

**REPORT
OF THE COMMISSION OF INQUIRY
INTO THE AFFAIRS OF
THE HLATHIKHULU TOWN BOARD**

Submitted to:

The Honourable Minister of Housing and Urban Development

Prepared by:

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LIST OF ACRONYMS

- **The Board:** The Town Board
- **CLDC:** Crown Lands Disposal Committee
- **DUG:** Director of Urban Government
- **DHHS:** Director of Housing & Human Settlements
- **HTB:** Hlathikhulu Town Board
- **HR**
- **IDP:** Integrated Development Plan
- **MHUD:** Ministry of Housing & Urban Development
- **PS:** Principal Secretary
- **SO:** Standing Order
- **TC:** Town Clerk
- **TT:** Town Treasurer
- **TPS:** Town Planning Scheme

CHAIRPERSON'S REMARKS

The Commission of Enquiry was appointed and constituted in accordance with Section 107 of the Urban Government Act No. 8 of 1969, to investigate, amongst other things; the adequacy and observance of the internal control environment regarding governance, administration, and management of the local authority; the spatial management of the entire urban area with regards to increase in unplanned settlements; the extent of failure to enforce building control; any malpractice in the allocation and sale of land within the town, whether surveyed or serviced or not surveyed and whether there is a councillor, official or any other individual unlawfully benefitting from the act, and to investigate the adequacy of processes in the preparation of the evaluation roll under the Hlathikhulu Town Board. The mandate entrusted to the Commission was to establish the truth regarding allegations of irregularities, maladministration, and possible mismanagement of funds in the affairs of the Board, and to provide recommendations that will strengthen the integrity and efficiency of the Hlathikhulu Town Board.

The establishment of this Commission reflects the seriousness with which Government and society regard the governance of our towns and municipalities. The Hlathikhulu Town Board plays a vital role in service delivery, local development, and the stewardship of public resources.

It is with a deep sense of responsibility and commitment to public service that I present the findings of the Commission of Enquiry into the affairs of the Hlathikhulu Town Board. The Commission approached its work with diligence, impartiality, transparency, and a commitment to justice. It was guided by the principles of

- **Fairness** – ensuring that all parties are heard and treated with respect.
- **Transparency** – conducting proceedings openly, so that the public may have confidence in the process.
- **Integrity** – upholding the highest ethical standards in our work.
- **Constructive Outcomes** – focusing not only on identifying problems, but also on proposing solutions that will help rebuild trust and improve performance.

The Commission engaged with stakeholders across the spectrum—councillors, residents, business owners, civic leaders, current and former employees of the Town Board, to ensure that the voices of the community were heard and reflected in our deliberations. The evidence gathered was carefully examined, and the conclusions reached are based on facts, fairness, and the overriding interest of the public good.

Evidence presented revealed instances of:

- Missing plots from the evaluation roll, despite documented purchases dating back to 2008.

- Illegal land sales involving officials of the Town Board and board members, necessitating scrutiny of fiduciary responsibility and compliance with statutory obligations.
- Mismanagement of public funds
- Poor governance - the governance framework of the Board and the Ministry was insufficiently robust to prevent abuse of authority.
- Maladministration exhibited through inefficiency, dishonesty and mismanagement in the town board.
- Failure to adhere to external audit and Auditor General's findings by The Board and Management

The findings of the Commission reveal both areas of commendable progress and significant challenges that require urgent attention. While the Town Board has made strides in service delivery and infrastructure development, these have been at a minimal level, and issues of financial management, governance practices, and accountability mechanisms remain pressing. These shortcomings, if left unaddressed, risk undermining public confidence in local institutions and the broader objectives of national development.

The recommendations contained in this report are therefore aimed at strengthening governance structures, enhancing transparency, and ensuring that the Hlathikhulu Town Board operates in full alignment with the principles of good administration and the expectations of the people it serves, while also ensuring accountability for the illegal actions of those implicated. The commission is mindful that the HTB plays a vital role in the lives of its residents and the development of the town. Where governance falters, communities suffer. Where administration is compromised, trust is eroded and where mismanagement occurs, the promise of urban development is undermined.

I wish to extend my gratitude to the members of the Commission, the Ministry of Housing and Urban Development, the employees of Hlathikhulu Town Board, residents of Hlathikhulu and all stakeholders who contributed to this process. Their cooperation and commitment have been invaluable. It is my sincere hope that this report will serve not merely as a record of enquiry, but as a catalyst for reform and renewal in Hlathikhulu.

The responsibility now rests with the relevant authorities to act upon these recommendations with urgency and resolve. In doing so, we will not only safeguard the integrity of the Hlathikhulu Town Board but also reaffirm our collective commitment to accountable, transparent, and people-centered governance.

Zandile Dhlamini

Chairperson

Commission of Enquiry into the Affairs of the Hlathikhulu Town Board

EXECUTIVE SUMMARY

The Commission was mandated to investigate six Terms of Reference (TORs A–F), spanning governance and internal controls, spatial management, building control enforcement, land allocation and sale, valuation roll preparation, and incidental matters affecting public trust and lawful administration.

The inquiry was conducted through documentary review, sworn testimony, public hearings, inspections in loco, and targeted verification of records.

The evidence before the Commission reveals not only isolated errors, but a systemic collapse of governance, legality, and accountability at Hlathikhulu Town Board (HTB) over an extended period.

Across all Terms of Reference's, a consistent pattern emerged:

- Formal legal frameworks existed on paper but were not observed in practice.
- Decision-making migrated from lawful systems into informal, personality-driven processes.
- Internal controls were overridden, weakened, or ignored.
- Officials and office bearers exercised authority without clear legal basis, often without documentation.
- Oversight mechanisms—Board, Committees, Ministry—failed to detect, correct, or halt unlawful practices in time.
- Community members acted on official-looking letters and representations, reasonably believing them to be lawful, only to later face uncertainty, risk, and potential loss.
- Failure to address audit reports resulting in non-compliance

The result is a town administration exposed to serious legal, financial risk as a going concern, planning, and reputational risk, and a community that has largely lost trust in the integrity and fairness of local governance.

Core Findings Across the Terms of Reference

(a) Governance and Internal Controls (TOR A)

The Commission found that Hlathikhulu Town Board's internal control environment was materially inadequate. Board oversight was weak, distorted agenda inconsistent with the standing orders, minutes were incomplete, missing and/or lacked substance, Finance Committee controls were either lacking or ineffective, and the distinction between governance and management was blurred. The Town Clerk contract renewal process was handled informally and inconsistently, creating legal uncertainty and confusion regarding his employment status. Human Resource records were incomplete, key policies were absent, and staff testified to an environment of fear and intimidation that suppressed reporting and accountability. Procurement systems were particularly compromised, with sustained employee related supplier arrangements, inflated pricing indicators, weak documentation, and limited transparency to councillors leading to possible corruption practices. Service provision in the Town Board was wanting with deplorable facilities such as the marketplace and public toilets.

HTB is understaffed and its financial condition is dire, placing it at risk as a going concern. Poor ministry oversight has allowed ongoing problems at the Town Board.

(b) Spatial Management and Unplanned Settlements (TOR B)

Unplanned settlement growth in Hlathikhulu was not accidental. It was the foreseeable outcome of:

- Prolonged failure to release land through lawful Crown Lands Disposal Committee (CLDC) processes.
- Absence of an operational Town Planning Scheme (TPS) until 2023.
- Failure to implement the TPS once approved.
- Issuance of approximately 130 “temporary land concession” letters that created expectations of tenure without legal foundation.
- Reactive management of relations with neighbouring chiefdoms

The Sibetsamoya upgrading initiative, while technically prepared, stalled due to unclear institutional sequencing and lack of follow-through, exacerbating informal growth pressures.

(c) Failure to Enforce Building Control (TOR C)

Building control enforcement effectively collapsed in unplanned areas. While lawful building processes operated in formal townships, a parallel informal regime emerged elsewhere, driven by letters issued by the Town Clerk purporting to permit “temporary” or “semi-permanent” structures. Rangers reported unlawful construction but were undermined when residents produced these letters. Demolition notices were not issued in unplanned areas, and enforcement chains were slow, unclear, and ineffective. The Ministry’s technical oversight arrangements did not compensate for these failures, with limited site visits and no systematic monitoring of illegal construction.

(d) Malpractice in Land Allocation and Sale (TOR D)

The Commission found widespread malpractice in land allocation on un-surveyed government land, including:

- Allocation outside the CLDC framework.
- Issuance of non-statutory allocation letters.
- Changes of beneficiaries without verification.
- Testimony from multiple members of the public alleging payment of money for plots outside formal channels, without receipts.

Evidence showed that some Town Board officials and employees themselves acquired and developed land outside prescribed legal processes. Even in cases where individuals believed they followed lawful procedures (including payment of deposits), allocation processes remained incomplete for years, with no title deeds issued and plots remaining registered under Government.

(e) Valuation Roll Processes (TOR E)

The 2024/25 valuation roll preparation process was procedurally defective and legally non-compliant. The valuer was appointed verbally without open tender, the Valuation Court was not established, and yet rates were levied using an uncertified draft roll. Finance Committee oversight was absent, ratepayer complaints were not substantively addressed, and major

landholdings (including remainder of farm CL134) were excluded, materially understating the town's rateable base.

(f) Incidental Matters (TOR F)

Additional matters revealed further erosion of lawful administration and trust, including:

- Unfair treatment of transport associations without hearing affected parties.
- Gross negligence in maintaining the building application register, including contradictory entries and missing approval dates.

The Commission concludes that Hlathikhulu Town Board has suffered a sustained breakdown of lawful governance, driven by weak oversight, blurred accountability, and substitution of statutory processes with informal practices. These failures have eroded public trust, exposed residents to insecurity, and placed the Government at risk of significant legal and financial consequences.

The Commission's recommendations call for decisive intervention, including disciplinary and criminal investigations where warranted, restoration of lawful land administration processes, strengthening of Ministry oversight, and protection of residents who acted in good faith.

TERMS OF REFERENCE

The Honourable Minister of Housing and Urban Development appointed the Commission of Inquiry under Legal notice no.113 of 2025 of the Urban Government Act 8 of 1969, titled “The Appointment and Commissioning of a Commission of Inquiry into The Affairs of Hlathikhulu Town Board Notice, 2025 (under section 107).”

The Minister appointed the Commission of Inquiry to:

- (a) investigate adequacy and observance of the internal control environment regarding governance, administration and management of the local authority.**
- (b) investigate the spatial management of the entire urban area with regards to increase in unplanned settlements.**
- (c) investigate the extent of failure to enforce building control**
- (d) investigate any malpractice in the allocation and sale of land within town whether surveyed and serviced or not surveyed and whether there is a councillor, official of any other individual unlawfully benefitting from the act**
- (e) investigate the adequacy of the processes in the preparation of the valuation roll**
- (f) investigate any other incidental matters**

BACKGROUND

Hlathikhulu is a town situated in the Shiselweni Region in southern Eswatini, with a population estimated at approximately 2,800 people. Hlathikhulu was declared an urban area in 1969 under section 11 of the Urban Government Act No. 8 of 1969. The town is bordered by neighbouring chiefdom areas, including Magele and KoNtjingila chiefdoms, and functions as a local administrative, commercial, and service centre for surrounding rural communities. Like many town boards in Eswatini, Hlathikhulu has experienced gradual growth driven by population movement, demand for residential land, and the expansion of public services. This growth has occurred alongside continued reliance on traditional authority structures in adjacent areas, creating a complex interface between statutory and customary systems of governance.

Governance and Administrative Structure

According to the Hlathikhulu Town Board Integrated Development Plan (IDP) 2022–2027, the town has two governance structures, namely the Board and Management, established in terms of the Urban Government Act. Hlathikhulu comprises one ward and is served by five councillors/board members. The Board is partly elected and partly appointed: four members are elected, while one member is appointed by the Honourable Minister responsible for Housing and Urban Development. The councillors provide strategic direction to the Hlathikhulu Town Board (HTB) and its operations, and their tenure is five (5) years.

As a Town Board, Hlathikhulu falls within the tier of urban local authorities established to govern smaller towns. Town Boards are mandated to oversee planning, land management, service delivery, financial administration, and enforcement of relevant laws and regulations within their jurisdiction.

The HTB's stated vision is to be:

“A preferred town for sustainable development, investment, tourism, quality services to all stakeholders by 2030.”

Its mission is:

“To make Hlathikhulu Town a better place through improvement of infrastructure and service delivery, whilst ensuring the establishment of service utilities, as well as ensuring mobilization of financial resources and participation of stakeholders in activities of the town.”

As with other small and growing towns, Hlathikhulu has faced challenges relating to urban management, land allocation, infrastructure development, financial controls, and institutional capacity. These challenges have been exacerbated by increasing development pressures, limited resources, and evolving governance demands.

Basis for the Commission of Inquiry

Concerns relating to the administration and management of Hlathikhulu Town—including governance, compliance with legislation, land management, financial administration, and oversight—gave rise to the appointment of this Commission of Inquiry.

The Commission was established pursuant to Legal Notice No. 113 of 2025, which records that the Minister had reason to believe that the Hlathikhulu Town Board had failed to observe and perform duties and powers conferred or imposed upon it under relevant legislation, including the Crown Land Disposal Regulations, the Building Act, the Rating Act, and the Urban Government Act, together with applicable policies and regulations.

Further, correspondence from the Minister's Office includes a letter (*Annex 1*) dated 07 November 2025 from the Principal Secretary addressed to the Town Clerk, titled "Notification of the Commission of Inquiry for Hlathikhulu Town Board." The letter indicates that the decision to appoint the Commission followed formal complaints submitted to the Principal Secretary regarding, among other matters, the illegal disposal and sale of government land, governance lapses, and the absence of timely intervention by the Board and its administrative leadership. The letter further records that subsequent fact-finding conducted by the Ministry confirmed substantial challenges in land management, spatial planning enforcement, and internal control systems.

Prior Complaints and Community Concerns

The Commission also notes that concerns relating to governance and service delivery in Hlathikhulu are not new. In 2017, the Ministry received a letter dated 01 February 2017 (*Annex 2*) from the Hlathikhulu Society, titled "Resolution to pass a vote of no confidence against the Hlathikhulu Town Board." The letter raised service delivery issues including the poor condition of roads, absence of streetlights, limited electricity availability in the market, and failures in maintaining market facilities (including the market kitchen and trading areas). The letter further raised concerns regarding revenue administration, including accountability for rates collected, market fees, and the authenticity and appropriateness of valuation and rates charged to ratepayers. Importantly, the letter also alleged illegal sale of un-surveyed crown land in areas including Ejikeni, Sibetsamoya, and kaNkhosenkhulu.

Purpose of the Inquiry

The Commission was therefore established to investigate these matters within its Terms of Reference, establish factual findings based on evidence, and make recommendations aimed at informing appropriate corrective action by relevant authorities.

METHODOLOGY

The Commission of Inquiry adopted a systematic, phased, and evidence-based methodology designed to ensure fairness, transparency, and adherence to its Terms of Reference. The methodology combined documentary analysis, interviews, public engagement & participation, inspections, and targeted follow-up investigations. This multi-pronged approach enabled the Commission to triangulate evidence from multiple sources and arrive at credible findings and recommendations.

PHASE ONE: DESK REVIEW AND DOCUMENTARY ANALYSIS

The Commission commenced its work with an extensive desk review process of all relevant and available documentation (*Annex 3*). Formal requests were submitted to the relevant Ministry for documentation necessary to execute the Commission's mandate. The documentation reviewed included, but was not limited to:

- Applicable legislation, regulations, and policy frameworks governing local authorities and town boards
- Ministerial directives, circulars, and administrative guidance
- Reports, correspondence, financial records, and operational documents relating to Hlathikhulu Town

This review established the legal, institutional, and operational context of Hlathikhulu Town and informed the identification of key issues requiring further investigation.

PHASE TWO: INTERVIEWS WITH KEY MINISTRY PERSONNEL

Following the desk review, the Commission conducted interviews with key Ministry personnel responsible for oversight of town boards; the Director of Urban Government (DUG), The Director of Housing & Human settlements (DHHS), The Town Treasurer (TT), The Resident Engineer, Principal Accountant and Town Planner. These interviews aimed to clarify the Ministry's supervisory and oversight role, understand policy intent and implementation mechanisms and corroborate and contextualize information obtained through documentary review.

This phase provided critical insight into governance arrangements and accountability structures affecting Hlathikhulu Town.

PHASE THREE: ENGAGEMENT WITH HLATHIKHULU TOWN STAKEHOLDERS AND THE PUBLIC

The Commission proceeded to conduct interviews with Hlathikhulu Town Board employees and Board members on site in Hlathikhulu town to gain an understanding of internal governance, administrative practices, and operational challenges.

In addition, the Commission invited and received written and oral submissions from members of the public (*Annex 4*). Public hearings were conducted to ensure inclusivity, transparency, and adherence to principles of participatory governance. These engagements enabled the Commission to consider lived experiences, community concerns, and allegations relevant to the inquiry.

PHASE FOUR: INSPECTION *IN LOCO*

After completing additional interviews, the Commission conducted an inspection *in loco* within Hlathikhulu. The purpose of this inspection was to:

- Observe land allocation practices, physical conditions and infrastructure relevant to the matters under investigation
- Verify information provided during interviews and submissions

The inspection formed an important part of the Commission's fact-finding process and informed subsequent analysis.

PHASE FIVE: REVIEW OF SUBMISSIONS AND ADDITIONAL EVIDENCE GATHERING

All submissions, interview records, and supplementary documents were systematically reviewed and analysed. Based on this review, the Commission identified gaps, inconsistencies, and areas requiring further clarification. In response, the Commission exercised its powers to subpoena relevant individuals for additional interviews (*Annex 4*).

These follow-up interviews were conducted on site in Hlathikhulu, allowing the Commission to further interrogate evidence within its operational context and to clarify outstanding matters.

PHASE SIX: SEARCH AND VERIFICATION OF DOCUMENTATION

Before proceeding to the report drafting stage, the Secretary to the Commission, with the support of the Town Treasurer and the Accounts Clerk, conducted a search of the offices of the Town Clerk and the Accountant. This exercise was undertaken to locate and verify documentation that both officers had referred to during questioning but had not submitted to the commission.

The purpose of this process was to confirm the existence, availability, and completeness of documents referenced during interviews and to ensure that all relevant evidence was considered by the Commission.

PHASE SEVEN: ENGAGEMENT ON URGENT MATTERS

Following the consolidation of evidence, the Commission identified urgent matters requiring immediate attention. Prior to finalising the report, the Commission engaged the Minister and the Office of the Principal Secretary to formally highlight these critical issues that required the attention of the Anti-Corruption Commission and the Royal Eswatini Police Service Fraud unit.

This engagement was intended to enable timely administrative or policy intervention where necessary, without prejudice to the Commission's independence or the final findings and recommendations of the report.

PHASE EIGHT: REPORT STRUCTURING AND ANALYSIS

The Commission then developed a structured framework for the final report, aligned to the Terms of Reference. All evidence, including documents, submissions, interview records, inspection findings, and verified documentation, was reviewed against each term of reference.

Information was systematically analysed and integrated into the report structure to ensure that findings were evidence-based, coherent, and directly responsive to the mandate of the Commission. This process culminated in the drafting of the final report, including findings, conclusions, and recommendations.

LIMITATIONS OF THE INQUIRY

In the execution of its mandate, the Commission encountered certain limitations which are recorded for purposes of transparency and context. These limitations were considered in the assessment of evidence and the formulation of findings and recommendations.

Firstly, the Commission initially operated within a limited time frame of one month. As the inquiry progressed, it became apparent that the matters under investigation were more complex, interrelated, and extensive than originally anticipated. In recognition of this complexity, the Minister, on request, granted the Commission an additional four (4) weeks to complete its work. While this extension enabled the Commission to deepen its inquiry, conduct additional interviews, and review further documentation, time constraints nevertheless remained a limiting factor given the breadth and gravity of the issues under consideration.

Secondly, the Gazette appointing the commission had a financial expert who unfortunately withdrew before the commencement of the commission. As a result, the commission did not have the benefit of a dedicated financial or forensic accounting expert. Although financial records and transactions were examined to the extent possible, certain financial matters may not have been analysed with the depth and technical specificity that specialised expertise would have afforded. As a result, some financial issues may not have been fully identified or exhaustively interrogated.

Thirdly, the Commission did not receive and/or experienced delays in the receipt of certain requested documents. This affected the sequencing of interviews and limited the Commission's ability to verify certain evidence simultaneously.

Despite these limitations, the Commission took reasonable steps to mitigate their impact through evidence triangulation, follow-up interviews, inspections *in loco*, document verification processes, and engagement with relevant authorities.

CONCLUSION

Notwithstanding the limitations outlined above, the Commission is satisfied that it conducted a thorough, fair, and evidence-based inquiry within the time and resources available to it. The methodology adopted, together with the additional time granted by the Minister, enabled the Commission to gather sufficient evidence to address the Terms of Reference in a meaningful manner.

The findings and recommendations contained in this report are based on the totality of the evidence received, assessed, and verified by the Commission. Where limitations may have constrained the depth of inquiry on specific matters, this has been duly considered in the framing of conclusions and recommendations.

The Commission is of the view that the report provides a credible and reliable basis for corrective action, policy consideration, and further administrative or investigative processes, where deemed necessary by the relevant authorities.

TERMS OF REFERENCE: FINDINGS, ANALYSIS & RECOMMENDATIONS

TOR (A) INVESTIGATE ADEQUACY AND OBSERVANCE OF THE INTERNAL CONTROL ENVIRONMENT REGARDING GOVERNANCE, ADMINISTRATION AND MANAGEMENT OF THE LOCAL AUTHORITY

1. APPLICABLE LEGAL AND REGULATORY FRAMEWORK

In addressing this Term of Reference, the Commission was guided by the statutory and governance framework applicable to Town Boards and public administration, including—

- I. **The Urban Government Act 8, 1969**, including provisions relating to the establishment and powers of Town Boards, meetings and committees (including Finance Committees), the role of the Town Clerk and officers, and reporting and oversight obligations to the Ministry.
- II. **The Constitution of the Kingdom of Eswatini, 2005**
- III. **The Standing Orders for Hlathikhulu Town Board (2006)** adopted under section 16(1) of the Urban Government Act, regulating meeting procedures, the order of business, election of office bearers, motions, attendance/participation at meetings, and disciplinary processes.
- IV. **The Town Board's Instrument for Delegation of Powers (2012)** and the governance requirement that the Board's authority, delegations and internal decision-making controls be properly documented, applied, and reviewed.
- V. **Principles of public sector governance and internal control**, including accountability, transparency, fairness, documentation and recordkeeping, segregation of duties, conflict of interest management, procurement compliance, risk management, and auditability.
- VI. **Urban Government Financial Regulations of 1969**, including budget preparation, expenditure authorisation, maintenance of accounting records, internal controls over cash, assets and liabilities, roles and responsibilities of financial officers
- VII. **Public Finance Management Act of 2017** for the overarching framework for public financial governance
- VIII. **Employment Act, 1980** which governs employment relationships, Human Resource Management and workplace governance
- IX. **Public Procurement Act, 2011** which provides the legal framework for procurement practices
- X. **Public Procurement Regulations, 2020**

2. METHOD OF INQUIRY

In investigating TOR (A), the Commission:

1. Conducted a desk review of documents made available by the Town Board and the Ministry, including Standing Orders (2006), the delegation of powers instrument (2012), Board minutes (where available), audit Reports to Management and management responses, the IDP (2022–2027), and selected HR and administrative records.
2. Held interviews and received testimony from Board office bearers and members, management officials and staff, and other persons relevant to governance, decision-making, internal controls, procurement practices, administration, and accountability.
3. Conducted an on-site inspection and document search at the Town Board offices, including the CEO/Town Clerk's office, the accountant's office and general filing

areas, to locate records stated under questioning to exist and to assess the state of internal recordkeeping and administrative controls.

4. Considered documentary evidence relating to procurement, supplier contracts, bank statements and payment patterns, and considered audit evidence across the years 2022–2025 demonstrating patterns of control weaknesses.

3. EVIDENCE AND TESTIMONY RECEIVED

3.1 GOVERNANCE: BOARD COMPOSITION, MEETINGS, STANDING ORDERS, MINUTES AND REPORTING TO THE MINISTRY

Documentary evidence reviewed

- Standing Orders for Hlathikhulu Town Board (March 2006).
- Delegation of Powers instrument dated 2012.
- Board minutes made available to the Commission.
- Ministry file contents relating to receipt of minutes.

Evidence and testimony

1. The Commission established that Hlathikhulu Town Board is legally constituted under the Urban Government Act. The Board is led by a chairperson who is an appointed member and includes elected councillors in accordance with the Act.
2. Evidence showed that the Board held ordinary and special meetings. Attendance typically included the Town Clerk and Town Treasurer, and frequently the accountant by invitation through the Town Clerk, in a manner the Board considered “normal practice” over time.
3. Board members testified that the accountant was consistently present and, according to multiple members, actively participated and was “vocal” in meetings. Several Board members expressed concern that the accountant’s presence and conduct compromised the independence of deliberations and contributed to a governance climate where councillors felt unable to exercise oversight freely.
4. The Chairperson testified that on at least one occasion, due to what he described as the accountant being uncooperative, he requested the accountant to leave the meeting, but the accountant refused to leave. This evidence was treated as significant because it demonstrates that:
 - the Board’s authority and order in meetings was not respected in practice; and
 - the control environment had degraded to a level where a senior employee could defy governance direction without immediate corrective consequences.

5. Board Agenda and Minutes

The Commission reviewed Board agenda and minutes that were made available and found that their structure and content were generally inadequate.

- The prescribed agenda was not in compliance with the standing orders; the order of items is mixed up, they debate issues that should not be debated, and the TC report does not come with recommendations (SO 11)

The minutes did not consistently show:

- how motions were raised and seconded.
- what issues were debated (even at a high level)

- what options were considered.
- what resolutions were taken and by whom; and
- what action items, timeframes and accountability were assigned.

The Town Clerk further submitted that motions were raised during the meetings, which is irregular. Standing Order 22 provides for the procedure to be followed for the submission of motions. He alleges to have tried to correct this by stressing that motions must be raised and submitted to the office prior to the meetings, but this instruction was not heeded by the Board. This limited the Board's ability to demonstrate lawful decision-making, undermined transparency, and weakened the Town Board's defensibility in the event of disputes or audits.

The Commission reviewed the Ministry file and found that Board minutes were not consistently submitted. The Commission noted substantial gaps: prior to March 2025 minutes, the most recent minutes filed at Ministry level were from 2019, leaving prolonged periods where statutory oversight could not practically occur. Although the minutes are included in the Ministry file, the commission observed that poor organization of these records undermines the Ministry's capacity to provide oversight, as issues may not be tracked in chronological order.

6. Training of the Board

Board members testified that the Board received a one-week induction at the beginning of its tenure but had no subsequent refresher training. The Commission considered this relevant because the evidence showed councillors lacked practical clarity on statutory duties, meeting procedures, committee roles, and contract governance.

7. Fragmentation within the Board

Submissions from the members of the board and the staff revealed that there is no unity within the Board, as well as within the staff of the Town Board. Within the Board, this is exhibited by the suspension of one of the councillors, Mr Bandla Dlamini. The suspension letter does not cite a legal provision enabling the board Chairman to do so. The Standing orders, under Code of Conduct, provide that suspension is one of the sanctions that may be imposed after a hearing has been held. In this case, the councillor was not given a hearing but was suspended pending investigations, which goes against the provisions in the code of conduct. It was alleged that Bandla belongs to the faction that is opposed to the Chairman. The matter eventually went to court and the court ruled in favour of the Councillor. This resulted in costs being incurred unnecessarily by the Town Board, for failure to follow procedure.

Additional testimony regarding divisions within the Board was provided by the Chairman and members of the Finance Committee, who indicated the presence of factions with a 2:3 split. Councillor Bandla further stated that one councillor no longer communicates with him, does not acknowledge his greetings, and previously demonstrated defiance during council meetings when Councillor Bandla served as Chairperson.

8. Poor oversight of Town Management

Board members testified that they were not aware of the Town Clerk's contract, including the renewal process and timelines. This evidence was significant because the

Town Clerk is the chief administrative officer, and the Board's failure to know the contract terms strongly indicates weak governance oversight and poor record transparency.

The Ministry was also not aware that the contract of the TC was expiring in September 2025. This was submitted by the DUG in her testimony. This evidence means that the Ministry was unable to make the necessary intervention such as requesting for a performance appraisal prior to the termination of the contract.

The previous DUG (prior to 2023) testified that the Ministry has had challenges to provide effective oversight over local authorities for a long time as a result of inadequate staffing levels numbers and skills. He stated that this was solved temporarily during the implementation of the Swaziland Local Government Project. He stated that as part of the project the World Bank (funders of the project with Eswatini government) created a unit that would provide technical support to the Ministry in monitoring the performance of local Government and provide training to local authorities as needed. He testified that the monitoring and performance of the local authorities across the country greatly improved during the period of the SLGP. He testified that the standard dropped after the unit was dissolved upon termination of the project. The current DUG testified that the department has capacity challenges in both inadequate staffing levels and the technical skills required.

3.2 GOVERNANCE: FINANCE COMMITTEE OVERSIGHT AND CONTROL OF EXPENDITURE

Evidence and testimony

The Commission established that the Board had a Finance Committee chaired by an elected member. However, Finance Committee members testified that they were not given adequate time to interrogate financial reports. The Board ignored the delegation of powers instrument that outlines the role of the finance committee in regulating and controlling finances of the Town.

Finance Committee members submitted that the Town Clerk or Accountant would bring the financial report into the meeting, present it quickly, and the document would be taken back while members were still attempting to read and understand it. They stated that this prevented scrutiny and meaningful oversight and reduced their role to passive attendance.

A critical audit finding revealed that CIP (capital) grants were used by the Town Board for daily operational expenses instead of being allocated to capital projects as intended. This practice creates significant public finance compliance risks for the Town Board. The commission was presented with evidence showing that, in 2025, the Ministry compelled the Town Board to adhere to CIP requirements.

The Chairperson testified that he repeatedly requested the Finance Committee report to be included in the Board pack, but he did not receive it. He stated that he only realised in 2025 that what was presented as "financial reporting" was largely a

statement of what had already been spent, rather than a controlled process of seeking approvals in advance.

The Commission heard evidence from Councillors and the Chairperson that they were not aware that two of the supplier companies of the Town Board were owned by:

- a. the accountant (PHD Stationery), and
- b. the accountant's spouse (Liks Boutique).

They testified they only learned this after auditors raised it. They described their reaction as shock and concern. They testified that after learning about this, they asked the Town Clerk, and the Town Clerk confirmed he was aware of the relationships. According to the chairperson, the Board then resolved to suspend procuring from the two suppliers.

The Commission treated this as important evidence of management disclosure failure: it demonstrates the Board was deprived of information needed to exercise oversight and risk controls, regardless of whether the Board itself was dysfunctional in other respects. This also demonstrates the undermining of the authority of the Board by management which is exacerbated by the lack of a procurement policy.

Budgeting and realism

The Commission found that budgets were produced but were often aspirational and not grounded in realistic revenue projections, IDP priorities and audit findings. This was consistent with audit observations raised over consecutive years. Further, the Ministry has raised issues with Hlathikhulu budgets through internal Ministry analysis for budgets prior to Ministerial approval (Annexure 5), but it is not clear if these were communicated to Hlathikhulu Town Board. This undermines the purpose of the Ministry analysis if it is not communicated to the Town and no efforts are made to address those budget weaknesses.

Systems and accountability

Evidence before the Commission included testimony that the accounting system controls were weak, including shared credentials and limited traceability of actions. The Commission considered such practices to undermine auditability, accountability and segregation of duties.

The Commission notes that The Board did not make any meaningful efforts to ensure that all the anomalies were corrected. The Commission considered this evidence to show that the statutory intention behind having a Finance Committee—to regulate and control finances—was not achieved in practice. This was further supported by poor implementation of audit recommendations.

3.3 LEADERSHIP AND MANAGEMENT STRUCTURE: REPORTING LINES AND UNDERMINING OF BOARD LEADERSHIP

Evidence and testimony

The Commission established the Town Board management structure as comprising:

- Town Clerk/CEO (contract basis).

- Town Treasurer (joint appointment).
- Accountant (permanent employee).
- Accounts Clerk.
- Labourers (and other operational staff).

Evidence indicated the Town Clerk served from 2011–2025 through renewable three-year contracts, renewed multiple times. Evidence further showed the last contract terminated on 30 September 2025 and the Town Clerk vacated office, thereafter, pending determination of employment status.

Multiple witnesses, including Board members and the Town Treasurer, testified that the practical reporting structure was unclear and dysfunctional. Although formally the accountant should operate under proper financial management lines, evidence suggested that:

- the accountant exercised authority beyond finance functions.
- the accountant influenced decisions and operations in HR and procurement.
- the Town Treasurer struggled to exercise authority; and
- management operated in silos without structured governance meetings.

The Chairperson testified that he felt intimidated in the management environment, describing the accountant as “the main man” running the Town. The Commission saw this testimony as important because it reveals a collapse in the governance structure, with management taking precedence over elected or appointed Board oversight. It also points to the Chairperson’s lack of ability; even though he is supposed to be the leader, he is unable to provide effective leadership for the town, acts out of fear, and struggles to make and implement decisions.

3.4 CEO/TOWN CLERK CONTRACT RENEWAL AND GOVERNANCE FAILURE

Evidence and testimony

On assumption of duty, the Commission was alerted by the Director of Urban Government that the Town Clerk’s contract had expired, and the Commission was asked to advise whether the Town Clerk remained an employee.

The Commission reviewed clause 2(b) of the contract (Annex 6), which provides that if neither party gives written notice at least 90 days prior to termination, the contract is extended on the same terms for an additional period of 2 years. The Board Chairperson testified that the Town Clerk acknowledged that the contract was expiring. However, he alleged that the Town Clerk submitted a letter that was pre-dated and could not be accepted. The Town Clerk testified that he submitted his intention to renew within time, stating that the letter was dated February 2025 but submitted in June 2025. He claimed he hand-delivered it to the Chairperson. He provided no proof of receipt.

The Commission reviewed Board minutes dated 4th March 2025 which recorded that the Town Clerk verbally notified the Board of contract expiry and intention to renew. Some councillors nevertheless testified they were unaware of the expiry date, demonstrating internal inconsistency and weak institutional memory.

Evidence further indicated that the Board only approached the Ministry in October 2025 seeking extension, after the contract had expired. The DUG testified that the Ministry was not aware that the TC's contract was expiring. As a requirement for consideration of contract renewal, a performance appraisal report must be submitted to the Board. The commission reviewed this appraisal report and noted that it had inadequate KPI's that were too general and lacked specific targets and deliverables. For example, the report highlights that an audit has been done, and report has been submitted but there's no indicator on the implementation of audit findings.

The Commission considered this incident as a direct demonstration of inadequate governance controls: contract management of the highest administrative office was handled informally, inconsistently, and without documentary rigor, exposing the Town Board to legal risk and uncertainty.

3.5 ELECTION OF OFFICE BEARERS: CHAIRPERSON AND FINANCE COMMITTEE

Evidence and testimony

Evidence indicated that a performance assessment process required by Ministry guidance (Assessment Circular 1 of 2018) was not undertaken before chairperson selection, meaning decisions were made without structured evaluation of performance. Former Chairperson Mr Bandla Dlamini testified he served a term (2023–2024) and was not re-elected. In his submission, he attributed his failure to being re-elected to personal issues where he had supported the preparation of a petition against the Town Board and as such, members of the Town Board did not re-elect him. Evidence indicated that while elections may have been conducted mechanically, they were not supported by the required performance review mechanism.

Evidence also indicated that the current Chairperson's continuation occurred without full compliance with procedures in Standing Order 96.3, and that there was a motion for office bearers to continue without proper elections. The standing orders provide that there are no debates during election of chairperson and committees and that the elections are in secret ballot. In this case, the motion to continue with the current leadership was in violation of the standing orders.

The Commission treated these issues as important because election irregularities weaken legitimacy, deepen factionalism and undermine the governance environment.

3.6 ADMINISTRATION AND HR CONTROLS: RECORDS, POLICIES, RECRUITMENT, WORK ENVIRONMENT AND INTIMIDATION

Document inspection and evidence

The Commission inspected employee personal files and found them materially incomplete. Files lacked essential key information normally expected for lawful HR administration, including (as applicable):

- ID copies.
- proof of qualification.
- references.
- job descriptions.
- consistent leave records; and
- complete contracts with key particulars.

The Commission found that several employee contracts did not reflect salary. This is a serious compliance deficiency because salary is a core contractual term required for lawful employment administration. Evidence showed some contracts were signed in 2023 but purported to reflect assumption of duty years earlier. Employees testified that assumption dates were incorrect and did not understand why dates had been changed. The Commission treated this as a red flag indicating poor HR controls and potential document regularisation after the fact.

Management files for the Town Clerk and Accountant lacked key personal records (including academic certificates and current contracts). The commission inquired about the accountant's retirement date, to which he responded that he would retire at the end of December 2025. The commission reviewed a copy of his identity card, which showed his date of birth as 12 December 1965. This indicated that he would reach the retirement age of 60 and would therefore retire earlier than initially stated. While the Town Clerk was informed of the accountant's upcoming retirement, the chairperson had not been made aware.

The Town Clerk and Accountant claimed their personal files containing all the information were kept in the Town Clerk's office. During the Commission's inspection, their contracts and academic certificates were not found but the Town Clerk later submitted his qualification via email. When followed up, the accountant indicated that he was not home and therefore could not provide his qualification and agreed that it can be noted that he did not submit it. He also mentioned that he was no longer employed by the Town Board as he was retired, so he was unsure what the commission expected of him.

State of filing and recordkeeping

During the on-site search, the Commission found filing systems were disorganised. Documents were mixed without clear categorisation: applications for employment were found together with meeting minutes and unrelated administrative materials. This was treated as evidence of systemic breakdown of recordkeeping controls.

Lack of Policies

Evidence from staff and management confirmed absence of key policies, including but not limited to:

- leave policy,
- recruitment policy,
- staff loans policy,
- disciplinary/code of conduct policy,
- exit policy,
- compensation and benefits policy,
- procurement and petty cash controls.

The Accounts Clerk testified that she wished the Town Board had policies in place so that staff would not be required to operate purely “by instruction.” The Commission treated this as direct evidence that staff experienced the organisation as informal, personality-driven and vulnerable to abuse.

Joint Appointments

The Town Clerk's submissions highlighted that joint appointments do not provide significant benefits to the Town Board. As these appointees serve on an ad hoc basis, critical local issues—such as engineering matters or unauthorized constructions—may be inadvertently neglected. Furthermore, their limited engagement often results in delayed responses, since they act only upon explicit requests from the town. The Clerk further noted that when the Ministry previously provided transport support for these officers, their regular presence in the town contributed positively; however, in the absence of such support, the arrangement is no longer advantageous.

Staff recruitment and Separation of Duties

Several employees reported being hired without undergoing interviews. The Town Clerk indicated that the accountant managed recruitment processes and only submitted candidates' names for his approval. While the Town Clerk asserted that interviews were conducted, no supporting interview records were provided, and employee statements conflicted with this claim. Conversely, the accountant testified that responsibility for recruitment lay with the Town Clerk. When the commission highlighted the discrepancy—referencing the Town Clerk's assertion that the accountant was responsible—the accountant stated that he acted under instruction as a subordinate, but ultimate authority resided with the Town Clerk. The commission noted an absence of clearly defined roles within the board, as well as inadequate capacity, pointing out that recruitment is typically the function of an HR officer.

The Commission observed that there was no clear division of responsibilities within the finance team. The roles of Treasurer (a joint appointment), Accountant, and Accounts Clerk overlapped, with no guidance from job descriptions or an organizational chart. The former Town Treasurer stated she didn't collaborate with the accountant, even though the accountant should have reported to her. She claimed she only approved payments after the CEO had given approval, suggesting she lacked clarity about her own duties at the Town Board and failed to assert herself in her position.

The Commission heard consistent testimony from multiple witnesses, including staff members, that the accountant relied heavily on the Accounts Clerk in the execution of the functions of the finance office. The Accounts Clerk testified that she prepared all payment documentation and processed payments, and that the accountant would instruct her on what needed to be done. Her testimony indicated that operational execution of financial transactions was largely carried out at her level, under instruction. A resident then submitted to the Commission that the Accountant, Mr Artwell Phesheya Dlamini, had visual challenges which, in the view of the resident, raised concerns regarding his ability to perform functions requiring sustained attention to detail and accuracy. The Commission itself observed during proceedings that when Mr Dlamini was required to take an oath before the Commission, he requested the

secretary to write on his behalf. This observation prompted the Commission to seek clarification from management and staff regarding the matter. The Town Clerk, Mr Bongani Dlamini, and the Accounts Clerk were questioned separately. Both confirmed that the accountant does experience visual challenges. The accountant testified that he had consulted a medical practitioner regarding the condition and that the Town Clerk, had not raised any formal concerns about his work performance. The accountant further testified that he had been offered a two-year contract extension beyond retirement age, which he presented as evidence that management was satisfied with his performance. Mr Dlamini testified that he had been medically cleared by a doctor and that his condition did not impair his professional capacity. The commission did not hear any evidence that the Town Clerk instituted the provisions of the Occupational Safety and Health Act of 2001 to address the issue.

Hostile work environment and fear

Multiple staff members testified that the workplace was hostile and intimidating, largely due to the conduct of the accountant, who was said to shout at staff and threaten termination. One staff member appeared in disguise and expressed fear of being seen and reported.

Board members also testified to intimidation dynamics, including the accountant forcing his way into matters and telling councillors certain issues were not their concern. The Chairperson testified he was fearful and that he had been threatened.

The commission noted that there was resistance from the accountant, including remarks suggesting that certain questions would not be posed if commissioners had thoroughly reviewed the documents submitted. Additionally, during the inspection in Loco, the commission observed that the accountant positioned his vehicle in a manner that allowed him to observe the commissioners as they conducted their work; he was accompanied by former mayor Simo Dlamini. The matter was subsequently reported to the police.

The Commission emphasises that internal controls cannot function where staff fear reprisals for reporting wrongdoing or even raising quality concerns. This climate of fear materially undermined whistleblowing, quality control, and basic internal accountability.

3.7 PROCUREMENT, CONFLICT OF INTEREST AND SUPPLIER CONTRACTS:

(I) Evidence concerning Liks Boutique (Ms Lindelwa Mamba) — subpoena testimony and records

The Commission subpoenaed Ms Lindelwa Mamba, Director of Liks Boutique, who testified under oath that:

- She supplied protective clothing/uniforms to Hlathikhulu Town Board.
- She “tendered” for the supply, but the Commission did not receive documentary evidence demonstrating an open tender process (such as an advertisement, bid submissions, evaluation reports, minutes of award, or a letter of award).

Ms Mamba testified that:

- The Town Clerk telephoned her to inform her she had obtained the contract.

- There was no interview process.
- she had supplier contracts spanning 2018 to 2025 (Annex 6)
- She was contacted by the Town Clerk to renew contracts, and renewals occurred without processes consistent with the Procurement legal framework and ESPPRA requirements as understood in public procurement practice.

She stated that the 2025 contract was physically delivered to her office by the Town Clerk. She indicated that orders were primarily placed by telephone and that there was no formal documentation process for tracking these orders.

She additionally stated that the Town Clerk was informed of her marital relationship with the accountant, stressing that all her communications were exclusively with the Town Clerk and did not involve direct interaction with the accountant. The Town Clerk affirmed his awareness of the relationship and noted that the accountant had filed conflict of interest declarations (Annex 7).

Employees reported that:

- The uniforms provided were occasionally ill-fitting and of inferior quality compared to those from the previous supplier.
- Staff felt unable to voice their concerns because the supplier was the accountant's wife, leading to fears of retaliation or victimisation.

The Commission treated the fear expressed by employees as evidence that the conflict of interest had real operational consequences: it suppressed complaints and quality control and contributed to the hostile environment.

(ii) Evidence concerning PHD Stationery (Mr Artwell Phesheya Dlamini)

The Commission subpoenaed Mr Artwell Phesheya Dlamini, Accountant of Hlathikhulu Town Board and Director of PHD Stationery.

Mr Dlamini testified under oath that:

The Town Board prepared a tender document, resulting in his company being awarded the contract. Initially, when questioned about interviews, he affirmed that interviews had taken place. However, his account evolved under further inquiry. He subsequently explained that, during the opening of tenders, he approached the Town Clerk to disclose his company's participation in the process. Later, his testimony shifted again, stating that prior to the advertisement of tenders, he informed the Town Clerk of his company's intention to participate. Following this disclosure, the Town Clerk instructed him to submit declarations regarding conflicts of interest before proceeding with the tender application.

Mr. Dlamini testified that his company has been supplying since 2018, with contracts existing for each of those years. The Commission reviewed contracts spanning multiple years (Annex 8). It was noted by the Commission that two contracts pertaining to 2023 and 2024 were dated 2025 (Annex 9); when questioned, Mr. Dlamini indicated this was an error. He stated he had no direct involvement in procurement or payment processes for his companies, explaining these responsibilities fell under the CEO's office.

When confronted with concerns regarding indicators of irregularity and potential fraud, Mr. Dlamini maintained that, as he had declared his conflict of interest, he did not perceive any wrongdoing in supplying goods while serving as Accountant. Upon further inquiry about his previous statement—that during periods of low funds, he would instruct the Town Clerk not to pay his companies, suggesting involvement in payment decisions—Mr. Dlamini declined to answer, clarifying that he was testifying solely in his capacity as Accountant and not as Director of PHD Stationery.

The Commission found Mr. Dlamini's refusal to respond and the identified inconsistencies pertinent to assessing his credibility and indicative of significant weaknesses in internal controls.

(iii) Documentary evidence: pricing, payments, and audit queries

The 2024 audit Report to Management recorded that auditors observed the Town had Fixed Supplier Contracts and specifically recorded that the Town did not provide auditors access to contracts for suppliers (including LIKS BOUTIQUE and PHD STATIONERY) when auditors requested them. This audit evidence is significant because:

- it corroborates the Commission's concern regarding record withholding and governance opacity; and
- It supports the inference that controls were not merely weak but that there were periods of deliberate non-disclosure to auditors.

The 2025 audit Report to Management documented the risk of undisclosed employee related supplier transactions across years. It further documented that pricing was observed to be inflated and that the employee related supplier relationship was high risk in a small Board with limited revenues.

The Commission conducted a review of procurement orders and observed that the pricing of certain commodities appeared significantly inflated when compared to publicly available prices for the same items in South Africa.

When asked why he repeatedly ignored procurement policies and renewed the contracts of these two suppliers without tendering, the TC explained that he chose them because they were "understanding" when the Town lacked funds. However, the Commission found this explanation inconsistent with evidence from the Town Board bank statement (Annexure 10), which showed regular monthly payments to both suppliers.

The Town Clerk testified that the accountant submitted conflict of interest declarations annually. The Commission saw declarations; however, the Commission noted the following concern:

- The external audit Reports to Management (notably 2024 and 2025) recorded that auditors had repeatedly identified procurement weaknesses and, in at least one year, indicated they were not provided access to certain supplier contracts or details when requested.
- The Commission therefore had reason to suspect that contracts and declarations may have been regularised retrospectively once the Commission of Inquiry became known, especially where contract dates did not align with the stated years.

3.8 IDP and Audit implementation failure

IDP implementation

The Town Board has an IDP outlining its vision and core values—transparency, accountability, responsibility, honesty, and trustworthiness. However, the Commission found that board operations and staff conduct do not reflect these values, as the IDP is not being implemented. The strategy includes developing governance and stakeholder policies (e.g., HR, finance, procurement, environmental health, safety, PPP) and training council members and management at the start and midpoint of their terms, but these measures have yet to be enacted.

Audit implementation failure

Audit evidence and Commission evidence showed persistent poor implementation of audit recommendations. The Commission considered this a critical indicator of a failed internal control culture because repeated audit findings without corrective action demonstrate that management and governance structures do not treat compliance, risk and accountability as priorities. The accountant testified that he and the CEO responded to audit issues, but evidence of structured implementation plans was not presented.

The Commission recorded implementation rates presented to it showing weak implementation over successive years as compared in the table below:

Table 1: Repeated Audit Recommendations and Weak Implementation (2022–2025)

Audit Area	Audit Year & Recommendation	Management Response	Status in Subsequent Audits
Management of Capital Infrastructure Programme (CIP) Funds	2022 Audit: Develop and implement a formal policy governing accounting, expenditure, and reporting of CIP grants to ensure transparency and prevent misuse.	“Noted. Management will consider the recommendation.”	2023 Audit: Not Implemented 2024/2025: Still no formal CIP policy adopted.
Rates Billing and Revenue Administration	2022 Audit: Discontinue parallel manual billing (Excel) and process all ratepayer invoices through the accounting system to ensure audit trails and data integrity.	Management indicated intention to engage a consultant and migrate billing fully to the system.	2023 Audit: Partially Implemented (manual billing still in use). 2025 Audit: Parallel billing persists.
Enforcement of Interest and Penalties on Overdue Rates	2022 Audit: Enforce section 30 of the Rating Act by charging interest and penalties on overdue rates accounts.	Acknowledged; management indicated it would implement.	2023 Audit: Not Implemented. 2024/2025: No evidence of consistent enforcement.
Audit Recommendation Follow-Through	2023 Audit: Improve implementation rate of audit recommendations and establish a tracking mechanism with timelines and accountability.	“Noted.”	2024 Audit: Only two recommendations implemented. 2025 Audit: Implementation rate remained below 25%.
Financial Systems Controls	2024 Audit: Eliminate shared system credentials and ensure individual user access in the accounting system.	Management indicated operational constraints.	2025 Audit: Shared credentials still observed.

The above table demonstrates a persistent and systemic pattern of weak implementation of audit recommendations over successive financial years. In multiple instances, management responses remained limited to acknowledgment without demonstrable corrective action. The recurrence of identical findings across audits confirms that audit recommendations were not treated as mandatory governance instruments, but rather as administrative observations without enforcement consequence. This pattern materially undermined internal controls, revenue sustainability, transparency, and public confidence in the administration of Hlathikhulu Town Board.

3.9 ASSETS AND REGISTRATION CONCERNS

The Commission heard from members of the public that the motor vehicle belonging to the Town Board was registered in the accountant's name. During review of documentation, the Commission identified the motor vehicle blue book with the accountant's name, a tractor and trailer with the name of one Welcome Dlamini, who is an employee of the Town Board (Indvuna) (Annex 12 & 13). When asked, the accountant submitted that the car was registered in his name because the Town Board was owing tax to the regulator and as such, could not buy the asset yet it was needed. He submitted that the previous board had passed this resolution. Welcome Dlamini testified that he was aware that the tractor was in his name but not the trailer. He submitted that the then Mayor, Simo Dlamini, Town Clerk Bongani Dlamini and the accountant, Artwell Dlamini had asked him to get a tax clearance but had not been forthcoming what it was for. He realised when he was made to sign an affidavit (Annex 14) confirming that the tractor belonged to the town, that they had bought an asset in his name. This is an irregular arrangement and poses a risk should the affidavits disappear.

The Commission also saw the Town Board's asset register which lacked critical details such as identifying the make, model, registration number of the motor vehicle belonging to the town. Laptops are also identified as "laptops" with no clear identification like a serial number (Annex 15). This is despite continuous audit reports flagging this. These further cement the lack of governance with management of the Town Board.

3.10 DECISION-MAKING, DISCIPLINE AND ENFORCEMENT FAILURES

Evidence showed that the Board's response to unlawful conduct was often limited to warnings, rather than formal disciplinary referral, reporting to police or structured enforcement mechanisms. For example, the Commission reviewed minutes where illegal acts such as timber harvesting were addressed through reprimands without stronger deterrent measures. The Chairperson testified that certain individuals suspected of serious wrongdoing were called and warned, but there was no escalation. The Commission considered this inconsistent with the duties of a local authority to protect public resources and uphold lawfulness.

The failure by the Board to deal with and amicably resolve issues pertaining to illegal sale of urban land further serves as testament of the Board's failure in its duties. The Chairman of the Board, in an interview, alleged that in August 2025, the Board invited

an employee (who is suspected to be implicated in the illegal sale of urban land), to a meeting with the Board for him to explain why he was selling urban land. He was warned by the Board to stop engaging in this unlawful act. And that was it! The Board did not take any steps in ensuring that the culprits are brought to book. This is a criminal act which warrants more stringent measures to be applied to ensure that the culprits face the full wrath of the law. However, in this case, the culprit was merely given a warning not to continue with the unlawful act. The Board's approach to wrongdoing and enforcement was often limited to vague warnings, reflecting inability or unwillingness to escalate serious matters to competent authorities.

The Chairperson testified he had been threatened and feared for his life, including reference to a gun threat, and that this contributed to his reluctance to act. The Commission treated this evidence seriously as it indicates governance capture and intimidation undermining lawful administration.

3.11 Inadequate Service provision by HTB

The Commission received testimony from market vendors and a local resident indicating that the Town Board has not provided sufficient shelter for individuals working in the market. According to their submissions, the existing structure allows water ingress during the rainy season, lacks access to water and electricity, and the public toilet is currently unusable. During its inspection in Loco, the Commission visited the market and observed holes in the roof, water-damaged cabinets, and unhygienic conditions in the toilet and kitchens, which also had no water or electricity (Annex 16). It rained during this visit, allowing Commissioners to directly experience the challenges faced by market users due to the leaking roof. These findings highlight concerns regarding the adequacy of basic service provision by the Town Board.

3.12 COMMUNITY RELATIONS, TREATMENT OF RATEPAYERS, AND PUBLIC TRUST

Evidence and Testimony

The Commission received direct testimony from ratepayers and residents of Hlathikhulu regarding their interactions with the Town Board, particularly in relation to rates collection, treatment by officials, responsiveness to complaints, and trust in the administration of the Town.

Several ratepayers testified that their primary point of interaction with the Town Board on financial matters was the Accountant, Mr Artwell Phesheya Dlamini, and that these interactions were frequently experienced as hostile, intimidating, and dismissive of individual circumstances. He was said to have no empathy for widows as he would demand rates from them as soon as their husbands had passed on.

One ratepayer, a widow and pensioner, testified as follows:

- Soon after the death of her husband, while he was still at the mortuary, she was contacted by the accountant, and he demanded that she pays outstanding rates.

- She informed the accountant that her husband had passed away and that she was experiencing financial hardship, having no immediate funds and relying on a pension.
- She requested a payment arrangement, explaining that she was willing to pay in instalments once able to do so. She testified that this request was not welcomed and that no meaningful assistance or structured payment plan was offered.

The same ratepayer further testified that:

- She had serious concerns regarding the accuracy and fairness of her rates assessment, stating that her rates were significantly higher than those of her immediate neighbours, despite similar property characteristics.
- When she queried the discrepancy, she was informed that she must pay what had been calculated, without explanation of the valuation basis or guidance on how to formally object.
- She testified that she had visited the Town Board offices on numerous occasions to request that her postal address be updated in the Town Board records.
- Despite these repeated visits, her address was never corrected, and she expressed concern about the future implications, including non-receipt of notices, bills, or legal correspondence.

Other residents and ratepayers who appeared before the Commission echoed similar concerns, including:

- Perceptions that the Town Board was unresponsive to legitimate queries and complaints.
- A belief that financial calculations, including rates, were opaque and not adequately explained to ratepayers.
- A widespread lack of trust in how the Town Board was managed, including concerns about the use of funds, prioritisation of spending, and accountability of officials.
- A feeling that residents were spoken to harshly or dismissed, particularly when raising concerns or seeking explanations.

The Commission also received written submissions from residents and ratepayers, including a comprehensive submission by one resident, supported by other concerned citizens. These submissions reinforced oral testimony and raised broader concerns about:

- The erosion of public trust in the Town Board.
- Perceived intimidation of residents when raising issues.
- Longstanding dissatisfaction with governance, financial management, procurement practices, and service delivery.
- The belief that complaints were either ignored or only addressed after significant delay, if at all

4. ANALYSIS

4.1 Governance effectiveness and traceability failure

While the Town Board has formal instruments (Standing Orders and a delegation instrument), the evidence shows governance did not operate as a system of lawful control. Poor agenda,

minutes, inconsistent submission of records to the Ministry, weak elections processes, and councillor ignorance of key governance documents (such as the CEO contract) demonstrate that governance existed largely as form, not function. The failure to follow standing orders for agenda and minutes leads to the Board's inability to follow a structured approach to decision making and undermines governance of the institution.

The testimony of both of the DUG's is corroborated by the lack of effective monitoring, reporting, timely intervention at Hlathikhulu Town Board. This has contributed very much to the collapse of governance, controls and service levels as reported elsewhere in this report. If no action is taken, most of the recommended actions by the Ministry and the HTB will not be implemented, and this commission would have been in vain and similar challenges will be experienced in other local authorities.

4.2 CEO/TOWN CLERK CONTRACT RENEWAL AND GOVERNANCE FAILURE

While the Board had an obligation to ensure that the renewal or termination of the CEO's contract was processed on time, the commission also finds that the CEO failed to initiate the process of his appraisal for the Board's consideration on time. The appraisal is critical for the decision for renewal or termination. In his own testimony, The TC submits that the appraisal was submitted to the Board in August 2025 which was late for the Board to review and make a recommendation to the Ministry. The commission finds that the CEO is not entitled to an automatic renewal as he created the situation where the Board was unable to comply by submitting the appraisal late. The TC submitted the appraisal report and the commission noted that it covers the 3-year period which indicates that they did not follow the regulation provided to conduct appraisals on a yearly basis.

The Town Clerk acknowledged that he knew that the accountant was retiring In December 2025, but he had not initiated any processes for the recruitment of a replacement and hand over to an incoming officer. This seems to be the practice of the Town Board as one employee testified that she was also recalled after retirement to continue providing support as the Board had not recruited a replacement. When the commission visited the office in January 2026, the officer was still there.

Institutional arrangements to reduce risk in accounting department

The Commission emphasises that the presence of a disability or health condition, in and of itself, does not constitute incapacity, misconduct, or maladministration. The issue before the Commission is not the existence of a visual challenge, but whether the institutional arrangements in place adequately safeguarded governance, accountability, and internal controls in a high-risk financial environment. This omission must be viewed in the broader context of governance weaknesses identified elsewhere in this report, including:

- Heavy reliance on subordinates for preparation and execution of payments.
- Weak segregation of duties within the finance function.
- Shared system credentials.
- Limited effective oversight by the Treasurer and Finance Committee; and
- Evidence of irregular procurement and payment practices.

The Commission finds that reliance on subordinates without documented supervisory checks materially increases the risk of error, irregular expenditure, and abuse, particularly where other internal controls are weak.

4.3 Ethical governance collapse: unmanaged conflicts of interest

A recurring theme across testimonies is that the accountant exercised influence beyond his role and was perceived as “running the town.” This is consistent with evidence that:

- The Finance Committee could not scrutinise reports.
- employees feared retaliation; and
- procurement and supplier arrangements involving the accountant and his spouse continued for years.

Conflict of interest was most visible in procurement: the accountant and his spouse were suppliers, with the knowledge of the Town Clerk’s office who was alleged to have approved this arrangement. The accountant is responsible for processing of payments of all suppliers of the Board and therefore prepared payments for his own company and that of his wife.

Even if declarations existed, the evidence shows no effective mitigation:

- no clear evidence of Board policy deliberation and approval.
- no evidence of recusals and alternative safeguards.
- Yearly renewal without formal performance evaluation and tendering.
- employee fear when quality issues arose; and
- audit evidence indicating auditors previously could not access key supplier contracts.

Declarations do not legalise a conflict of interest; they are only the beginning of risk management. Here, declarations (even if genuine) were not matched by governance controls.

4.4 Documentary evidence strengthens gravity of control failures

The audit Reports to Management (for 2024 & 2025) provide corroboration of control failures: they reflect procurement weaknesses, supplier contract access issues, and employee related supplier transaction risk. The Commission’s own findings revealed that contracts spanning 2018–2025 had signing date anomalies, inflated pricing, and monthly payments which show that the control failure was not incidental but systemic and sustained.

4.5 Community Relations as an Internal Control Issue

The evidence before the Commission indicates that:

- Ratepayer engagement was often person-dependent rather than system-driven, exposing residents to arbitrary or inconsistent treatment.
- The absence of clear procedures for payment arrangements and customer care meant that vulnerable individuals (such as widows and pensioners) were not adequately protected.
- Failure to update addresses upon formal notification reflects administrative weakness with direct implications for due process including notice requirements.
- Hostile or dismissive interactions with residents contribute to public distrust, reduce voluntary compliance with rates payments, and undermine the legitimacy of the Town Board.

The Commission further notes that these community-level experiences are consistent with broader internal control failures identified elsewhere in this TOR, including:

- Poor recordkeeping.
- Weak segregation of duties.
- Concentration of influence in individual officials.
- Lack of policies guiding customer interaction and dispute resolution; and
- Inadequate oversight by the Board over how officials engage with the public.

5. FINDINGS

Based on the evidence and analysis, the Commission finds that:

5.1 Governance

1. Hlathikhulu Town Board is legally established, but its governance systems were materially ineffective due to poor meeting documentation, poor traceability of resolutions, weak committee functioning, and inconsistent reporting to the Ministry.
2. The agenda prescribed in the Board standing orders was not followed, with announcements replacing reports by management and debates and resolutions on announcements where the Board should be making resolutions on reports with recommendations.
3. Board minutes, where available, were of poor quality and did not reliably record motions, deliberations and resolutions, impairing accountability and defensibility.
4. The Board failed to consistently submit minutes to the Ministry, resulting in major gaps that undermined statutory oversight.
5. The Board's training was inadequate since they were last trained during induction in 2023; councillors lacked awareness of key governance instruments including the Town Clerk's contract and renewal process.

5.2 Leadership and management controls

6. Reporting lines and role clarity were weak in practice. The Town Treasurer was unable to exercise effective oversight, and multiple witnesses described management as dominated by the accountant.
7. The Town Clerk contract renewal process was poorly controlled and handled informally, exposing the Town Board to legal uncertainty.
8. Elections and continuation of office bearers were not consistently compliant with Standing Orders requirement that elections should be held every year, and Ministry guidance in Circular No.1 of 2018 to the effect that leadership changes should not be made unless there are clear performance issues with the current leadership.

5.3 Administration, HR and records management

9. Employee personal files were materially incomplete; contracts lacked key particulars, including salary, and job descriptions were missing for most staff.
10. Recordkeeping was disorganised and inadequate. Documents stated to exist in offices were not found during inspection.
11. The Town Board lacked core HR and operational policies, resulting in decisions being driven by instruction rather than rules.
12. Evidence of intimidation and fear in the workplace materially undermined internal controls, reporting and quality assurance.

5.4 Procurement, conflict of interest, and financial control environment

13. The registration of assets (motor vehicle, tractor and trailer) in employee names is an irregular transaction and practise which could have been avoided by complying with tax obligations.
14. The internal control environment failed to prevent or manage systemic conflicts of interest. The accountant and his spouse acted as suppliers over multiple years, with evidence strongly indicating repeated renewals without competitive procurement.
15. The Commission finds that the procurement arrangements involving PHD Stationery and Liks Boutique were characterised by:
 - verbal awards and telephone renewals.
 - weak or absent tender documentation.
 - inconsistent testimony and dating anomalies in contracts.
 - inflated pricing in procurement orders reviewed; and
 - sustained monthly payments even during periods of alleged financial distress.
16. Councillors and the Chairperson were not aware of the owners behind the employee and spouse supplier companies until auditors raised it, demonstrating a failure of upward disclosure by management.
17. Audit reports show continuity of procurement control weaknesses and issues of contract access and related-party transaction risk, supporting the Commission’s conclusion that controls were structurally inadequate.
18. No evidence was presented of a formal occupational or risk assessment conducted by the Town Board or management in relation to the accountant’s role in a high-risk financial control environment. The finance function relied heavily on the Accounts Clerk for preparation and execution of payments, with limited evidence of documented independent verification by the Accountant, Treasurer, or other oversight structures.
19. Ratepayer complaints about “questionable rates,” failure to correct records (e.g., address changes), and “deaf ears” are worsened by a billing environment where manual parallel statements and manual billing interventions exist outside the primary billing system—creating inconsistency, disputes, and distrust.

5.5 Oversight and accountability

20. The Ministry oversight relationship was weakened by missing minutes, weak routine engagement, and absence of systematic control tracking and capacity challenges.
21. The Commission finds that there are serious capacity challenges at the Ministry leading to failure to provide effective oversight in Hlathikhulu.
22. The establishment of a technical support unit with the skills required in key local governance during the SLGP period led to improvements in monitoring and performance of local authorities nationally.

5.6 Community Relations

23. The Town Board failed to maintain a fair, transparent, and responsive relationship with ratepayers, resulting in widespread dissatisfaction and loss of trust among residents.
24. Ratepayers were subjected to hostile or inflexible treatment, particularly in relation to rates collection, without adequate consideration of personal circumstances or lawful mechanisms such as payment arrangements.

25. Queries regarding rates assessments and discrepancies were not adequately explained or resolved, undermining confidence in the fairness of the rating system.
26. Administrative failures, including repeated failure to update ratepayer addresses despite requests, exposed residents to future risk and reflect weak internal controls.
27. Public trust in the management of Hlathikhulu Town Board was severely eroded, as evidenced by consistent testimony from multiple residents questioning governance, use of funds, and accountability.

6. CONCLUSIONS

The Commission concludes that the internal control environment of Hlathikhulu Town Board was materially inadequate and not observed in practice in respect of governance, administration and management.

The failures were not isolated or technical. They were sustained, systemic and severe, and they created conditions in which maladministration, procurement irregularities, unethical conduct, intimidation of staff, and financial control failures could occur and persist without correction.

This collapse of internal controls has exposed the Town Board to legal risk, financial loss risk, reputational damage and a breakdown of public trust.

The Commission also concludes that poor community relations and treatment of ratepayers were both a symptom and a consequence of deeper governance and internal control failures within Hlathikhulu Town Board and inaction by the Ministry.

7. RECOMMENDATIONS

The Commission recommends the following corrective actions under TOR (A):

7.1 Governance stabilisation and lawful functioning

1. **Governance intervention:** The Ministry to dissolve the current Board (following lawful process) and appoint an interim Board to stabilise governance and restore lawful control pending the appointment/election of a new Board.
2. **Mandatory governance training:** The Ministry to ensure induction and refresher trainings every 2 years for all councillors and management on the Urban Government Act, Standing Orders, committee roles, oversight duties, lawful escalation and recordkeeping.
3. **Standing Orders review:** The Town Board to review and update the 2006 Standing Orders to clarify attendance, participation, meeting discipline and governance controls in line with current governance needs.
4. **Delegation of powers renewal:** The Ministry should monitor and follow up on the prescribed annual adoption and review of delegation of powers as a standing inaugural agenda item; ensure delegations match actual operations and are properly documented.
5. **Minutes reform:** The Town Board to implement a mandatory minute's template capturing motions, proposers/seconders, key deliberation summary, resolutions, action owners and deadlines; ensure minutes are signed, stored and submitted to the Ministry in line with the standing orders and Urban Government Act 8, 1969.

6. **Ministry oversight:** The Ministry to urgently build up its capacity to adequately provide effective oversight to Hlathikhulu and other local authorities. Considering the government General freeze on new positions, the well tested solution of technical unit of consulting specialists to support the Ministry be implemented.
The Ministry to establish a monitoring mechanism for submission of minutes and implementation of resolutions.
7. **Implementation of Audit Report findings:** the Town Board to ensure development of Audit implementation plan with quarterly reporting to the Ministry; failure to implement should attract disciplinary consequences.
8. **Recapitalisation plan for HTB:** The Ministry to develop a recapitalisation plan to ensure adequate funding for the implementation of commission recommendations and running of the Town.

7.2 HR controls and administrative compliance

9. **HR compliance overhaul:** The Town Board to standardise and update employee files; correct contract deficiencies (including salary); include job descriptions; ensure lawful recruitment records exist.
10. **Policy framework:** The Town Board to develop and implement HR policies (recruitment, leave, discipline, loans, performance management, exit) and operational policies (procurement, petty cash, travel, allowances).
11. **Records management:** The Town Board to institute a structured filing system and/or digitisation, with controlled access, retention schedules and a document register.
12. **Workplace protection:** The Town Board to establish a whistleblower and staff protection mechanism to ensure staff can report wrongdoing and quality issues without fear.
13. **Recruitment and Establishment of key positions:** The Town Board to engage qualified and competent staff in the positions of: Town Clerk, Accountant and establish HR officer position to manage HR issues, a Personal Secretary to the Town Clerk, substantive Town Treasurer, Town Planner and Town Engineer

Procurement and conflict of interest remediation

14. **The Town Board to Immediately terminate employee related supply arrangements** and re-tender in accordance with the procurement regulations.
15. **The Ministry through the Auditor General's office to conduct a Forensic procurement and payment investigation** into PHD Stationery and Liks Boutique for the full period of supply (2018–2025), including:
 - tender processes and compliance.
 - pricing benchmarking and overpricing assessment.
 - payment approvals and authorisations.
 - contract authenticity and signing dates; and
 - conflict declarations and mitigation.
16. **The Ministry to facilitate Recovery action** where overpricing, unjust enrichment or irregular expenditure is established.

17. **The Ministry to ensure referrals** to the relevant law enforcement and procurement authorities where evidence indicates potential criminality (fraud, abuse of office, procurement offences, etc.).
18. **The Town Board** to require **annual conflict-of-interest declarations** by Councillors and senior management; publish a summary register for accountability.
19. The Town Board to fully comply with the Public Procurement Act of 2011 and the Public Procurement Regulations of 2020 and arrange for training of all staff involved in procurement.

Financial controls and audit follow-through

20. The Town Board should ensure that the audit report is first submitted to the finance committee to promote compliance with the delegation of powers instrument.

Strengthening Segregation of Duties

21. The Town Board should restructure the finance function to ensure clear separation between preparation, authorisation, verification, and recording of transactions, supported by written procedures and audit trails. Where reliance on subordinates is necessary, it must be accompanied by documented supervisory review, including checklists, sign-off protocols, and independent oversight by the Treasurer or another authorised official

Formal Risk and Occupational Assessments

22. For all senior officials occupying high-risk control positions, Town Boards, under Ministry guidance, should ensure that documented occupational and operational risk assessments are undertaken, with reasonable accommodation measures implemented where necessary and appropriate.
23. **The Town Board** should facilitate the immediate transfer of the assets registered in employee names to the Town Board.

Community Relations

24. the Town Board to adopt and implement a **formal customer care and ratepayer engagement policy**, including clear procedures for:
 - a. Payment arrangements.
 - b. Objections and appeals under the Rating Act.
 - c. Updating of ownership and address records.
25. The Town Board to ensure that staff receive **training on ethical conduct, public service values, and respectful engagement with vulnerable community members**.
26. The Town Board to develop a complaints management procedure
27. The Ministry to monitor implementation of these measures as part of broader governance reforms.

TOR (B): INVESTIGATE THE SPATIAL MANAGEMENT OF THE ENTIRE URBAN AREA WITH REGARDS TO THE INCREASE IN UNPLANNED SETTLEMENTS

1. APPLICABLE LEGAL AND REGULATORY FRAMEWORK

In addressing this Term of Reference, the Commission was guided by the statutory framework regulating spatial management, urban governance, and development control within town board areas, including:

1. **Urban Government Act 8, 1969** — providing the legal basis for establishment of town boards, their powers and duties within declared urban boundaries, and their role as the local authority responsible for governance and administration in the urban area.
2. **Building control legislation and related development control instruments** (including provisions ordinarily applied by Town Boards to regulate construction and prevent unlawful development), being among the primary tools Hlathikhulu Town Board relied upon prior to the introduction of a planning scheme.
3. **Town Planning Scheme (TPS) framework** — including the planning instrument approved for Hlathikhulu in 2023, which provides an overarching spatial management framework for land use, zoning, development control, and implementation planning.
4. **Crown land administration framework** — insofar as Hlathikhulu is situated on a government farm and is surrounded by chiefdoms, requiring clear legal control over Government land within town boundaries and lawful processes for any release of land for residential development.
5. **Human Settlements Authority (HSA) processes** — including the statutory or administrative steps required for township establishment, informal settlement upgrading, and formalisation of layouts, as explained in evidence to the Commission.

The Commission emphasises that spatial management is not confined to regulating building works; it includes the existence and use of planning instruments, land release processes, infrastructure planning, enforcement, and communication with communities and adjacent authorities.

2. METHOD OF INQUIRY

In investigating TOR (B), the Commission:

1. Considered **legislation and official maps**, including maps supplied through the Surveyor General's Office and official township descriptions identifying REMAINDER OF FARM CL134 and the subdivisions therein.
2. Considered documentary material made available to the Commission relating to spatial planning in Hlathikhulu, including:
 - the **Hlathikhulu Town Planning Scheme (TPS)** (submitted May 2023 and approved by relevant authorities).
 - the **Sibetsamoya Informal Settlement Upgrading Report** (completed March 2023).

- the **Hlathikhulu Town Board Integrated Development Plan (IDP) 2022–2027**, and minutes of Hlathikhulu Town Board relating to land-related decisions.
3. Received oral evidence and testimony from:
 - Mr Mpumelelo Cyprian Shongwe, Chairperson of Hlathikhulu Town Board.
 - Mr Bandla Dlamini, former Chairperson of Hlathikhulu Town Board.
 - Mr Bongani Dlamini, Town Clerk/CEO (as applicable).
 - the Director of Urban Government (DUG).
 - the Director of Housing and Human Settlements (DHHS), Mr Matsebula.
 4. Considered the interaction between statutory governance and customary governance, particularly where encroachment patterns were alleged to originate from or overlap with adjoining chieftdom activity.

3. EVIDENCE AND TESTIMONY RECEIVED

3.1 Spatial Context and Land Administration: REMAINDER OF FARM CL134, Town Boundaries, and Encroachment Pattern

Documentary and mapping evidence before the Commission indicated that:

Hlathikhulu is located on a government farm described in official maps as **REMAINDER OF FARM CL134**. Hlathikhulu town boundaries were established at the time the town was formally established as an urban area (1969). Subdivisions were made along and adjacent to the road corridors through the town, creating several township subdivisions described as:

- Hlathikhulu Township.
- Extensions 2 to 7.
- certain miscellaneous farms; and
- a large remainder described as the remainder of **REMAINDER OF FARM CL134**, owned by Government.

Based on the mapping evidence and submissions, less than 25% of Hlathikhulu has been subdivided into formal plots for development, with a significant portion of the remainder of **REMAINDER OF FARM CL134** experiencing informal settlement development.

Evidence shows that the town's layout was shaped by Government-driven development of public services such as hospitals, police stations, schools, and a factory now privately operated. The Government remains a leading employer and ratepayer. Surveyor General's maps indicate residential encroachment on Government land, especially to the Northwest (MR9), Northeast (MR26), and Southeast. Informal settlements range from traditional rural homesteads with multiple structures and fields to small, modern homesteads with one or two buildings.

3.2 Evidence on the Source and Duration of Encroachments

Testimony of the Town Clerk (Mr Bongani Dlamini) and the Chairperson (Mr Mpumelelo Cyprian Shongwe) was that:

Hlathikhulu has experienced significant challenges of encroachment, which management and the Board associated with pressure coming from neighbouring chiefdoms and with demand for residential land. The Town Clerk specifically testified that some encroachments had already occurred when he joined Hlathikhulu Town Board in 2011.

Evidence suggested that, except for certain settlement growth along MR9, many encroachments appeared to be “overflowing” from the adjacent chiefdom areas immediately outside town boundaries.

3.3 Evidence on the Tools Used for Spatial Management Prior to 2023

Before approving the Town Planning Scheme in 2023, the Hlathikhulu Town Board mainly used the **Urban Government Act 8, 1969** and the **Building and Housing Act 1968 / building control processes** as their main tools for managing land use. Starting around 2019, the Board increasingly issued letters called temporary land concessions, with about 130 of these granted. These letters provided a level of tenure security and allowed development activities, but the Commission found that this practice was not covered by the Crown land disposal framework and the Town Board did not offer a clear legal basis for issuing government land concessions in this way. According to evidence presented, recipients treated these letters as “official” documents and began constructing buildings based on them.

3.4 Evidence on Boundary Clarification Meetings with Chiefdom Leadership and Continued Encroachment

The Commission heard that both the Hlathikhulu Town Board and the Ministry met with traditional leaders to clarify town boundaries and prevent land allocation within those areas. According to the Town Clerk, several meetings were held with traditional authorities to point out the boundaries; however, some leaders resisted or disputed these limits. Leaders were shown the boundaries back in 2014.

Mr. Matsebula, the DHHS, testified that the Ministry was aware of boundary issues. One former minister participated in discussions about these matters and instructed traditional leaders not to allocate land inside town boundaries. The Ministry also advised residents and officials to stop building in certain areas at specified times, as evidenced before the Commission.

Despite these efforts, testimony shows that encroachment into town land continued.

3.5 Evidence on the Sibetsamoya Informal Settlement Upgrading Initiative

The Commission received evidence indicating that, after Ministerial engagements, a concrete initiative was undertaken: the preparation of layouts and the enhancement of planning for informal settlement areas in the Southeast, with reference to Sibetsamoya.

The Sibetsamoya Informal Settlement Upgrading Report, finalised in March 2023, was described as having the following objectives:

- To provide secure land tenure in informal settlements.
- To deliver basic infrastructure and service provision, with an aim to regularise encroachment and allocate low-income residential and some commercial plots.

However, testimony provided by Mr. Matsebula from DHHS indicated that the Hlathikhulu Town Board is required to submit a formal application to the Human Settlements Authority (HSA) for the establishment of the township, with the report to be included as part of the required documentation.

According to DHHS, responsibility remained with the Town Board to submit the application to the HSA.

Additionally, the Commission documented testimony from the Town Clerk stating that the Town Board had received advice from a Ministry Physical Planning official to first submit the Sibetsamoya layout to the Crown Lands Disposal Committee (CLDC) for approval—this being necessary for granting land to Hlathikhulu Town Board—prior to submission to the HSA.

Further evidence highlighted that the CLDC had not convened for several years, leading to procedural delays.

The Commission observed that this resulted in a practical institutional impasse: while the Hlathikhulu Town Board believed it was awaiting CLDC processes, evidence from DHHS suggested that certain formal actions were still outstanding at the Town Board level.

3.6 Evidence on the Town Planning Scheme (TPS) and Lack of Operationalisation

The Commission received evidence indicating that a four-volume Town Planning Scheme (TPS) was submitted in May 2023 and subsequently approved by the relevant authorities. The TPS offers a comprehensive framework for the spatial management of Hlathikhulu.

Despite this, the Commission observed that most recommendations from the TPS were not integrated into the Town's operational strategy for implementation. Specifically, evidence shows that out of 65 programmes listed in the TPS implementation matrix, only four are reflected in the Integrated Development Plan (IDP) 2022–2027, with none concerning informal settlement upgrading or affordable housing provision.

The Town Clerk stated that the IDP was finalized in 2022, prior to the approval of the TPS in 2023, which accounts for the absence of TPS recommendations from the IDP. However, the Town Clerk was unable to provide an explanation for why the IDP had not been updated post-approval to incorporate the TPS recommendations.

Additionally, the Commission noted that only the Department of Housing and Human Settlements (DHHS) made submissions explicitly referencing the TPS, suggesting limited awareness or operational application of the TPS among the Town Board and broader community.

A review of evidence from 2024 meeting minutes revealed that land allocations for community projects—such as piggery, poultry, and horse and trailer initiatives—were made without explicit reference to permitted uses and zoning under the TPS, and no written planning compliance report accompanied these decisions.

3.7 Evidence on Vacant Government Plots and Non-regularisation of Beneficiaries

The Commission received evidence from the draft valuation roll being prepared for 2024/2025 indicating that there are vacant Government residential plots in existing Government townships, recorded as:

- Extension 4: 11
 - Extension 5: 18
 - Extension 6: 69
 - Extension 7: 19
- Total: 117 vacant Government residential plots

The Town Clerk submitted that many of these plots had been allocated to individuals historically, and evidence to the Commission included that some beneficiaries had paid deposits long ago but had not received further allocation documentation.

The Commission noted the following evidence:

The valuation roll continues to list the Government as the owner, and the Government remains responsible for the payment of rates. Ordinarily, these rates would become payable by beneficiaries once the allocation and transfer processes have been appropriately finalized.

Additionally, the evidence suggested that, due to the significant lapse of time since the CLDC last met for residential allocations in Hlathikhulu—as well as typical time-bound conditions associated with plot allocations—it is plausible that certain beneficiaries may not have adhered to the allocation requirements. However, the Commission did not receive a comprehensive compliance report identifying which beneficiaries met the conditions and which did not.

The Commission received evidence that Hlathikhulu Town Board had not pursued systematic follow-up on compliance conditions and did not present a readily available report on compliance of allocated plot beneficiaries.

3.8 Evidence on Temporary Land Concessions (2019–2024)

The Commission recorded evidence that:

- approximately 130 letters described as temporary land concessions were issued between 2019 and 2024.
- These were issued on Government land and were relied upon by community members for occupation and development decisions.
- The Commission did not receive evidence that these concessions were issued with a clear legal basis, Ministry authorisation, or CLDC involvement.

4. ANALYSIS

4.1 SPATIAL MANAGEMENT TOOLS WERE STRUCTURALLY WEAK UNTIL 2023

The evidence indicates that until 2023, Hlathikhulu Town Board’s spatial management relied heavily on general governance and building control tools, without an approved town planning scheme. In the Commission’s assessment, this meant there was no integrated framework to:

- guide planned township establishment,
- define land use and zoning comprehensively,

- plan and budget for serviced residential expansion, and
- control settlement growth through predictable and lawful mechanisms.

The resulting settlement pattern — particularly growth in REMAINDER OF FARM CL134 — is consistent with an environment where demand for housing is high and formal supply mechanisms are slow or absent.

4.2 BOUNDARY CLARIFICATION ALONE WAS NOT SUFFICIENT

The Commission accepts the evidence that boundary clarification meetings occurred (including showing pegs and boundaries to chiefdom leadership), and that the Ministry and the Town Board engaged traditional leaders. However, evidence indicates encroachment continued after boundaries were clarified.

This suggests that:

- boundary disputes or misunderstandings may have been an initial driver, but
- continuing settlement growth thereafter reflects additional drivers, including demand pressure and potential exploitation of land allocation systems.

4.3 INFORMAL SETTLEMENT UPGRADING WAS INITIATED BUT STALLED IN IMPLEMENTATION

The Sibetsamoya upgrading initiative demonstrates that planning responses were contemplated; however, evidence shows a lack of progress after completion of the report in March 2023.

The Commission observes that the implementation stall appears to be contributed to by:

1. **Procedural uncertainty and communication gaps** between the Ministry and Hlathikhulu Town Board regarding the correct sequence and responsibilities (CLDC versus HSA process steps).
2. **Weak institutional planning integration**, including exclusion of the Sibetsamoya upgrading initiative from the IDP 2022–2027, limiting predictable budgeting alignment and prioritisation.

The Commission notes that a persistent lack of progress increases the risk that residents perceive formal processes as ineffective, which may indirectly intensify informal settlement pressure.

4.4 TPS APPROVAL DID NOT TRANSLATE INTO OPERATIONAL CONTROL

Although the TPS was approved in 2023 and provides the strongest formal tool for spatial management, evidence indicates it has not been operationalised.

Key weaknesses evidenced include:

- minimal incorporation of TPS programmes into the IDP.

- limited evidence of the Town Board using the TPS to vet land decisions.
- limited awareness among officials, councillors, and the community regarding what TPS approval means practically.

This is a critical gap because a TPS without implementation becomes a “paper tool” with limited practical effect on settlement growth.

4.5 VACANT GOVERNMENT PLOTS PRESENT AN UNTAPPED MITIGATION OPTION

Evidence of 117 vacant Government residential plots across extensions suggests there may be opportunities to address demand through lawful formal allocation processes. However, evidence indicates that:

- allocations have not been regularised for many years due to CLDC inactivity.
- compliance monitoring of allocated beneficiaries is weak.
- Government remains listed as owner and ratepayer in contexts where beneficiaries may be occupying or holding interests.

These factors collectively reduce the ability of formal land supply to respond to growth pressure and may indirectly encourage informal settlement expansion.

4.6 TEMPORARY CONCESSIONS INCREASED SPATIAL DISORDER AND LEGAL UNCERTAINTY

The issuance of approximately 130 temporary land concession letters is a major factor in the spatial management breakdown. Such letters, even if intended as a stopgap to manage a difficult situation, created:

- an appearance of official permission,
- tenure expectations for beneficiaries,
- and a pathway for development on land that was not formally disposed of through lawful mechanisms.

From a spatial management perspective, this practice likely accelerated unplanned settlement consolidation, increased future regularisation costs, and created legal and equity complications for the Town and the Ministry.

5. FINDINGS

Based on the evidence and analysis, the Commission finds that:

1. Until 2023, Hlathikhulu Town Board relied primarily on the Urban Government Act 8, 1969 and building control mechanisms for spatial management, without an approved Town Planning Scheme. These tools proved ineffective, as evidenced by continued proliferation of unplanned settlements across REMAINDER OF FARM CL134 and other affected areas.

2. Although the Hlathikhulu Town Planning Scheme was approved in 2023, it has not been effectively operationalised, because most of its implementation programmes were not incorporated into the Town’s IDP, and there is limited evidence of systematic use of the TPS to guide land-related decisions and enforcement.
3. A key initiative to address unplanned settlement growth — the upgrading and formalisation of Sibetsamoya — was not reflected in the IDP 2022–2027, which risks de-prioritisation, weak budgeting alignment, and limited accountability for implementation.
4. There is a material communication and process gap between the Ministry and Hlathikhulu Town Board regarding the procedural next steps to progress Sibetsamoya upgrading, resulting in a situation where Town Board officials and councillors believe progress is dependent on CLDC convening, while evidence from DHHS indicates significant steps remain outstanding at Town level (including formal application processes required by the HSA).
5. There are 117 recorded vacant Government residential plots across Government extensions in Hlathikhulu (Extensions 4–7) which, if lawfully released and administered, could partially relieve demand pressure; however, formal allocation and regularisation processes have been stalled for many years due to inactivity of the Crown Lands Disposal Committee in Hlathikhulu and weak follow-up mechanisms.
6. The Government has not released land for residential use through CLDC processes for many years, and CLDC has not met for over a decade to allocate residential plots in Hlathikhulu, limiting formal supply channels.
7. Hlathikhulu Town Board issued approximately 130 “temporary land concession” letters between 2019 and 2024 without demonstrated legal authority and without evidence of Ministry authorisation, thereby creating tenure expectations and facilitating construction and occupation on Government land outside lawful disposal procedures.
8. Spatial management failure is not only absence of tools, but also absence of an inter-institutional enforcement protocol between HTB, Ministry, traditional authorities, and law enforcement—resulting in repeated boundary confirmation without sustained compliance.

6. CONCLUSION

The Commission concludes that unplanned settlement growth in Hlathikhulu is the product of:

- longstanding demand for residential land,
- insufficient formal land release and township establishment mechanisms,
- historically weak spatial planning instruments until 2023,
- and governance practices that introduced legally uncertain “temporary concessions,” which were relied upon by community members as official permission to occupy and develop land.

The approval of the Town Planning Scheme in 2023 provided a major opportunity to improve spatial management; however, failure to operationalise the TPS through incorporation into the

IDP and through practical implementation measures has meant that the planning framework has not translated into effective control on the ground.

The lack of progress in the Sibetsamoya upgrading process and the lack of predictable supply of affordable plots will likely perpetuate pressure for informal settlement unless corrective action is taken urgently and communicated clearly to residents.

7. RECOMMENDATIONS

The Commission recommends as follows:

1. Capacity Building on Spatial Management Tools

- The Ministry should facilitate structured training for Hlathikhulu Town Board Councillors and senior officials on the practical application of spatial management tools, particularly the Town Planning Scheme.
- Given the Town Board's financial constraints, the Ministry should lead and resource this capacity building.
- Such training should occur at least once every two years for town boards.

2. Urgent Review of the Hlathikhulu IDP

- The Hlathikhulu Integrated Development Plan (IDP 2022–2027) should be reviewed and amended to incorporate relevant and implementable elements of the TPS implementation matrix, particularly those relating to:
 - informal settlement upgrading,
 - affordable housing provision,
 - land release sequencing,
 - infrastructure planning for new residential areas.

3. Technical Support Through Shared Planning Resources

- Because this is Hlathikhulu's first TPS and none of the staff has practical experience implementing a TPS, the Ministry should facilitate planning support, including a structured arrangement for **resource sharing or mentorship** from a more resourced local authority, such as Nhlengano Town Council.

4. Mandatory Integration of TPS Programmes into IDPs

- Considering the resources and effort invested in preparing a TPS and its decade-scale planning horizon, the Ministry should issue policy direction that TPS implementation programmes must be incorporated into IDPs and annual budgets as a matter of requirement.

5. Public Launch and Communication of the TPS

- Hlathikhulu Town Board should formally launch and communicate the Town Planning Scheme to:
 - Councillors,
 - Town Board officials,
 - and the community.
- This should include clear explanation of what TPS approval means for land use rights, building permissions, and how residents may lawfully pursue residential plots.

6. Clarification and Acceleration of Sibetsamoya Upgrading Process

- The Ministry should lead a structured process workshop with the Town Board to clarify, in a documented step-by-step manner:
 - the outstanding steps for Sibetsamoya upgrading,
 - the responsible institution for each step (HTB, CLDC, HSA, Physical Planning),
 - realistic timelines and deliverables.
- The Ministry and HTB should then craft and publish a clear strategy for upgrading Sibetsamoya and other informal settlement areas, aligned to the TPS, and share it with the community to reduce misinformation and frustration.

7. Urgent Convening of the Crown Lands Disposal Committee

- The Ministry should urgently convene the Crown Lands Disposal Committee for Hlathikhulu to:
 - address residential plot allocations,
 - regularise long-outstanding allocations,
 - and make decisions on release of land for planned development.
- 8. The Ministry should institute monitoring of implementation of CLDC decisions, with reporting back to both HTB and the Ministry.
- 9. The Ministry should ensure regular sittings of the CLDC for Hlathikhulu, at least twice a year, publish an allocation schedule, and reintroduce transparent advertisement/application processes to reduce incentives for informal transactions.
- 10. The Ministry should facilitate the enforcement of plot allocation conditions

Immediate Control Over Unauthorised “Temporary Concessions”

- Hlathikhulu Town Board should cease issuing any letters or instruments that purport to confer land rights or tenure on Government land outside the lawful disposal framework.
- Any existing temporary concession letters should be reviewed in a structured process led by the Ministry to determine:
 - what rights (if any) can be recognised,
 - what regularisation pathway exists,
 - and how to manage equity and service delivery implications
- 11. The Ministry should issue a written, step-by-step directive clarifying the lawful pathway for:
 - township establishment / upgrading,
 - land release processes,
 - roles of CLDC vs HSA vs Physical Planning,
 - what HTB can and cannot issue (to stop “letters as tenure”).
This directly reduces future “misunderstanding” defences.
- 12. implement an annual (or biannual) spatial audit: mapped growth of informal settlements, inventory of structures, and risk ranking—shared with the community to reduce speculation.

TOR (C): INVESTIGATE THE EXTENT OF FAILURE TO ENFORCE BUILDING CONTROL

1. APPLICABLE LEGAL AND REGULATORY FRAMEWORK

In addressing this Term of Reference, the Commission was guided by the legal and regulatory framework governing building control within urban areas and the institutional responsibilities of Town Boards and the Ministry, including:

1. **The Urban Government Act 8 (1969)**, including provisions relating to local authority functions, administration, and the governance obligations of Town Boards within declared urban areas.
2. **The Building and Housing Act (1968)**, including the statutory framework governing building applications, approvals, inspections, enforcement notices, and the control of unlawful construction within urban jurisdictions.
3. **Grade II Building Regulations**, as applicable to building standards, approvals and compliance within Town Board areas.
4. Principles of public administration and internal control relevant to enforcement functions, including legality, accountability, segregation of duties, proper delegation, recordkeeping, timely enforcement action, and prevention of irregular authorisation practices.

The Commission notes that, while the Town Board and Ministry staff referred to internal administrative “practice” regarding enforcement sign-off, the Commission’s assessment of roles and powers was guided primarily by the text of the Building Act and the statutory definition of “Engineer”, rather than internal practice alone.

2. METHOD OF INQUIRY

In investigating TOR (C), the Commission:

1. Received oral testimony under oath/affirmation from Ministry officials, Town Board political leadership, management, technical officers, rangers, and members of the public.
2. Considered legislative provisions relevant to building control and the institutional arrangement for technical support to smaller town boards.
3. Examined documentary records relevant to building control and land “temporary concession” practices, including the set of letters issued by the Town Clerk between 2019 and 2024 that were presented to the Commission.
4. Conducted an inspection in loco in Hlathikhulu, with technical assistance from the Ministry Resident Engineer, to observe and document examples of ongoing and completed construction occurring in areas characterised as unplanned/unsubdivided government land within the urban boundary. The Commission records that police accompanied the Commission during portions of the inspection.

5. Considered both the “planned/formal” areas of town (where applications were reportedly being processed) and the “unplanned” areas (where construction was occurring on un-surveyed government land).

3. EVIDENCE AND TESTIMONY RECEIVED

3.1 WITNESSES WHO APPEARED BEFORE THE COMMISSION

The Commission heard testimony from the following (among others referenced in evidence before the Commission):

- Director of Urban Government (DUG) (current).
- Previous DUG.
- Director of Housing and Human Settlements (DHHS).
- Board Chairperson of Hlathikhulu Town Board (HTB).
- Town Clerk (CEO).
- Joint Town Engineer / Resident Engineer (Ministry-deployed technical support).
- Accountant (Artwell Phesheya Dlamini).
- Township Engineer (Ministry): Mr Albert Vusi Dlamini.
- 3 Rangers
- Members of the public

The Commission also records that the building control issues observed and testified to overlap materially with the broader land management dysfunction (especially the issuance of “temporary concession” letters), but this TOR focuses specifically on building control enforcement, not land disposal legality.

3.2 EVIDENCE FROM THE DIRECTOR OF URBAN GOVERNMENT (DUG)

DUG confirmed to the Commission that building control falls within her portfolio at the Ministry level. She testified that once she became aware of building control challenges in Hlathikhulu, she was directed that an investigation be undertaken by a team of Ministry officers.

The DUG referred to the joint appointed Town Engineer as the “Resident Engineer” and testified that there was authority within the Building Act to confer Town Engineer powers to the Ministry Resident Engineer. The Commission records that at the time of writing, the Commission had not been provided with, or did not have sight of, the specific written authority instrument referenced by the DUG (if any), beyond the general statutory framework.

3.3 EVIDENCE FROM THE PREVIOUS DUG

The previous DUG testified that demolitions are the responsibility of the local level, i.e., in this case HTB, and that the Town Engineer has full authority in terms of the Building and Housing Act 1968. He further testified that he expected the Commission’s report to be beneficial to all Town Boards, implying that the issues in Hlathikhulu reflect systemic risks relevant to other Towns.

3.4 EVIDENCE FROM THE BOARD CHAIRPERSON (HTB)

The Board Chairperson confirmed that the Board was aware that illegal construction was taking place in the unplanned parts of the urban area, particularly along the urban boundary interfaces with neighbouring chiefdoms. The Chairperson's evidence was that this was not a hidden or isolated phenomenon but a known and recurring problem.

The Chairperson's testimony was also consistent with evidence that Board awareness did not translate into timely enforcement action, especially in the unplanned areas.

3.5 EVIDENCE FROM THE TOWN CLERK (CEO)

The Town Clerk confirmed the Chairperson's testimony that illegal construction was occurring and testified that HTB had employed rangers to identify and report unlawful construction.

When questioned directly on whether HTB had taken legal action that led to demolition against illegal construction, the Town Clerk testified that:

- Action had been taken in the planned part of town, but
- No demolition action had been taken in the unplanned part of town, despite widespread construction activity.

The Town Clerk further testified that he relied on the Town Engineer to lead building control enforcement. He was questioned as to why HTB still had not appointed its own Town Engineer (despite reportedly having budget provision and despite a significant portion of the financial year having passed). He responded that he was investigating a joint appointment arrangement with Nhlanguano Town Council.

The Town Clerk also offered explanations for the issuance of letters permitting "temporary" structures (addressed further under ranger and community testimony and in the analysis section). He asserted that his actions were consistent with sentiments allegedly voiced by former Ministers who visited Hlathikhulu, and that some illegal construction occurred in forested areas and could not easily be detected by staff.

3.6 EVIDENCE FROM THE JOINT TOWN ENGINEER / "RESIDENT ENGINEER"

The Town Engineer testified that he was only part-time at HTB and largely attended Hlathikhulu on request by the Town Clerk and to conduct statutory inspections. He testified that:

- His inspections were mostly on building sites in planned settlements where applications had been approved or were being processed.
- He prepared regular reports on building control matters in the formal/planned parts of town.
- He produced no comparable reports for the unplanned parts and confirmed that his focus was largely on the formal side.

The Town Engineer also testified that, as a matter of Ministry technical practice, any recommendation that could lead to demolition required sign-off by his supervisor, the Township Engineer. His testimony suggested that he did not regard himself as having full direct authority to proceed independently to demolition-related enforcement.

The Commission contrasted this evidence with the statutory definition of “Engineer” in the Building Act, which provides that an Engineer includes “a town engineer appointed as such by a local authority ... or any other fit person designated as such by a local authority ... for performing the functions of the engineer under this Act.” The Town Engineer’s testimony revealed uncertainty as to whether this statutory definition already conferred the authority required, without additional Ministry practice-based sign-off.

The Town Engineer also testified that he reported illegal construction but did not submit documentary evidence of such reporting to the Commission.

3.7 EVIDENCE FROM THE TOWNSHIP ENGINEER (MINISTRY): MR ALBERT VUSI DLAMINI

Mr Albert Vusi Dlamini, Township Engineer, testified that he had been in office for approximately 15 months, and that delays could have occurred while the post was vacant. He testified that:

- Control of illegal building construction was the responsibility of HTB and the Town Engineer/Resident Engineer.
- He confirmed the practice described by the Town Engineer that he (as Township Engineer) signed off enforcement notices that may require demolition.
- When the Commission put it to him that this sign-off practice did not appear to be required by the Building Act, he responded that it was the practice he found in place at the Ministry.

Critically, the Township Engineer testified that:

- He had not been to Hlathikhulu since his appointment, and
- He believed that “all was well” regarding building control in Hlathikhulu.

He further testified that:

- There were no regular monitoring reports on illegal construction produced by his section.

The Commission records that, while the Township Engineer’s tenure may have been relatively recent, his evidence that he had not visited Hlathikhulu and had no reporting system for unplanned construction was inconsistent with the magnitude of illegal building activity described by HTB leadership, rangers, and community witnesses.

3.8 EVIDENCE FROM RANGERS:(AND RELATED RANGER TESTIMONY)

Two individuals who worked as rangers for HTB testified that their duties included identifying and reporting illegal building construction. Their testimony, in summary, was that:

1. They were aware of rampant illegal building activity in the unplanned settlement areas.
2. They routinely informed culprits that building without approval in the urban area is unlawful.
3. They reported unlawful construction to the Town Clerk.
4. They became demotivated because several reported culprits subsequently continued building without interruption.

They testified that some culprits later produced letters from the Town Clerk permitting construction of a “temporary” structure. They understood these letters to authorise continuation of construction.

The Commission further heard testimony from a resident, which corroborated this pattern. She submitted that her family received a letter permitting a temporary structure but then observed neighbours building using concrete blocks to completion, which she understood to be permanent construction, suggesting selective or inconsistent enforcement.

3.9 EVIDENCE FROM COMMUNITY WITNESSES

A resident testified that:

- He was promised a piece of government land around 2008,
- He later received permission from HTB to clear the plot, and
- Around 2018 he received permission to construct a temporary structure.

The Commission records that these approvals were presented as being issued without evidence of the Town Engineer’s formal involvement, and therefore outside the normal building approval and inspection mechanism under the Building Act.

Intando kaKristo Church in Zion testified that:

- They applied for land to build a church,
- They were granted permission on un-surveyed government land through a letter from the Town Clerk stating that they could only build a temporary structure, and
- They proceeded to build a substantial structure used for public gatherings, again without evidence that the Town Engineer processed and approved the development under the Building Act.

The Commission considers this evidence significant because it shows that the “temporary structure” letter system was being used not only for small domestic shelters but also to facilitate meaningful public buildings without the statutory building control process.

4. ANALYSIS

4.1 Dual building-control “systems” emerged: lawful control in planned areas versus informal control in unplanned areas

From the testimony received and documents reviewed, the Commission finds that building control in Hlathikhulu effectively operated under two different regimes:

1. Planned/Formal Areas:

- Building applications were submitted, assessed and inspected through the Town Engineer process.
- Building approvals were granted in terms of the Building Act and regulations.
- There was evidence of at least one demolition notice issued for an illegal structure in the planned town area in the last five years.

2. Unplanned Government Land / Informal Settlement Areas:

- Construction was widespread and proceeded without approved building applications.
- Rangers reported unlawful construction but lacked enforcement support.
- The Town Clerk issued letters authorising “temporary” or “semi-permanent” structures, which were interpreted by residents and rangers as building permission.
- There was no evidence that demolition notices as contemplated by the Building Act had ever been issued for unlawful construction in the unplanned areas.

This bifurcated approach created an enforcement vacuum where the formal legal process was maintained in one part of town but effectively replaced by an informal letter-based permission system in another, despite both areas being within declared urban boundaries.

4.2 THE TOWN CLERK’S ISSUANCE OF “TEMPORARY STRUCTURE” LETTERS UNDERMINED THE BUILDING ACT ENFORCEMENT FRAMEWORK

The Town Clerk’s explanation that his actions reflected the sentiments of former Ministers does not provide a lawful basis for the Town Clerk to assume a building approval function. Even if Ministers expressed a view that certain residents should not be displaced (“ababagwinye”), that sentiment:

- would require formal translation into lawful procedure, written direction, or policy aligned to enabling legislation, and
- cannot lawfully reassign or waive statutory functions under the Building Act.

Under the Building Act, it is the Town Engineer (as defined in the statute) who is responsible for processing and approving building plans and enforcing compliance. The Minister does not possess powers to remove the need for building approvals or to confer building approval authority on the Town Clerk by informal instruction.

The Commission finds that the Town Clerk’s letters were erroneously treated as building approvals and had the effect of neutralising ranger enforcement, because rangers—who had

correctly identified illegal construction—would refrain from continued intervention once a letter was produced.

4.3 THE MINISTRY “SIGN-OFF” PRACTICE CREATED DELAYS INCOMPATIBLE WITH EFFECTIVE ENFORCEMENT ON ACTIVE CONSTRUCTION SITES

The evidence establishes that the enforcement chain described by HTB and Ministry technical officials is:

1. Ranger identifies illegal construction and instructs cessation.
2. Ranger reports to the Town Clerk.
3. The Town Clerk writes to the culprit warning to stop.
4. If not stopped, the Town Clerk informs the Town Engineer.
5. The Town Engineer inspects and reports to the Township Engineer.
6. Township Engineer authorises issuing notice that may require demolition.
7. Only then may escalation to court follow.

The Commission finds that this process is inherently slow, and in a context where construction can progress quickly, it creates a predictable outcome: by the time enforcement steps reach the point of court, the structure is likely to be substantially complete. Courts are generally reluctant to demolish completed homes or substantial investments absent of clear evidence of wilful non-compliance combined with timely local authority action. Therefore, the enforcement delay materially weakens prospects of success and indirectly encourages further encroachment and unlawful construction.

The Commission further finds that this Ministry “practice” of requiring sign-off was not convincingly justified as a statutory requirement. The Township Engineer acknowledged it was simply the practice he “found in place.” The Commission considers that where administrative practice undermines timely enforcement and is not grounded in statute, it requires urgent review.

4.4 LACK OF COMMON UNDERSTANDING OF ROLES BETWEEN HTB AND THE MINISTRY CREATED “RESPONSIBILITY SHIFTING”

The Commission identifies a sustained institutional misunderstanding:

- HTB officials appeared to believe that because building applications are routed through Ministry technical staff, the Ministry is fully aware of building control challenges.
- Ministry officials testified that HTB is responsible for controlling illegal construction and that the Town Engineer (deployed or joint) operates under HTB’s local responsibility.

This divergence means neither party consistently accepted full responsibility for monitoring the unplanned areas. The Township Engineer’s evidence that he had not visited Hlathikhulu in 15 months and believed all was well demonstrated that the Ministry oversight assumption was misplaced. Meanwhile, HTB’s lack of demolition notices and reliance on Town Clerk letters demonstrates that HTB’s enforcement execution was materially deficient.

4.5 THE EVIDENCE OF “HIDDEN IN FORESTS” DOES NOT SUFFICIENTLY EXPLAIN FAILURE TO ACT

The Town Clerk testified that illegal constructions were hidden in forests and could not be detected. The Commission finds that this explanation does not adequately account for the enforcement failure because:

- Rangers testified that illegal construction was widespread and known, and that their primary challenge was not detection but lack of enforcement support after reporting; and
- the Commission’s inspection in loco observed sites that were reachable and not so concealed as to justify near total enforcement absence.

The Commission therefore treats the “hidden” explanation as insufficient to rebut the larger body of evidence demonstrating systemic enforcement failure.

5. FINDINGS

Based on the testimony and documentary evidence, the Commission finds as follows:

1. Widespread unlawful construction exists on un-surveyed, unsubdivided government land within Hlathikhulu’s declared urban boundaries, including ongoing and completed structures observed during the Commission’s inspection in loco (Annex 17).
2. HTB did not maintain an effective building control enforcement system in unplanned settlement areas. No evidence was presented that demolition notices as contemplated by the Building Act were issued in the unplanned areas, despite sustained unlawful construction.
3. The Town Clerk issued over 130 letters between January 2019 and December 2024 granting “temporary concessions” and advising beneficiaries to erect semi-permanent structures. These letters effectively operated as a parallel authorisation mechanism for construction and were relied upon by residents and rangers as permission to build.
4. The “temporary structure letter” system materially undermined lawful building control, because it displaced the Town Engineer approval function and created the impression that building could lawfully proceed without compliance with building application procedures.
5. In planned/formal parts of Hlathikhulu, building control was comparatively functional, with building applications being submitted and processed and at least one demolition notice reportedly issued in the last five years.
6. The Ministry’s technical support structure for towns without a full-time Town Engineer was not operating in a manner that ensured effective enforcement, particularly in unplanned settlement areas. The Township Engineer had not visited Hlathikhulu in 15 months and had no systematic reporting mechanism on unplanned construction.
7. The enforcement chain used in practice was excessively slow and bureaucratic, increasing the likelihood that illegal structures would be completed before any effective notice or court action could be taken.
8. There was no consistent, shared understanding between HTB and the Ministry regarding who is accountable for building control enforcement in informal/unplanned areas. This created responsibility gaps that enabled continued unlawful construction.

9. Rangers were demotivated and operationally undermined, because they reported illegal construction yet witnessed continued construction after reporting, and because residents produced Town Clerk letters that rangers interpreted as authorisation.
10. Building control failures extended beyond private houses to include community and public-use buildings, including a church structure and other developments where permissions were given through Town Clerk letters without evidence of Town Engineer approval.
11. Building control collapse appears consistent with a broader pattern of management override of controls, where senior officials bypass formal systems and create parallel processes. This same risk pattern is explicitly observed in revenue/billing controls.

6. RECOMMENDATIONS

To restore lawful and effective building control enforcement, the Commission recommends:

1. **Alignment of Ministry support to the Building and Housing Act 1968**

The Ministry must urgently align all technical support arrangements (including joint Town Engineer systems) to the statutory requirements of the Building Act and regulations. Internal practices that are not grounded in statute—particularly sign-off requirements that delay enforcement—must be reviewed and either lawfully formalised or discontinued.

2. **Mandatory training and refresher orientation**

The Ministry should implement training for Town Engineers, Township Engineers, and Town Board leadership on the Building Act, including:

- statutory powers and duties of the “Engineer,”
- lawful notice processes,
- evidence requirements for court action, and
- time-critical enforcement steps for active construction sites.

3. **Clear orientation of HTB on roles and enforcement limits of the Town Clerk**

HTB must be formally oriented that:

- land allocation and building approvals are distinct processes regulated by different legislation.
- the Town Clerk has no authority to grant building approvals; and
- all building approvals must be processed through the lawful building control pathway.

4. **Standardised reporting and enforcement tracking system**

The Ministry and HTB should adopt standard reporting templates for:

- monthly and quarterly illegal construction reports,
 - notices issued, compliance outcomes, and escalation actions,
 - active “hotspot” locations, and
 - status of enforcement steps (dates, responsible officer, next action).
- These reports must be discussed at regular technical and management meetings at both HTB and Ministry level.

5. Regular joint site visits and escalation mechanism

There should be scheduled annual (at minimum) joint site visits by senior Ministry technical management and HTB leadership, focusing specifically on unplanned settlement areas. In addition, a rapid escalation mechanism must exist for urgent enforcement on active construction.

6. Development of a consistent national approach to chiefdom-related encroachments

The Ministry should develop a consistent, written, and legally defensible process for urban areas experiencing encroachment arising from chiefdom allocations. This must balance:

- legality of urban land governance,
- human settlement realities, and
- enforcement practicality, and must be based on assessment of how comparable towns have managed similar issues.

7. Disciplinary investigation for negligence in building control duties

The Commission recommends disciplinary investigation into the conduct of officials whose duties included building control enforcement and oversight, specifically in relation to the prolonged absence of lawful enforcement action in unplanned areas, including:

- the Town Clerk (for issuing letters purporting to authorise building),
- the Resident/Joint Town Engineer (for lack of documented enforcement steps and lack of reporting on unplanned areas), and
- the Township Engineer (for lack of monitoring, lack of visits, and reliance on non-statutory practice that delayed enforcement).

8. Establish a mandatory minimum set of enforcement actions for illegal construction:

- standard notice templates,
- a fixed escalation timeline (e.g., 7/14/30 days),
- photographic evidence + GPS pin,
- case file register,
- monthly enforcement report to council + Ministry.

9. Obtain formal legal guidance (AG/Ministry legal) on:

- status and legal consequences of “temporary concession letters,”
- liability exposure for HTB if those letters induced investment,
- appropriate remedial/regularisation steps

TOR (D): Investigate any malpractice in the allocation and sale of land within Hlathikhulu (surveyed/serviced and un-surveyed), and whether any councillor, official, or other individual unlawfully benefitted

1. APPLICABLE LEGAL AND REGULATORY FRAMEWORK

In addressing this term of reference, the Commission relied on the following legal and regulatory instruments governing land allocation, disposal, and development within urban areas:

- The **Crown Lands Disposal Act** and its subsidiary regulations, including regulations made under **section 12** governing disposal procedures and the functions of the Crown Lands Disposal Committee (CLDC).
- The **Urban Government Act 8, 1968**, which prescribes the governance responsibilities of Town Boards and duties of officials.
- The **Building and Housing Act, 1968** and applicable building regulations, which regulate development following land allocation or occupation; and
- Relevant planning instruments, including the approved **Hlathikhulu Town Planning Scheme (2023)**, insofar as it relates to the consequences of unplanned and unlawful land occupation.

The Commission notes that Crown Land disposal is governed by a prescribed, transparent process that includes public advertisement of plots, formal applications, screening, CLDC review, payment of prescribed deposits through lawful channels, and issuance of lawful allocation instruments by the prescribed authority.

2. METHOD OF INQUIRY FOR THIS TERM OF REFERENCE

The Commission received oral testimony from Ministry officials, Hlathikhulu Town Board officials and employees, representatives of traditional leadership, and members of the public. Documentary evidence was reviewed, including allocation letters, lists of alleged purchasers, written submissions, valuation roll data, and correspondence.

Where allegations implicated identifiable persons, the Commission afforded procedural fairness by subpoenaing or summoning those persons to provide testimony under oath or affirmation. The Commission also conducted an *inspection in loco* in affected areas to observe land occupation and development on the ground.

3. EVIDENCE RECEIVED

3.1 STATUS OF LAND IN HLATHIKHULU AND THE LEGAL ALLOCATION PROCESS

Evidence before the Commission established that Hlathikhulu contains extensive un-surveyed and un-serviced Crown Land within the urban boundary. The prescribed mechanism for disposal and allocation of such land is the Crown Lands Disposal Committee (CLDC), chaired by the Principal Secretary (MHUD), with the Director of Housing and Human Settlements (DHHS) serving as secretariat, and membership including planning, land administration, and local authority representatives.

The Commission received evidence of the standard procedure for individual sales allocations, including public advertisement, submission and screening of applications, CLDC approval (including random draw where applicable), viewing of plots, payment of a 5% deposit, and issuance of lawful allocation instruments.

3.2 TESTIMONY OF MR MATSEBULA – DIRECTOR OF HOUSING & HUMAN SETTLEMENTS (DHHS)

Mr Matsebula, subpoenaed by the Commission, testified that no residential allocations have been processed through the formal CLDC mechanism in Hlathikhulu since 2016. He stated that only a small number of non-residential or institutional allocations were processed during limited sittings of the CLDC.

He testified that the Ministry was aware of encroachments and that one former Minister visited Hlathikhulu with Ministry officials and the Surveyor General to clarify town boundaries with KoNtjingila chiefdom officials. He confirmed that the Minister instructed chiefdoms to stop allocating land within town boundaries.

Mr Matsebula further testified that on 15 March 2022, he was sent by the Minister to instruct residents in Sibetsamoya and kaNkhosinkhulu to stop building and that no new allocations were allowed. Persons identified as falling within town boundaries through chiefdom allocation were advised to approach the Town Clerk's office for direction. He noted with concern that not all councillors were present at that meeting.

He further testified that the Ministry engaged consultants to develop the town planning scheme and the Sibetsamoya Informal Settlement Upgrading Report, which documented extensive land proliferation. Beyond these initiatives, no immediate enforcement or preventative mechanisms were implemented.

3.3 EVIDENCE OF INITIAL ENCROACHMENT LINKED TO CHIEFDOM ALLOCATIONS

The Commission received evidence that initial encroachment occurred through chiefdom allocations made unknowingly due to misunderstanding of town boundaries. Evidence also included allegations that *Mr Patrick "Mfeneziyamthoba" Magagula*, former Indvuna of KoNtjingila, continued submitting lists of allocated persons to the Town Board after boundaries were clarified.

3.4 PUBLIC TESTIMONY ON ALLEGED PRIVATE SALE OF LAND OF UN-SURVEYED GOVERNMENT LAND

Approximately ten (10) members of the public testified before the Commission that they paid cash deposits for plots (commonly described as part of a total purchase price of E15,000 per plot) to the former Mayor Velibanti Simo Dlamini, outside any formal office process. Witnesses provided broadly consistent accounts: they heard about the availability of land through associates, contacted Simo Dlamini, met him in town, paid a deposit, and were thereafter shown plots near the factory area or by the water reservoir by an employee of the Town Board.

Witnesses testified that they did not receive receipts. Some testified that when they requested receipts, they were told their names were recorded on a list to be submitted to the Ministry and that copies of identity documents were sometimes collected. Witnesses testified that they trusted the process because Simo Dlamini was Mayor at the time and the other accused person was known to be connected to the Town Board/Ministry in town.

A witness further testified that at Mahlabaneni, two Council employees were also said to be informing people about land being sold, and these employees were believed by the witness to own land and have built homes in town. This was presented as an allegation from a public witness and was not independently verified by documentary evidence during the inquiry.

The Commission received a list identifying approximately 70+ persons alleged to have paid money for plots through this private arrangement.

3.5 EVIDENCE RELATING TO “TEMPORARY LAND CONCESSION” / ALLOCATION LETTERS FROM THE TOWN CLERK’S OFFICE

The Commission received evidence that over 130 letters of land allocation/ “temporary concessions” were issued from the Town Clerk’s office, signed and stamped, allocating areas on un-surveyed land and permitting recipients to erect semi-permanent structures with language suggesting structures could be removed when the Board required the land.

A written submission produced to the Commission included a sample letter (Annex 18) and alleged that residents held similar letters. The submission further alleged that land had been allocated to a member of the Royal Family and a former Senator without due process, which raised questions among residents. These claims were recorded as allegations contained in a written submission; the Commission did not receive complete documentary records to verify each alleged allocation.

3.5.1 TESTIMONY OF WITNESSES ON PAID PLOTS NOT BEING ALLOCATED

Two witnesses appeared before the Commission and testified that they were allocated land in Hlathikhulu and paid the prescribed 5% deposit toward the purchase price. They testified that they never received title deeds and have never paid rates, explaining that they understood rates obligations to arise once the allocation process was finalised and title regularised.

They testified that their allocation letters described plots of approximately 2,000 square metres, but when they inspected the land, the area appeared significantly smaller, estimated at approximately 500 square metres.

The Commission reviewed their documentary evidence against the valuation roll and found that the plots associated with their letters were not located in the areas specified in the letters but in different locations, and that the plots remained registered under the Eswatini Government.

The Town Clerk, Mr Bongani Dlamini, testified that these discrepancies had not been corrected because the Crown Lands Disposal Committee had not convened for many years, preventing rectification and finalisation of allocations.

3.6 TESTIMONY OF MR BONGANI DLAMINI – TOWN CLERK (SUBPOENAED)

Mr Bongani Dlamini, Town Clerk, was duly sworn. He testified that Hlathikhulu comprises approximately 1087 hectares, and that only 15–20% has been surveyed, with only 20–30% of surveyed land developed, leaving substantial vacant land. He testified that formal allocation was last conducted in 2004. He outlined the legal process for acquiring land in the town and testified that land allocation meetings had not been held during his tenure, and therefore he had not implemented the formal procedure.

When confronted with allocation letters bearing his signature and the Town Board stamp, he confirmed that the Board allocated people land outside the stipulated procedure. He testified that those allocations were not subject to payment, as they were directed at persons in “dire need,” and he believed the Urban Government Act permitted the Board to allocate land for such purposes. He further testified that in 2014 the Board had been called by the Ministry to stop issuing land, and he claimed the Board stopped the practice in 2018.

Following his testimony, the Commission conducted a physical inspection in the Town Clerk’s office and found approximately 130 letters dated 2019 allocating land, together with slips suggesting changes of ownership in some instances. The Commission re-called the Town Clerk to explain these documents.

Upon recall, Mr Bongani Dlamini testified that the letters were written after the visit of one former Minister, who had indicated that those allocated by chiefdoms should be “absorbed” by the town. He testified that the Board passed a resolution to write these letters and that the then Indvuna of KoNtjingila, Mr Patrick “Mfenezizyamthoba” Magagula, submitted a list of persons said to have been allocated land by the chiefdom. The Town Board then produced letters for those on the list.

Mr Bongani Dlamini further testified that Mr Magagula later returned several times requesting changes of beneficiary names on certain letters. He testified that Mr Magagula did not provide official documentation from Umphakatsi to support either the original list or requested changes, and that the Town Clerk had not met the purported beneficiaries. He testified that it was possible some of the persons on the list did not exist, and he stated that subsequent KoNtjingila leadership had reportedly indicated they were not aware of the people listed by Mr Magagula.

When asked what actions he took to address the matter, given the scale of the letters, the Town Clerk testified he did not report to the Ministry because the Ministry had previously hired a consultant to assess land proliferation and he believed the Ministry was aware. He further testified that the Town Board held meetings with officials and land occupiers to advise that no additional allocations should be made and that those already allocated should not continue building.

3.7 TESTIMONY OF MR ARTWELL PHESHEYA DLAMINI – ACCOUNTANT (SUBPOENAED)

Mr Artwell Phesheya Dlamini, Accountant, was duly sworn. He confirmed that he has land in Hlathikhulu on un-surveyed land that was given to him by the Board. He also confirmed that two Town Board rangers were also allocated land by the Council.

He confirmed owning one residential and one commercial property. He acknowledged that the residential land was not legally obtained because the formal procedure was not followed. He testified that the plot had an unofficial number derived from a layout produced during the Ministry's intention to survey the land.

Mr Artwell Dlamini testified that the Board allocated him land in 2008 and that the allocation was linked to discussions with a former Minister where the Minister had raised concerns about allocations by surrounding chiefdoms. He testified that permission was allegedly given verbally through the Board Chairperson at the time, with the accountant being the last person to be allocated land, and permission being granted to build a permanent structure. He further testified that in 2021 he was attacked during the civil unrest and sought approval to build a wall fence, which the Board supported, and that one former minister later agreed he could continue building the wall for protection.

The Commission met with the former Minister, who denied ever allocating land to individuals outside established procedures and indicated that Ministry procedures did not include informal ministerial grants of land. The Commission did not receive written documentary evidence supporting Mr Artwell Dlamini's claim of ministerial authorisation.

With respect to allegations of multiple plots, Mr Artwell Dlamini denied owning land allegedly acquired for another wife. The Commission noted, however, that the draft Sibetsamoya report indicated that he owned multiple plots (five) within Sibetsamoya, which would be inconsistent with the criterion presented to the Commission that allocations should be one plot per person. The Commission did not receive complete land registry documentation to conclusively quantify all plots allegedly linked to him.

3.8 TESTIMONY OF EMPLOYEE ACCUSED OF SELLING LAND ILLEGALLY (SUBPOENAED)

The accused employee was duly sworn. He testified that he is a Ministry employee who remained stationed in Hlathikhulu after the closure of the abattoir in 2011 and was subsequently assigned duties such as caretaking of a gravesite. He testified that he had also previously khonta'd for land at Mahlabaneni and later learned that his land fell within town boundaries.

The accused employee testified that he was implicated by most public witnesses because he showed people sites after they paid money to former Mayor Simo Dlamini. He confirmed that, in most cases, he was instructed by Simo Dlamini to show people the places, and that he was sometimes present when payments were made, including in a vehicle or at a local establishment (Emnotfweni bar). He further testified that apart from Simo Dlamini, he was at times instructed by Mr Bongani Dlamini (Town Clerk) and by the accountant (Mr Artwell Dlamini) to show places to people.

He testified that members of the public would approach him about land, he would direct them to the Town Board office, and the Town Clerk or Accountant would then direct them to the mayor, after which the mayor instructed him to show the sites. He testified that the mayor presented the process as a Ministry exercise intended to register people and “absorb” them as though they had been allocated by chiefdoms. He testified he initially believed the process was lawful but later became concerned when receipts were not issued. He then began recording names and produced a list to the Commission (Appendix 19). He testified that he received approximately E200 at times for airtime/transport.

He testified that he last allocated/showed plots around Sibetsamoya after the Minister instructed that allocations stop, and that in the Magele area he ceased in 2025.

3.9 TESTIMONY OF MR VELIBANTI SIMO DLAMINI – FORMER MAYOR (SUBPOENAED)

Mr Velibanti Simo Dlamini was duly sworn. He testified that he served as Mayor from 2012 to 2022, serving two terms. He stated his role included oversight of the Town Board office and ensuring implementation of Board plans. He testified that during his tenure the Board handled several institutional requests, such as allocations for business and service entities.

He testified that he was aware that chiefdom allocations had placed people within town boundaries and that he had engaged chiefdom tindvuna on the issue. He acknowledged awareness of letters issued to residents by the Town Clerk’s office and stated that the intention of the letters was to remind residents that they were within town boundaries and should not build permanent structures.

When asked about allegations that he sold land for money, he denied the allegations and stated that people were “accusing and pursuing” him, suggesting that allegations may be linked to personal disputes and a matter pending in court. He denied receiving money for plots and denied instructing others to show plots.

3.10 TESTIMONY OF MR PATRICK “MFENEZIYAMTHOBA” MAGAGULA – FORMER INDVUNA (AFFIRMED)

Mr Patrick “Mfeneziyamthoba” Magagula chose to affirm rather than be sworn. He testified that he was the former Indvuna of KoNtjingila chiefdom. He stated that the chiefdom stopped allocating land in 2017. He confirmed the boundary clarification meeting with one former Minister and the Surveyor General’s office and confirmed the instruction to stop allocating land within town boundaries.

He denied allegations that he continued allocating land after the Minister's instruction. He testified that he only took persons previously allocated land to the Town Board to obtain letters confirming that they were within town boundaries. He alleged that some homesteads had been allocated land by past Mayors. He further testified that he observed continued building over the years on what they were told was Town Board land and stated that when he noticed this, he reported to then Mayor Simo Dlamini, who acknowledged the building was illegal and would instruct Rangers to address it.

He testified that letters were updated to new names where persons had sold their khonta'd land to others. When asked whether Town Board employees had khonta'd at his chiefdom, he stated he could not confirm and noted that chiefdom records were destroyed when the Gogo Centre burned.

3.11 TESTIMONY OF – FORMER RANGER (SUBPOENAED)

The former ranger was duly sworn and testified that he served as a Ranger from 1996 to 2022. He testified that his duties included preventing new structures on un-surveyed areas and reporting cases to the Town Clerk. He testified that during patrols they found people building without official documents, while some produced letters signed by the Town Clerk. He testified that individuals he reported would go to the Town Clerk's office and thereafter continue building, telling him that the office had authorised them to proceed. He testified that Rangers were not invited to discussions between the office and such persons and thus had no visibility on arrangements made, which undermined their enforcement role.

He also testified that he has a plot at Sibetsamoya allocated by Umphakatsi and built a four-room permanent structure despite being aware building had been stopped by the Minister. He stated he continued building because others were doing the same and no action was taken against them. During inspection *in loco*, his home was pointed out adjacent to that of Mr Artwell Dlamini.

3.12 TESTIMONY OF MR MPUMELELO CYPRIAN SHONGWE – CHAIRPERSON (SUBPOENAED)

Mr Shongwe was duly sworn in. He testified that he was aware of land allocation issues around Sibetsamoya and Nkosenkhulu. He testified that in 2024 the Town Board called meetings where the Town Clerk addressed residents on lawful land acquisition and advised them to stop building in prohibited areas. He testified that his Board had not received land applications since he became part of Council. He testified that he was aware of allocations linked to Mr Patrick Magagula and had heard allegations that Magagula continued to allocate land and demand payment. He testified that he went to the Ministry to report continued allocation and building. He testified he had heard of an employee's involvement. He further testified he did not take further action because he was threatened with a gun and feared for his life.

3.13 INSPECTION *IN LOCO*

During the Commission's inspection *in loco*, evidence of ongoing construction activity in affected areas was observed, including at a plot near aerals where rangers had alleged building

activity and ownership linked to Council staff. The inspection confirmed that building activity continued notwithstanding previous instructions communicated to residents to stop building in affected areas (annexure 20).

4. ANALYSIS

The evidence demonstrates prolonged and widespread malpractice in the allocation and alleged private sale of land within Hlathikhulu, particularly on un-surveyed government land. The prescribed legal mechanism for allocation and disposal of Crown Land is clear and is designed to ensure transparency, equity, record integrity, and lawful tenure. However, evidence indicates that formal residential allocations through the CLDC process were minimal or absent for several years, while demand for residential land increased.

Against this backdrop, two parallel and irregular practices emerged:

1. **Issuance of “temporary land concession” / allocation letters** from the Town Clerk’s office, allocating un-surveyed land and permitting semi-permanent structures, notwithstanding that the Town Clerk is not the statutory allocating authority under the Crown Land Disposal framework; and
2. **Alleged private sale of plots** to residents through cash deposits paid outside formal channels, without receipts, and with plot identification facilitated by an individual connected to Town Board/Ministry presence in town.

The Commission notes that determinations of criminal liability are matters for law enforcement and prosecutorial authorities. Nevertheless, the evidence demonstrates conduct that warrants urgent corrective administrative, disciplinary, and investigative action.

The evidence further indicates serious weaknesses in internal controls and governance, including:

- absence of transparent advertising and application processes.
- absence of lawful payment mechanisms and receipts.
- use of lists not supported by official documentation.
- changes of beneficiary names without verification; and
- limited record integrity in relation to who was allocated land and on what basis.

The testimony of His Royal Highness Prince David and Mr Mthethwa demonstrates that even where beneficiaries believe they followed formal procedures (including payment of the prescribed deposit), allocation processes may remain incomplete for extended periods, with unresolved issues including plot identification, plot size discrepancies, non-issuance of title deeds, and continued registration of plots under the Eswatini Government in the valuation roll. This points to systemic weaknesses in record integrity, allocation finalisation, and inter-institutional coordination, and reinforces the risks of confusion, disputed tenure, non-collection of lawful rates, and administrative backlogs where the CLDC has not convened regularly.

The testimony also raised concerns about possible conflicts of interest where Town Board employees or officials acquired and developed plots in the same un-surveyed areas, including admissions by Mr Artwell Dlamini and a former ranger that they possessed land and built structures outside the prescribed process. Such conduct, where proven and not properly authorised, undermines public trust and may indicate unlawful benefit.

The evidence also shows that both the Town Board and the Ministry were aware of land proliferation pressures and allegations. While the Ministry undertook boundary clarification engagements and commissioned planning reports, the lack of immediate protective measures, monitoring, and enforcement allowed continued occupation and development, including construction that persisted during the sitting of the Commission.

Finally, the scale of unauthorised occupation and construction is such that implementation of the Town Planning Scheme and orderly spatial development now presents major practical and financial challenges, with potential legal disputes and high costs associated with regularisation, servicing, or enforcement.

5. FINDINGS

The Commission finds that:

1. Malpractice in the allocation and disposal of land occurred within Hlathikhulu outside the prescribed statutory framework for Crown Land disposal.
2. No residential allocations have been processed through the formal CLDC mechanism in Hlathikhulu since 2016, notwithstanding increased land demand.
3. The Town Clerk's office issued approximately 130 "temporary" allocation/concession letters for un-surveyed land that are inconsistent with prescribed Crown Land Disposal procedures.
4. The Commission observed slips and evidence suggesting changes of beneficiary names on certain allocation letters without supporting official documentation or verification.
5. Public testimony from multiple witnesses indicates that a practice of receiving money for plots outside formal channels existed, with alleged facilitation by persons perceived to have authority and with no receipts issued.
6. The accused employee's testimony corroborated public testimony regarding plot identification and alleged instruction by senior town figures to show sites to persons who had paid money.
7. Senior Town Board leadership and management were aware of land allocation concerns, yet effective and timely reporting and prevention measures were inadequate.
8. Certain Town Board employees/officials acquired and developed plots on un-surveyed land while acknowledging that prescribed statutory allocation processes were not followed.
9. The Ministry was aware of land proliferation concerns and undertook boundary clarification and planning actions; however, oversight and preventative interventions were insufficient to stop continued occupation and development.
10. The scale of unauthorised occupation and construction is significant and creates major legal, financial, and governance risks for the Town and affected occupants.

11. Evidence from two witnesses indicates that allocation processes may remain incomplete for prolonged periods even where beneficiaries paid deposits, resulting in non-issuance of title deeds and unresolved administrative status of plots.
12. The Commission found discrepancies between the location and/or description of plots reflected in allocation documentation and the plots reflected in the valuation roll, with the plots remaining registered under the Eswatini Government.
13. The prolonged non-sitting of the Crown Lands Disposal Committee has contributed to an inability to regularise, rectify, and finalise certain allocation records and tenure arrangements in Hlathikhulu.

6. CONCLUSION

Malpractice in land allocation and the alleged private sale of plots in Hlathikhulu reflects systemic governance failure in land administration, characterised by prolonged constraints in formal land release, weak internal controls, blurred accountability, and the emergence of parallel informal and administrative practices inconsistent with statutory requirements.

The continuation of these practices has expanded unauthorised occupation and development to a scale that now threatens orderly planning, service provision, public trust, and lawful governance. Corrective action must restore legality and accountability while addressing the practical and social consequences of prolonged institutional failure.

7. RECOMMENDATIONS

The Commission recommends that:

1. **Immediate cessation of non-statutory allocations:** The HTB must immediately cease issuing “temporary land concessions” or any land allocation letters that do not comply with the Crown Land Disposal framework.
2. **Temporary land concession letters:** The Ministry should invoke the Crown Lands Disposal Act of 1911 as read with the Building Act of 1968 to address the issue of temporary land concessions for those found to be allocated outside the arrangement made by one former minister in 2018 or having more than 1 plot in the Sibetsamoya upgrading report or those representing churches, organizations and the Rural Development fund at the discretion of the Ministry.
3. **Formal referral for investigation of illegal land sales for money:** The Ministry to refer all credible allegations, lists, letters, and related testimony regarding the alleged sale of land for money to the Royal Eswatini Police Service (and any other relevant investigative authority) for investigation
4. **Records preservation and audit:** The Ministry, in collaboration with HTB, should conduct an urgent records preservation and land administration audit, including reconciliation of (i) Town Clerk files and lists, (ii) Surveyor General maps, (iii) valuation roll data, and (iv) any approved layouts, to identify double allocations, fictitious beneficiaries, missing files, and affected areas.

5. **Conflict of interest and disciplinary processes:** The Ministry and HTB should institute disciplinary processes where warranted for officials or employees who participated in unlawful allocations, facilitated irregular transactions, or failed to act within their duties, subject to due process and applicable employment rules.
6. **Public communication and fraud prevention:** The Ministry and HTB should issue a public notice clarifying the lawful process for acquiring plots, warning the public against paying individuals privately for land, and establishing a verification mechanism for any claimed allocation.
7. **Protection and support for officials and enforcement officers:** Submitted testimony relating to intimidation and threats, The Ministry should engage relevant authorities to ensure measures are implemented to protect Board members, staff, including secure reporting channels and coordination with law enforcement.
8. **Governance intervention option (where legally available):** Where evidence demonstrates persistent failure of governance and inability to discharge statutory duties, the responsible authority should consider appropriate governance interventions available in law, subject to due process.
9. **Rectification of legacy allocations:** The Ministry should establish a targeted rectification process (through the CLDC or other lawful mechanism) to resolve legacy cases where deposits were paid but title deeds were not issued, including verification of plot location and size, correction of valuation roll records where appropriate, and communication to affected beneficiaries regarding next procedural steps and rates obligations.

TOR (E): INVESTIGATION INTO THE ADEQUACY OF THE PROCESSES FOLLOWED IN THE PREPARATION OF THE VALUATION ROLL FOR HLATHIKHULU TOWN

1. LEGAL AND REGULATORY FRAMEWORK

In addressing this Term of Reference, the Commission was guided principally by the Rating Act, 1995, which regulates the preparation, publication, certification, and implementation of valuation rolls by urban local authorities. The Commission also considered:

- **Section 10** of the Rating Act, which provides that a general valuation roll must be prepared once every five (5) years and that valuers must be selected from a panel approved by the Minister.
- **Sections 16 and 17**, which require public notice and notification to property owners of the draft valuation roll and provide for objections.
- **Sections 18 to 20**, which provide for the establishment of a Valuation Court and certification of the valuation roll.
- **Section 21**, which empowers a local authority to correct errors in the valuation roll.
- **Section 22**, which specifies when a valuation roll lawfully comes into effect.
- The **Procurement Act, 2012**, governing procurement of professional services; and
- Applicable **delegation of powers instruments** for Town Boards, particularly in relation to finance and rating matters.

2. METHOD OF INQUIRY

In investigating this Term of Reference, the Commission:

- Heard oral testimony from Town Board officials, political office bearers, and professional service providers.
- Examined the draft General Valuation Roll 2024/25 and the previous certified valuation roll.
- Considered correspondence relating to procurement, publication of the valuation roll, and establishment of the Valuation Court; and
- Considered submissions from members of the public relating to rates and billing.

3. EVIDENCE AND TESTIMONY RECEIVED

3.1 TESTIMONY OF MR ARTWELL PHESHEYA DLAMINI – ACCOUNTANT, HLATHIKHULU TOWN BOARD

Mr Artwell Dlamini appeared before the Commission and was duly sworn. He testified that the Hlathikhulu Town Board prepared a General Valuation Roll in 2024, stating that the necessary procurement processes were followed.

He testified that he personally contacted Springfield Property Consultants to prepare the valuation roll and that the valuation roll was advertised, with property owners given an opportunity to object in accordance with the Rating Act.

Mr Dlamini further testified that the draft valuation roll was used as the basis for charging rates for the 2024/25 financial year. When questioned by the Commission on the legal authority for using a draft valuation roll that had not been certified by a Valuation Court, he stated that this was done on the instruction of the Town Clerk, Mr Bongani Dlamini.

3.2 TESTIMONY OF THE TREASURER

The Treasurer appeared before the Commission and confirmed that he is ordinarily responsible, from a management perspective, for administration of the Rating Act, including oversight of valuation rolls.

However, the Treasurer did not provide detailed testimony demonstrating active involvement in the preparation, verification, or implementation of the 2024 valuation roll. His evidence suggested limited engagement in the process, despite the centrality of the valuation roll to the Town Board's revenue base.

3.3 TESTIMONY OF THE CHAIRPERSON OF THE FINANCE COMMITTEE

The Chairperson of the Finance Committee testified that:

- The Finance Committee did not set new rates for the 2024/25 financial year.
- He was not aware of the detailed status of the valuation roll; and
- The Finance Committee did not deliberate on the impact of applying existing rate percentages to a new valuation roll.

The Commission noted that this testimony conflicted with the delegation of powers instrument, which assigns the fixing and levying of rates and tariffs to the Finance Committee as a first step before Board approval.

3.4 TESTIMONY OF MR MPUMELELO CYPRIAN SHONGWE – CHAIRPERSON, HLATHIKHULU TOWN BOARD

Mr Shongwe testified that the Board received complaints from property owners regarding increases in rates. He confirmed that:

- These complaints were not substantively discussed by the Board.
- Rates were not a significant focus during budget deliberations; and
- The Board relied heavily on management for technical handling of valuation and rating matters.

3.5 TESTIMONY OF MR JEREMIAH NKHATA – SPRINGFIELD PROPERTY CONSULTANTS (VALUER)

Mr Nkhata testified that in September 2024, he received a telephone call from Mr Artwell Dlamini, the Accountant, requesting a quotation for valuation services.

He testified that he advised that the procurement process should be formalised but was subsequently instructed by telephone to submit a quotation, which he did. He later received a verbal instruction to proceed with preparation of the valuation roll. He confirmed that no purchase order or written letter of appointment was issued.

Mr Nkhata testified that he proceeded with the work because his firm had previously prepared the valuation roll in 2021 and had been paid by the Town Board.

He confirmed that:

- Springfield Property Consultants is on the panel of valuers approved by the Minister, having been appointed in 2013.
- The draft valuation roll was submitted on 29 October 2024.
- Following comments from the Board, a revised draft was submitted on 15 November 2024; and
- He was paid E193,142.50 in full for services rendered up to the end of November 2024.

Critically, Mr Nkhata testified that he was not provided with the approved Hlathikhulu Town Planning Scheme (2023). He cautioned that this could result in incorrect land-use zoning and valuation where zoning had changed.

3.6 EVIDENCE ON PUBLICATION AND OBJECTIONS

Mr Nkhata testified that he was informed by the Town Board that publication and notification requirements under sections 16 and 17 of the Rating Act were complied with.

However, the Commission did not receive copies of:

- Newspaper notices; or
- Individual notices to property owners.

The Commission therefore could not independently verify full compliance with the statutory publication requirements.

3.7 EVIDENCE ON THE VALUATION COURT

The Commission reviewed correspondence showing that the Hlathikhulu Town Board notified the Ministry of its intention to prepare a valuation roll and requested establishment of a Valuation Court in terms of section 18 of the Rating Act.

Further correspondence to the Judiciary requesting assistance in establishing the Valuation Court was also reviewed. At the time of completion of the Commission's work, the Valuation Court had not been established, and the draft valuation roll had not been certified.

3.8 USE OF AN UNCERTIFIED DRAFT VALUATION ROLL

The accountant confirmed that rates for the 2024/25 financial year were assessed using the draft valuation roll. The Commission noted that section 22(1) of the Rating Act provides that a valuation roll only comes into effect from the financial year following certification by the Valuation Court which was not the case for Hlathikhulu.

3.9 DATA QUALITY AND OMISSIONS

The Commission observed that many properties listed as having unknown addresses in the previous valuation roll continued to have unknown addresses in the 2024 draft roll. This included prominent institutions.

Several residents testified that they had updated their addresses with the Town Board but never received rates bills.

The Commission further observed that the remainder of Government Farm REMAINDER OF FARM CL134, a large landholding within the town boundary, was not valued in either the previous or the draft valuation roll. The valuer testified that this land was un-surveyed and therefore excluded, consistent with past practice.

4. ANALYSIS

The evidence demonstrates that the preparation and implementation of the 2024 valuation roll was characterised by procedural irregularities, weak governance oversight, and legal non-compliance.

The appointment of the valuer was not conducted through open tender and lacked written documentation, raising concerns under both the Procurement Act and the Rating Act.

The failure to establish the Valuation Court prevented certification of the valuation roll, yet management proceeded to levy rates regardless. This decision was taken without clear legal authority and without oversight from the Finance Committee or Board.

Poor data management, including failure to update addresses and omission of significant landholdings, materially undermined the integrity of the valuation roll and the Town Board's revenue base.

5. FINDINGS

The Commission finds that:

1. The valuer was irregularly appointed through a verbal process without open tender.

2. Management failed to ensure compliance with statutory requirements governing valuation rolls.
3. The Treasurer did not adequately discharge oversight responsibilities.
4. The Valuation Court was not established timeously.
5. Rates were unlawfully assessed using an uncertified draft valuation roll.
6. The Finance Committee did not approve rate percentages applied to the draft roll.
7. Complaints from ratepayers were not properly addressed.
8. Data inaccuracies and omissions materially affected revenue collection.
9. The omission of REMAINDER OF FARM CL134 significantly understated the town's rateable value.

6. CONCLUSION

The processes followed in the preparation and use of the 2024 valuation roll were inadequate, irregular, and non-compliant with the Rating Act. These failures exposed the Hlathikhulu Town Board to legal challenge, undermined public confidence, and weakened the financial sustainability of the town.

7. RECOMMENDATIONS

The Commission recommends that:

1. The Ministry should institute disciplinary processes against management officials responsible for procurement and unlawful rate assessments.
2. The Town Board should ensure that future valuers are appointed strictly through tender processes that comply with the Procurement Act of 2011
3. The Treasurer be held accountable for managing valuation roll processes.
4. The Ministry initiates Valuation Court appointments well in advance.
5. Rates assessed on the uncertified roll be corrected and affected ratepayers formally notified by the Town Board
6. Overpayments be credited or offset by the Town Board.
7. The Town Planning Scheme be provided to valuers by the Town Board.
8. The Town Board should ensure that the draft 2024/2025 valuation roll is updated to include the land values of REMAINDER OF FARM CL134
9. HTB Management should ensure postal addresses, contacts and ownership details are continuously updated.
10. The Ministry to conduct a benchmarking exercise with neighbouring countries to update the structure for adjudicating valuation issues, to be incorporating in the on-going rating act amendment exercise.

TOR (F): INVESTIGATE ANY OTHER INCIDENTAL MATTERS

1. APPLICABLE LEGAL AND REGULATORY FRAMEWORK

In addressing this Term of Reference, the Commission was guided by the statutory and administrative framework relevant to the incidental matters raised in evidence, including:

1. **The Road Transportation Act** and associated administrative arrangements governing the recognition of transport associations and the processing/support of public transport permit renewals (including the principle that public bodies must act lawfully, rationally, and fairly when decisions affect rights or legitimate expectations).
2. **The Building Act (1968)**, including requirements relating to building application processing, recordkeeping, statutory timelines, and registers maintained by the local authority or its designated technical functionaries.
3. Principles of public administration and internal control, including procedural fairness, transparency, record integrity, performance monitoring, and accountability.

2. METHOD OF INQUIRY

In investigating TOR (F), the Commission:

1. Heard oral testimony from affected stakeholders and HTB management officials.
2. Reviewed documentary materials submitted or made available to the Commission relating to the two incidental matters described below, including sample entries from the building application register.
3. Assessed evidence against applicable legal requirements and basic governance standards (lawfulness, fairness, recordkeeping, and performance controls).

3. EVIDENCE AND TESTIMONY RECEIVED

3.1 Incidental Matter 1: Transport Association Issue

3.1.1 Witnesses and documentary basis

The Commission relied on testimony from:

- **Secretary of the Swaziland Local Transport Association** (witness for the Association); and
- **The Town Clerk (CEO) of Hlathikhulu Town Board** (witness for HTB).

No additional documentary record of the meeting that allegedly preceded the change in HTB's recognition approach (i.e., a minute, resolution, or formal notice) was presented to the Commission as part of the summary provided to the Commission in this component. The Commission therefore records the events below primarily as witness testimony, assessed against the Town Clerk's response and the applicable law.

Testimony of the Secretary: Swaziland Local Transport Association

The Secretary testified, in substance, as follows:

1. Institutional background and relationship history

- The Swaziland Local Transport Association is a registered association, registered in 1995, and provides transport services to multiple urban centres.
- The Association maintained cordial working relations with Hlathikhulu Town Board (HTB) for many years, up to and including the period prior to 2025.

2. Internal elections and emergence of a breakaway group

- The Association held elections in December 2024.
- Certain executive committee members who lost positions allegedly “jumped ship” and joined another association.

3. Change in HTB recognition and consequences

- Around June 2025, the Secretary and/or the Association were informed that HTB would now recognise only a different association called the Shiselweni Regional Transport Association.
- The Secretary testified that the Swaziland Local Transport Association understood this shift to have followed a meeting involving the new association and HTB leadership, specifically referencing a meeting “between this new association and the Mayor and the Accountant.”
- Following this change, HTB allegedly ceased recommending permit renewal applications for members of the Swaziland Local Transport Association, notwithstanding that HTB had done so historically as part of its administrative support role.
- The Association testified that approaches to the Town Clerk to resolve the matter were unsuccessful, and the Association felt that HTB’s approach created the impression that HTB had taken sides in an internal association dispute (i.e., supporting a faction that had lost leadership positions).

The Commission records that the Association’s evidence is presented as its understanding and lived consequences, including the allegation that HTB’s shift occurred after a meeting involving HTB leadership and the new association.

Testimony of the Town Clerk (CEO)

The Town Clerk testified, in substance, as follows:

1. He confirmed that there was an issue/dispute involving the Swaziland Local Transport Association and HTB.
2. He acknowledged the Association’s impression that HTB was supporting a faction that had lost its executive positions, without hearing the Association’s side, despite the long-standing relationship.
3. He testified that HTB had been led to believe that the Board could only support applications from the Regional Transport Association.
4. He further testified that it has since been clarified that the law does not prescribe that HTB may only support the regional association.

5. He committed that HTB would support applications from both associations, implying that HTB would correct its earlier approach.

The Commission records this as an acknowledgment by HTB management that the earlier restriction to one association lacked a lawful foundation once clarified, and that corrective steps were intended.

3.2 INCIDENTAL MATTER 2: NEGLIGENCE IN COMPLETION OF BUILDING APPLICATION REGISTER AND INEFFICIENCY IN PROCESSING

3.2.1 Evidence base reviewed by the Commission

The Commission reviewed:

- Copies/samples of the building application register maintained for the formal/planned part of town, kept through the Town Engineer function (also referred to in evidence as the “Resident Engineer”).
- A sample of entries spanning prior years and including 2024–2025 examples.

The Commission notes that maintenance of a building application register is a core control document. Where the register is incomplete, inconsistent, or internally contradictory, it undermines:

- auditability of decisions,
- proof of compliance with statutory timelines,
- ability to investigate irregular approvals, and
- public confidence in lawful development control.

Observations from the building register: specific examples identified by the Commission

From the review of the sample entries, the Commission observed the following specific deficiencies and anomalies (recorded here in detail):

1. **Missing description of development (Plot 356, Extension 7)**
 - The register entry for Plot 356, Extension 7, belonging to Mr Simo Dlamini, who was Chairperson of the Board at the time, reflected that the application was submitted on 19 October 2020.
 - The Commission observed that the register had no description of the development for this entry, which is a basic omission that compromises the integrity of the register and prevents meaningful monitoring and verification.
2. **Incorrect plot description recorded**
 - The same entry was captured incorrectly as Plot 356, Extension 5, whereas the correct plot was Plot 356, Extension 7.
 - The Commission considered this not merely a clerical inconvenience but a material defect that creates uncertainty as to which property was considered, assessed, inspected, and approved.

3. **Apparent undervaluation of estimated development cost; unusually low scrutiny fee**

- The estimated value of the development was recorded as E50,000, which the Commission considered clearly undervalued relative to the nature of the development later reflected in valuation processes.
- The Commission recorded that this estimated value was among the lowest values reflected in the register at the time.
- The scrutiny fee paid for the application was recorded as E60, and the Commission observed that this was the lowest scrutiny fee recorded in the register for the last ten (10) years.
- The Commission further noted that the same development was valued at E980,000 in November 2024 in the draft valuation roll, indicating a significant disparity between the estimated value recorded at application stage and the later assessed property value.

The Commission records, as an analytical concern, that such undervaluation could have the practical effect of reducing fees payable and therefore creates a risk that the estimated value field may have been used inaccurately or dishonestly. The Commission records this as a risk inference grounded in the magnitude of the disparity; it does not, by itself, constitute a criminal determination without further investigation.

4. **Missing referral dates to technical departments (process monitoring failure)**

- The register did not reflect the dates when applications were submitted to key technical stakeholders such as:
 - Fire and Emergency Services,
 - Planning Section,
 - Water Services.
- The Commission found that absence of these referral dates makes it impossible to monitor processing efficiency, identify bottlenecks, and prove compliance with workflow requirements.

5. **Missing dates of approval over an extended period**

- **From November 2020 to February 2024, the column where the date of approval** is normally filled in was not completed.
- The Commission found that this deficiency made it impossible to determine whether applications were approved within lawful timelines, and it undermined the credibility of the register as an instrument of accountability.

6. **Internal contradictions: approvals dated before submissions (2024 examples)**

The Commission observed at least two examples in 2024 where the register indicated approval dates preceding submission dates:

- **Building Application HK 284**
 - Recorded as submitted on 5 November 2024,
 - but recorded as approved on 29 October 2024.
- **Building Application HK 285**
 - Recorded as submitted on 18 November 2024,
 - but recorded as approved earlier on 29 October 2024.

The Commission finds that such entries are self-evidently contradictory and indicate either:

- defective recordkeeping of a serious nature, or

- a deeper governance concern where approvals are being recorded without lawful submission chronology.

The Commission does not speculate beyond these possibilities but records that the contradiction is material and warrants investigation.

3.2.2 Inefficiency in processing building applications (2025 performance evidence)

The Commission also observed evidence of inefficiency in processing timelines:

- In 2025, out of seven (7) building applications reviewed, only two (2) were processed within the six-week deadline prescribed by section 12 of the Building Act.
- This reflects a compliance rate of approximately 29% in the sample reviewed.
- Some residential building applications took over three (3) months to approve.

The Commission records that delayed approvals expose property owners to:

- increased costs, uncertainty, and scheduling risk, and may incentivise informal construction. The Commission further records that such delays expose HTB to reputational damage and undermine confidence in lawful planning and building control.

4. ANALYSIS

4.1 Transport Association Issue: fairness, lawfulness, and stakeholder trust

The evidence shows that HTB's approach in or around June 2025—supporting permit-related administrative processes for only one association—had practical consequences for members of another long-standing association. On the Town Clerk's own evidence, HTB's earlier approach was based on a belief that the Board could only support applications from the Regional Association, and that belief was later clarified to be incorrect.

The Commission finds that where a public body's decision materially affects stakeholders' ability to access administrative processes (such as permit renewals), procedural fairness and legality are essential. A decision that appears to favour one group over another—particularly in circumstances where there is an internal election dispute—predictably creates perceptions of bias and may undermine community trust in the Town Board's neutrality.

4.2 Building Register Defects: internal control collapse in recordkeeping and performance monitoring

The Commission finds that the building application register defects are not minor clerical errors. They are systemic weaknesses that undermine the entire building control process as a governance function, because:

1. The register is a core compliance record and should allow retrospective verification of legality. Missing approval dates over several years render the register incapable of proving lawful processing.

2. Incorrect plot identifiers create uncertainty about which property was approved and inspected.
3. Apparent undervaluation and unusually low scrutiny fees create risk indicators that require investigation, especially where the applicant is an office bearer or influential figure.
4. Referral dates to technical departments are necessary for process tracking; their absence defeats internal control over service standards.
5. Entries showing approvals predating submissions are inherently irregular and raise questions about authenticity and integrity of the record.

The Commission finds that these weaknesses demonstrate gross negligence in a statutory function and inadequate monitoring of the building control service.

5. FINDINGS

5.1 Findings: Transport Association Issue

1. HTB took a decision (or implemented an approach) that resulted in HTB supporting permit-related administrative processes for only the Shiselweni Regional Transport Association, to the exclusion of the Swaziland Local Transport Association, without evidence that the affected association was afforded an adequate opportunity to be heard prior to implementation.
2. This created the impression that HTB was supporting a faction that lost leadership elections within the Swaziland Local Transport Association, thereby undermining stakeholder confidence in HTB's neutrality and fairness.
3. On the Town Clerk's testimony, the earlier approach had no legal basis once clarified, and the Town Clerk committed that HTB would support applications from both associations.

5.2 Findings: Negligence in Building Application Register and Inefficiency

1. The building application register for the formal area of town was maintained but was not diligently completed, with material omissions and errors that undermine its reliability and legal defensibility.
2. The Commission identified specific irregularities including:
 - missing development descriptions.
 - incorrect plot identifiers.
 - approval dates missing for a multi-year period.
 - contradictory entries indicating approvals before submissions; and
 - missing referral dates to technical departments.
3. The Commission identified indicators suggesting possible undervaluation of development cost declarations in at least one example (Plot 356 Ext 7), including a recorded estimated cost (E50,000) and a scrutiny fee (E60) inconsistent with the later valuation (E980,000). The Commission records this as a risk indicator requiring further inquiry rather than as a concluded finding of fraud.

4. HTB's building application processing performance in 2025, based on the reviewed sample, was materially non-compliant with the statutory six-week timeframe, with only 2 of 7 applications processed within six weeks and some taking more than three months.

6. RECOMMENDATIONS

6.1 Transport Association Issue

1. HTB must conduct itself fairly and neutrally toward all stakeholders and must refrain from taking decisions that materially affect one stakeholder group without affording that group an opportunity to be heard.
2. HTB should urgently correct the practice and resume supporting, where justified, permit renewal processes for members of both the Swaziland Local Transport Association and the Shiselweni Regional Transport Association, in accordance with the governing law.

6.2 Building Register Negligence and Processing Inefficiency

3. The Commission recommends that HTB institute a disciplinary and performance-management process to determine responsibility for the gross negligence in maintaining the building application register and to apply appropriate corrective action and sanctions where warranted.
4. The Ministry should consider using the ongoing Building Act review process to introduce provisions that encourage honesty and accountability in applicant-submitted information, including the estimated cost of development, and to strengthen sanctions for knowingly false declarations.
5. HTB and the Ministry should implement routine monitoring and reporting on processing timelines for building applications, including monthly reporting against the six-week statutory deadline in section 12 of the Building Act, with remedial action where backlogs emerge.
6. HTB should standardise the building application register format and enforce mandatory completion of all key fields (plot identification, development description, submission dates, referral dates, approval date, and inspection milestones), including supervisory sign-off to ensure data integrity.

MATTERS RAISED FOR REFERRAL TO COMPETENT AUTHORITIES

During its work, the Commission received evidence and representations raising serious concerns that arrived late for the commission to interrogate further. These matters have been written as received and are set out below for referral to the competent authorities to conduct further investigation into their veracity:

1. Alleged Non-Disclosure of Illegal Land Acquisitions by Public Office Bearers.

It has come to public attention that two high-profile political figures may not have appeared before the Commission to declare or clarify alleged illegal land acquisitions within the Hlathikhulu area:

- a). A political figure who is alleged to have acquired land from Mr Artwell Dlamini, situated on one of the cleared lands below the Hlathikhulu Sports Centre.
- b). A senator & Chief, who is alleged to have acquired land through a town board employee, reportedly originating from Mr Artwell Dlamini and Mr Simo Dlamini.

Recommendation

That all allegations relating to illegal or irregular land acquisition by public office bearers or politically exposed persons be formally referred to the appropriate investigative and legal authorities for:

- Verification of land acquisition processes.
- Assessment of conflicts of interest or abuse of office; and Determination of whether disciplinary, civil, or criminal proceedings are warranted.

2. Alleged Misuse of a Town Board Credit Facility at Buy Cash Hardware, Hlathikhulu.

Serious concerns have been raised regarding the alleged misuse of a Town Board credit account held with Buy Cash Hardware, Hlathikhulu. Information obtained from sources considered reliable suggests that, over several years, building materials were allegedly purchased on credit under Town Board invoices but delivered to private construction sites linked to:

- Mr. Artwell Dlamini (former Accountant),
- Mr. Simo Dlamini (former long-serving Town Board Chairperson), and
- Mr. Bongani Dlamini (former Town Clerk).

It is further alleged that materials were released by an employee of the Town Board and subsequently transported them using private vehicles to these sites.

Recommendation

That this matter be referred for a forensic audit and investigation, specifically to:

- Reconcile all purchases made through Town Board credit facilities over the relevant period.
- Examine invoices, delivery notes, supplier statements, and site delivery confirmations.
- Identify any materials delivered to non-municipal sites; and
- Quantify any financial loss to the Town Board.

Protection of Employees and Witnesses Facing Intimidation.

We respectfully seek urgent attention to the safety and protection of Town Board employees and other individuals who allege intimidation and threats related to so-called “promise, cattle-for-jobs” arrangements. Of particular concern is a reported call made on 24 December 2025 by Mr. Artwell Dlamini to a Town Board employee, allegedly inquiring about the delivery of a cow purportedly owed, including references to its reproductive status.

Affected individuals have expressed fear of reporting these matters to the local police due to alleged associations between the implicated persons and certain members of law enforcement, observed within the Hlathikhulu area. This climate of fear undermines justice and requires urgent institutional intervention.

Recommendation

That:

1. Allegations of intimidation and fear of reporting be referred to appropriate oversight and law enforcement authorities; and
2. A formal witness-protection or alternative reporting pathway be established for affected individuals, including referral mechanisms outside the local police station command structure, where justified, to ensure safe reporting and investigation.

Alleged Abuse of Town Board Powers in Local Factory Recruitment.

We further pray that a recommendation be made to the Honourable Minister of Commerce to investigate allegations that Mr Simo Dlamini and Mr Artwell Dlamini exercised undue influence over recruitment processes at local factories through their Town Board authority. It is alleged that this resulted in the exclusion of many Hlathikhulu residents and the appointment of Mr Artwell Dlamini’s son to a human resources role, reportedly acting under his father’s directives.

Additionally, it has been brought to our attention that several employees who reported abuse to the local police were subsequently dismissed from their employment, raising serious concerns as to how confidential police reports may have been disclosed to employers.

Recommendation

That these allegations be referred to:

- The Minister responsible for Commerce/Industry (or relevant sector authority).
- Labour and employment oversight authorities; and

- Appropriate policing or oversight bodies for review of alleged misuse of police or confidential records.

Closing Note on Referrals

The Commission emphasises that:

- These matters are recorded as allegations and representations, not final determinations.
- Referral is recommended to ensure independent, lawful, and specialised investigation.
- Addressing these matters is essential to restoring public trust, protecting whistleblowers, and preventing recurrence of governance failures identified throughout this report.

CONCLUSION

The Commission of Inquiry concludes that the situation at Hlathikhulu Town Board represents a profound and systemic failure of local government, extending well beyond isolated acts of error, negligence, or misunderstanding of the law. The evidence establishes that, over an extended period, the Town Board's governance, administrative, financial, planning, and enforcement systems ceased to function as lawful institutional mechanisms and instead operated through informal, undocumented, and personality-driven practices.

At the centre of these failures was the erosion of the rule of law in day-to-day administration. Although Hlathikhulu Town Board was governed by clear statutory frameworks—including the Urban Government Act, the Crown Lands Disposal Act, the Building Act, the Rating Act, and procurement legislation—these laws were not consistently applied, respected, or enforced. Legal compliance became selective, discretionary, and at times openly disregarded.

The Commission finds that formal governance structures existed largely in form rather than substance. Board meetings were held, but minutes were incomplete, inconsistent, or missing. Committees such as the Finance Committee existed but were not provided with information or time necessary to exercise oversight. Delegations of power were outdated or unclear in practice, and key decisions—particularly those relating to land, procurement, building control, and rates—were frequently made outside properly minuted and authorised processes.

A recurring and deeply concerning theme across all Terms of Reference was the concentration of influence in administrative roles, particularly within management, coupled with weak or intimidated oversight by the Board. Evidence from councillors, staff, and community members demonstrated that questioning decisions, insisting on documentation, or challenging irregular practices was often discouraged, resisted, or perceived as unsafe. This environment fostered compliance through fear rather than accountability through law.

In relation to land administration, the Commission concludes that Hlathikhulu experienced a prolonged paralysis of lawful land release mechanisms. The failure of the Crown Lands Disposal Committee to convene regularly created a vacuum that was not filled by lawful interim arrangements, but rather by unlawful substitutes. Into this vacuum entered the issuance of “temporary land concession” letters, changes of beneficiaries without verification, and alleged private sale of land through informal cash transactions. These practices were not authorised by law, were not transparent, and exposed residents—many of whom acted in good faith—to severe tenure insecurity and potential loss.

The Commission is particularly troubled by the evidence that official letters bearing Town Board stamps and signatures were used to create an appearance of legality, upon which residents relied to build homes, churches, and businesses. Regardless of intent, this practice blurred the distinction between lawful authority and informal accommodation, and it is foreseeable that it will result in prolonged disputes, litigation, and hardship for affected families.

The failure to enforce building control compounded the land administration crisis. In unplanned areas, building control effectively collapsed. Rangers identified illegal construction but were undermined by contradictory instructions and letters issued by the Town Clerk. Enforcement processes were excessively slow, fragmented, and distorted by administrative practices not supported by the Building Act. The result was predictable: by the time any enforcement action was contemplated, buildings were already complete, making demolition legally and socially fraught.

The Commission finds that parallel regulatory regimes emerged within the same town—one lawful and functional in planned areas, and another informal, undocumented, and legally indefensible in unplanned government land. This dual system is incompatible with orderly urban governance and undermines the credibility of both the Town Board and the Ministry.

In respect of financial governance, the Commission concludes that internal controls were weak, inconsistently applied, and frequently overridden. Procurement processes lacked transparency and competitiveness, related-party transactions persisted without effective mitigation, pricing anomalies were evident, and audit recommendations were repeatedly ignored or implemented only superficially. The valuation roll process—central to the Town Board’s revenue base—was conducted in a manner that was procedurally irregular and legally non-compliant, culminating in the unlawful levying of rates based on an uncertified draft roll.

These financial governance failures were not victimless. They undermined revenue integrity, exposed the Town Board to legal challenge, placed unfair burdens on ratepayers, and contributed directly to the Town Board’s recurring financial distress and reliance on government bailouts.

The Commission further concludes that the relationship between the Town Board and the Ministry suffered from serious structural weaknesses. While the Ministry was not absent, its oversight mechanisms were insufficiently systematic, proactive, or enforced. Gaps in submission of minutes, delayed awareness of contract expiries, limited technical site visits, and reliance on assumptions of compliance allowed governance failures at local level to persist unchecked for too long.

Crucially, the Commission does not find that these outcomes can be attributed solely to lack of capacity or resource constraints. While such constraints exist, the evidence demonstrates active decisions, omissions, and practices that departed from legal requirements, even where guidance, warnings, and audit findings were available. In several instances, corrective action occurred only when external scrutiny intensified, suggesting a reactive rather than compliance-driven governance culture.

The cumulative effect of these failures has been severe erosion of public trust. Residents who appeared before the Commission expressed deep frustration, anger, and disillusionment with the Town Board. Many no longer trust that decisions are made fairly, lawfully, or in the public interest. This loss of trust is itself a material harm, as it weakens voluntary compliance, cooperation, and legitimacy of local government.

The Commission emphasises that its findings are institutional, not merely personal. While individual conduct must be investigated and addressed through appropriate disciplinary and criminal justice processes, the broader lesson is that systems failed—systems of governance, oversight, documentation, enforcement, and accountability. Unless these systems are rebuilt deliberately and decisively, replacing individuals alone will not prevent recurrence.

Accordingly, the Commission concludes that incremental or cosmetic reforms will be insufficient. What is required is a coordinated, lawful, and transparent reset of governance in Hlathikhulu—one that restores the primacy of statute, clarifies roles and responsibilities, protects those who act lawfully, and re-establishes public confidence.

The Commission’s recommendations are therefore framed not only to address past wrongdoing, but to prevent future institutional failure, protect residents who acted in good faith, safeguard public assets, and ensure that Hlathikhulu can develop in an orderly, equitable, and sustainable manner consistent with national law and policy.

Failure to act decisively on these findings will, in the Commission's considered view, expose the Government, the Town Board, and the community to escalating legal disputes, financial losses, and social instability. Conversely, prompt and firm action offers an opportunity to restore lawful governance and set a precedent for strengthening urban administration across the Kingdom.

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RECOMMENDATIONS

The Commission recommends the following corrective actions under TOR (A):

Governance stabilisation and lawful functioning

1. **Governance intervention:** The Ministry to dissolve the current Board (following lawful process) and appoint an interim Board to stabilise governance and restore lawful control pending the appointment/election of a new Board.
2. **Mandatory governance training:** The Ministry to ensure induction and refresher trainings every 2 years for all councillors and management on the Urban Government Act, Standing Orders, committee roles, oversight duties, lawful escalation and recordkeeping.
3. **Standing Orders review:** The Town Board to review and update the 2006 Standing Orders to clarify attendance, participation, meeting discipline and governance controls in line with current governance needs.
4. **Delegation of powers renewal:** The Ministry should monitor and follow up on the prescribed annual adoption and review of delegation of powers as a standing inaugural agenda item; ensure delegations match actual operations and are properly documented.
5. **Minutes reform:** The Town Board to implement a mandatory minute's template capturing motions, proposers/seconders, key deliberation summary, resolutions, action owners and deadlines; ensure minutes are signed, stored and submitted to the Ministry in line with the standing orders and Urban Govt Act.
6. **Ministry oversight:** The Ministry to establish a monitoring mechanism for submission of minutes and implementation of resolutions.
7. **Implementation of Audit Report findings:** the Town Board to ensure development of **Audit implementation plan** with quarterly reporting to the Ministry; failure to implement should attract disciplinary consequences.
8. **Recapitalisation plan for HTB:** The Ministry to develop a recapitalisation plan to ensure adequate funding for the implementation of commission recommendations and running of the Town.

HR controls and administrative compliance

9. **HR compliance overhaul:** The Town Board to standardise and update employee files; correct contract deficiencies (including salary); include job descriptions; ensure lawful recruitment records exist.
10. **Policy framework:** The Town Board to develop and implement HR policies (recruitment, leave, discipline, loans, performance management, exit) and operational policies (procurement, petty cash, travel, allowances).
11. **Records management:** The Town Board to institute a structured filing system and/or digitisation, with controlled access, retention schedules and a document register.

12. **Workplace protection:** The Town Board to establish a whistleblower and staff protection mechanism to ensure staff can report wrongdoing and quality issues without fear.
13. **Recruitment and Establishment of key positions:** The Town Board to engage qualified and competent staff in the positions of: Town Clerk, Accountant and establish HR officer position to manage HR issues, a Personal Secretary to the Town Clerk, substantive Town Treasurer, Town Planner and Town Engineer

Procurement and conflict of interest remediation

14. **The Town Board to Immediately terminate employee related supply arrangements** and re-tender in accordance with the procurement regulations.
15. **The Ministry through the Auditor General's office to conduct a Forensic procurement and payment investigation** into PHD Stationery and Liks Boutique for the full period of supply (2018–2025), including:
 - tender processes and compliance.
 - pricing benchmarking and overpricing assessment.
 - payment approvals and authorisations.
 - contract authenticity and signing dates; and
 - conflict declarations and mitigation.
16. **The Ministry to facilitate Recovery action** where overpricing, unjust enrichment or irregular expenditure is established.
17. **The Ministry to ensure Referrals** to the relevant law enforcement and procurement authorities where evidence indicates potential criminality (fraud, abuse of office, procurement offences, etc.).
18. The Town Board to Require **annual conflict-of-interest declarations** by councillors + senior management; publish a summary register for accountability
19. The Town Board to fully comply with the Public Procurement Act of 2011 and the Public Procurement Regulations of 2020 and arrange for training of all staff involved in procurement.

Financial controls and audit follow-through

20. The Town Boards should ensure that the audit report is first submitted to the finance committee to promote compliance with the delegation of powers instrument
21. **strengthening Segregation of Duties**
The Town Board should restructure the finance function to ensure clear separation between preparation, authorisation, verification, and recording of transactions, supported by written procedures and audit trails. Where reliance on subordinates is necessary, it must be accompanied by documented supervisory review, including checklists, sign-off protocols, and independent oversight by the Treasurer or another authorised official
22. **Formal Risk and Occupational Assessments**
For all senior officials occupying high-risk control positions, Town Boards, under Ministry guidance, should ensure that documented occupational and operational risk assessments are undertaken, with reasonable accommodation measures implemented where necessary and appropriate.
23. The Town Board should facilitate the immediate transfer of the assets registered in employee names to the Town Board.

Community Relations

24. The Town Board to adopt and implement a **formal customer care and ratepayer engagement policy**, including clear procedures for:

- a. Payment arrangements.
 - b. Objections and appeals under the Rating Act.
 - c. Updating of ownership and address records.
25. The Town Board to ensure that staff receive **training on ethical conduct, public service values, and respectful engagement with vulnerable community members.**
 26. The Town Board to develop a complaints management procedure
 27. The Ministry to monitor implementation of these measures as part of broader governance reforms.

The Commission recommends the following corrective actions under TOR (B):

Capacity Building on Spatial Management Tools

28. The Ministry should facilitate structured training for Hlathikhulu Town Board councillors and senior officials on the practical application of spatial management tools, particularly the Town Planning Scheme.
 29. Given the Town Board's financial constraints, the Ministry should lead and resource this capacity building.
- Such training should occur at least once every two years for town boards.

Urgent Review of the Hlathikhulu IDP

30. The Hlathikhulu Integrated Development Plan (IDP 2022–2027) should be reviewed and amended by the HTB to incorporate relevant and implementable elements of the TPS implementation matrix, particularly those relating to:
 - informal settlement upgrading,
 - affordable housing provision,
 - land release sequencing,
 - infrastructure planning for new residential areas.

Technical Support Through Shared Planning Resources

31. Because this is Hlathikhulu's first TPS and none of the staff has practical experience implementing a TPS, the Ministry should facilitate planning support, including a structured arrangement for **resource sharing or mentorship** from a more resourced local authority, such as Nhlango Town Council.

Mandatory Integration of TPS Programmes into IDPs

32. Considering the resources and effort invested in preparing a TPS and its decade-scale planning horizon, the Ministry should issue policy direction that TPS implementation programmes must be incorporated into IDPs and annual budgets as a matter of requirement.

Public Launch and Communication of the TPS

33. Hlathikhulu Town Board should formally launch and communicate the Town Planning Scheme to:
 - i. councillors,
 - ii. Town Board officials,
 - iii. and the community.

This should include clear explanation of what TPS approval means for land use rights, building permissions, and how residents may lawfully pursue residential plots.

Clarification and Acceleration of Sibetsamoya Upgrading Process

34. The Ministry should lead a structured process workshop with the Town Board to clarify, in a documented step-by-step manner:
 - i. the outstanding steps for Sibetsamoya upgrading,
 - ii. the responsible institution for each step (HTB, CLDC, HSA, Physical Planning),
 - iii. realistic timelines and deliverables.
35. The Ministry and HTB should then craft and publish a clear strategy for upgrading Sibetsamoya and other informal settlement areas, aligned to the TPS, and share it with the community to reduce misinformation and frustration.

Urgent Convening of the Crown Lands Disposal Committee

36. The Ministry should urgently convene the Crown Lands Disposal Committee for Hlathikhulu to:
 - i. address residential plot allocations,
 - ii. regularise long-outstanding allocations,
 - iii. and make decisions on release of land for planned development.
37. The Ministry should institute monitoring of implementation of CLDC decisions, with reporting back to both HTB and the Ministry.
38. The Ministry should ensure regular sittings of the CLDC for Hlathikhulu, at least twice a year, publish an allocation schedule, and reintroduce transparent advertisement/application processes to reduce incentives for informal transactions.
39. The Ministry should facilitate the enforcement of plot allocation conditions

Immediate Control Over Unauthorised “Temporary Concessions”

40. Hlathikhulu Town Board should cease issuing any letters or instruments that purport to confer land rights or tenure on Government land outside the lawful disposal framework.
41. Any existing temporary concession letters should be reviewed in a structured process led by the Ministry to determine:
 - i. what rights (if any) can be recognised,
 - ii. what regularisation pathway exists,
 - iii. and how to manage equity and service delivery implications
42. The Ministry should issue a **written, step-by-step directive** clarifying the lawful pathway for:
 - township establishment / upgrading,
 - land release processes,
 - roles of CLDC vs HSA vs Physical Planning,
 - what HTB can and cannot issue (to stop “letters as tenure”). This directly reduces future “misunderstanding” defences.
43. implement an annual (or biannual) **spatial audit**: mapped growth of informal settlements, inventory of structures, and risk ranking—shared with the community to reduce speculation.

To restore lawful and effective building control enforcement (TOR C), the Commission recommends:

Alignment of Ministry support to the Building Act

44. The Ministry must urgently align all technical support arrangements (including joint Town Engineer systems) to the statutory requirements of the Building Act and regulations. Internal practices that are not grounded in statute—particularly sign-off requirements that delay enforcement—must be reviewed and either lawfully formalised or discontinued.

Mandatory training and refresher orientation

45. The Ministry should implement training for Town Engineers, Township Engineers, and Town Board leadership on the Building Act, including:
 - statutory powers and duties of the “Engineer,”
 - lawful notice processes,
 - evidence requirements for court action, and
 - time-critical enforcement steps for active construction sites.

Clear orientation of HTB on roles and enforcement limits of the Town Clerk

46. HTB must be formally oriented that:
 - land allocation and building approvals are distinct processes regulated by different legislation.
 - the Town Clerk has no authority to grant building approvals; and
 - all building approvals must be processed through the lawful building control pathway.

Standardised reporting and enforcement tracking system

47. The Ministry and HTB should adopt standard reporting templates for:
 - a. monthly and quarterly illegal construction reports,
 - b. notices issued, compliance outcomes, and escalation actions,
 - c. active “hotspot” locations, and
 - d. status of enforcement steps (dates, responsible officer, next action).These reports must be discussed at regular technical and management meetings at both HTB and Ministry level.

Regular joint site visits and escalation mechanism

48. There should be scheduled annual (at minimum) joint site visits by senior Ministry technical management and HTB leadership, focusing specifically on unplanned settlement areas. In addition, a rapid escalation mechanism must exist for urgent enforcement on active construction.

Development of a consistent national approach to chiefdom-related encroachments

49. The Ministry should develop a consistent, written, and legally defensible process for urban areas experiencing encroachment arising from chiefdom allocations. This must balance:
- a. legality of urban land governance,
 - b. human settlement realities, and
 - c. enforcement practicality and must be based on assessment of how comparable towns have managed similar issues.

Disciplinary investigation for negligence in building control duties

50. The Commission recommends disciplinary investigation into the conduct of officials whose duties included building control enforcement and oversight, specifically in relation to the prolonged absence of lawful enforcement action in unplanned areas, including:
- d. the Town Clerk (for issuing letters purporting to authorise building),
 - e. the Resident/Joint Town Engineer (for lack of documented enforcement steps and lack of reporting on unplanned areas), and
 - f. the Township Engineer (for lack of monitoring, lack of visits, and reliance on non-statutory practice that delayed enforcement).

51. Establish a mandatory minimum set of enforcement actions for illegal construction:

- a. standard notice templates,
- b. a fixed escalation timeline (e.g., 7/14/30 days),
- c. photographic evidence + GPS pin,
- d. case file register,
- e. monthly enforcement report to council + Ministry.

52. Obtain formal legal guidance (AG/Ministry legal) on:

- a. status and legal consequences of “temporary concession letters,”
- b. liability exposure for HTB if those letters induced investment,
- c. appropriate remedial/regularisation steps

The Commission recommends the following for TOR D:

53. **immediate cessation of non-statutory allocations:** The HTB must immediately cease issuing “temporary land concessions” or any land allocation letters that do not comply with the Crown Land Disposal framework.
54. **Temporary land concession letters:** The Ministry should invoke the Crown Lands Disposal Act of 1911 as read with the Building Act of 1968 to address the issue of temporary land concessions for those found to be allocated outside the arrangement made by one former minister in 2018 or having more than 1 plot in the Sibetsamoya upgrading report or those representing churches, organizations and the Rural Development fund at the discretion of the Ministry.

55. **Formal referral for investigation of illegal land sales for money:** The Ministry to refer all credible allegations, lists, letters, and related testimony regarding the alleged sale of land for money to the Royal Eswatini Police Service (and any other relevant investigative authority) for investigation
56. **Records preservation and audit:** The Ministry, in collaboration with HTB, should conduct an urgent records preservation and land administration audit, including reconciliation of (i) Town Clerk files and lists, (ii) Surveyor General maps, (iii) valuation roll data, and (iv) any approved layouts, to identify double allocations, fictitious beneficiaries, missing files, and affected areas.
57. **Conflict of interest and disciplinary processes:** The Ministry and HTB should institute disciplinary processes were warranted for officials or employees who participated in unlawful allocations, facilitated irregular transactions, or failed to act within their duties, subject to due process and applicable employment rules.
58. **Public communication and fraud prevention:** The Ministry and HTB should issue a public notice clarifying the lawful process for acquiring plots, warning the public against paying individuals privately for land, and establishing a verification mechanism for any claimed allocation.
59. **Protection and support for officials and enforcement officers:** Submitted testimony relating to intimidation and threats, The Ministry should engage relevant authorities to ensure measures are implemented to protect Board members, staff, including secure reporting channels and coordination with law enforcement.
60. **Governance intervention option (where legally available):** Where evidence demonstrates persistent failure of governance and inability to discharge statutory duties, the responsible authority should consider appropriate governance interventions available in law, subject to due process.
61. **Rectification of legacy allocations:** The Ministry should establish a targeted rectification process (through the CLDC or other lawful mechanism) to resolve legacy cases where deposits were paid but title deeds were not issued, including verification of plot location and size, correction of valuation roll records where appropriate, and communication to affected beneficiaries regarding next procedural steps and rates obligations.

The Commission recommends the following for TOR (E):

62. The Ministry should institute disciplinary processes against management officials responsible for procurement and unlawful rate assessments.
63. The Town Board should ensure that future valuers are appointed strictly through tender processes that comply with the Procurement Act of 2011
64. The Treasurer be held accountable for managing valuation roll processes.
65. The Ministry initiates Valuation Court appointments well in advance.
66. Rates assessed on the uncertified roll be corrected and affected ratepayers formally notified by the Town Board
67. Overpayments be credited or offset by the Town Board.
68. The Town Planning Scheme be provided to valuers by the Town Board.
69. The Town Board should ensure that the draft 2024/2025 valuation roll is updated to include the land values of REMAINDER OF FARM CL134

70. HTB Management should ensure postal addresses, contacts and ownership details are continuously updated.
71. The Ministry to conduct a benchmarking exercise with neighbouring countries to update the structure for adjudicating valuation issues, to be incorporating in the on-going rating act amendment exercise

The Commission recommends the following for TOR (F):

Transport Association Issue

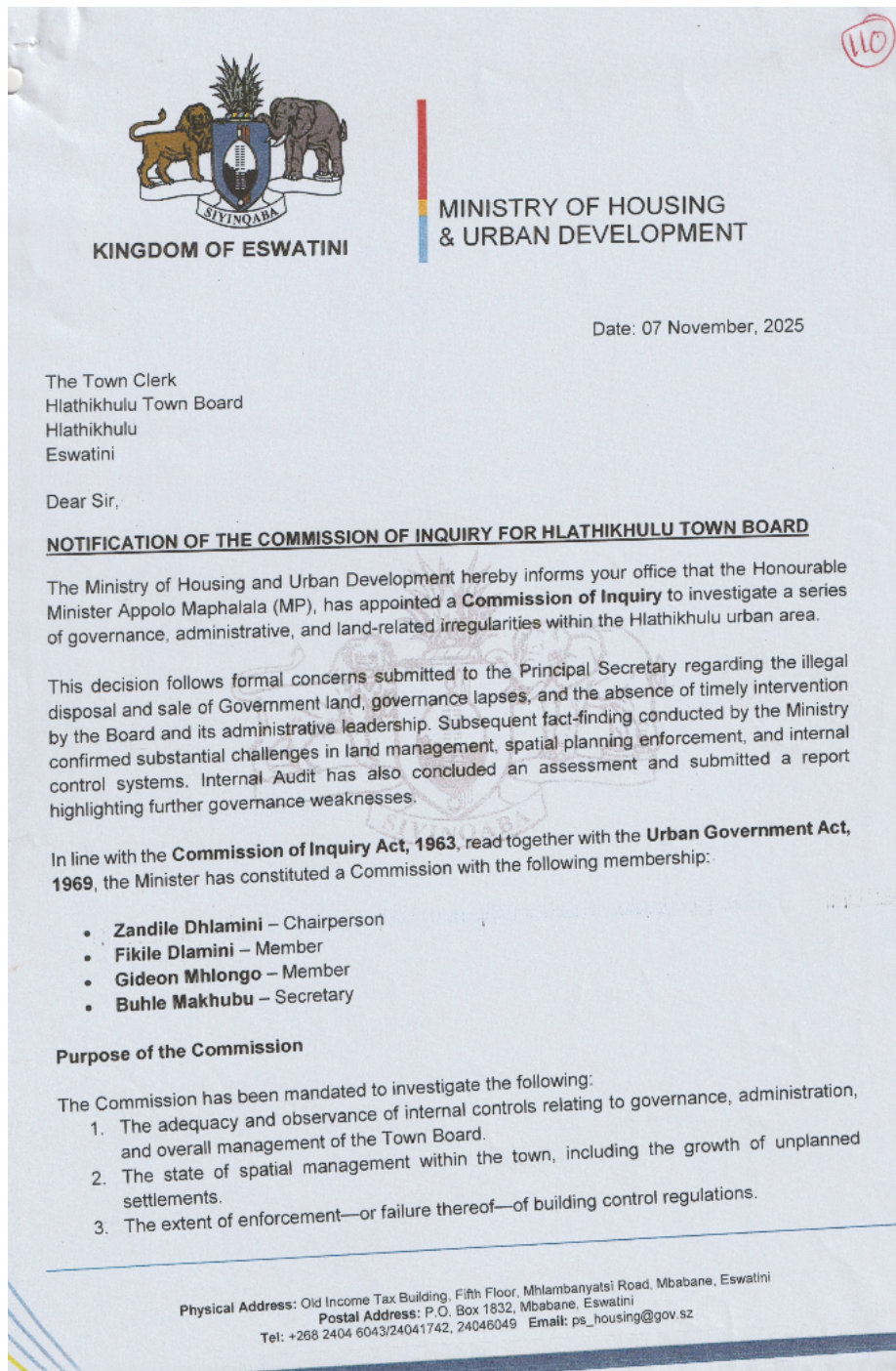
72. HTB must conduct itself fairly and neutrally toward all stakeholders and must refrain from taking decisions that materially affect one stakeholder group without affording that group an opportunity to be heard.
73. HTB should urgently correct the practice and resume supporting, where justified, permit renewal processes for members of both the Swaziland Local Transport Association and the Shiselweni Regional Transport Association, in accordance with the governing law.

Building Register Negligence and Processing Inefficiency

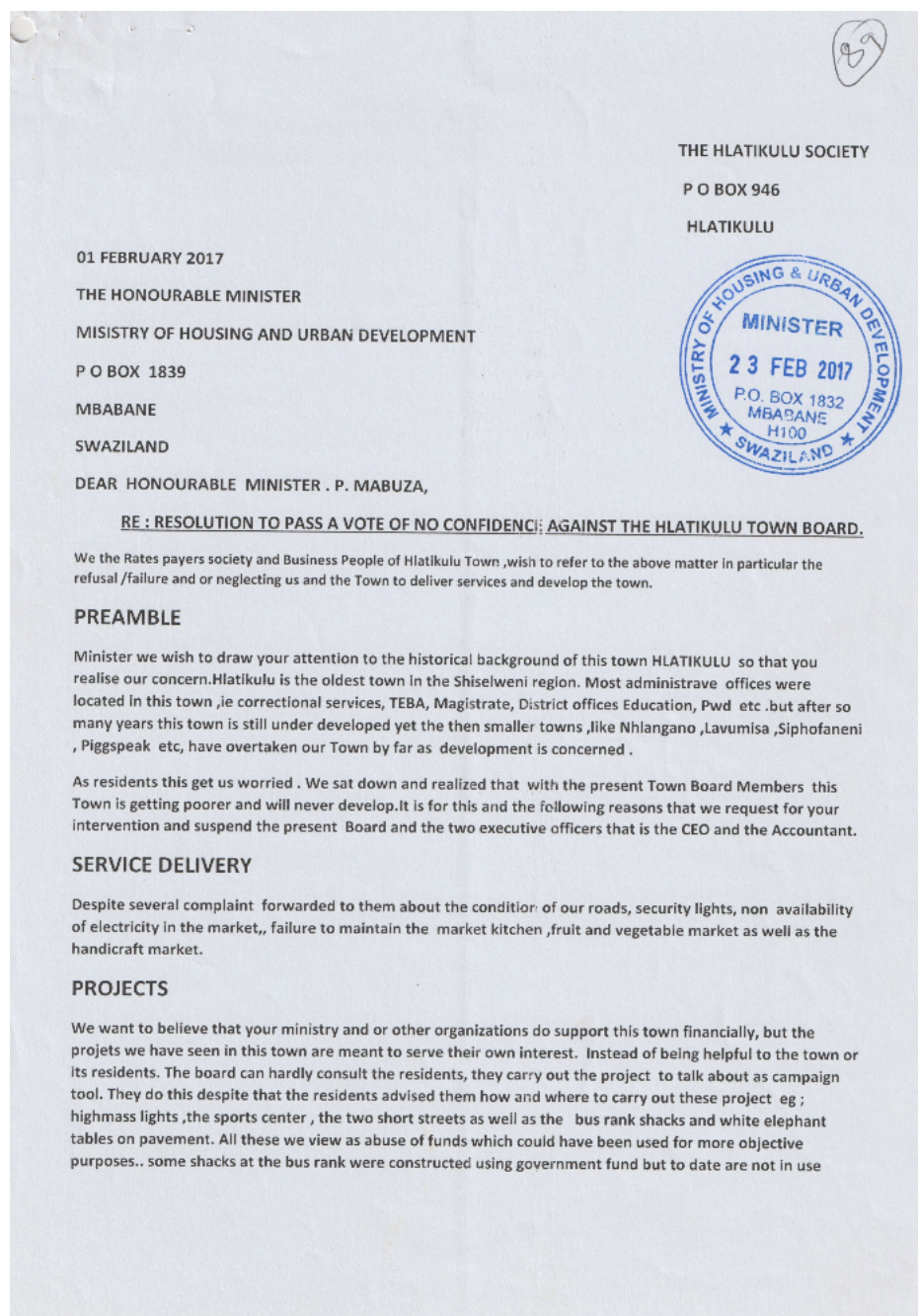
74. The Commission recommends that HTB institute a disciplinary and performance-management process to determine responsibility for the gross negligence in maintaining the building application register and to apply appropriate corrective action and sanctions where warranted.
75. The Ministry should consider using the ongoing Building Act review process to introduce provisions that encourage honesty and accountability in applicant-submitted information, including the estimated cost of development, and to strengthen sanctions for knowingly false declarations.
76. HTB and the Ministry should implement routine monitoring and reporting on processing timelines for building applications, including monthly reporting against the six-week statutory deadline in section 12 of the Building Act, with remedial action where backlogs emerge.
77. HTB should standardise the building application register format and enforce mandatory completion of all key fields (plot identification, development description, submission dates, referral dates, approval date, and inspection milestones), including supervisory sign-off to ensure data integrity.

ANNEXURES

Annexure 1: Letter from PS to Town Clerk



Appendix 2: Letter from Hlathikhulu society to Honourable Minister



Annexure 3: LIST OF SOURCE DOCUMENTS

Legal Documents	Other Documents	Hlathikhulu Documents
1. Urban Govt Act of 1969 2. The Commissions of Inquiry act, 1963 3. Rating Act (issue 6) of 1995 4. Town Boards Delegation of Powers 2012 5. The Building Act of 1968 6. Urban Government Financial Regulations, 1969 7. Board assessment circular 1 of 2018 8. MHUD circular #2 of 2018- implementation of section 27 of the Urban Government Act	1. Report on Government plot verification 2. MHUD Annual Performance Report 2024/2025 3. Consolidated CIPs for 5 Town Boards-5 years funding	1. Hlathikhulu Town Integrated Development Plan & Strategic Plan (2022-2027) 2. Employment contract for Town Clerk- 2022 3. Draft Sibetsamoya Upgrading, 2023 4. Hlathikhulu Integrated Development Plan & Strategic Plan 2022-2027 5. Hlathikhulu Report to Management for the year ending 31 March 2022, 2023, 2024, 2025 (DRAFT) (Corporate Business Solutions) 6. Annual Financial Statements for the year ending 31 March 2025(DRAFT) (Corporate Business Solutions) 7. Hlathikhulu Bank Statements from 2023-2025 8. Town Clerk Performance Review Report 2022-2025

Appendix 4: Interview List

Interviews	Witnesses	Subpoenaed Persons of Interest
1. Town Clerk 2. Accountant 3. Chairman of the Board- Mpumelelo Shongwe 4. Councillor Lindiwe Hlophe 5. Councillor Bongani Mngometulu 6. Councillor Sibongile Mazibuko 7. Councillor Bandla Dlamini 8. Receptionist 9. Accounts Officer 10. DUG 11. Former DUG 12. DHHS 13. Former Resident Engineer 14. E.D Simelane 15. Internal Auditors 16. External Auditors- Corporate Business Solutions 17. Townships Engineer 18. Valuar: Jeremiah Nkhata-Springfields Property consultants	- Witness 1 - Witness 2 - Witness 3 - Market Ladies: 10 women - Witness 4 - Witness 5 - Witness 6 - Witness 7 - Witness 8 - Witness 9 - Witness 10 - Witness 11 - Witness 12 - Witness 13 - Witness 14 & 15 - Witness 16 - Witness 17 & 18 - Witness 19 - Witness 20 - Witness 2-24: Group of 4 - Witness 25 - Witness 26 - Witness 27 - Witness 28 - Witness 29 - Witness 30 - Witness 31	1. Mfeneziyamthoba Magagula 2. Employee 3. Accused employee 4. Ranger 5. SImo Dlamini 6. Ranger 7. Liks Boutique-Lindelwa Mamba 8. PhD Stationery- Artwell Dlamini 9. Welcome Dlamini

Annexure 5: Internal Ministry analysis of HTB budget

Capital Improvement Programme

The Town anticipates receiving E1, 847, 000 as a government capital grant and intend to use it as follows:

1. Market rehabilitation	- E500, 000
2. Abbatoir rehabilitation	- E200, 000
3. Civic centre construction	- E500, 000
4. Temporal stalls at bus rank	- E500, 000
5. Relocation of offices	- E200, 000
TOTAL	<u>-E1, 700, 000</u>

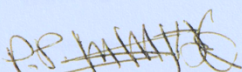
Observations:

- Council has budgeted for 100% collection of all her anticipated rates income to be invoiced, so if ratepayers default in payment, Council shall have a deficit of +- E2, 2 million, and thus be forced to postpone some of its programs.
- Council's personell costs consume actual paid of both government and private rates, plus government subvention for the year. So in essence, the Town is not able to Implement any of it's budgeted for programs as long as this situation persists. There is need to adjust the government rates budget book to accommodate the government rates actual bill of E2,7 million versus what is actually paid out to the town, which is E569, 000 per annum.
- The Board intends to engage a full time Treasurer, on joint appointment with Lavumisa and Vuvulane Town Boards in the 2023/2024 fiscal year, in order to be able to realize its anticipated 100% collection of rates and arrears.

Recommendation:

It is therefore recommended to the Honourable Minister to approve the Hlathikhulu Town Board's budget estimates without amendments, but with a caution to strive for improvement this financial year, in its collections, so as to be able to implement its planned budget programs.

Submitted for his Honours consideration.


QUEENETH M. MASUKU
SLGO

18th MARCH, 2022.

MINUTE.Dug3-6-Hlathi.Budgetestimates2020-21

Annexure 6: Clause 2 (b) of Town Clerk's contract

Section 2: Term

- A. Clerk to Board agrees to remain in the exclusive employ of Employer until 30th September, 2025, and neither to accept other employment nor to become employed by any other employer until said termination date is affected as hereinafter provided.
- B. In the event written notice is not given by either party to this agreement to the other at least 90 days prior to the termination date as hereinabove provided, this agreement shall be extended on the same terms and condition as herein provided, all for an addition period of two years. Said agreement shall continue thereafter for two-year periods unless either party hereto gives 90 days written notice to the other party that the party does not wish to extend this agreement for an additional two-year term.
- C. Section 2B above shall only be valid where the Clerk to Board has written to the Board notifying it of the expiry of the contract and the above Section at least 90 days before is effect.
- D. Nothing in this agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the service of the Clerk to Board at any time, subject only to the provisions set forth in Section 2 paragraphs A and B, of the agreement.

Annexure 7: Liks Boutique Contract sample

HLATHIKHULU TOWN BOARD
P.O. Box 523
Hlathikhulu S401 Swaziland


Asibe Hlathikhulu Aletsa Phiso

Tel: (+268) 2217 613
Fax: (+268) 2217 613
E-mail: hlathikhulu@africaonline.co.sz

CONTRACT AGREEMENT FOR THE SUPPLY OF PROTECTIVE CLOTHING
Between
Hlathikhulu Town Board
And
Liks Boutique

This Agreement is made and entered into on this **07th** day of May, 2025, by and between:

Hlathikhulu Town Board, a duly constituted local government authority established under the laws of the Kingdom of Eswatini, with its offices situated in Hlathikhulu, Shiselweni Region (hereinafter referred to as the "Client"),

AND

Liks Boutique, a registered business under the laws of the Kingdom of Eswatini, with its principal place of business located at Nhlamgano, oppsite the police station next at Tfokotani Building office no 12 (hereinafter referred to as the "Supplier").

1. PURPOSE OF THE AGREEMENT

The purpose of this agreement is to outline the terms and conditions under which the Supplier shall provide protective clothing to the Client.

2. SCOPE OF SUPPLY

2.1 The Supplier agrees to supply protective clothing and safety wear to the Client, including but not limited to:

- Overalls and work suits
- Safety boots and shoes
- Reflective vests and jackets
- Helmets and hard hats
- Gloves, dust masks, and goggles
- Raincoats and protective aprons

FOR LIKS BOUTIQUE
Name: Lindeliso Mamba
Designation: Director
Signature: [Signature]
Date: 7 May 2025

This Agreement shall be governed by and interpreted in accordance with the laws of the Kingdom of Eswatini.

10. DISPUTE RESOLUTION

Any dispute arising from this agreement shall first be resolved amicably between the parties. Failing which, the matter shall be referred to arbitration in accordance with the Arbitration Act of Eswatini.

11. ENTIRE AGREEMENT

This document represents the entire agreement between the parties and supersedes all prior negotiations, understandings, or agreements. Any changes must be made in writing and signed by both parties.

IN WITNESS WHEREOF, the parties have signed this agreement on the date first written above.

FOR HLATHIKHULU TOWN BOARD
Name: Bongani Dlamini
Designation: Town Clerk
Signature: [Signature]
Date: 7th May 2025

P.L.M. BW P.L.M. BW

Annexure 8: Sample of declaration letter from Accountant & Response from Town Clerk

DECLARATION OF INTEREST

Pursuant to Section 30 of the Swaziland Public Procurement Act, 2011

Kingdom of Swaziland

Hlathikhulu Town Board

Date: 11 March, 2021

To: The Chief Executive Officer and Procurement Unit

From: Phesheya Artwell Dlamini, Accountant.

Subject: Formal Disclosure and Request For Acceptance for Participation As A Supplier for Hlathikhulu Town Board

Dear Sir,

I, Dlamini Phesheya Artwell, with Swaziland national Identity number 6512126100450 in my capacity as Accountant at the Hlathikhulu Town Board and also as the registered director of PhD Stationery and Printers with (Grant Number NHL14/2015) trading as formal individual business, hereby submit this formal disclosure and request for acceptance to be a potential supplier for Hlathikhulu Town Board in line with the Public Procurement Act, 2011.

In accordance with Section 30 of the Act on Disclosure of Interest and the guiding procurement principles under Section 38 which emphasize transparency, fairness, and accountability, I wish to declare that my company PhD Stationery and Printers Pty Ltd seeks to participate as a potential supplier to the Hlathikhulu Town Board by providing stationery and cleaning materials, as per procurement opportunities made available to the public. This disclosure and request are made in good faith to ensure compliance with the Act and to avoid any perceived conflict of interest, given my dual role as an employee of the Town Board and director of the company, PhD Stationery and Printers Pty Ltd.

Should the Hlathikhulu Town Board procurement unit approve PhD stationery and Printers participation as supplier for Hlathikhulu Town Board, accordingly, I formally request that this disclosure be placed on record for all procurement processes involving Hlathikhulu Town Board. I also affirm that I shall recuse myself from any decision-making or approvals in respect of procurement processes where PhD Stationery and Printers is involved, in line with the requirements of the Act and let other members of the procurement unit take decisions.

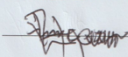
I affirm that all information provided herein is true, complete, and accurate to the best of my knowledge. I understand that this declaration shall be recorded in the minutes of the relevant Hlathikhulu Town Board procurement unit meeting.

Yours faithfully,

Dlamini Phesheya Artwell

Director of PhD Pty Ltd

Accountant at Hlathikhulu Town Board



Hlathikhulu Town Board

22 March 2021

To: Mr. Phesheya Artwell Dlamini

Accountant: Hlathikhulu Town Board

Director: PhD Stationery and Printers Pty Ltd

Subject: Acknowledgment of Disclosure of Interest and Approval of PhD Stationery and Printers as a Potential Supplier to Hlathikhulu Town Board

Dear Mr. Dlamini,

I am writing in response to your formal declaration of interest dated 11 March 2021, submitted pursuant to Section 30 of the Public Procurement Act, 2011, regarding your role as Director of PhD Stationery and Printers and your request for acceptance to participate as a potential supplier of stationery and cleaning materials to the Hlathikhulu Town Board.

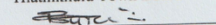
The Procurement unit has reviewed your disclosure, which highlights your dual role as an employee of the Town Board and director of the PhD Stationery and Printers company. We acknowledge your commitment to transparency, fairness, and accountability in accordance with the Public Procurement Act, as well as your affirmation to recuse yourself from any decision-making or approvals related to procurement processes involving PhD Stationery and Printers.

After due consideration and in line with the principles of the Public Procurement Act, 2011, the Hlathikhulu Town Board procurement unit hereby approves PhD Stationery and Printers as an eligible potential supplier to the Hlathikhulu Town Board, subject to the following conditions: All supplies must be procured through competitive and transparent processes, such as open tendering or other methods prescribed. You must fully recuse yourself from all deliberations, evaluations, and decisions involving tenders or contracts with PhD Stationery and Printers. For PhD stationery and Printers, it must meet all supplier eligibility and qualification criteria. This approval does not guarantee automatic awards; all bids will be evaluated fairly against other suppliers.

This acknowledgment and approval will be recorded in the minutes of the relevant procurement unit meeting.

Yours sincerely,

Bongani Dlamini
Chief Executive Officer
Hlathikhulu Town Board



Annexure 9: PhD Stationery Contract sample


HLATHIKHULU TOWN BOARD
P.O. Box 523
Hlathikhulu S401 Swaziland
Tel: (+268) 2217 6135
Fax: (+268) 2217 6135
E-mail: hlathikhulu@africaonline.co.sz
Moko Hlathikhulu, Ntsho Phe

CONTRACT AGREEMENT FOR THE SUPPLY OF STATIONERY AND CLEANING MATERIALS
Between
Hlathikhulu Town Board
And
PHD Stationery

This Agreement is made and entered into on this **13th day of May, 2019**, by and between:

Hlathikhulu Town Board, a local authority duly established and existing under the laws of the Kingdom of Eswatini, with its offices located at Hlathikhulu, Shiselweni Region (hereinafter referred to as the "Client"),

AND

PHD Stationery, a business entity registered under the laws of the Kingdom of Eswatini, with its principal office located at Nhlengano, Benguni Building (hereinafter referred to as the "Supplier").

1. PURPOSE OF THE AGREEMENT

The purpose of this agreement is to establish the terms and conditions under which the Supplier shall provide **stationery and cleaning materials** to the Client as and when required.

2. SCOPE OF SUPPLY

2.1 The Supplier agrees to supply the following items to the Client:

- **Stationery Items**, including but not limited to:
 - Pens, pencils, markers
 - Notebooks, diaries, files, folders

PHD

FOR HLATHIKHULU TOWN BOARD
Name: Bongani Dlamini
Designation: Finance Clerk
Signature: [Signature]
Date: 13/5/19

FOR PHD STATIONERY
Name: Arwel Mestika Nkomo
Designation: Director
Signature: [Signature]
Date: 13/5/19

CONTRACT AGREEMENT FOR THE SUPPLY OF STATIONERY AND CLEANING MATERIALS
Between
Hlathikhulu Town Board
And
PHD Stationery

This Agreement is made and entered into on the **13th day of May, 2019**, by and between:

Hlathikhulu Town Board, a local authority duly established and existing under the laws of the Kingdom of Eswatini, with its offices located at Hlathikhulu, Shiselweni Region (hereinafter referred to as the "Client"),

AND

PHD Stationery, a business entity registered under the laws of the Kingdom of Eswatini, with its principal office located at Nhlengano, Benguni Building (hereinafter referred to as the "Supplier").

1. PURPOSE OF THE AGREEMENT

The purpose of this agreement is to establish the terms and conditions under which the Supplier shall provide **stationery and cleaning materials** to the Client as and when required.

Annexure 10: Questionable signing date on contracts

FOR HLATHIKHULU TOWN BOARD
Name: Bogesi Dlamini
Designation: Town Clerk
Signature: [Signature]
Date: 8 May 2023

FOR PHD STATIONERY
Name: Artwell Dlamini
Designation: Director
Signature: [Signature]
Date: 08/02/25 [Signature]

FOR HLATHIKHULU TOWN BOARD
Name: Bogesi Dlamini
Designation: Town Clerk
Signature: [Signature]
Date: 3 May 2024

FOR PHD STATIONERY
Name: Artwell Dlamini
Designation: Director
Signature: [Signature]
Date: [Signature] 3/02/25

Annexure 11: Regular payments to PhD & Liks Boutique

04-12-2023	04-12-2023	000000070854111 BUSONLINE 9110002631418 NOV23 00110009110002631418SBICSMXXXXSZL	197.03		63,513.92
06-12-2023	06-12-2023	TRANSFER TRANSACTION HLATHIKHULU TOWN BOARD CIDR : 1		500,000.00	563,513.92
06-12-2023	06-12-2023	TRANSFER TRANSACTION LIKIS BOUTIQUE CIDR : 1	65,885.40		497,628.52
06-12-2023	06-12-2023	000005115839 PHD STATIONERY PHD STATIONERY 00000000000010 TRANSFERS	23,520.00		474,108.52
06-12-2023	06-12-2023	DARENUM1	11,800.00		462,308.52
06-12-2023	06-12-2023	FEE - AGENT BANK PAYMENT: TRAN ID- S603900	285.00		462,023.52
06-12-2023	06-12-2023	FEE - STD BNK PAYMENT: TRAN ID- S603910	109.60		461,913.92
06-12-2023	06-12-2023	FEE - AGENT BANK PAYMENT: TRAN ID- S602136	142.50		461,771.42
06-12-2023	06-12-2023	FEE- TRANSFER TRANSACTION: TRAN ID- -1139139	67.19		461,704.23
13-12-2023	13-12-2023	PLOT 281 EXT 3 ZINI TRUST		5,000.00	466,704.23
13-12-2023	13-12-2023	LIKIS BOUTIQUE	11,500.00		455,204.23
13-12-2023	13-12-2023	000005167951 TATS TOOLS TATS TOOLS	2,200.00		453,004.23
13-12-2023	13-12-2023	000005167946 PHD STATIONERY PHD STATIONERY 00000000000010 TRANSFERS	21,895.00		431,109.23
13-12-2023	13-12-2023	DARENUM1	8,000.00		423,109.23
13-12-2023	13-12-2023	HACHUPL_SZL_02_1 DECEMBER	173,282.43		249,826.80
13-12-2023	13-12-2023	FEE - STD BNK PAYMENT: TRAN ID- S873716	109.60		249,717.20
13-12-2023	13-12-2023	FEE - AGENT BANK PAYMENT: TRAN ID- S873383	142.50		249,574.70
12-01-2024	12-01-2024	S543289 FEE - AGENT BANK PAYMENT: TRAN ID- S542505	142.50		201,321.00
16-01-2024	16-01-2024	000005204214 PHD STATIONERY PHD STATIONERY 00000000000010 TRANSFERS	9,775.00		191,546.00
16-01-2024	16-01-2024		10,557.43		180,988.57

Standard Bank

Statement frequency : Monthly-SEND BY POST
Statement from : 01-04-2023 to 01-12-2023
Page 24 of 67

BANK STATEMENT / TAX INVOICE

Account Type : BUSINESS CURRENT ACCOUNT
Account Currency: SZL

Account Number: 9110002631418
Previous Account Number: 6140031564901

Transaction Date	Value Date	Transaction Description	Cumulative Fee	Debits	Credits	Balance
		BALANCE BROUGHT FORWARD				329,706.68
13-02-2024	13-02-2024	TRANSFER TRANSACTION LIKIS BOUTIQUE CIDR : 1		17,315.00		312,391.68
13-02-2024	13-02-2024	TRANSFER TRANSACTION CAPITAL MANAGEMENT CONSULTANTS CIDR : 1		2,144.16		310,247.52
13-02-2024	13-02-2024	00000000000010 TRANSFERS DARENUM1		24,809.25		285,438.27
13-02-2024	13-02-2024	FEE - STD BNK PAYMENT: TRAN ID- S381924		109.60		285,328.67
13-02-2024	13-02-2024	FEE - AGENT BANK PAYMENT: TRAN ID- S381522		855.00		284,473.67
13-02-2024	13-02-2024	FEE- TRANSFER TRANSACTION: TRAN ID- -115909		67.19		284,406.48
13-02-2024	13-02-2024	FEE- TRANSFER TRANSACTION: TRAN ID- -115444		67.19		284,339.29
15-02-2024	15-02-2024	TRANSFER TRANSACTION ECC CIDR : 1		16,000.00		268,339.29
15-02-2024	15-02-2024	FEE- TRANSFER TRANSACTION: TRAN ID- -115274		67.19		268,272.10
16-02-2024	16-02-2024	CATHOLIC CHURCH RATES			50,000.00	318,272.10
20-02-2024	20-02-2024	MONTHLY MANAGEMENT FEE		120.57		318,151.53
23-02-2024	23-02-2024	TRANSFER TRANSACTION LIKIS BOUTIQUE CIDR : 1		5,197.92		312,953.61
23-02-2024	23-02-2024	000005264330 ORACLE INSURE ORACLE INSURE 00000000000010 TRANSFERS		28,776.18		284,177.43
23-02-2024	23-02-2024	DARENUM1		13,740.00		270,437.43
23-02-2024	23-02-2024	FEE - AGENT BANK PAYMENT: TRAN ID- S271431		142.50		270,294.93
23-02-2024	23-02-2024	FEE - AGENT BANK PAYMENT: TRAN ID- S272218		285.00		270,009.93
23-02-2024	23-02-2024	FEE - STD BNK PAYMENT: TRAN ID- S272427		328.80		269,681.13
23-02-2024	23-02-2024	FEE- TRANSFER TRANSACTION: TRAN ID- -115951		67.19		269,613.94
24-02-2024	24-02-2024	HACHUPL_SZL_01_2 FEBRUARY		177,745.87		91,868.07
24-02-2024	24-02-2024	FEE - AGENT BANK PAYMENT: TRAN ID- S365204		2,565.00		89,303.07
24-02-2024	24-02-2024	FEE - STD BNK PAYMENT: TRAN ID- S365172		2,520.80		86,782.27
26-02-2024	26-02-2024	HISTORICAL STATEMENT		30.00		86,752.27
26-02-2024	26-02-2024	MISCELLANEOUS FEE CIDR : 1		30.00		86,722.27
27-02-2024	27-02-2024	TRANSFER TRANSACTION HLATHIKHULU TOWN BOARD 9110002631418		60.00		86,662.27
27-02-2024	27-02-2024	FEE- DEPOSIT BOOK (DUPLICATE SMALL)			100,000.00	186,662.27
27-02-2024	27-02-2024	00000000000010 TRANSFERS DARENUM1		9,220.00		177,442.27
27-02-2024	27-02-2024	PAYEX-67758203871086 EWSC PAYMENTS			40,928.16	218,370.43
27-02-2024	27-02-2024	PETER BARBOSA FEE - STD BNK PAYMENT: TRAN ID- S645217		109.60		218,260.83
27-02-2024	27-02-2024	FEE - AGENT BANK PAYMENT: TRAN ID- S644991		427.50		217,833.33
28-02-2024	28-02-2024	76635515 SCRUTINY FEE 01			1,750.00	219,583.33
28-02-2024	28-02-2024	INVEFT328629		41.50		364,808.33
28-02-2024	28-02-2024	FEE - CASH DEPOSIT: TRAN ID-111487 PAYEX-6818597810664 ELECTRONIC			25,000.00	389,766.83
29-02-2024	29-02-2024	TRANSFER RATES CASH DEPOSIT			10,000.00	399,766.83
01-03-2024	01-03-2024	76086307 ARTWELL DLAMINI				

06-03-2024	06-03-2024	ENOCK THULANE MTHEMBU CIDR : 1		3,627.00	548,253.52
06-03-2024	06-03-2024	TRANSFER TRANSACTION LIKIS BOUTIQUE CIDR : 1		11,200.00	537,053.52
06-03-2024	06-03-2024	00000000000010 TRANSFERS DARENUM1		427.50	536,626.02
06-03-2024	06-03-2024	FEE - AGENT BANK PAYMENT: TRAN ID- S422168		109.60	536,516.42
06-03-2024	06-03-2024	FEE - STD BNK PAYMENT: TRAN ID- S422931		67.19	536,449.23
06-03-2024	06-03-2024	FEE- TRANSFER TRANSACTION: TRAN ID- -115771		67.19	536,382.04
07-03-2024	07-03-2024	FEE- TRANSFER TRANSACTION: TRAN ID- -115912			536,382.04
13-03-2024	13-03-2024	288/12		3,000.00	539,382.04
13-03-2024	13-03-2024	00000000000010 TRANSFERS DARENUM1		5,500.00	533,882.04
13-03-2024	13-03-2024	FEE - AGENT BANK PAYMENT: TRAN ID- S942207		142.50	533,739.54
13-03-2024	13-03-2024	FEE - STD BNK PAYMENT: TRAN ID- S942014		109.60	533,629.94
15-03-2024	15-03-2024	TRANSFER TRANSACTION ESWATINI ELECTRICITY COMPANY CIDR : 1		16,000.00	517,629.94
15-03-2024	15-03-2024	FEE- TRANSFER TRANSACTION: TRAN ID- -112876		67.19	517,562.75
20-03-2024	20-03-2024	MONTHLY MANAGEMENT FEE		120.57	517,442.18
21-03-2024	21-03-2024	HISTORICAL STATEMENT		90.00	517,352.18
21-03-2024	21-03-2024	CPI FINCLUDE			519,272.18
21-03-2024	21-03-2024	FEE- CASH DEPOSIT: TRAN ID-S599305		32.08	519,240.10
22-03-2024	22-03-2024	CASH DEPOSIT 76252986 WHITE CITY NO 23 001		3,000.00	522,240.10
22-03-2024	22-03-2024	DEPLSL : 1 TRANSFER TRANSACTION LIKIS BOUTIQUE CIDR : 1		58,800.00	463,440.10
22-03-2024	22-03-2024	00000000000010 TRANSFERS DARENUM1		14,368.00	449,072.10
22-03-2024	22-03-2024	000005289631 PHD STATIONERY PHD STATIONERY		24,995.00	424,077.10
22-03-2024	22-03-2024	000005289744 CHAINSAWS FORESTRY CHAINSAWS FORESTRY		6,851.26	417,225.84
22-03-2024	22-03-2024	00000000000010 TRANSFERS DARENUM1		10,832.00	406,393.84

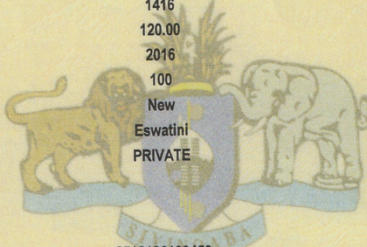
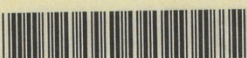
Annexure 12: Toyota Motor Vehicle Registration document

56938



KINGDOM OF ESWATINI
Motor Vehicle Registration Certificate
(Road Traffic Act No: 6 of 2007)

Vehicle Details		
Certificate Number	18624	Inombolo yelayisense
Registration Number	MSD029CM	Inombolo yemotolo
Chassis Number / VIN	AHTCW12G104062689	Inombolo yeShezi/VIN
Engine Number	1TR8861674	Inombolo yenjini
Vehicle Make	TOYOTA	Kwakhiwa kwemotolo
Vehicle Type	L.D.V.	Luhlolo lwemotolo
Date Registered	20160307	Lusuku lwekubhalisa
Tare Weight	1416	Sisindvo semotolo
Annual License Fee	120.00	Umtselo wemnyaka
Year of Manufacture	2016	Umnyaka wekwakhiwa kwemotolo
Horse Power	100	Emandla emotolo
New/Second Hand	New	Lensha/Lesebentile
Country of Issue	Eswatini	Live lelikhipha sitifiketi
Vehicle Usage	PRIVATE	Inhlalo yokusetjentiswa kwemotolo
Owner Details		
PIN / CIN / BIN	6512126100450	Inombolo yamatisa
Permit Number		Inombolo yephemithi
Name	PHE SHEYA ARTWELL	Libito
Surname	DLAMINI	Sibongo
Postal Address	BOX 21 HLATHIKHULU	Likheli leliposi
Physical Address	MBANGWENI OPPOSITE NSONGWENI HIGH SCHOOL	Likheli lendzawo yekuhlala
Payment Details		
Receipt No	09186497	Inombolo yesiciniseko
Receipt Date	20191230	Lusuku lwekubhadala
Amount Paid	120.00	Imali lebhadelwe
Revenue Station	NHLANGANO REVENUE OFFICE	Siteshi sekutselisa

Annexure 13: Tractor & Trailer registration document

A 1503325


KINGDOM OF ESWATINI
Motor Vehicle Registration Certificate
(Road Traffic Act No: 6 of 2007)

Vehicle Details		
Certificate Number	200049	Inombolo yelayisense
Registration Number	USD764DM	Inombolo yemotolo
Chassis Number / VIN	WFD20220530018	Inombolo yeShezi/VIN
Engine Number		Inombolo yenjini
Vehicle Make	TRAILER	Kwakhiwa kwemotolo
Vehicle Type	TRAILER	Luhlolo lwemotolo
Date Registered	20220622	Lusuku lwekubhalisa
Tare Weight	1200	Sisindvo semotolo
Annual License Fee	250.00	Umtselo wemnyaka
Year of Manufacture	2022	Umyaka wekwakhiwa kwemotolo
Horse Power	0	Emandla emotolo
New/Second Hand	New	Lensha/Lesebentile
Country of Issue	Eswatini	Live leikhapha sitifiketi
Vehicle Usage		Inhloso yekusejentswa kwemotolo
Owner Details		
PIN / CIN / BIN	7308086100140	Inombolo yamatisa
Permit Number	000000/0000	Inombolo yephemithi
Name	WELCOME FISH	Libito
Surname	DLAMINI	Sibongo
Postal Address	P.O. BOX 244 HLATIKULU	Likheli leliposi
Physical Address	HLATHIKHULU SIBETSAMOYA NEXT TO DIPTANK KA DLAMINI	Likheli lendzawo yekuhlala
Payment Details		
Receipt No	10550631	Inombolo yesiciniseko
Receipt Date	20220622	Lusuku lwekubhadala
Amount Paid	250.00	Imali lebhadelwe
Revenue Station	MATSAPHA REVENUE OFFICE	Siteshi sekutselisa





A 0439148


KINGDOM OF ESWATINI
Motor Vehicle Registration Certificate
(Road Traffic Act No: 6 of 2007)

Vehicle Details		
Certificate Number	177479	Inombolo yelayisense
Registration Number	ASD706DH	Inombolo yemotolo
Chassis Number / VIN	886451221	Inombolo yeShezi/VIN
Engine Number	LM8B570V580195G	Inombolo yenjini
Vehicle Make	MASSEY FERGUSON	Kwakhiwa kwemotolo
Vehicle Type	TRACTOR	Luhlolo lwemotolo
Date Registered	20210628	Lusuku lwekubhalisa
Tare Weight	3180	Sisindvo semotolo
Annual License Fee	250.00	Umtselo wemnyaka
Year of Manufacture	2021	Umyaka wekwakhiwa kwemotolo
Horse Power	0	Emandla emotolo
New/Second Hand	New	Lensha/Lesebentile
Country of Issue	Eswatini	Live leikhapha sitifiketi
Vehicle Usage		Inhloso yekusejentswa kwemotolo
Owner Details		
PIN / CIN / BIN	7308086100140	Inombolo yamatisa
Permit Number	000000/0000	Inombolo yephemithi
Name	WELCOME FISH	Libito
Surname	DLAMINI	Sibongo
Postal Address	P.O. BOX 523 HLATIKULU	Likheli leliposi
Physical Address	HLATHIKHULU SIBETSAM OYA NEXT TO GALILE P. SCHOOL KAWELCOME	Likheli lendzawo yekuhlala
Payment Details		
Receipt No	10011917	Inombolo yesiciniseko
Receipt Date	20210628	Lusuku lwekubhadala
Amount Paid	250.00	Imali lebhadelwe
Revenue Station	CITY CENTRE REVENUE	Siteshi sekutselisa



Annexure 14: Affidavits for Artwell Dlamini and Welcome Dlamini

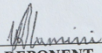
**HLATHIKHULU TOWN BOARD TRACTOR REGISTRATION
AFFIDAVIT**

I the undersigned,

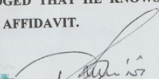
WELCOME FISH DLAMINI

Do hereby make oath and state that:

1. I am an adult male of Hlathikhulu in the District of Shiselweni, ID Number 7308086100120. The facts to which I depose in this affidavit are within my own personal knowledge and belief and are true and correct.
2. I am the Induna of the Hlathikhulu Town Board, a local authority established in terms of the Urban Government Act No.8 of 1968.
3. The Board directed that a Tractor, Massey Ferguson 395, chassis number 886451221 and engine number LM9B570V580195G be registered under my name at the moment.
4. On or about the 22nd of August 2021, the Hlathikhulu Town Board was in a process of buying a tractor and had taxation arrears with the ERS which could not allow it (the Town Board) to get a tax compliance certificate.
5. The Town Board therefore decided to appoint me (Welcome Fish Dlamini) to register the vehicle on their behalf and the vehicle will be transferred back to the Board after they settle their outstanding domestic taxes with the Eswatini Revenue Services.
6. I believe that this document will satisfy anyone in need of information about the above mentioned heavy machinery.


DEPONENT

THUS SIGNED AT Hlabisa ON THIS 09 DAY OF FEBRUARY 2022,
THE DEPONENT HAVING ACKNOWLEDGED THAT HE KNOWS AND
UNDERSTANDS THE CONTENTS OF THIS AFFIDAVIT.


COMMISSIONER OF OATHS


P.O. BOX 8
HLATHIKHULU
REGISTRATION & DEEDS OFFICE

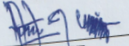
**HLATHIKHULU TOWN BOARD VEHICLE REGISTRATION
AFFIDAVIT**

I the undersigned,

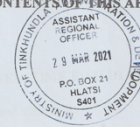
ARTWELL PHESHEYA DLAMINI

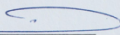
Do hereby make oath and state that:

1. I am an adult male of Hlathikhulu in the District of Shiselweni. The facts to which I depose in this affidavit are within my own personal knowledge and belief and are true and correct.
2. I am the Accountant of the Hlathikhulu Town Board, a local authority established in terms of the Urban Government Act No.8 of 1968.
3. The board has directed that a vehicle, Toyota van chassis number AHTCW12G104062689 and engine number 1TR8861674 be registered under my name at the moment.
4. On or about the 22nd of February 2016, the Hlathikhulu Town Board was in a process of buying a vehicle and had taxation arrears which could not allow it (the Town Board) to get a tax clearance certificate.
5. The Town Board therefore decided to appoint me (Artwell Phesheya Dlamini) to register the vehicle on their behalf and the vehicle will be transferred back to the board after they settle their outstanding domestic taxes with the Swaziland Revenue Authority.
6. I believe that this document will satisfy anyone in need of information about the above mentioned vehicle.


DEPONENT

THUS SIGNED AT HLATHIKHULU ON THIS 23 DAY OF MARCH 2021,
THE DEPONENT HAVING ACKNOWLEDGED THAT HE KNOWS AND
UNDERSTANDS THE CONTENTS OF THIS AFFIDAVIT.

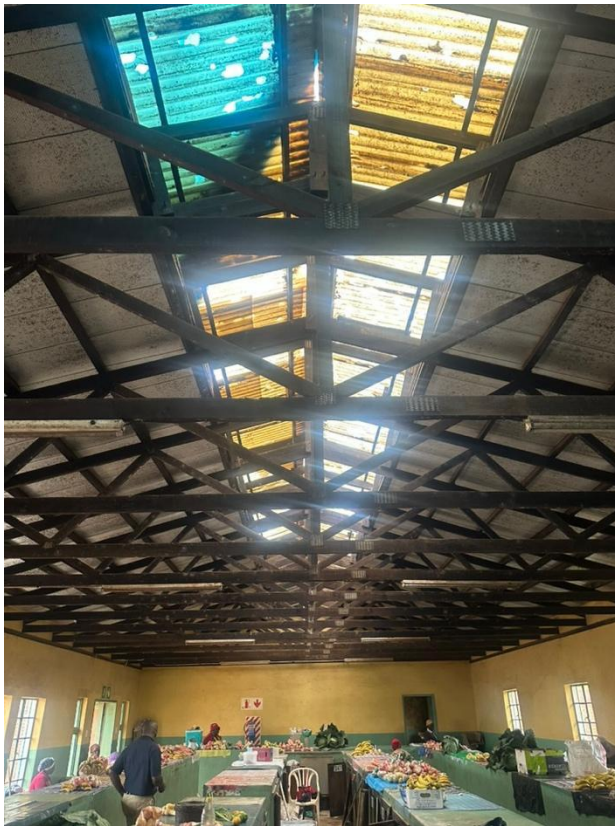



COMMISSIONER OF OATHS

Annexure 15: Asset Register

[illegible]

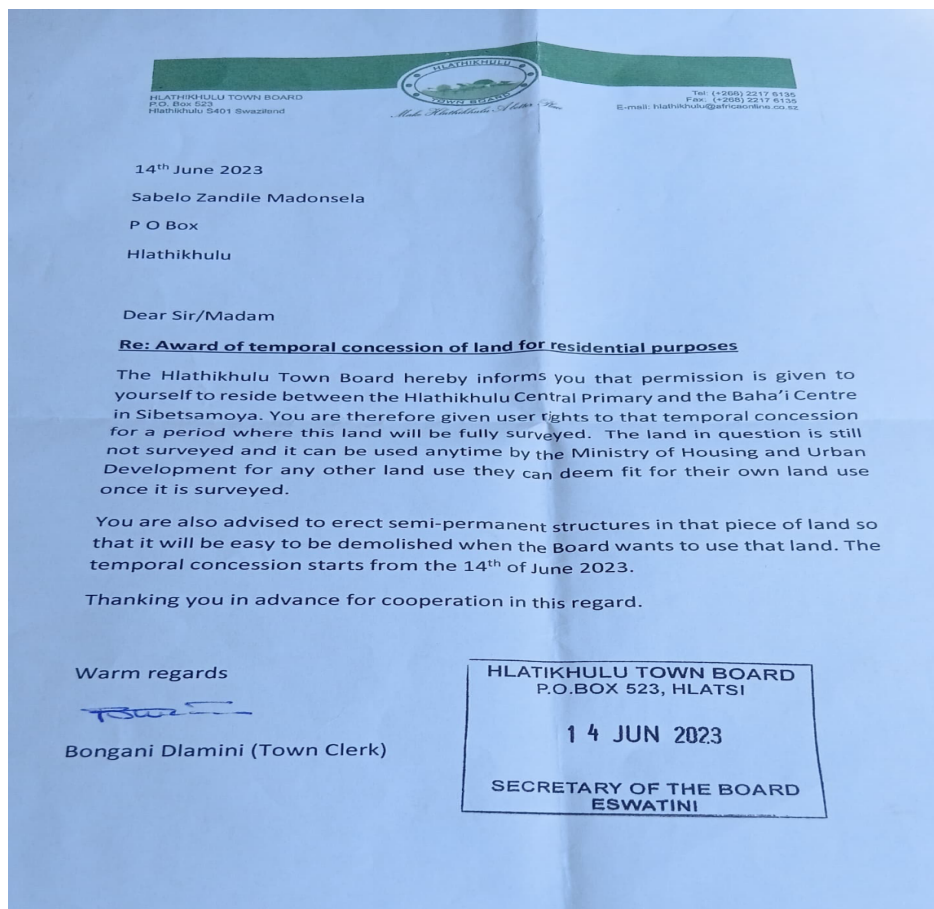
Annexure 16: Market conditions captured during inspection in Loco



Annexure 17: Unlawful construction captured during inspection in loco



Annexure 18: Land allocation letter signed by Town Clerk



Annexure 19: List Submitted by Accused employee

HLATIKULU TOWN BAORD

- | | | |
|------------------------------------|-------------------------------------|------------------------|
| 1. Ncamiso Lwazi Shongwe | 33.Nhlanhla comfort Mavimbela | |
| 2. France Bhekithemba Jele | 34.Sikelela Austin Mthembu | |
| 3. Thandi Joice Ndzinisa | 35.Bongmusa nhlabatsi | |
| 4. Sphiwe Thembaletu Simelane | 36.Buhle Samkelo Maphalala | |
| 5. Tenele Meridian Hadebe | 37.Sibusiso Fortune Mvubu | |
| 6. Eric Boy Nkambule | 38.Mancoba Christophe Ndlangamandla | |
| 7. Nompumelelo Clearance Nkambule | 39. Nikiwe Hettie Nzima | |
| 8. Phakamile Precios Mbinngo | 40.Victor London Khumalo | |
| 9. Nicky Thembinkosi Ndlangamandla | 41.Nomonde Dlamini | |
| 10.Magubane Philile | 42.Sibusiso Magagula | |
| 11. Philisiwe inocentia Dlamini | 43.Reuben Ndlangamandla | |
| 12.Sizwe Clibford Khumalo | 44.Sifiso Mnisi | |
| 13.Sphiwe Bongisipho Dlamini | 45.Bakhona Matsebula | |
| 14.Mamsy mNcamsile Mavuso | 46.Siza Sifundza | 68.Lindiwe Ntjalitjali |
| 15.Siphosethu Yenziwe Dlamini | 47.Makhosazane Shongwe | 69.Ayanda Dlamini |
| 16.Musa Richard Mdluli | 48.Sandile Matse | 70.Bongiwe Matsebula |
| 17.Sabelo Lourance Mamba | 49.Mphahleni Mamba | 71.Dlalisile Lukhele |
| 18.Travor S.Matsebula | 50.Melusi Dlamini | 72.Bonkosi Magubane |
| 19.Nomsa Cherries Hadebe | 51.Lucky Gama | 73.Nkosiwabona Lukhele |
| 20.Lenhle Mabuza | 52.Philasandze Dlamini | 74.Simanga Ginen |
| 21.Bongiwe Goodness Nyembe | 53.Nhlengiwe Ndlangamandla | |
| 22.Linda Banele Ntshingila | 54.Khangezile Mdluli | |
| 23.Sibuko Shiba | 55.Khulile Mdluli | |
| 24.Sibusiso Jerom Mdluli | 56.Philile Ndlangamandla | |
| 25.Thembinkosi Sipho Khumalo | 57.Siyanda Matsebula | |
| 26.Thobile Thembekile Hlophe | 58.Sibonelo Khumalo | |
| 27.Thembimbinkosi Federick Dlamini | 59.Busisiwe V. Mdziniso | |
| 28.Vuyane Dlamini | 60.Sindi Maziya | |
| 29.Khetsiwe Dlamini | 61.Khayelihle Mabuza | |
| 30.Mbuso Patrick Nhlabatsi | 62.Glory Ndlangamandla | |
| 31.Sibusiso Handry Thwala | 63.Nelisiwe Ndlamandla | |
| 32.Wandile Boy Mavimbela | 64.Celumusa Sibandze | |
| | 65.Temalungelo Ndlangamandla | |
| | 66.Makhosazane Ndlangamandla | |
| | 67.Beketele Motsa | |

Annexure 20: Evidence of continued land allocation & building during Inspection in Loco



