April 1898. The colonial government, led by President Kruger of the Transvaal, took advantage of the turmoil among Swazis and attempted to abolish the office of Paramount Chief, as King Bhunu was called. British intelligence believed there was conspiracy between King Bhunu and Zulu King Dinizulu to stage an anti-whites uprising. The colonialists summoned King Bhunu, who lived in Zombodze, to Bremersdorp for a hearing whose purpose was to ascertain his role in the killing of Mbhabha. Worth noting is that the reports of a planned uprising were false but this action almost ignited the feared uprising.

In 1899 King Bhunu arrived for a hearing in Bremersdorp on Saturday morning, 21st May 1899, to testify on the death of Mbhabha. The death of Mbhabha was viewed by the settlers as a threat to the Swazi nation. The colonialists saw reason to put the King on trial facing a charge of murder. The trial took place on the 5th September 1899 under a tree at the site on which in today's Manzini stands the LaMvelase HIV & AIDS Clinic. The trial established that there was nothing personally linking King Bhunu with the killing but that it was a collective resolve of the Swazi nation hence he was acquitted. However, he died a year later. At the time, the Swazi population was between 40,000 and 50,000 people and there were only 1,400 Europeans.

In the early 1920s one Mickey Reilly, former manager of a tin mine near Mlilwane, built a hydro power plant near the Umzimnene River at the site where today's Manzini has the Swaziland Milling. The electrification sparked further growth in the small town. In 1928, the South African Railway Administration introduced motorized coaches (buses) in Bremersdorp. To bring people to and from South Africa, the Motor Transport Service (MTS) chose the ideal Bremersdorp, as opposed to Mbabane, as its central depot. Henceforth like Rome, all bus routes led to Bremersdorp hence the name "Hub of Swaziland".



Manzini city's historical background

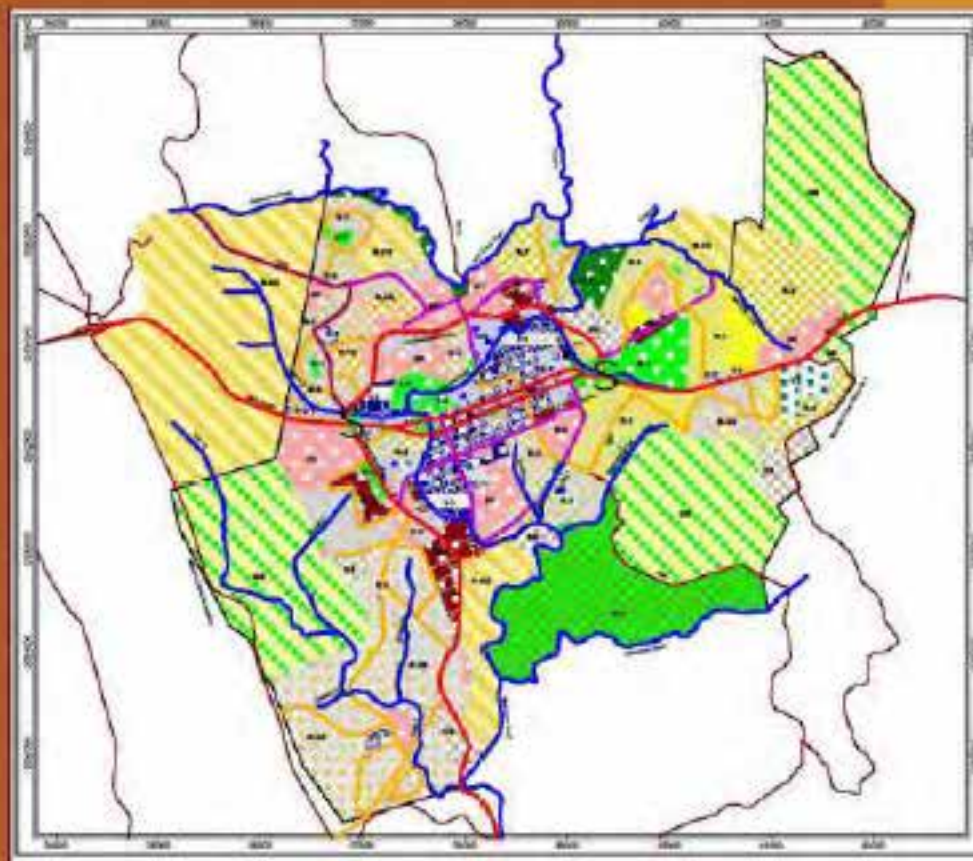
A native eatery was opened and frequented by Swazis working in town and those who were on transit to South Africa. Swazis seeking employment in South African mines were recruited from Bremersdorp by a South African company. In 1930, two industries had been opened in Bremersdorp; the Swaziland Power House and the Swaziland Printing and Publishing

of the town's roads were paved. In 1961, the town's name was officially changed from Bremersdorp to Manzini. The first street light began to regulate traffic in 1983, located at the foot of President street (now Ngwane Street) near the Umzimnene River.

In 1971, old colonial street names were changed under the leadership of a Town Council which had been established in the late 1960s. In 1992 King Mswati III declared Manzini a city and, ever since, development in the city has been growing in leaps and bounds under the professional guidance of the

City Council. Recent developments include Manzini's first mall (Bhunu Mall) which stands on the same site where there used to be the MTS bus station. The MTS bus rank had ceased operating following construction of another bus rank when a host of Swazi-owned bus services began operating.

Bremersdorp



MUNICIPAL COUNCIL OF MANZINI

REVISION OF THE MANZINI TOWN PLANNING SCHEME

ZONING MAP

Legend

- 1. Residential (General)
- 2. Residential (Medium Density)
- 3. Residential (High Density)
- 4. Commercial (General)
- 5. Commercial (Medium Density)
- 6. Commercial (High Density)
- 7. Industrial (General)
- 8. Industrial (Medium Density)
- 9. Industrial (High Density)
- 10. Public Use (General)
- 11. Public Use (Medium Density)
- 12. Public Use (High Density)
- 13. Agricultural (General)
- 14. Agricultural (Medium Density)
- 15. Agricultural (High Density)
- 16. Open Space (General)
- 17. Open Space (Medium Density)
- 18. Open Space (High Density)
- 19. Water (General)
- 20. Water (Medium Density)
- 21. Water (High Density)

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Projection:
Transverse Mercator/Code 1083.1.1.1

MAP 1

Company. A number of church buildings, schools, services outlets such as the post office and police station also emerged. Various businesses and shops of different shapes and sizes surfaced; and some

In 1992 King Mswati III declared Manzini a city.

Locality and demographics

The City of Manzini is centrally located in the Manzini region; in the centre of the Kingdom of Eswatini, Southern Africa. It is located about 7km from the industrial town of Matsapha and about 35km from the capital city, Mbabane; sitting on an area size of 2,680 hectares.

The night-time population is 28,744 as recorded by National Population Census 2007 but today can be estimated at around 40,000 people. The population growth trend has been on the rise from 6,081 in 1966; 10,019 in 1976; 16,396 in 1997; and 28,744 in 2007. The city provides the services listed below:

The City of Manzini has 34 townships including the Central Business District and the recently developed Mkhosi Township which is located below Coates Valley. Surfaced road infrastructure coverage stands at 59% of a total roads network stretch of 135km.

PLOTS	Residential	Commercial	Educational	Industrial	Industrial healthcare	Business/offices	Open spaces	Community & utility	Vacant land
4,341	3,664	171	46	47	10	111	58	8	226

Economic Activities

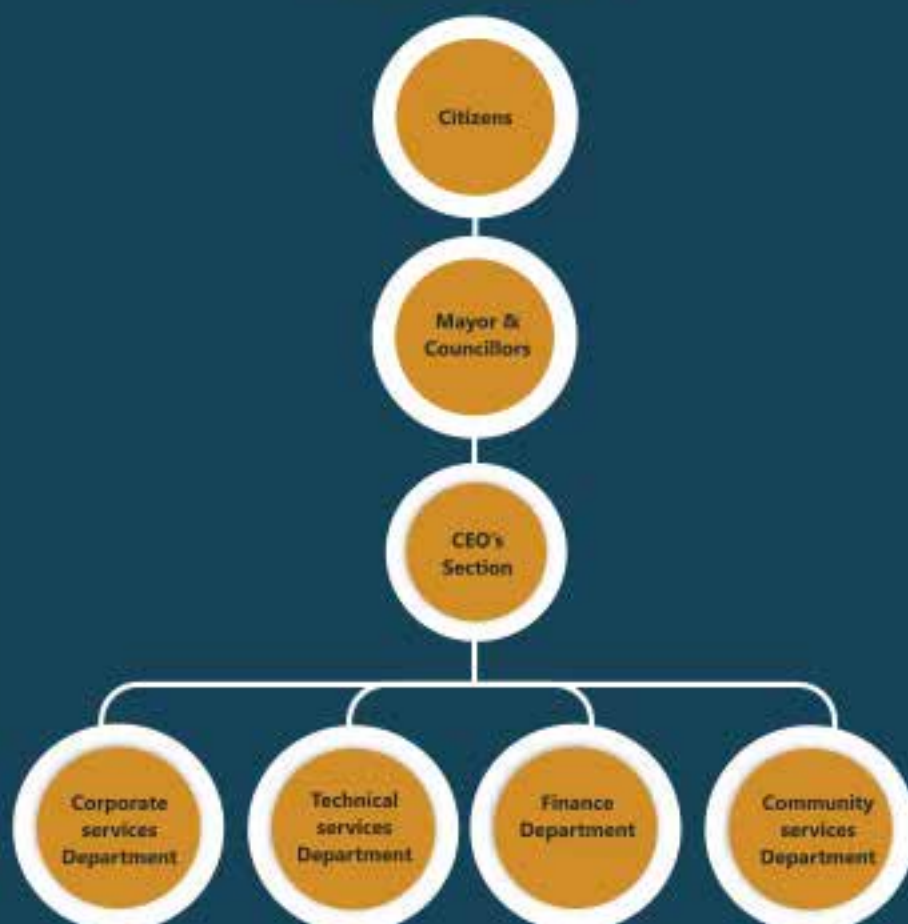
Economic activities are largely confined in the Central Business District (CBD) with a growing sprawl towards the surrounding townships. The city activities comprise of financial services (banks), retail and wholesale outlets of different sizes, transport services, filling stations, offices, service industries such as workshops and warehouses. The banking services comprise of four commercial banks and one building society. The city enjoys efficient utility services including water supply, electricity supply, post & telecommunications as well as mobile network services. Furthermore, there is a timely emergency services from a government emergency services agency, fire and emergency services as well as reliable safety and security services from the national police service.

City Mandate

The Municipal Council of Manzini's primary mandate is to facilitate the provision of basic municipal services for the citizens at community level as well as manage development within the Manzini urban jurisdiction. The city is governed by a Council made of 12 democratically elected Councillors whose term of office is a period of five (5) years. The management of the city is led by the Chief Executive Officer supported by four (4) directors. The departments are, namely; Technical Services, Community Services, Corporate Services and Finance. The Municipality has a staff complement of 215. The Municipality's total annual budget for operations and infrastructure development ranges between E80 million and E100 million.



Organisational Structure





FOREWORD

**His Lordship, Honourable
Mayor Councillor
M. Mabuza**

It is my singular honour to present the 2018/19 Annual Performance Report to the citizens and key stakeholders of Manzini. As a Municipality we always look forward to this period of the year wherein we account to our esteemed stakeholders about the performance of the last financial year. Let me begin by thanking the people of Manzini for entrusting us with the responsibility of providing oversight to the development of the city. As the 2018/19 financial year was our second year in office, I can report that as Councillors we were hard at work with our monthly statutory Council meetings where sound developmental and service delivery decisions were made.

As Council, we continued with ensuring political stability through adhering to good corporate governance practices and legal compliance. In the financial year 2018/2019 we were pleased to have an opportunity to meet with our electorate through the Integrated Development Planning (IDP) process. Through the IDP consultation meetings,

we managed to visit all city wards where residents made their inputs in an effort to influence the development direction of the city for the next 5-year period. As a city, we are grateful to have been chosen as the host city for the National 50/50 Double Celebration; wherein the nation was celebrating 50 years of the country's independence from colonial rule and His Majesty King Mswati III's 50th birthday. We remain indebted to the country's leadership for the recognition and demonstration of confidence that we, as a Municipality, are capable of hosting such a significant historical ceremony. Indeed, the celebration became a resounding success.

I must allude that the City of Manzini is open for business and investment that can stimulate economic growth and create employment opportunities for the citizens. We believe that the city's 5-year Integrated Development Plan, which is in the process of being developed, will align with the National Government Economic Development Roadmap so that it contributes meaningfully to the country's development objectives. We are also looking forward to partnering with the private sector through Public Private Partnerships (PPPs) initiatives. A strategy is being developed in this respect.



We continued to work closely with our development partners so to provide quality socio-economic services to the city. In partnership with the Government of the Republic of China (ROC) on Taiwan, an Autism Respite Centre facility has been established in our city and it is set for completion in the upcoming year. The facility will cater for children with special needs, particularly autism spectrum disorder. The Municipality worked in

partnership with the Aids Healthcare Foundation (AHF) and other Non-Governmental Organisations (NGOs) towards the AMICAALL programme wherein it continued the fight against the HIV/AIDS scourge and empowered citizens with the necessary information.

We are looking forward to continued collaboration and partnership with Government agencies, country development partners, the private sector and NGOs for purposes of sustainable development of the city.

It is with great sadness that I also inform you of the untimely passing on of one of our own; that is, the late honourable Councillor Siphosile Masuku who was a representative of the city centre (Ward 12). As Council we lost a colleague, brother and a hard working servant of the people whom we were still looking forward to work with in the next three-years. Lastly, I would like to express our gratitude as Council to His Majesty's Government and her development partners, in particular the Republic of China (ROC) on Taiwan, who continued supporting our vision as a city towards improvement of the quality of service delivered to citizens.

I Thank You

**His Lordship, Honourable Cllr
MXOLISI MABUZA
Mayor of the City of Manzini**

Honourable Councillors



“

The biggest determinant in our lives is culture, where we are born, what the environment looks like. But the second biggest determinant is probably governance, good governance or a certain kind of governance makes a huge difference in our lives.

”

Nicolas Berggruen

Honourable
CouncillorsNOVEMBER 2017
NOVEMBER 2023

◀ **CLLR MXOLISI MABUZA**
◻ Ward 7



CLLR QUINTON ELS ▶
◻ Ward 10

**Honourable
Councillors**

NOVEMBER 2017

NOVEMBER 2023



◀ **CLLR JABU SHIBA**
◦ Ward 8

CLLR MDUDUZI VILANE ▶
◦ Ward 2



Honourable
Councillors

NOVEMBER 2017

NOVEMBER 2023

◀ **CLLR WESLEY DLAMINI**

◦ Ward 6

**CLLR SANDILE BHEMBE** ▶

◦ Ward 1

**Honourable
Councillors**

NOVEMBER 2017

NOVEMBER 2023



◀ **CLLR BONGANI SHONGWE**
◦ Ward 3

CLLR SIBONISO NKABINDE ▶
◦ Ward 4



**Honourable
Councillors**

NOVEMBER 2017

NOVEMBER 2023

**CLLR HENRY KUNENE**

◻ Ward 9

**CLLR SANDILE NYAWENI**

◻ Ward 5

Honourable
CouncillorsNOVEMBER 2017
NOVEMBER 2023

▶ **CLLR KHETHOKUHLE DLAMINI**
◦ Ward 11



▶ **CLLR SIPHO MASUKU**
(Deceased - May his soul rest in peace)
◦ Ward 12



FOREWORD

**Chief Executive Officer
Lungile P. Dlamini**

I would like to begin my brief remarks by thanking the Almighty God, citizens of Manzini, the Honourable Mayor and Councillors, members of management and all employees of the Municipal Council of Manzini for your continued support throughout the last financial year. I most certainly would not have managed to keep the administration wing of Council afloat had it not been for your cooperation and pieces of advice.

I must say that we continued to roll up our sleeves and worked very hard towards delivery of quality municipal service during the year under review. I would like to thank residents and all other Council stakeholders for their continued attendance of community consultative meetings and their active participation therein. Your valued input during those engagements has really sharpened our city development strategies as we move towards achieving a smart city. One of the key focus areas during the year under review has been the organisational re-engineering project wherein we were working on turning the organisation around in order to achieve greater sustainability. The organisational turnaround process saw a total of 80 employees voluntarily exiting the organisation as part of a Voluntary

Exit Scheme that had been introduced. I must say, however, that through our water tight mitigation plan, we were able to continue delivering service to the municipality. The organisational restructuring exercise is an ongoing process that will continue to be delivered even in the next financial years. I am also happy to report that as an organisation we have managed to maintain our position as a quality driven municipality. I can confidently assure our customers and stakeholders that, moving forward, they can expect to enjoy an improved and global service delivery experience as we have transitioned from an ISO 9001:2008 to ISO 9001:2015 quality management system. From the bottom of my heart, I would like to express my appreciation to the employees and management of Council for their hard work and dedication to the quality management system. Without their cooperation we would not have achieved this great milestone.

As Council we are continuing with our journey of transforming vibrant Manzini into a smart city; through innovation and technology. Therefore, our stakeholders and customers can expect robust investment into innovative service delivery mechanisms in the years ahead. We also hope to continue learning municipal service delivery best practices through our bilateral cooperation (twinning) with other municipalities in the African and global space.

It would be folly of me not to recognise and appreciate the contribution from the National Government, ratepayers and the country's development partners such as the World Bank for their support towards ensuring infrastructure development continues to happen in our city. As you read through this Annual Performance Report you will appreciate the great achievements that we have recorded in the area of road infrastructure development. All of this is as a result of the support that we have received from these esteemed stakeholders. It is so sad to inform you that the World Bank funding has come to an end but I must assure you that Council will continue searching for other innovative ways of mobilising resources for further development of our beautiful city.

As Council we are also keen on seeing the business sector of our city, both formal and informal, thrive. We also encourage the youth to engage in entrepreneurial activities. Research shows that technological innovations that have had the greatest impact in the world have come from the youth. Through our Local Economic Development (LED) programme we hope to make a meaningful contribution towards stimulation of the city's economy.

As we make strides towards achieving a smart city, I humbly appeal to all citizens of our beautiful Manzini City to continue cooperating with Council in the area of protection of the environment and ensuring cleanliness of the city. Let us steer clear of practices that tend to take the city backwards. These practices include littering, vandalism of Council property and all other illegal activities. I wish to assure stakeholders that we shall continue effecting enforcement and education. I must thank the Royal Eswatini Police Service and the Magistrates Courts for their continued support in this regard.

In conclusion I would like to state that citizen and employee health is of the highest priority to Council hence we have a sound wellness programme within our organisation. I, therefore, would like to encourage citizens to engage in activities that seek to keep them healthy and physically fit at all times. You are also encouraged to continue making use of our health facilities, namely; the Filter clinic which is located within the civic office premises and the LaMvelase Help Centre.

May you and your families remain blessed in the year ahead.



Lungile P. Dlamini
Chief Executive Officer



Executive Management



Executive Management



MS LUNGILE P. DLAMINI

Town Clerk/Chief Executive Officer

- o Masters Degree in Planning Studies, BA Degree in Urban and Regional Planning, Certificate in Urban Development and Infrastructure Planning, Global Executive Development Programme - Gordon Institute of Business Science, [pursuing a Masters Degree in Business Administration]
- o Responsible for coordination, implementation and operational responsibility over activities of Council providing direction for the various departments. Also responsible for implementation of Council resolutions

Executive Management



MR MFANAFUTHI L. MAMBA
Director Finance

- o Global Chartered Management Accountant (CIMA), Master of Business Administration, Management Development Programme, B.Comm (Accounting), Diploma in Commerce
- o Responsible for managing the financial business of Council including revenue collection.



MR MADODA D. DLAMINI
Director Technical Services

- o Masters Degree in Engineering Science, Bsc in Civil Engineering, Bachelor of Science [majors in Maths and Physics], University of Witwatersrand's Executive development programme
- o Responsible for providing and maintaining Council infrastructure [e.g roads], plant and equipment, buildings and related facilities, scrutiny of building plans, building inspection, management of Council's fleet, management of bus ranks

Executive Management



MR ZWELI M. MAPHANGA
Director Community Services

- o Masters Degree in Town and Regional Planning, Bachelors Degree in Town Planning and Regional Planning
- o Responsible for ensuring coordinated development of the municipality. Also tasked with ensuring formulation of a policy framework for spatial development, environmental management, informal settlements upgrading, waste management and the city's general environmental health & cleanliness.



MR SIZWE W. DLAMINI
Director Corporate Services (Acting)

- o Master of Business Administration, Management Development Programme, BA Economics, certificates in Strategic Planning, Organisational Behaviour, Corporate Governance, Finance, Public Private Partnerships, Project Management
- o Responsible for the overall management of all persons in the employ of Council, their people skills and development as well as development and implementation of human resource policies relating to employees' welfare. Also responsible for ensuring that employees comply with organisational goals, motivating them as well as facilitating for their training and development.

Executive Summary



Executive Summary

This report presents the annual performance of the organisation in respect of service delivery, developmental programmes and financial performance during the period 01st April 2018 to 31st March 2019. The report further reflects on policy issues and strategic direction taken by Council through its Strategic Plan and Integrated Development Plan (IDP) policy document. It can be reported that the Municipality managed to invest significantly in Good Corporate Governance trainings, Leadership, Procurement processes, Risk Management as well as Legal Compliance. The training sessions covered both Councillors and employees; resulting in prevalence of order and stability within the organization. It is worth-mentioning that this is an on-going programme which seeks to

empower Council personnel on best practices that can take the Municipality forward. Through its public participation approach, the Municipality continued to roll-out stakeholder engagement initiatives that were aimed at ensuring the involvement of residents and stakeholders in decision-making towards increased development of the city. These platforms included the 24/7 Call Centre which provides an opportunity for the organisation to collect service delivery feedback, stakeholder budget consultations and the Annual General Meeting. The organization continued to disseminate developmental and service delivery information through the local mainstream media. Support platforms such as a bulk-SMS service and social media were incorporated as a means to widen the means of getting in touch with customers, especially residents.

The Municipality managed to facilitate for community

consultations wherein service delivery and developmental input was collected from residents and stakeholders. Twelve (12) municipal wards and four stakeholder organizations were consulted for their input towards development of the city's Integrated Development Plan (IDP). In an endeavour to improve service delivery, the Municipality continued with the implementation of the Quality Management System (QMS). During the reporting period, the Municipality was transitioning from the QMS ISO 9001:2008 to ISO 9001:2015 standard. Upon completion of the transition, the Municipality was audited and certified to be ISO 9001:2015 compliant. The purpose of the quality management system is to support Council business processes by establishing performance standards that seek to improve service delivery in order to meet customer requirements.



In an endeavour to turn the organization around to a sustainable position, Council continued to pursue the implementation of its Turn-Around Strategy (TAS). During the reporting year, the Municipality was restructured into four departments and four directors. An organizational diagnosis was conducted wherein numerous reports were produced to inform the restructuring exercise of the Municipality. At the end of the financial year under review, the organizational transformation was still underway. Its overall objective is positioning of the Municipality for better service delivery and facilitation of sustainable development. The Municipality managed to facilitate the commencement of reviewing and development of the Integrated Development Plan (IDP). It can be reported that a total of six hundred and eighty-three (683) people were met during consultations with the 12 municipal wards and key stakeholder organizations.

By the time of compiling this report, the IDP was still being developed. The purpose of the IDP is to guide the city's development within a 5-year period.

The 5-year Capital Investment Programme (CIP) came to an end during the reporting year (2018/19) and a new infrastructure plan was being developed at the time of compiling this report. The last set of roads infrastructure that was developed, either through rehabilitation or upgrading, as part of the 2018/19 CIP included a number of roads in Zakhele and Ngwane Park townships. Due to the age of the city's roads as well as infrastructure upgrading backlog in the city, the Municipality continued to facilitate for continuous infrastructure maintenance throughout the city. With an increase in rainfall, as experienced during financial year 2018/19, the Municipality dedicated time and resources towards maintenance of overgrowth and road infrastructure; which intervention overstretched the limited resources.

The Municipality's revenue base was not performing well during the reporting year, which situation had a negative effect on service delivery and general development of the city. It is important for city stakeholders to honour their rates payment obligation in order to enable the Municipality to provide quality services and facilitate development. The Municipality's user fees/service charges continued to sit far below service costs; which compromised the quality of service delivered. However the Municipality will continue working on initiatives that seek to broaden its revenue base for sustainable development of the city.



VISION

A vibrant African city that innovatively provides quality service and economic opportunities to its stakeholders.

MISSION

To provide quality municipal services that add value to all our customers through good governance and partnering with relevant stakeholders.

OUR VALUES

- Innovation
- Accountability
- Integrity
- Inclusion

Strategic Objectives

Key Strategic Focus Area (KSFA)	Strategic Objective(s)
Integrated Institutional Development and Growth	<ol style="list-style-type: none"> 1. To implement the turnaround strategy aligned with service delivery by 2023 2. To develop and implement talent management initiatives by 2023 3. To develop and implement occupational health, safety and employee assistance programme for improved employees' wellbeing by 2023. 4. To transition, implement and maintain an effective quality management system as per ISO 9001:2015 Standard by 2023. 5. To improve public participation, stakeholder relations and organizational imaging by 2023. 6. To upgrade and integrate information communication technology for improved efficiency and service delivery by 2023. 7. To Improve Good Governance, Risk Management Systems, Public Order and Safety by 2023
Sustainable Finance and Funding	<ol style="list-style-type: none"> 8. To increase revenue collection by at least 5% year-on-year and ensure streamlined financial management
Integrated Health and Social Services	<ol style="list-style-type: none"> 9. To provide responsive integrated health and social welfare services by 2023
Integrated Physical and Economic Development	<ol style="list-style-type: none"> 10. To implement economic and spatial development initiatives for stimulation and guidance of city development by 2023. 11. To improve infrastructure development and maintenance while ensuring efficient traffic management by 2023.



Strategy and Environment



Strategy



Execution



Success

Strategy and Environment

The strategic and policy direction of the Municipality is driven in the Office of the Chief Executive Officer and the Office of the Mayor. These offices guide and coordinate the Municipality's policy environment and organizational performance towards achievement of set objectives, mandate and vision. The overall objective of this function is to effectively guide city development and service delivery towards delivery of the municipal vision in line with the country's policy direction.

1.0 HIGHLIGHTS OF ACHIEVEMENTS

This section seeks to accentuate organizational milestones as achieved in line with guiding policies during financial year 2018/19.

1.1 Integrated Development

The Municipality has reached the end of its 5-year planning period which commenced in financial year 2013/14 and was set to end in financial year 2018/19. During the reporting year, comprehensive review of the Strategic Plan and the Integrated Development Plan (IDP) was conducted to determine progress made during the 5-year period. An increase in the involvement of city communities and other key stakeholders in this exercise was observed and, as a result, working relationships improved from where they were in 2013/14. The review of the IDP was towards completion at the time of compiling this report. Upon completion, it will be shared with stakeholders. The Integrated Development Planning process was

merged with the Strategic Planning process to provide policy guidance on city development. During the IDP review process, the Municipality managed to facilitate for twelve (12) community meetings with an attendance of (683) people who made crucial contributions about the city's development and service delivery. Furthermore, various stakeholders and interested parties were consulted. These included Eswatini Electricity Company (EEC), Eswatini Water Services Corporation (EWSC), Manzini Regional Administrator's Office and the Eswatini Environment Authority, amongst others.

1.2 Information Dissemination and Stakeholder Relations

In line with good governance principles of transparency and accountability, Council continued to enhance her relations with various stakeholders and the general public through a number of public participation and communication initiatives.

These included service delivery stakeholder feedback mechanisms, stakeholder engagements and participation initiatives, traditional media communication as well as new media communication such as social media. Most of the information disseminated bordered on updates relating to planned projects and programmes. Noteworthy is that these initiatives have significantly improved relations and stakeholder confidence on the Municipality. The public participation, public relations and communication mechanisms that were implemented during the year under review included but were not limited to;

) Annual General Meeting – The 2018 Annual General Meeting was held on the 26th September 2018. The purpose of the meeting was to present to stakeholders the Local Government's overall performance during the 2017/18 financial year as well as the audited financial statements for the same financial year.



During that meeting Council was also able to introduce to stakeholders the city's new Vision, Mission, and Values as per the new organisational strategy. Stakeholders expressed appreciation to Council for her

continued facilitation of the annual general meeting and the development that they had seen in the city over the years. The meeting was attended by (57) representatives from a cross section of Council's stakeholders including ratepayers, the business sector, church organisations, non-governmental organisations, sports organisations, government parastatals, the formal and informal business sector, associations of people with disability, banking sector and public transport associations.



ii) Stakeholder budget submissions meeting – As part of the Municipality's resolve to ensuring stakeholder participation in decision-making processes, Council consulted stakeholders during the budget formulation process for the 2019/2020 financial year. This happened between the 12th and 24th November 2018. Noteworthy is that the Municipality shifted from the conventional method of collecting stakeholder budget submissions through a meeting set-up. This time around new media technology, namely, Facebook, Short Message Service (SMS) and the email was used to collect stakeholder submissions. It turned out the number of submissions collected was far more than what is usually collected through the conventional approach. A total of (163) stakeholder submissions were collected against slightly above (60) that were collected the previous year when the conventional method of convening meetings was employed. Moreover, for a change, the youth and other stakeholders who do not usually attend the stakeholder budget meetings participated in the exercise. An analysis of the submissions revealed that the highest priority requirement by stakeholders is improvement on the riding quality of the city's road infrastructure. A total of 49% submissions related to road (surfaced and unsurfaced) riding quality improvement both in the Central Business District and the neighbourhoods. Other key requirements related to street/high mast lighting, removal of overgrown vegetation, upgrading/rehabilitation of recreational facilities, traffic flow management and tapping into alternative revenue sources so to cushion Council's revenue basket.

iii) Media communication – As a strategy for proactive information dissemination, Council continued to utilise the main newspapers in the Kingdom of Eswatini for publishing of weekly advertorials. Ninety-eight (98) advertorials were published in the Times of Swaziland and Swazi Observer on Wednesdays. The content was educational on Council services, rules and regulations as well as served as an update on planned projects and programmes. Stakeholder feedbacks in relation to the advertorials indicated that they do read the articles and were appreciative of the initiative. Electronic media (radio and television) were also used for proactive

information dissemination, largely through coverage on news bulletins and other news programmes. At the end of the year under review, Council was still working towards introduction of a radio programme.

iv) Participation in the Eswatini International Trade Fair – Council participated in the 2018 Eswatini International Trade Fair which ran from the 31st August to the 10th September 2018 under the theme "SITF 2018: 50 Years of Connecting Traders".

The purpose was to interact with stakeholders and the general members of the public, share developmental and service delivery information, market the city to stakeholders and the general public as well as receive municipal service delivery feedback. In line with the theme, Council was showcasing how she had created a conducive environment for trade in the city over the past 50 years. Also showcased was the number of traders who were earning a living out of the various forms of informal sector that are present in the city. Council's vision regarding trade in the city was also showcased during the fair. Approximately 300 stakeholders visited the stand and shared service delivery feedback and improvement suggestions. In an effort to bring the service closer to the customers, an arrangement was made for property owners to pay their rates at the Exhibition Stand through debit/credit card swiping. The total amount collected was E43, 500. A customer satisfaction survey on municipal service delivery was also administered at the exhibition stand. Council was awarded a prize in recognition for exhibition stand excellence.



v) Social Media Interaction- The Municipality's social media platform, precisely Facebook, seems to be the most preferred stakeholder/customer feedback channel (second to the 24/7 Call Center). At least 235 primary posts (service requests, compliments, proactive information and educational posts as well as suggestions) were posted on Council's "Manzini News" Facebook page during the year under review. A total of 28 were proactively posted by Council, 175 were posts by Council customers whilst 32 were compliments for

good service delivery by Council. At least 98% of the posts were responded to by Council. Council has plans to introduce Twitter and LinkedIn platforms as a form of widening its customer feedback and stakeholder interaction net.



vi) Call Center Customer Feedback Management – The Municipality continued to operate its 24/7 Call Center (800 2004/2505 7000) and indications are to the effect that stakeholders have developed a strong preference for this service delivery feedback reporting system.

A total of 621 service delivery reports were received through the Call Center and Reception Desk; which marks an increase from the previous year's 411. An analysis shows that most of the service delivery requests related to road maintenance, followed by vegetation overgrowth removal on undeveloped private plots, fixing of street lights, general nuisance as well as removal of stray dogs. On the flipside, service delivery compliments were also received; and these related to clearance of vegetation overgrowth on road reserves and maintenance of gravel

roads. Other reports, five (5) in total, related to staff misconduct and were all addressed. On the overall, Council was able to address a large number of the customer service requirements received during the year under review. In fact, the Municipality exceeded its target in terms of closure of the customer requests.

1.5 Implementation of Disaster & Risk Management Plan

In a bid to operationalize the Disaster Management Plan of the city, Council managed to coordinate and facilitate for a strategic meeting for agencies working on disaster issues whereupon, a Manzini Disaster and Risk Reduction Committee was established. The purpose of this structure is to provide technical advice to the Municipality on disaster related issues and further facilitate for the city's preparedness for disaster and emergency situations. During the reporting year, two (2) disaster and risk management meetings were facilitated wherein organizations such as the National Disaster Management Agency (NDMA),

Deputy Prime Minister's (DPM's) Office Disaster department, Red Cross, Eswatini Water Services Corporation, Meteorology department, Veterinary Department, Ministry of Health-EMS/EPR Unit, Royal Eswatini Police Service and other entities participated. The outcome was development of Terms of Reference (ToRs) and the review of the Manzini Disaster Plan as well as discussions on possible city risks that may escalate to disasters.

1.6 International Relations (Twinning)

Through the twinning programme (international relations), Council managed to facilitate for establishment of sister-city relations with Livingstone City Council and Mogale City, in Zambia and the Republic of South Africa, respectively. The Municipality was working towards formalization of these relations. The key benefits of entering into sister-city relations are learning exchange activities and knowledge sharing. The Municipality managed to host a delegation of five (5) officials from Mogale city who had made a courtesy visit to Manzini.



1.7 Promotion of Gender Equity and Social Responsibility

• Women's Day Commemoration

- a Women's Day Commemoration was held at the Council Chamber during the reporting year. The commemoration was attended by seventy (70) Council female employees who participated in educational sessions whose topics ranged from socio-economic to health issues. The employees received hampers on the day as a form of recognition and appreciation by Council's partner; AIDS Healthcare Foundation.

• Social Responsibility

- Council hosted an end-of-year event for eighty (80) volunteers in appreciation of their support for the social centres as well as other community volunteerism activities. The event was attended by His Lordship the Honourable Mayor, Councillor Mxolisi Mabuza, who, on behalf of Council, also handed out grocery hampers as a token of appreciation.

• Council also donated food items and cleaning material to all eight (8) Social Centres within the Municipality. These centres feed approximately 1,300 Orphaned and Vulnerable Children on a daily basis.



Legal, Safety & Security Services



Legal, Safety & Security Services

The Municipal Council of Manzini provides safety and security, public order, nuisance abatement, legal and governance services through the Corporate Services Department. This service is provided through Council's security personnel, a private security company that is contracted to Council, and in collaboration with the Royal Eswatini Police Service (REPS). The ultimate goal is to ensure safety and public order within the city.



2.1 Coordination of Statutory Council Meetings

In an endeavor to ensure adherence to statutory legal requirements and in keeping with the dictates of the Urban Government Act 1969, Council is expected to facilitate for monthly statutory Council meetings for debate and passing of sound resolutions in relation to the operations of the Municipality. During the year under review, Council managed to convene seventeen (17) Statutory and Special meetings and sixty-two (62) resolutions were taken.

2.2 Coordination of Council Legal Matters

In pursuit of her mandate, Council is required to institute legal proceedings against non-complying stakeholders while also defending claims or actions instituted against her. During the reporting financial year, Council was involved in twelve (12) legal matters; most of which dated back over five years ago. A total of five (5) cases were presided over by the Magistrates Courts; three (3) by the

Industrial Court, three (3) were heard by the High Court and one (1) by the Supreme Court. It must be noted that out of the twelve (12), three (3) were successfully concluded in favour of Council whilst the others were still pending at the close of the financial year under review. These cases included issues of illegal structures, non-payment of rates, industrial issues and other city regulation non-compliances.

2.3 Good Governance Initiatives

In an effort to inculcate a culture of good governance and ethical

standards within the organization, Council facilitated two (2) workshops on corporate governance for the twelve (12) Councilors and the Executive Management during the last financial year. Council also facilitated participation of all Councilors in a public procurement workshop which was spearheaded by the Eswatini Public Procurement Regulatory Agency (EPPRA). Furthermore, the organization successfully facilitated an anti-corruption sensitization session for Council employees and over eighty-four (84) employees attended.

2.4 Safety and Security Services

In an attempt to ensure safety and security of Council property and employees, Council continued with the implementation of the Manzini Crime Prevention Initiatives in partnership with different Manzini stakeholders. The Municipality facilitated twelve (12) crime prevention meetings and five (5) projects were initiated and implemented as part of the crime prevention interventions. These are the Manzini Youth Business Summit, Crime prevention Road Show, Clean-up campaigns, Manzini youth Sjaiva dance group and two neighbourhood watch groups.

「We care about the safety and well-being of our residents.」

A community police initiative was also established.

i) Community police workshop - a community police workshop was facilitated for twenty-six (26) community police members from six (6) municipal wards. The community police were further presented with basic working equipment including handcuffs, whistles and reflectors.

ii) Neighbourhood Watch groups - Two Neighbourhood Watch structures were established at Helemisi and Coates Valley townships. These structures will assist the local communities curb and monitor the safety of residents by collaborating with Council and the Royal Eswatini Police Service (REPS).

2.5 Public Order and Nuisance Abatement Services

During the year under review, Council continued with the delivery of public order and nuisance abatement services throughout the



city as guided by the Urban Government Regulations and other relevant national legislation. Kwekwe Security Rangers, a private security company, was contracted to carry out the job following an open tender process. A number of activities and interventions were

implemented to ensure that public order and safety were maintained in the city.

During the year under review focus was on illegal street trading, public disorder, littering, stray animals, drugs and other criminal activities.

Table 2.5.1 showing public order & nuisance abatement services

Public Order & Nuisance Abatement Services	Transgressions & Interventions
Control of Stray Animals in Townships	(306) stray cattle, (32) goats, (4) horses and (6) donkeys were impounded after being found grazing within the urban area. (101) stray dogs were removed from the city streets and townships
Illegal Trading Cases	(804) cases of illegal street vending were actioned, (57) of illegal motor mechanics and (239) of a criminal nature
Nuisance Cases	(12) cases of displaying wares in public places/along walkways were reported and offenders fined. (67) cases of public littering were reported and actioned.
Criminal Cases	(17) assault cases were reported and actioned. (24) cases of possession of dagga and illegal cigarettes were also actioned. (11) theft cases were actioned especially at the Main Bus Rank.

Human Resources Administration



Human Resources Administration

The human capital portfolio is pursued through the Human Resources Section under the Corporate Services Department. The section ensures that the organization is appropriately staffed, employees are capacitated, empowered and well looked after in order to be able to deliver strategic objectives and quality services to stakeholders.

3.0 HIGHLIGHTS OF ACHIEVEMENTS

There were a number of human resources and administrative programmes implemented during the reporting year. These are highlighted below;

3.1 Organizational Transformation

The Municipality continued with the implementation of its Turn-Around Strategy (TAS) which is aimed at optimizing service delivery and improving the organization's capacity and efficiency to deliver quality services. This exercise is an organization wide change that seeks to alter the organizational structure, introduce efficient service delivery mechanisms, capacitate the workforce and establish sustainability of the Urban Local Government. During the financial year under review, the following activities were undertaken;

- Employee consultations were facilitated through their representatives (workers union and staff association) and change management training sessions were facilitated for all staff.
- Three directorate vacant positions were filled. These were the ones

for Director Finance, Director Technical Services and Director Community Services.

- A Skills Audit was conducted and a report produced to inform redeployments, recruitments and trainings.
- A Job Evaluation and Grading Exercise was conducted and a report produced to inform the new structure.
- A new organogram structure was developed and it was to be filled through redeployments and recruitment.
- A new salary structure was developed and it was to be implemented in the next financial year.



- Change Management and Preparedness training sessions were facilitated for all employees and counselling sessions availed as a support to the turnaround process.

3.2 Quality Management System

In an endeavor to improve the quality of services delivered as well as meet customer requirements, Council continued with the implementation and maintenance of the ISO 9000 Quality Management System (QMS). This management system assisted the organization to clearly define its service delivery processes and improved its turnaround times. The quality management system further helped the Municipality improve its customer relationship management programme as more platforms were opened up for stakeholder-Municipality interactions and feedback. Through the QMS, employees were trained and sensitized about the importance of being customer-centric and were urged to always aim for continual improvement in their service delivery processes. During the reporting year, the Municipality was working on the migration from ISO 9001:2008 to the new ISO 9001:2015 Standard and underwent the first surveillance audit conducted by TUV Rheinland, South Africa. The Municipality was found to be on course to meeting the new ISO 9001:2015 Standard requirements. Only two (2) non-conformances and twenty-four (24) opportunities for improvement were identified by the auditors. Upon rectifying the non-conformances, the Municipality was

certified on ISO 9001:2015 and had its certification launched in the presence of the Honorable Minister for Housing and Urban Development and Council stakeholders.

3.3 Employee Wellness Programme

In an effort to ensure a healthy and balanced workforce in the organization, Council continued with implementation of its organizational health and wellness programme in line with the Municipal Wellness Policy. The Municipality continued to innovatively pursue and explore measures that sought to ensure a healthy workforce for improved service delivery. During the reporting year, the organization rolled out the following activities;

- **Breast Cancer Awareness** - There was a breast cancer awareness session that was coordinated for all Council employees in commemoration of Breast cancer Awareness Day. The session was facilitated by the Eswatini Breast and Cervical Cancer Network. Thirty-seven (37) Council employees attended the session which was aimed at educating and sensitizing employees on detection, prevention and treatment of breast and cervical cancer.
- **World AIDS Day** - A World AIDS Day commemoration was coordinated for all Council employees. The session was facilitated in partnership with Aids Healthcare Foundation (AHF) Eswatini and one hundred and nineteen (119) Council employees and management team attended it. It was aimed at educating and sensitizing employees on prevention and treatment of HIV/AIDS. A mobile Clinic was also

placed on site to provide HIV/AIDS testing and counselling services.

3.4 Sports and Other Physical Activities

As an affiliate of the Eswatini Inter-Municipal Games Association (ESIGA) and Southern Africa Inter-Municipal Sports Association (SAIMSA), Council participated in the annual local and international municipal games under the umbrella of the two organizations.

- **SAIMSA games** – during the reporting year, the SAIMSA games were hosted by the Kingdom of Eswatini wherein the main activities; that is, opening and closing ceremonies were held in the City of Manzini. Sixty seven (67) municipalities from Eswatini, South Africa, Lesotho, Botswana, Namibia and Zambia participated in the games. A total of one hundred (100) Manzini Council employees participated in seven disciplines, namely Soccer, Netball, Pool, Volleyball, Table Tennis, Darts and a half marathon. It is also worth-mentioning that

regalia, clothing, food and accommodation.

- **Wellness Day** - The Municipality organized and facilitated its annual wellness day for all its employees. The wellness day was aimed at encouraging employees to take good care of their health physically, emotionally and psychologically and further sensitize employees on the meaning and importance of wellness in the workplace. The wellness day covered different activities including physical and mental games as well as educational sessions on issues of depression, non-communicable diseases, HIV/AIDS, Voluntary Counselling and Testing, financial wellness and other employee



the city's Small and Medium Enterprises (SMEs) benefitted immensely from the games as the visiting municipalities bought their products such as traditional

wellness interventions. The physical and mental games included athletics, aerobics, cross-fit exercises, soccer, Umlabalaba, game of cards, 30-

seconds, and other distressing activities. The wellness day had a participation of (183) employees and was supported by stakeholders including the Royal Eswatini Police Service, SwaziMed, Old Mutual, Ministry of Health, AHF Foundation and the Fitness Zone.

3.6 Workforce Administration

The workforce administration function provides support to departments through human resource management and development; the end goal being optimum efficiency in service delivery.

3.6.1 Staff Compliment and Separations

During the period under review, Council had two hundred and thirteen (213) employees under its employ, including permanent, contract, fixed term contract employees and graduate trainees. During the period under review, the organization internally recruited for

the three directorate positions through the turnaround process currently underway and separated with (80) employees through a Voluntary Exit Programme.

3.6.2 Training and Development

The organization continues to capacitate its employees by enrolling them in short term and medium term refresher courses that are aimed at capacitating them in their fields of work so to improve personal and organizational performance. The following training activities were undertaken during the year under review;



Table 3.6.2.1 showing undertaken training

Course	Number of Participants
Training of Occupational Safety and Health Representatives on Introduction to OSH	7
Public Procurement Training for Council Employees	10
Facing the Future Training	80
Archives and Records Management Sensitization	11
Customer Care Training	117
Roles and Responsibilities of shop stewards	13
Handling Disciplinary Hearings	25
Awareness on Anti-Corruption	84
Change Management Workshop	198

We put our people first.

Employees are our greatest asset.



I find that when you lead with vision and values, engaging employees and showing them that values are just as important as profits, everyone comes on board. And not only do they come on board, but they connect to their own individual creativity.

Shari Arison

Public Infrastructure Services



Public Infrastructure Services

The Municipality managed to deliver new infrastructure and infrastructure maintenance services through the Technical services. The delivered infrastructure was guided by the 5-year Manzini Integrated Development Plan (IDP) which came into effect in 2012/13 and came to an end in 2018/19 financial year. During the period under review, Council managed to upgrade a number of roads from gravel to bitumen status and was able to maintain a number of surfaced and unsurfaced roads in the municipality.

4.0 HIGHLIGHTS OF ACHIEVEMENTS ON INFRASTRUCTURE SERVICES

For the period under review, Council managed to pursue and deliver numerous infrastructure programmes which included the initiatives highlighted below;

4.1 Upgrading of Zakhele Township roads

This project entailed upgrading of Dlamini Street, Musi Street, Nkambule Street and Goal Street from gravel status to bitumen surface standard. The project commenced with site clearing, relocation of services, road pegging and other preparatory works. The contractor completed the road layer works, tarring of all the upgraded streets, storm water drainage system, construction of walkways, road markings and installation of road signage, cleaning and rehabilitation of adjacent Bhengu Street storm water drainage system that had silted from the old gravel

roads. The project was completed during the reporting period. The total cost of upgrading the Zakhele roads amounted to E10.5 million.

4.2 Rehabilitation and Upgrading of Ngwane Park Extension roads

This project entailed reconstruction of Mantayi Street and upgrading of Mthombothi, Gundwini, Mkhaya and a portion of Mhlaba roads. It can be reported that the project scope had to be reviewed to include replacement of the old Armco culvert (bridge), which collapsed during upgrading of Mantayi Street, with an in-situ cast concrete culvert. The project commenced with site

4.3 Rehabilitation of D98 Road, Ngwane Park Main Road and Eagle Road

The project entailed the Rehabilitation of D98 Road, Ngwane Park Main Road (in Ngwane Park) and Rehabilitation of Eagle Road (Coates Valley). The project scope included rehabilitation of tarred roads from a dilapidated state to appropriate bitumen standard; with new roadside concrete edging to avoid chipping away of road edges, drainage rehabilitation and construction, road markings and signage. The project was completed during the reporting year at a total cost of E10.4 million.



clearing, relocation of services, road pegging and other preparatory works. The contractor completed the road layer works, tarring of all the upgraded streets, storm water drainage system, construction of walkways, road markings and the installation of road signage. It can be reported that this project was completed during the reporting year at a total cost of E10.5 million.

4.4 Construction of Southern Distributor Road Extension (through Springle Farm)

The engineering designs for the construction of the Southern Distributor Road Extension were updated during the reporting year. The road runs through virgin farm land connecting Bosco Skills Centre and D98 Road just below KaZakhali School in the south-western part of



the city's Central Business District. The project commenced with site clearing and grubbing, relocation of services, road pegging and other preparatory works. The contractor completed the road layer works, tarring of all the upgraded streets, storm water drainage system, construction of walkways, road markings and the installation of road signage. The project was completed during the reporting year at a total cost of E6.5 million.

4.6 Development of Autism Respite Centre

In view of the number of children affected by the condition of autism in the city, the Municipality

conceptualized an intervention in the form of sensitization programmes and undertaking of an Autism Respite Centre project. The Municipality requested and obtained funding support from the Republic of China (ROC) on Taiwan to the value of E1.7 million. These funds were utilised to commence construction of Phase I of the project. The project designs were completed and construction commenced. Project completion was at 85% at the time of compiling this report. Upon completion, the centre will provide support and treatment to children with autism. These are children who exhibit challenges in socializing skills,

demonstrate repetitive behaviours, experience challenges with speech and non-verbal communication and other related conditions.

4.7 Infrastructure Maintenance Programme

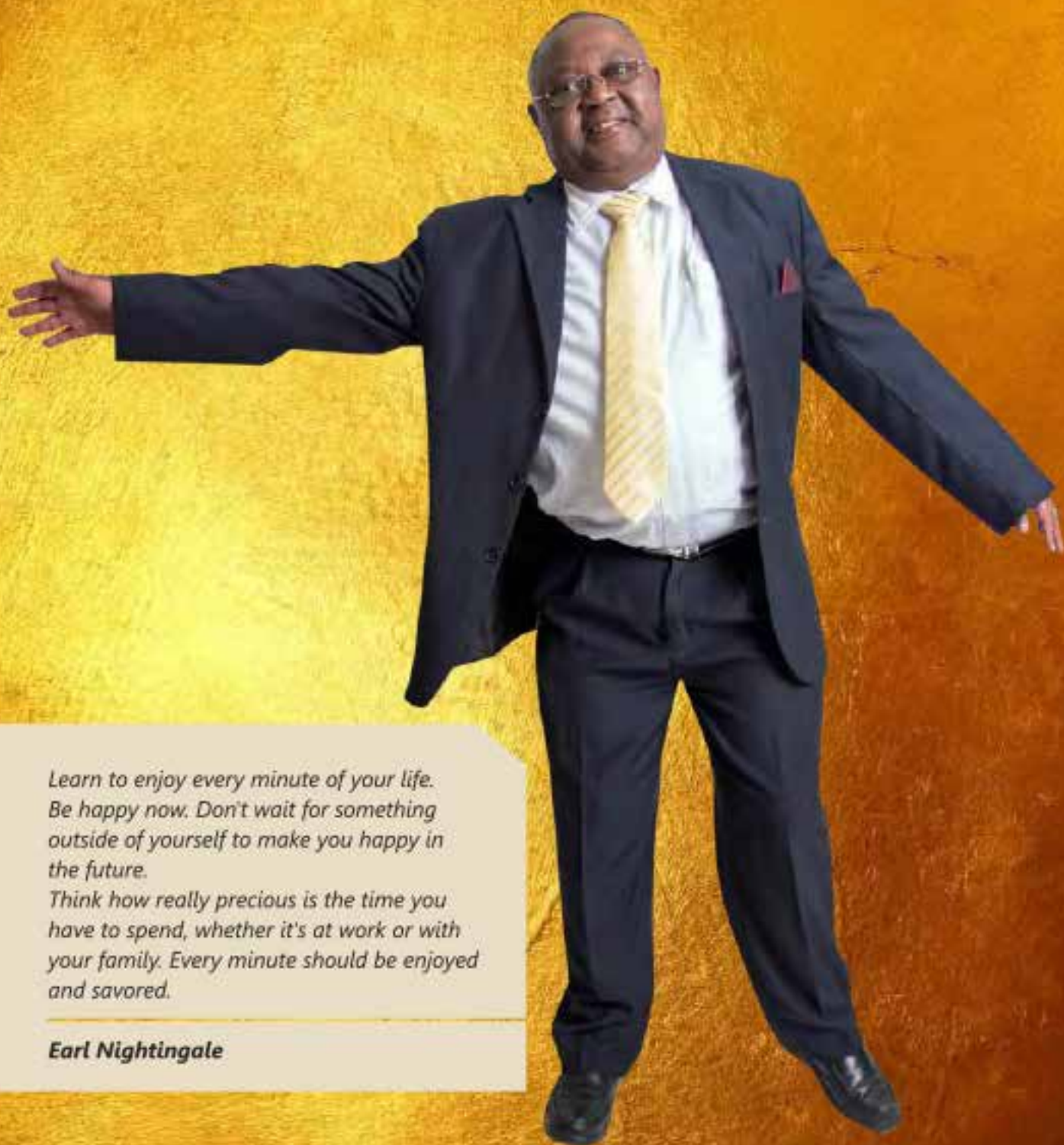
The infrastructure maintenance programme progressed during the reporting year amid increased demand due to various reasons. The programme covered roads infrastructure, clearing of overgrowth in public open spaces, maintenance of parks and cemeteries, drain cleaning, Council fleet maintenance & management, buildings and electrical works.

It is worth-noting that the increase in demand for maintenance was partly due to improvements in the communication mechanisms of Council. The customer feedback management system has made it easy for residents to report their issues to Council using a newly introduced 24/7 Call Centre.

The following activities were achieved:

SECTION	ACTIVITY	QUANTITY
PARKS	Overgrowth clearing	2,796,917sqm
	Burials	78 graves
	Tree felling	191 trees
MAINTENANCE	Drain Cleaning	102 roads covered
	Road Marking	37 roads marked
	Road Patching	80 roads patched
	Road Grading	93 roads graded
ELECTRICAL	High Mast Lighting Repairs	44 faults
	Street Lighting Repairs	112 faults
	Traffic Lights Repairs	23 faults
	Council Buildings (repairs on staff houses, civic offices and public toilets)	39 faults
MECHANICAL	Heavy Duty	63 Trucks
	Light Duty	69 Vehicles
	Small Equipment	32 Machines
	Plant/machinery	42 Plant
BUILDING PLANS	Approvals	256 plans that were approved

Committed to serve our customers



*Learn to enjoy every minute of your life.
Be happy now. Don't wait for something
outside of yourself to make you happy in
the future.*

*Think how really precious is the time you
have to spend, whether it's at work or with
your family. Every minute should be enjoyed
and savored.*

Earl Nightingale



Urban Planning And Community Development Services

Urban Planning And Community Development Services

Urban planning and community development services are provided through Council's Community Services Department. The department's objectives are to promote, create, and coordinate urban development through policy and regulation whilst facilitating for development of human settlements.

5.0 HIGHLIGHTS OF ACHIEVEMENTS

5.1 Urban Development Planning

5.1.1 Processing of Special Consent Applications

Council managed to process twenty-nine (29) special consent applications; which figure indicates an increase from the previous financial year wherein nine (9) special consent applications were processed. All the received applications were approved with conditions. Eleven (11) applications were for multi dwelling construction, eight (8) were for liquor outlet establishment and operation, three (3) for home office establishment, three (3) for guesthouse establishment; and one (1) was for a carwash operation. The increase in the number of special consent applications highlights a need for the review of the Manzini Town Planning Scheme so as to align with the current development trends and needs.

5.1.2 Processing of rezoning applications

Council received two (2) rezoning applications; which marks a decrease from last financial year's three (3) applications. All the applications were approved by Council and the Ministry of Housing and Urban Development. The rezoning applications all related to development of the properties for commercial use.

5.1.3 Processing of Property Sub-Division Applications

Council received and processed eleven (11) sub-division applications during the financial year under review. This reflects an increase from the ten (10) applications that were received during the previous financial year. Four (4) of the received applications were from Ngwane Park Township. This indicates an interest from developers for densification of the township. Five (5) of the sub-division applications were approved

whilst the rest were either differed or denied. Reasons for deferment and denials were given to the clients.

5.1 Human Settlement Development

5.1.1 Moneni Urban Development Project

The department managed to engage the Manzini Regional Administrator's Office with the view to have it mediate tensions between Moneni and Lwandle Chiefdom; which tensions had resulted in a stall of the plot allocation process. A total of eighty-one (81) residents have received their letters of offer, 27 of whom have already paid towards the commitment fee. Support from the Office of the Surveyor General continued. The Office assisted with identification of plots that needed to be re-aligned in preparation for showing residents their beacons when the letters of offer were handed out.

The plot situation is as follows:

TOTAL PLOTS	586
TOTAL ALLOCATED PLOTS	286
TOTAL UNALLOCATED	300



5.1.1 Mkhosi Township Development

The Municipality planned the Mkhosi Township development project with an objective to empower Swati citizens towards home ownership. The Municipality raised private funding and own source funding amounting to E17 million to establish infrastructure services that delivered (105) residential plots. This marked Phase I of the Mkhosi Township development project. During compilation of this report, fifty (50) of the allocated people were already fully paid-up towards their allocated plots. It can be reported that some of the plot owners had already started submitting building applications.

5.1.2 Mangwaneni Informal Settlement:

Council engaged the Mangwaneni community in respect of the provision of ablution facilities within the informal settlement. Council met with the community leadership to facilitate for the establishment of short term and long term solutions to the public health challenges that confront the community. Site identification for temporal toilets was done and the rest of the process was underway by the end of the financial year under review. Council and the community is working in concert with the Manzini North Inkhundla towards sourcing of funding for the development of permanent toilet facilities.

5.3 City Economic Development

5.3.1 Local Economic Development (LED) programme

Council had planned initiatives that were aimed at developing Manzini city's economy through the Local

Economic Development (LED) programme. The purpose of this programme was to facilitate economic development from the grassroots (community level) through a bottom-up approach aimed at improving the quality of life of the local citizens. The process of undertaking LED requires that Council coordinates and facilitates stakeholder engagements at the local level for purposes of planning towards economic growth stimulation, empowerment of the local people and contribution to poverty eradication. During the reporting period, the following activities were undertaken through the LED programme;

- **Flea Market** - Council managed to facilitate hosting of five (5) flea markets along Louw Street (between Ngwane and Nkoseluhlaza streets); the objective being to enhance trade and business networking within the city. The flea market had an annual participation of over 650 individual traders, 68 Small and Medium Enterprises and 12 corporate companies. This indicates an increase from the previous financial year's two hundred and fifty-three (253) businesses of different categories and sizes.

- **Street Vending Support** – The Municipality managed to host the International Street Vendors Day in partnership with CIEAS (Coalition of Informal Economy Associations of Swaziland), WLSA (Women and Law Southern Africa) and APEX at the Millennium Park. The theme for the International Street Vendors Day was "Journey towards empowering street vendors of Eswatini".
- **Local Economic Development Business Forum** - A formal Business Forum was hosted for the business community wherein challenges faced by business sector were discussed and solutions recommended.
- **Product Quality Training** - In partnership with Swaziland International Fair Trade (SWIFT) and the Ministry of Commerce, Industry and Trade, a total of forty-five (45) handicraft traders were trained on production of quality products so that they add value to their products and position themselves to compete internationally.



Environmental Health and Social Welfare Services



Environmental Health and Social Welfare Services

The Urban Local Government delivers environmental health and social welfare services through the Community Services Department. Through this function, Council is able to ensure identification and control of hazards, sound environmental management, promotion and enhancement of public health and social well-being of city residents.

5.0 HIGHLIGHTS OF ACHIEVEMENTS ON HEALTH AND ENVIRONMENTAL SERVICES

5.1 Laboratory Services

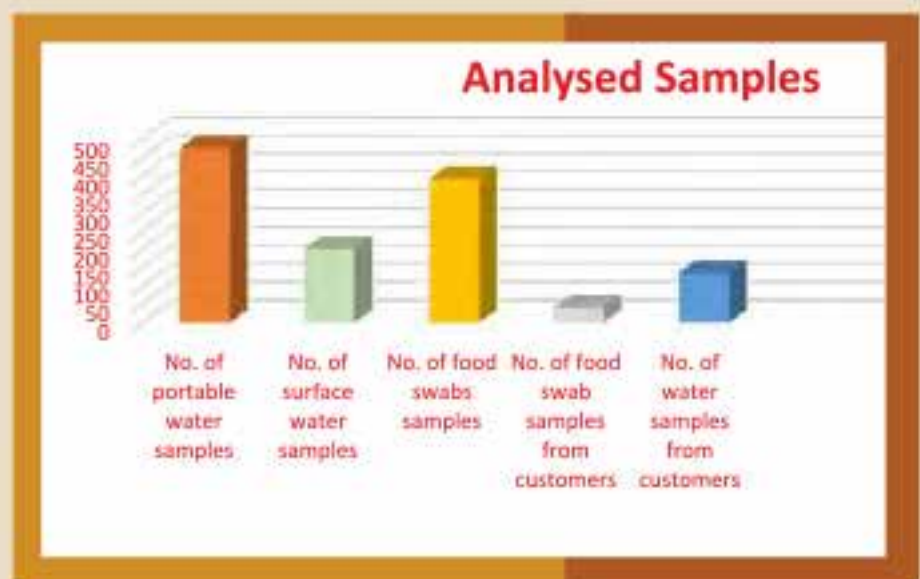
Council's laboratory continued to carry out inspections and monitoring of water and food (environmental tests) in order to promote public health within the urban area. During the financial year under review, the water quality in boreholes, piped water supplied by Eswatini Water Services Corporation and the water quality in rivers that traverse the city was periodically monitored through water sampling and analysis. Council further provided services of microbiological analysis of food/swabs as well as analysis of water brought in by customers for testing and analysis.

A total of one thousand and sixty-nine (1,069) water and food/swab samples were collected, tested and analysed for monitoring purposes and the results were acceptable during the time of sampling and

testing. These water samples included portable drinking water, ground water and surface water. The level of pollution in the rivers running across the city was also investigated through chemical analysis of samples. However, the results were acceptable as there was no evidence of pollution detected during the time of testing and analysis. There were one hundred and thirty-four (134) water samples brought in by customers for detection of pathogenic microorganisms in water and forty (40) food samples were received from customers for the enumeration of bacterial count. Test reports were issued to the customers.



Graph 6.2.1
Showing summary of samples
analysed during the year under
review



[Promoting public health within the urban area]

5.1 Food Safety and Sanitation

- Food Grading** - A total of one hundred and seventy (170) food outlets in the city have been graded accordingly. In the year under review, Council managed to organize one (1) food-grading workshop and three (3) more workshops that were specific to other food establishments. The aim of the workshops was to sensitize food traders on hygienic practices and general safe handling of food that is intended for sale to members of the public.
- Food Hygiene Inspection** - Council conducted food hygiene inspections in five hundred and fifty-six (556) food outlets, which marks an increase from last financial year's five hundred and thirty-seven (537).

Out of this number, one hundred and seventy-four (174) were found to be operating under unhygienic conditions and served with compliance notices.

- Environmental Sanitation** - Council further conducted five hundred (500) inspections on non-food establishments wherein two hundred and ninety-two (292) were found to be unhygienic and served with compliance notices. Two (2) non-food establishment workshops were held during the year under review. The main purpose of the workshops was to sensitize business owners on compliance with all relevant legislation, regulations and standards in their respective business premises.

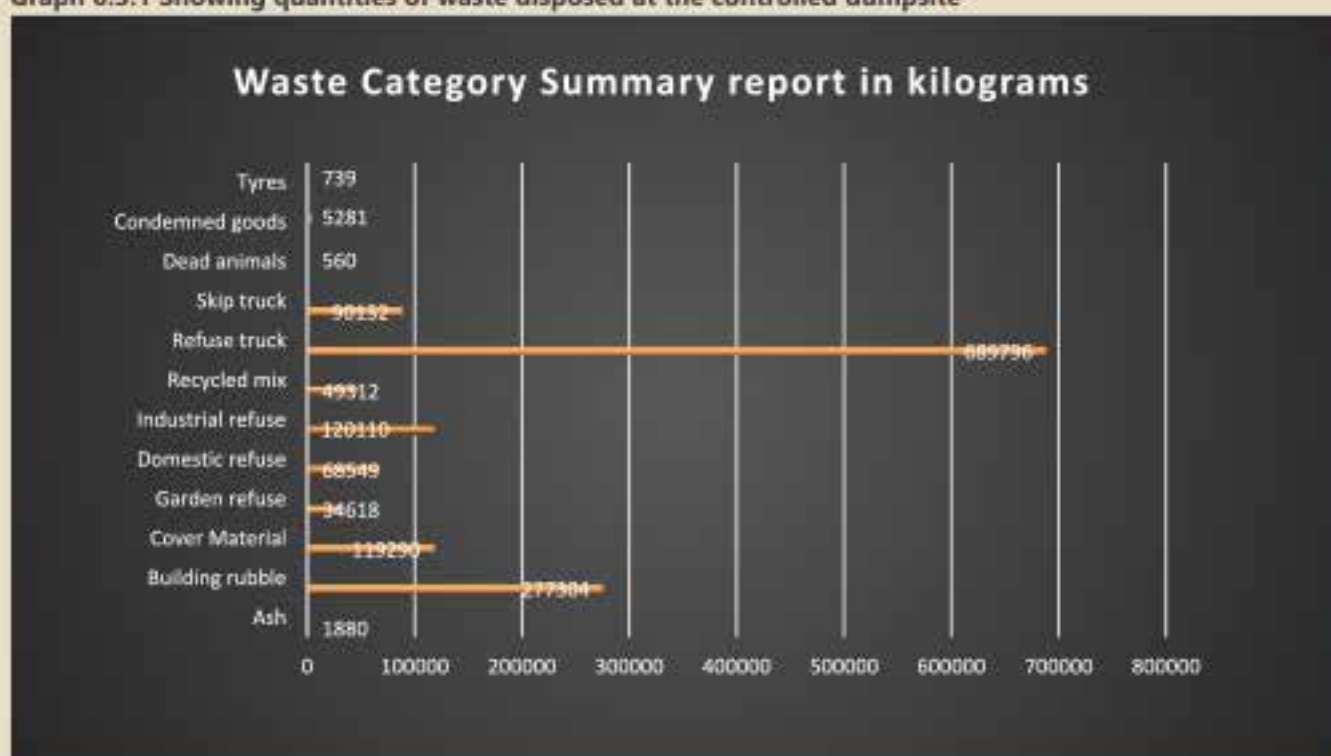
5.2 Controlled Dumpsite Management

5.2.1 Waste Collection and Disposal

During the financial year under review, Council continued with appropriate waste management services at the controlled dumpsite facility which is managed through outsourced services. The activities highlighted below were carried out at the controlled dumpsite;

- Weighing of refuse entering the site for appropriate monitoring and evaluation.
- Efficient waste covering and compacting as per designated cells and in special waste disposal cells.
- Management of recycling companies and processes within the premises as well as dust suppression during dry and windy weather. Litter control was also carried out.

Graph 6.3.1 Showing quantities of waste disposed at the controlled dumpsite



5.1.1 Controlled Dumpsite Air Space Survey

An airspace survey was conducted for the controlled dumpsite and it was discovered that the site was left with a useful life of 11.6 years. This means that more recycling initiatives need to be engaged in order to minimize waste that finds its way into the dumpsite. By minimizing the waste intake, more space will be saved and the life of the facility will be prolonged.

5.1.2 Overgrowth Control Services

In an effort to improve public convenience and safety within the city, Council conducted citywide inspections and identified one hundred and seventeen (117) properties that had overgrown vegetation. The property owners were served with written notices informing them to remove the overgrowth for improved safety and neighbourliness with adjacent property owners. Council also used the mainstream media and social media to caution property owners against overgrowth. It can be reported that one hundred and thirteen (113) property owners complied with the reminders whilst only four (4) were non-compliant. Follow up inspections were conducted against the non-compliances. The high level of compliance is attributed to Council forging partnership with the Magistrates' Court towards issuance of Court summons. It must be mentioned, however, that Council continues to experience challenges regarding identification of some property owners due to unavailability of up-to-date contact information in the system.

6.5 Refuse Collection and City Cleanliness

During the year under review, Council continued with the collection of refuse in all the municipal wards. Whenever there was a breakdown in refuse collection vehicles, residents were notified in time through the use of a bulk SMS service and refuse collection continued for extended hours using backup plant.

The day and evening street cleansing and refuse collection services were also efficiently carried out during the reporting period. Other efforts engaged towards city cleanliness were as indicated below;

- **Establishment of a Buy Back Centre** - The Municipal Council of Manzini has a strategic objective of ensuring integrated waste removal and efficient environmental management that seeks to create an environmentally friendly and well-maintained city. Land for the operation of a buy back centre was identified behind the municipal abattoir, draft terms of reference were also developed for the project. In an effort to advance the project, four (4) contractors were engaged in writing so as to ascertain their interest in pursuing the project. Out of the four (4), only one contractor showed interest in pursuing the recycling project. At the time of compiling this report, the approved contractor (AMZ Investments) had started carrying out renovations on the structure that will be used for the buyback centre. The buyback centre is a big waste recycling initiative for the city of Manzini.

- **Clean-up Campaigns** - Council facilitated seventeen (17) clean-up campaigns in conjunction with different stakeholders. This marks an increase from the previous year's nine (9) similar exercises. Public education against littering as well as methods of reducing, re-using, recycling and recovering of waste continued through environmental health inspectors.

6.6 Issuance of Public Health Reports

Council managed to process a total of one hundred and sixty-six (166) health reports for new companies opening shop in the city and this indicates a decline when compared with last financial year's one hundred and ninety-five (195) health reports that were processed. The decrease can be attributed to the amendment of the trading licence laws that excluded submission of a health report as a requirement for obtaining a trading licence.

6.7 Health Care Services

Council continued with the provision of primary health care interventions at the Filter Clinic (located within the civic centre premises) and the LaMvelase Help Centre whose focus is on HIV/AIDS related illnesses. Focus was on providing a response to the HIV and AIDS pandemic as well as other contemporary diseases affecting the Manzini urban population and neighbouring communities. This service provides out-patient health care, growth monitoring for children, antenatal care, curative

and non-communicable disease services, voluntary counselling and testing as well as breast cancer interventions. Council ensured consistent supply of medical drugs and a medical doctor visited the Filter Clinic twice a week, two hours per visit.

6.7.1 Voluntary Counselling and Testing

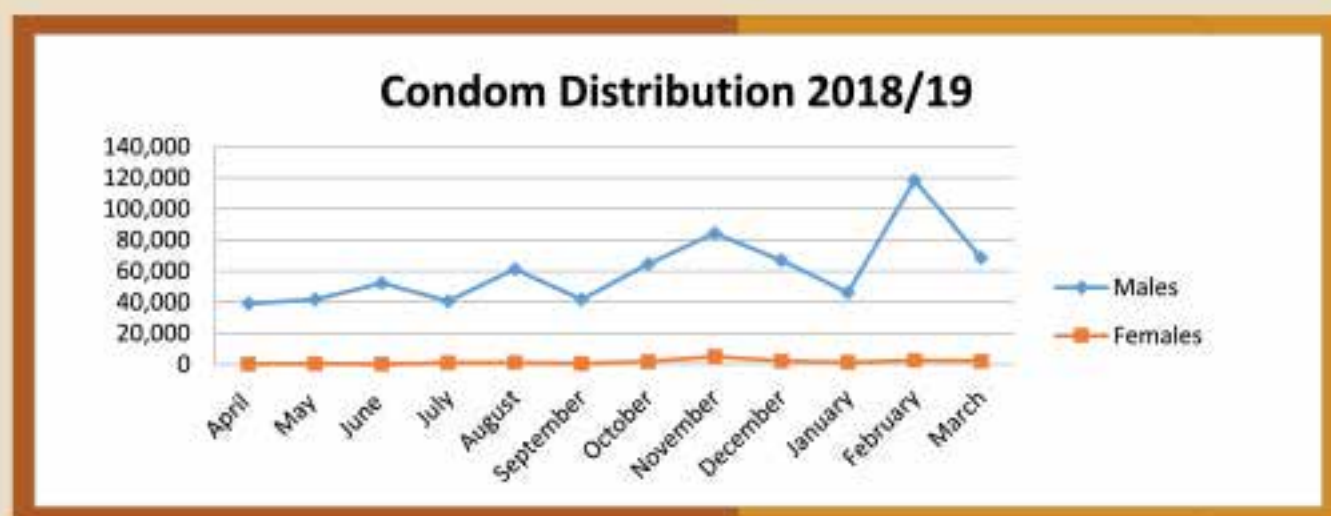
Council continued to play a fundamental role in the fight against the spread of the HIV and AIDS scourge. Through the Voluntary Counseling and Testing (VCT) function, a total of 5,860 people were tested for HIV at the LaMvelase Help Centre.

6.7.1 Condom Distribution

A total of eight hundred and eighty-five thousand, four hundred and fifteen (885 415) condoms were distributed in strategic locations around the city throughout the period under review. This marks an increase from the previous financial year's distribution of six hundred and eighty-nine thousand, nine hundred and nine (689, 909). This is one of the measures engaged by Council to reduce the HIV and AIDS incidence rate within the city and curb the spread of Sexually Transmitted Infections (STIs).



Figure 6.7.2.1 showing statistics of the types of condoms distributed per month



6.7.1 Anti-Retroviral Therapy (ART) Services at LaMvelase Help Centre

The LaMvelase Help Centre continued to provide Anti-Retroviral Therapy (ART) services and treatment of opportunistic infections to registered patients. New patients were also registered in the year under review, bringing the total number of people supported by the ART programme to fifteen

thousand, one hundred and eighty-nine (15 189); an increase from the previous year's fourteen thousand, seven hundred and thirty-seven (14 737).

The total number of clients on pre-ART continued to decrease since the Test and Start programme, which encourages enrolling all clients that test HIV positive regardless of their CD4 count, was introduced. The aim of this programme is to help clients

live longer and healthier lives whilst at the same time preventing the spread of HIV; which is why it is also referred to as "Treatment as Prevention."

Table 6.7.3.1 showing the distribution of patients under the ART programme

Adult patients on ARVs	14 976
Children on ARVs	182
Total on ART	15 158
Total number of patients on pre ART register	31
Total number of patients on care at the Clinic	15 189

6.7.1 Prevention of Mother-To-Child Transmission of HIV and AIDS

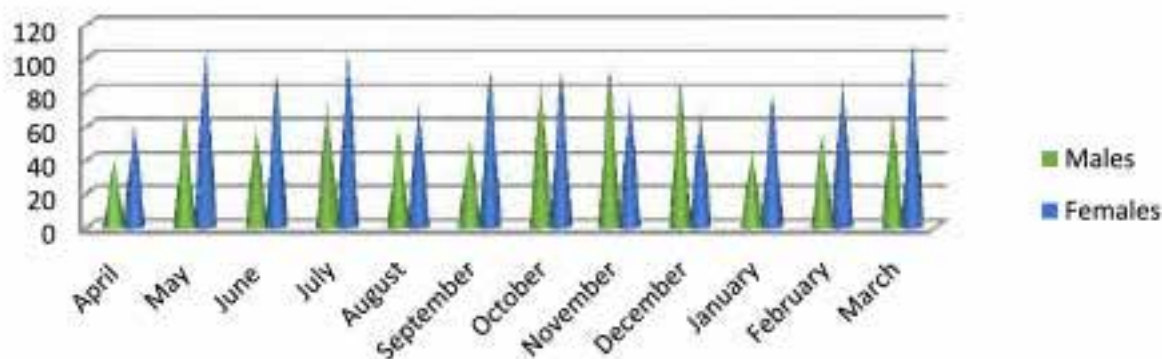
The Prevention of Mother-to-Child Transmission (PMTCT) is a programme which utilizes a door to door approach to sensitizing the populace of the city on the Prevention of Mother-To-Child Transmission of the HI-Virus. A total of one thousand six hundred and fifty (1,650) people were visited

through the door to door exercise by community volunteers. This is an increase from the previous year's one thousand six hundred and twenty-two (1,622) people. This activity included VCT promotion, PMTCT Education and referral for PMTCT and health services.



Figure 6.7.4.1 showing PMTCT programme activities

PMTCT Clients Seen 2018/19



6.7.5 In-School Youth Peer Education Programme

The Youth Peer Education programme is an initiative that is being carried out under the HIV and AIDS prevention thematic area, aimed at empowering young people on HIV and AIDS issues. Activities for the youth programme during the year under review included health talks, life-skills

education and sporting activities. During the reporting year, one thousand, two hundred and seventy (1,270) young people were reached and this reflects a decrease compared to previous financial year's total number of two thousand, two hundred and fifty-nine (2,259) young people who were reached.



WE CARE



6.7.6 Social Services Children's Welfare

– Council is committed to providing early childhood care and development for all children in the eight (8) Social Centres (popularly referred to as Care Points) within the city. In the year under review, Council facilitated for the enrolment of two hundred and twenty-eight

(228) children on a pre-school programme provided in the eight (8) Social Centres. One hundred and twenty-seven (127) children graduated in readiness for mainstream education. Council also continued

providing food to approximately one thousand two hundred and forty-eight (1,248) children in all the social centres.

Social Responsibility – Council procured food amounting to approximately fifty thousand

Emalangeneni (E50 000) and distributed it equally to all eight (8) Social Centres. A Christmas Party for children who benefit from the Social Centres was hosted in collaboration with Love Life Charity Club. This event was held at the Manzini Club and attended by approximately one thousand two hundred (1,200) children in December 2018.

Moreover, a total of eighty (80) grocery hampers were distributed to all programme volunteers as Christmas gifts. It is worth-noting that all the volunteers are unemployed women and men that provide community services throughout the year without pay.

A green city, a smart city.



Our environment, the world in which we live and work, is a mirror of our attitudes and expectations.

Earl Nightingale



Annual Financial Statements



for the year ended
31 March 2019



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MUNICIPAL COUNCIL OF MANZINI

CIVIC OFFICES

Ngwane Street, Manzini
P.O. Box 418, Manzini
M200, Swaziland
Tel: 2505 2481/2/4
Fax: 2505 3992

All correspondence to be addressed to:
TOWN CLERK/CHIEF EXECUTIVE OFFICER

Her Worship The Mayor and Honorable Councilors,

FINAL ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019

I have the pleasure to submit final accounts for the year ended 31 March 2019 together with the auditor's report for your consideration.

May I express my sincere appreciation to our auditors for their hard work and co-operation.

Yours faithfully,

M.L. MAMBA
(DIRECTOR FINANCE)

STATEMENT OF COUNCILORS' RESPONSIBILITY

The Councilors are responsible for the preparation, integrity and fair presentation of the financial statements of the Municipal Council of Manzini. The financial statements presented on pages 11 to 37 have been prepared in accordance with Section 102 (3) of the Urban Government Act of 1969 and include amounts based on judgments and estimates made by management.

The Councilors are also responsible for the Council's system of internal financial control. These are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of the assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the Councilors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The going concern basis has been adopted in preparing the financial statements. The Councilors have no reason to believe that the Council will not be a going concern in the foreseeable future based on forecasts and available cash resources. These financial statements support the viability of the Council.

The financial statements have been audited by independent auditors, PricewaterhouseCoopers, which was given unrestricted access to all financial records and related data, including minutes of all meetings of the Councilors and other committees. The Councilors believe that all representations made to the independent auditors during their audit are valid and appropriate.


The audit report of PricewaterhouseCoopers is presented on pages 3 to 5. The financial statements were approved by Councilors and are signed on their behalf by:



DIRECTOR FINANCE

12/08/2019

DATE



CHIEF EXECUTIVE OFFICER

12/08/2019

DATE



MAYOR

12/08/2019

DATE



Independent auditor's report

To the Councillors of Municipal Council of Manzini

Our opinion

In our opinion, the financial statements of Municipal Council of Manzini (the Council) for the year ended 31 March 2019 are prepared, in all material respects, in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the Urban Government Act 1969.

What we have audited

Municipal Council of Manzini's financial statements set out on pages 11 to 37 comprise:

- the statement of financial position sheet as at 31 March 2019;
- the statement of revenue funds for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Council in accordance with the requirements of the Eswatini Institute of Accountants (ESIA) Code of Ethics for Professional Accountants and other independence requirements applicable to performing audits of financial statements in Eswatini. We have fulfilled our other ethical responsibilities in accordance with the ESIA Code and in accordance with other ethical requirements applicable to performing audits in Eswatini.

Emphasis of matter – Basis of accounting

We draw attention to note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Council's own accounting policies to satisfy the financial information needs of the Council's members. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.



Other information

The Councillors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the information included in Municipal Council of Manzini Annual Financial Statements for the year ended 31 March 2019. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Councillors for the financial statements

The Councillors are responsible for the preparation of the financial statements in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the Urban Government Act 1969, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the Councillors determine is 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, the Councillors are responsible for assessing the Council'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 the Councillors either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements 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 of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks 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 our 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 control.



Other information

The Councillors are responsible for the other information. The other information obtained at the date of this auditor's report comprises the information included in Municipal Council of Manzini Annual Financial Statements for the year ended 31 March 2019. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Councillors for the financial statements

The Councillors are responsible for the preparation of the financial statements in accordance with the basis of accounting described in note 2 to the financial statements and the requirements of the Urban Government Act 1969, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as the Councillors determine is 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, the Councillors are responsible for assessing the Council'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 the Councillors either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements 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 of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks 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 our 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 control.



- 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 the purpose of expressing an opinion on the effectiveness of the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors.
- Conclude on the appropriateness of the Councillors' 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 Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.

We communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers

Partner: Theo Mason

Registered Auditor

P.O. Box 569

Mbabane

Date: 16 SEPTEMBER 2019.

COUNCILORS' REPORT (continued)**EVENTS SUBSEQUENT TO STATEMENT OF FINANCIAL POSITION DATE**

The Council members are not aware of any events that have occurred subsequent to year end that could impact the amounts presented in the financial statements and:

- (a) have been fully taken into account insofar as they have a bearing on the amounts attributable to assets and/or liabilities at that date;
- (b) apart from changes in the ordinary course of business, have not made the present financial position substantially different from that shown by the statement of financial position;
- (c) Have not required adjustments to the fair value measurements and disclosures included in the financial statements.

COUNCILLORS

Councilors (entered office in November 2017) and officers who served during the year under review were as follows:

MAYOR: M. MABUZA

MEMBERS : B. SHONGWE
: S. BHEMBE
: M. VILANE
: S. NKABINDE
: J. SHIBA
: S. NYAWENI
: W. DLAMINI
: H. KUNENE
: Q. ELS
: K. DLAMINI
: S. MASUKU

STATEMENT OF REVENUE FUNDS

	Note	2019 E	2018 E
Revenue	1	81 580 270	77 394 864
Other operating income	2	6 271 199	6 132 048
Government grants and subvention	2.1	13 320 546	32 618 359
Operating income		101 172 015	116 145 271
Operating expenditure	3	(84 136 099)	(68 449 930)
Operating surplus		17 035 916	47 695 341
Finance income	4	291 671	752 009
Finance costs	4	(5 213 584)	(4 555 694)
Finance costs – net	4	(4 921 913)	(3 803 685)
Surplus for the year		12 114 003	43 891 656

STATEMENT OF REVENUE FUNDS

	Note	2019 E	2018 E
Revenue	1	81 580 270	77 394 864
Other operating income	2	6 271 199	6 132 048
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Finance costs – net	4	(4 921 913)	(3 803 685)
Surplus for the year		12 114 003	43 891 656

STATEMENT OF FINANCIAL POSITION

	Notes	2019 E	2018 E
ASSETS			
Non-current assets			
Property, plant and equipment	6	274 802 780	260 720 898
		<u>274 802 780</u>	<u>260 720 898</u>
Current assets			
Inventories	7	386 924	720 760
Rates and other receivables	8	56 662 447	54 736 958
Cash and cash equivalents	9	8 672 148	14 370 814
		<u>65 721 519</u>	<u>69 828 532</u>
Total assets		<u>340 524 299</u>	<u>330 549 430</u>
EQUITY			
Capital and reserves attributable to the Council			
Accumulated surplus		267 909 393	255 795 390
		<u>267 909 393</u>	<u>255 795 390</u>
LIABILITIES			
Non-current liabilities			
Borrowings	10	24 282 126	14 498 104
		<u>24 282 126</u>	<u>14 498 104</u>
Current liabilities			
Bank overdraft	9	10 068 284	10 075 303
Short term portion of borrowings	10	15 873 658	15 482 294
Trust funds	11	810 834	4 005 021
Trade and other payables	12	14 566 624	18 062 742
Provisions for other liabilities and charges	14	5 077 165	4 881 200
Deferred Grant Income	15	1 936 215	7 749 376
		<u>48 332 780</u>	<u>60 255 936</u>
Total liabilities		<u>72 614 906</u>	<u>74 754 040</u>
Total equity and liabilities		<u>340 524 299</u>	<u>330 549 430</u>

STATEMENT OF CHANGES IN EQUITY

	Accumulated Surplus E	Total E
Balance at 01 April 2018	255 795 390	255 795 390
Surplus for the year	<u>12 114 003</u>	<u>12 114 003</u>
Balance at 31 March 2019	<u>267 909 393</u>	<u>267 909 393</u>
 Balance at 01 April 2017	 211 903 73	 211 903 734
Surplus for the year	<u>43 891 65</u>	<u>43 891 656</u>
Balance at 31 March 2018	<u>255 795 39</u>	<u>255 795 390</u>

STATEMENT OF CASH FLOW

	Notes	2019 E	2018 E
Cash flow from operating activities			
Cash generated in operations	13.1	12 129 765	35 672 411
Interest received	4	291 671	752 009
Interest paid	4	(5 213 584)	(4 555 694)
Net cash generated in operating activities		<u>7 207 852</u>	<u>31 868 726</u>
Cash flows from investing activities			
Purchase of property, plant and equipment	6	<u>(14 081 882)</u>	<u>(29 279 726)</u>
Net cash utilized in investing activities		<u>(14 081 882)</u>	<u>(29 279 726)</u>
Cash flows from financing activities			
Government subvention for capital projects received		3 829 985	28 139 084
Grants amortized		(9 643 146)	(29 713 220)
Loan repayment		(9 824 614)	(6 291 428)
Loan raised		20 000 000	10 000 000
Trust funds received / (utilized)-net		<u>(3 179 842)</u>	<u>(10 585 732)</u>
Net cash generated from /(utilized in) financing activities		<u>1 182 383</u>	<u>(8 451 296)</u>
Net movement in cash, cash equivalents and bank overdraft		<u>(5 691 647)</u>	<u>(5 862 296)</u>
Movement in cash and cash equivalents			
Cash, cash equivalent and bank overdraft at beginning of year		4 295 511	10 157 807
Net movement in cash, cash equivalents and bank overdraft		<u>(5 691 647)</u>	<u>(5 862 296)</u>
Cash, cash equivalent and bank overdraft at end of year	9	<u>(1 396 136)</u>	<u>4 295 511</u>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1 General Information

The Urban Government Act number 8 of 1969 provides the Council's functionality and mandate. Council has a responsibility to:

- Control, manage and administer the municipality;
- Maintain and cleanse all public streets and open spaces vested in the council or committed to its management;
- Abate all public nuisances;
- Safeguard public health & safety and provide sanitary services for removal and disposal of night soil, rubbish, carcasses of dead animals and all kinds of refuse;
- Establish or take over and maintain, subject to the extent of its resources, any public utility service which is authorized or required to maintain under any law and which is required for the welfare, comfort and convenience of the public;
- Develop, control and manage any land vested in, owned or leased by the Council;
- Establish or take over and administer, subject to the extent of its resources, housing schemes for the inhabitants of the municipality; and
- Generally promote the public health & safety, welfare and convenience, and the development, of sanitation and amenities of the Municipality.

The audited financial statements include the statement of financial position, statement of revenue fund, statement of cash flow and related notes. These financial statements have been approved and authorised for issue by the Councillors.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with Section 33 of the Urban Government Financial Regulations Act of 1969. The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and financial assets and financial liabilities held-for-trading.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***Basis of preparation*** (continued)

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Capital outlays (Property, plant and equipment)

Capital outlays are stated at historical cost in the statement of financial position. It is not the policy of the Council to carry out revaluations of its land and buildings.

Apart from advances from various council funds and external loans, assets are also acquired through appropriations from revenue, where the full cost of the asset forms an immediate and direct charge against revenues of the Council. An amount equivalent to the full cost of the asset is then transferred from the income and expenditure account to the revenue contribution to capital outlay account, which is classified under capital discharged in the statement of financial position.

Leased assets

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***Inventories***

Inventories are stated at cost. Cost is determined using the weighted average method.

Trade receivables

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Borrowings

Borrowings are recognised initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings.

When loans are repaid, the loan repayments are directly charged to the revenues of the council and a transfer equivalent to the amount of the loan is made from the loan account to the loans redeemed. The balance on the loans redeemed account is classified under capital discharged in the Statement of financial position.

Employee benefits

For defined contribution plans, the Council pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Council has got no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due and as such are included in staff costs.

1. Contract gratuity

This provision is in respect of management employed on a contract basis and is computed at 25% of their basic pay each month for the duration of each contract.

2. Bonus

The provision is calculated as per the PMDS bonus policy procedures and is payable to all employees based on their performance scores and discretion of the Council.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***Government grants***

Grants from the government are recognised at their fair value when the grant is received and the Council complies with all attached conditions.

Government grant for carrying out the capital project are not netted off against the cost of the capital projects but are instead accumulated in a capital grants received account which is classified under capital discharged in the Statement of financial position.

Government rates revenue received in respect of rates are offset against Government revenue debtors.

Other government revenue grants received are credited to the respective recipient votes.

Liabilities and provisions

The Council recognises liabilities, including provisions, when:

- it has a present legal or constructive obligation as a result of past events, and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and
- a reliable estimate of the amount of the obligation can be made.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of the obligation as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item, included in the same class of obligations may be small.

Contingent liabilities

The Council discloses a contingent liability where:

- it has a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise, or
- it is not probable that an outflow of resources will be required to settle an obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

Revenue recognition

Rates income is recorded on all rateable properties of the council. The figures are extracted from both master valuation roll and amended from time to time when supplementary valuation roll is prepared.

Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Council.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***Related Parties***

Parties with common interest to the council are regarded as related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship and not merely the legal form.

If there have been transactions between related parties, the Council shall disclose the nature of the related party relationship as well as the following information for each related party relationship:

- The amount of the transactions;
- The amount of outstanding balances;
- Their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in the settlement;
- Details of guarantees given or received;
- Provisions for doubtful debts related to the amount of outstanding balances; and
- The expense recognised during the year in respect of bad or doubtful debts due from related parties.

3. Financial risk management***Financial risk factors***

The Council's activities expose it to a variety of financial risks, including the effects of changes in debt and equity market prices, foreign currency exchange rates and interest rates. The Council's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Risk management is carried out by management under policies approved by the Councilors. Management identifies, evaluates and hedges financial risks in close co-operation with the Councils operating units. The Councilors provide written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, and investing excess liquidity.

Financial risk factors***(a) Market risk***

Market risk includes currency risk, interest rate risk and equity price risk. From time to time derivative financial instruments maybe entered into to reduce this exposure to market risk.

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Financial risk factors***(a) Market risk***

Market risk includes currency risk, interest rate risk and equity price risk. From time to time derivative financial instruments maybe entered into to reduce this exposure to market risk.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3. Financial risk management (continued)****Financial risk factors (continued)****(b) Credit risk (continued)**

The Council has no significant concentrations of credit risk. The Council receivables are secured against the properties.

The carrying amounts of financial assets included in the Statement of financial position represent the Council's exposure to credit risk in relation to these assets.

The Council does not have any significant exposure to any individual customer or counterparty. The table below shows the balances of the major counterparties at Statement of financial position date.

Counterparty	31 March 2019 E	31 March 2018 E
First National Bank	377 582	-
MTN Eswatini	20 850	-
Nedbank Swaziland Limited	4 532 260	13 524 564
Standard Bank Swaziland Limited	3 704 645	700 752
Stanlib	34 939	32 504
	8 670 276	14 257 820
Individuals	30 325 414	30 416 158
Businesses	12 076 609	15 023 081
Government of Eswatini	34 909 166	30 464 966
	77 311 189	75 904 205

Management does not expect any losses in addition to what has been provided for in note 8.

(c) Liquidity risk

Liquidity risk is the risk that the Council will encounter difficulty in raising funds to meet commitments associated with financial instruments.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, management aims at maintaining flexibility in funding by keeping committed credit lines available.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3. Financial risk management (continued)*****Financial risk factors (continued)*****(d) Legal risk**

Legal risk is the risk that the Council will be exposed to contractual obligations which have not been provided for.

The Council has a policy of ensuring all contractual obligations are documented and by the relevant parties to the contract.

As at 31 March 2019, the Council was not aware of any significant obligation not provided for.

(e) Operational risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

4. Fair value estimation

The nominal value less impairment provision of rates receivables and trade payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Council for similar financial instruments.

5. Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical information, experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The council makes estimates and assumptions concerning the future. The resulting accounting estimate will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of loans and receivables within the next financial year as discussed below.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**5. Critical accounting estimates and assumptions (continued)***Estimated impairment of rates debtors*

The Council tests annually whether loans and receivables suffered any impairment in accordance with the accounting policy stated in the basis of preparation (trade receivables). The recoverable amounts of rates debtors have been determined by allowing for a provision on debtors who are above 1 year as per Council's age-analysis on the closing balance of rates debtors. These calculations require the use of estimates (Note 8).

6. Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019 E	2018 E
1 REVENUE		
Revenue comprised the following:		
Assessment rates		
- General	47 909 812	45 228 197
- Government	30 692 434	29 762 333
- Penalties and interest	2 978 024	2 404 334
	81 580 270	77 394 864
2 OTHER OPERATING INCOME		
Revenue from various services rendered:		
Park and recreational fees	793 040	230 878
Licenses and permits	1 030 643	989 424
Service charges	2 280 525	1 843 848
Rent received	1 087 085	2 124 994
Health care facilities	156 490	270 280
Advertising fees	737 130	453 270
Sundry	186 286	219 354
	6 271 199	6 132 048
2.1 GOVERNMENT GRANTS AND SUBVENTION		
Grant received – Government of Eswatini & SLGP	9 008 146	27 945 438
Government subvention (Eswatini & Taiwan)	4 312 400	4 672 921
	13 320 546	32 618 359

The grant received comprises of amounts received from the Government of Eswatini during the year to finance capital improvement projects and the subvention comprises amount received to finance operational costs, through the Ministry of Housing and Urban Development.

The ROC on Taiwan gave the Municipality a Subvention for the Construction of Autism Centre

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2019 E	2018 E
3 OPERATING EXPENDITURE		
Auditor remuneration		
- External audit fees	566 419	348 131
- Internal audit fees	-	85 500
Bad debts	1 567 007	1 252 123
Councilors' allowances others	992 270	636 572
Employee Benefit Expenses (Note 5)	33 002 453	41 780 092
Establishment costs	24 258 406	20 209 294
Special expenditure	7 342 404	4 138 218
Voluntary exit package	16 407 140	-
	84 136 099	68 449 930
4 FINANCE COSTS – NET		
Finance income		
Interest received from short term deposits	291 671	752 009
Finance costs		
	(5 213 584)	(4 555 694)
Interest on bank overdrafts	(1 184 904)	(1 295 485)
Interest on finance leases	(4 028 680)	(3 260 209)
	(4 921 913)	(3 803 685)
Finance costs – net		
	(4 921 913)	(3 803 685)
5 EMPLOYEE BENEFIT EXPENSES		
Bonus	-	314 849
Salaries and wages	25 809 423	33 019 747
Employee benefit costs and allowances	4 104 818	5 329 002
Gratuity	1 786 830	956 533
Pension fund contributions and disability insurance	1 301 382	2 159 961
	33 002 453	41 780 092

The average number of employees during the year was 215 : (2018 - 321).

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

6 PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Plant Machinery and vehicles	Office furniture and equipment	Roads underground works and improvement s	Total
	E	E	E	E	E
Year ended 31 March 2019					
Opening net book amount	27 915 939	18 395 268	3 666 823	210 742 868	260 720 898
Additions	1 606 733	129 983	34 278	12 310 888	14 081 882
Disposals	-	-	-	-	-
Closing net book amount	29 522 672	18 525 251	3 701 101	223 053 756	274 802 780

**Year ended 31 March
2018**

Opening net book amount					231 659
	27 915 939	18 613 173	3 574 136	181 555 829	077
Additions	-	-	92 687	29 187 039	29 279 726
Disposals	-	(217 905)	-	-	(217 905)
Closing net book amount					260 720
	27 915 939	18 395 268	3 666 823	210 742 868	898

	2019 E	2018 E
Land and building comprise:		
Plot 489 situate Coates Valley with buildings thereon - at cost	98 217	98 217
Building structures at various locations:	29 424 455	27 817 722
	29 522 672	27 915 939

Refer to note 9.1 for property pledged as security for the Council's bank overdraft and capital projects loan facilities. Included in the property, plant and equipment are fixed assets not in use amounting to E1 515 000.

The Council ceased operations of the abattoir facilities which had land and buildings valued at E 1 270 000; plant and machinery valued at E245 000.

It is not the policy of the council to provide for depreciation on property, plant and equipment with a definite useful life because the full cost of such assets is treated as a direct charge against the revenue of the council.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

7 INVENTORIES

Electrical	29 372	6 306
Spares and accessories	133 890	147 702
Toilet Tissue	78 593	49 268
Cement	46 337	-
Road paints	67 597	45 788
Diesel	-	219 195
Petrol	-	231 165
Oil	27 839	20 371
Glue	3 296	965
	<u>386 924</u>	<u>720 760</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2019 E	2018 E
8 RECEIVABLES AND PREPAYMENTS		
Assessment rates debtors		
- General	42 402 023	45 439 239
- Government	34 909 166	30 464 966
Total Rates Debtors	77 311 189	75 904 205
Staff debtors (note 8.1)	158 384	45 351
Sundry debtors (Note 8.2)	858 391	800 524
Total rates and other receivables	78 327 964	76 750 080
Impairment provisions (Note 8.3)	(21 665 517)	(22 013 122)
	56 662 447	54 736 958
8.1 Staff debtors		
<i>Staff debtors are comprised of the following:</i>		
Staff car loan	(4 678)	(23 845)
Staff advances	143 482	49 616
Study loan	(2 015)	(2 015)
Micro loan arrears	21 595	21 595
	158 384	45 351
8.2 Sundry debtors		
<i>Sundry debtors comprised of the following:</i>		
Service debtors	800	800
Dishonoured cheques	-	105 102
Miscellaneous debtors	285 310	168 325
Ngwane park debtors	90 062	85 693
Bus Rank rent	178 510	81 155
Manzini Extension 19	73 900	52 450
Zakhele	3 344	16 741
Fairview North debtors	946	946
Market Rentals	22 523	114 103
Street Vendors	202 996	175 209
	858 391	800 524

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2019 E	2018 E
8.3 Impairment provision		
Balance at beginning of the year	22 013 122	20 761 000
Charged to statement of revenue fund	1 567 007	1 252 122
Utilised during the year	(1 914 612)	-
Balance at end of the year	21 665 517	22 013 122
Cash balances and short-term deposits		
- Nedbank Call Account	24 386	805 425
- Nedbank Call – Dumpsite	4 195 352	6 661 810
- Standard Bank Call Account	2 238 172	221 114
- Stanlib Money Market Account	34 939	32 504
- Nedbank New Current Account	41 305	43 492
- First National Bank Account	377 582	-
- Nedbank Current Account	271 217	6 013 837
- Standard Bank Current Account	1 466 473	479 639
- Mobile Money Account	20 850	-
- Cash on hand	1 872	112 993
	8 672 148	14 370 814
Bank Overdraft		
- Nedbank Account-AMICAAL (Note 9.2)	(374)	(374)
- Nedbank (Swaziland) Limited (Note 9.1)	(10 067 910)	(10 074 929)
	(10 068 284)	(10 075 303)
<i>For the purpose of the Statement of cash flow, cash and cash equivalents comprise:</i>		
Cash and bank balances	8 672 148	14 370 814
Bank overdraft (Nedbank Swaziland)	(10 068 284)	(10 075 303)
	(1 396 136)	4 295 511

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)**9 CASH AND CASH EQUIVALENTS (continued)****9.1 Bank Overdraft**

The bank overdraft facility is secured as follows:

- First Mortgage Bond No.244/1986 for E 300 000 in favor of the bank dated 23rd July, 1986 binding: -
 - a) Certain Lot No.371 Situate in Coates Valley Manzini, held by the bank: Crown Grant No.32/1970
 - b) Certain Lot No.386 Situate at Coates Valley, held by the bank: Crown Grant No.32/1970
 - c) Certain Lot No.388 Situate at Coates Valley, held by the bank: Crown Grant No.33/1970
 - d) Certain Lot No. 409 Situate at Coates Valley held by the bank: Crown Grant No.35/1970
- Mortgage Bond No.5/1990 for E 949 000 in favor of the bank dated 10th January 1990 binding: -
- Portion D of ERF No: 277 Situate in the Town of Manzini, held by the bank: Deed of Transfer No: 221/1981

9.2 AMICAAL Current Account

The Municipal council has a current bank account with Nedbank Swaziland, account number 040000127746 held on behalf of AMICAAL for an HIV - AIDS related project. The money held does not belong to the Municipal council therefore a liability is also recorded under trade and other payables.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2019 E	2018 E
10 BORROWINGS		
10.1 Maturity analysis		
Non-current:		
African Alliance (Note 10.5)	12 572 425	-
Nedbank Project loan (Note 10.3)	2 916 507	4 995 192
ENPF Loan – Infrastructure (Note 10.6)	8 793 194	9 502 912
	<u>24 282 126</u>	<u>14 498 104</u>
Current:		
African Alliance (Note 10.5)	4 460 411	-
Nedbank loan – new vehicles (Note 10.4)	-	924 330
World bank – Urban Development Project (Note 10.2)	437 440	437 440
Eswatini Government – World Bank loan – package 16 (Note 10.7)	7 550 154	7 550 154
ENPF Loan – Infrastructure (Note 10.6)	1 317 745	4 703 006
Nedbank Project Loan (Note 10.3)	2 107 908	1 867 364
	<u>15 873 658</u>	<u>15 482 294</u>
Total borrowings	<u>40 155 784</u>	<u>29 980 398</u>

10.2 World bank – Urban Development Project

A subsidiary loan agreement was entered into with the Government of Eswatini in terms of which the council was granted E 6 971 000 to be used in financing the rehabilitation of Manzini City wide roads. Drawdowns against the loan were made as expenditure was incurred. In terms of the subsidiary loan agreement, 95% of the expenditure incurred was treated as a capital grant to the Council. The position at year end is as follows:

The loan is unsecured, bears interest at 2% plus the inflation rate per annum and is repayable in semi – annual installments of E 193 642 commencing January 2001. The final installment was due on 15th July 2018.

As at 31 March 2019, drawdowns against the loan had been exhausted.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

10 BORROWINGS (continued)

10.3 Nedbank Project Loan

The Project loan is secured as follows:

- 2nd Mortgage bond No. 510/2011 for E4,000,000 over
 - a) Lot 265 situated in Villiers Street, Manzini
 - b) Certain portion 17 (Pendray) of Farm 125
- Mortgage bond No. 540/2011 for E9,15 Million over Farm 514 and farm 515
- 1st Mortgage bond No. 538/2011 for E779,000 over Lot 407 Manzini
- Mortgage bond 539/2011 for E801,000 over Lot 388 Coates Valley Manzini
- 1st Mortgage bond No.244/86 for E300,000 binding lot 371,386,388 and 409 all in Coates Valley, Manzini
- 1st Mortgage bond No.5/90 for E949,000 binding portion D of ERF 277 Manzini

	2019 E	2018 E
10.4 Finance leases	-	924 330
<i>The minimum lease payments of finance lease obligations as follows:</i>		
Gross minimum future installments	-	856 087
Due within a year	-	856 087
Due within two to five years	-	-
Less: Future finance charges	-	(26 135)
Due within a year	-	(26 135)
Due within two to five years	-	-
Present value of finance leases	-	829 952
<i>The present values of finance leases is as follows:</i>		
	-	829 952
Due within a year	-	829 952
Due within two to five years	-	-

As at 31 March 2019, the Council has settled all the obligations relating to finance leases

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

10 BORROWINGS (continued)**10.5 African Alliance Loan – Voluntary Exit Packages**

In May 2018, the Council secured a loan of E20 million from African Alliance for the purpose of funding the voluntary exit packages for approximately 90 employees. The loan is payable over 48 months and has a floating interest of Swazi Prime plus 3.5% payable on a monthly basis.

The Council has agreed that as collateral to the funding; 25% of all remittances from the Government of Eswatini will be invested in the African Alliance Swaziland Lilangeni Fund, on receipt thereof, until such time as all outstanding capital has been repaid.

10.6 ENPF Loan – Infrastructure

On 20 July 2005, the Council secured a loan from the Eswatini National Provident Fund (ENPF) for the primary purpose of engaging in capital projects. In terms of the loan agreement, the Council is entitled to make drawdowns to the extent of E15 million. As at 31 March 2019, the Council had exhausted drawdowns:

The initial agreement of the loan was that it shall be repayable in two half yearly installments (payable on the 30th of June and on the 31st of December, respectively). Interest on the loan will be calculated at a simple interest rate determined by Nedbank (Swaziland) prime overdraft rate plus 3%, subject to the condition that the minimum interest payable by the Council shall be 13% per annum. In March 2011 Council then entered into another agreement with ENPF for the cession of claim to rates towards the payment of this loan commencing with the 2010/11 rates. Interest was agreed at prime rate plus 1.5%. The initial agreement of two half yearly installments payment then fell off.

In November 2015 Council entered into another loan agreement with Eswatini National Provident fund where an additional E10 000 000 was secured. Interest on this new loan will be calculated at a simple interest rate determined by Standard Bank (Swaziland) prime rate plus 2%. Council again entered into another agreement with SNPF for the cession of claim to rates towards the payment of this loan commencing with the 2017/17 rates. The loan duration is 10 years, payable in annual instalments of E1 999 201 annually.

In January 2018, an additional E10 000 000 was issued to the Council. Interest on this new loan will be calculated at a simple interest rate determined by Standard Bank (Swaziland) prime rate plus 2%. Council again entered into another agreement with SNPF for the cession of claim to rates towards the payment of this loan commencing with the 2018/19 rates.

10.7 Government of Eswatini World Bank Loan

The Council received funding from the Government of Eswatini amounting to E7 550 154. The terms and conditions for this funding have not been finalized by the Council and the Government of Eswatini. The presentation and disclosure of this funding may change subject to finalization of the terms and conditions.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

11 TRUST FUNDS	2019	2018
	E	E
Building penalties	104 28	104 283
Sale of government land	(142 654)	(142 654)
Messenger of court	30 70	30 709
Parking provision fees	150 50	150 500
Refuse bins	217	217
Government Sales tax	332 94	332 945
Training- Gvt Funded	(373 183)	(373 181)
Swaziland Local Government Projects (11.1)	71 21	3 266 202
Mkhosi Township Fund	636 80	636 000
	810 83	4 005 021

Trust funds consist of monies collected on behalf of the Government of Eswatini. There are no fixed terms of repayment agreed upon between the Council and the Government of Eswatini.

11.1 Swaziland Local Government Project

Opening Balance	3 266 202	13 436 899
Grants received SLGP	-	5 663 300
Utilised for road and related infrastructure	(3 194 985)	(15 833 997)
	71 217	3 266 202

The SLGP balance at 31 March 2019 is E71 217 and the construction of the Springle Farm Road was completed during the year under review.

Trust funds consist of monies collected on behalf of the Government of Eswatini. There are no fixed terms of repayment agreed upon between the Council and the Government of Eswatini.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

	2019 E	2018 E
12 TRADE AND OTHER PAYABLES		
Trade payables and accrued expenses	14 349 043	17 737 091
Disaster relief fund	-	(1 105)
Withholding tax	217 581	326 756
	<u>14 566 624</u>	<u>18 062 742</u>
13 CASH FLOW INFORMATION		
13.1 Cash utilized in operations:		
<i>Reconciliation of surplus to cash utilized in operations: -</i>		
Surplus for the year	12 114 003	43 891 656
Adjustments for:		
Interest received	(291 671)	(752 009)
Interest paid	5 213 584	4 555 694
Loss on disposal	-	217 905
Changes in working capital:		
Increase in receivables and prepayments	(1 925 489)	(15 071 484)
Decrease in inventories	333 836	6 929
(Decrease)Increase in trade and other payables	(3 510 463)	3 932 602
Increase /(Decrease) in accruals and other provisions	195 965	(1 108 882)
Cash generated in operations	<u>12 129 765</u>	<u>35 672 411</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

14 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Bonus Provision	Contract Gratuity	Unreconciled Items-Other provisions	Leave Provision	Severance pay Provisions	Total
	E	E	E	E	E	E
Year ended 31 March 2019						
Balance 01 April 2018	1 270 213	1 147 640	132 413	1 213 682	1 117 252	4 881 200
Provision made during the year	-	1 854 251	98 523	-	-	1 952 774
Utilised during the year	-	(1 410 137)	-	(346 672)	-	(1 756 809)
Balance 31 March 2019	1 270 213	1 591 754	230 936	867 010	1 117 252	5 077 165
Year ended 31 March 2018						
Balance 01 April 2017	1 600 360	1 856 764	112 845	1 302 861	1 117 252	5 990 082
Provision made during the year	330 147	124 970	19 568	-	-	474 685
Utilised during the year	(660 294)	(834 094)	-	(89 179)	-	(1 583 567)
Balance 31 March 2018	1 270 213	1 147 640	132 413	1 213 682	1 117 252	4 881 200

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)

14. PROVISIONS FOR OTHER LIABILITIES AND CHARGES (continued)**14.1 Contract gratuity**

This provision is in respect of management employed on a contract basis and is computed at 25% of their basic pay each month for the duration of each contract. An independent company, Investment Solutions, now administers the gratuity.

14.2 Severance pay

The council recognised the severance pay provision for employees employed by the council. The severance pay liability exists in respect of severance allowance payable in terms of section 34 to 36K of the Employment Act, 1980, as amended, in the event of present employees continuing in employment with the council until their retirement.

14.3 Bonus Provision

The bonus provision is performance based and is provided in accordance with the council's performance bonus policy.

14.4 Leave provision

The council recognise the leave provision based on the leave day's outstanding at year end in line with the council's leave provision policy.

14.5 Other provisions

Also included are uncleared transactions emanating from bank statements.

15 DEFERRED GRANT INCOME

	2019 E	2018 E
Deferred income comprises unutilized balances of grant income received from the Government of Eswatini through the Ministry of Housing and Urban Development for the upgrade of Mentjies, William pitcher and northern distributor roads Project.		
Balance at beginning of year	7 749 376	9 318 036
Grants realised in statement of comprehensive income (Note 2.1)	(9 008 146)	(12 105 963)
Capital Improvement Program grant received	3 194 985	10 537 303
	<u>1 936 215</u>	<u>7 749 376</u>

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (continued)**16 COMMITMENTS AND CONTINGENCIES****16.1 Commitments**

The Council completed the construction of Springle Farm Road which costed E5,507,078 during the year under review. As at 31 March 2019, the Council did not have any commitments.

16.2 Contingencies

The Council has contingent liabilities in respect of legal claims arising in the ordinary course of business. It is not anticipated that any material liability will arise from the contingent liability.

GENERAL INCOME AND EXPENDITURE ACCOUNT SUMMARY

	2019 E	2018 E		2019 E	2018 E
EXPENDITURE			REVENUE		
City Clerk	6 833 180	5 892 797	Rates	47 909 812	45 228 197
Clerk to Council	5 417 153	6 755 384	Rates penalty and interest	2 978 024	2 404 334
City Treasurer	23 893 308	20 619 596	Government rates	30 692 434	29 762 333
Health administrator	1 980 182	2 118 966			
Abattoir	607 921	678 050	GRANTS AND SUBVENTION		
Laboratory	90 221	389 134	Subvention	3 677 400	4 672 921
Public health nursing	349 600	339 134	Taiwan Grant	635 000	-
Market	353 369	532 445	Government grant	9 008 146	27 945 437
Public convenience	1 107 923	1 849 109			
Public cleansing	2 059 824	1 342 560	FINANCE INCOME		
Vacuum tanker	139 014	159 182	Interest on investments	291 671	752 009
Zakhele	117 595	217 267			
Pound	276 245	562 680	OTHER REVENUE		
New bus station	899 432	1 307 872	Sundry income	186 286	219 354
Refuse collection	3 272 538	3 611 169	Abattoir fees	-	50
City engineer's administration	7 358 816	4 541 674	Proceeds in disposal assets	-	(217 905)
Parks and cemeteries	1 040 603	1 860 802	Building inspection	73 390	49 341
Mechanical workshop	584 776	1 366 971	Mbholohlo Team	-	-
Public works	1 554 928	2 653 131	Condemned Food Stuff	9 240	4 080
Electrical	1 542 011	1 156 137	Consent use fees	22 450	3 900
			Discount received	8 984	11 961
City planning	3 429 470	3 492 055			
Human resources	20 743 058	3 630 935	Zakhele Fees and charges	148 022	132 780
Office of the Mayor	1 243 693	1 035 119	Hazardous Waste	19 442	40 240
Roads section	1 354 531	4 872 679	Inspection for trading license	144 000	205 000
Lamvelase	690 450	519 521	Insurance Claim	-	23 936
Transport	2 409 842	1 501 255	Jubilee Park	1 500	7 500
			Licences & permits	538 765	498 165
			Market fees and charges	630 321	606 496
			Millennium Park rental	24 140	16 725
			Ngwane park debtors	4 369	4 369
			Pound fees	77 293	191 823
			Parking Fees	720 250	739 024
			Refuse collection (public)	216 224	275 969
			Rental Bus Rank Shop	824 445	775 106
			Rezoning Fees	2 500	1 550
			Sale of animals	98 510	235 850
			Burial Fees	61 126	68 500
			Sale of plant	4 650	11 223
			Scrutiny fees	243 538	205 553
			Showground Booking	58 500	62 650
			Showground Rental	180 000	180 000
			Signs and encroachment	737 130	453 270
			Subdivision Fees	6 000	13 500
			Toilet Fees	987 314	969 675
			Under/ (over) banking	-	779

GENERAL INCOME AND EXPENDITURE ACCOUNT SUMMARY

	2019 E	2018 E		2019 E	2018 E
EXPENDITURE			REVENUE		
			OTHER REVENUE		
			(Continued)		
			Vacuum tanker	-	(170)
			Interest on loans	(20 000)	-
			ANC 1st visit	520	9 980
			ANC revisit	17 570	30 570
			Child welfare & revisit	13 000	17 040
			Family Planning	740	6050
			Curative	142 750	247 150
			Flea Market	71 290	31 365
			Laboratory	-	-
			Uniform deductions	16 940	-
Total Expenditure	89 349 683	73 005 624	Total Revenue	101 463 686	116 897 280
Surplus for the year	12 114 003	43 891 656			
	101 463 686	116 897 280		101 463 686	116 897 280

These schedules do not form part of the financial statements and are unaudited.

Give us all
the rates, be
assured
of quality
service.



*I look at each day as a chance to
move one notch above yesterday -
whether it's in service quality, delivery,
speed, or any other aspect of the business.*

Daniel Snyder

[illegible]



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CIVIC OFFICES

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24/7 CALL CENTRE

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