

**REPORT OF THE COMMITTEE ON LOCAL GOVERNANCE, HOUSING AND CHIEFS' AFFAIRS FOR THE THIRD SESSION OF THE ELEVENTH NATIONAL ASSEMBLY APPOINTED ON 25<sup>TH</sup> SEPTEMBER, 2013**

Consisting of:

Mr A D Mbewe, MP (Chairperson); Mr H S Chansa MP; Mr M Chishimba, MP; Mr B Hamusonde, MP; Mr G Lubinda, MP; Mrs M C Mazoka, MP; Mr M Ndalamei, MP; and Mr L J Ngoma, MP.

The Honourable Mr Speaker  
National Assembly  
Parliament Buildings  
**LUSAKA**

Sir

Your Committee has the honour to present its Report for the Third Session of the Eleventh National Assembly.

**2.0. Functions of the Committee**

In accordance with the National Assembly Standing Orders, the functions of your Committee are to:

- (i) study, report and make recommendations to the Government through the House on the mandate, management and operations of the Ministry of Local Government and Housing and the Ministry of Chiefs and Traditional Affairs and departments and/or agencies under their portfolios;
- (ii) carry out detailed scrutiny of certain activities being undertaken by the Ministries, departments and/or agencies under their portfolios and make appropriate recommendations to the House for ultimate consideration by the Government;
- (iii) make, if considered necessary, recommendations to the Government on the need to review certain policies and/or certain existing legislation; and
- (iv) consider any bills that may be referred to it by the House.

Your Committee on Local Governance, Housing and Chief's Affairs also enjoys all the privileges, immunities and powers of a Sessional Committee as provided for in the National Assembly (*Powers and Privileges*) Act Cap 12 of the Laws of Zambia and the National Assembly Standing Orders.

**3.0. Meetings of your Committee**

Your Committee held eleven (11) meetings during the year under review.

**4.0. Programme of Work**

Your Committee considered and adopted the following programme of work for the Second Session of the Eleventh National Assembly:

- (i) consideration of the Action-Taken Report on your Committee's main Report for 2012/2013 covering the Hon Minister's Report for 2012 on audited accounts of local authorities;
- (ii) study on the effectiveness of the Local Government Service Commission (LGSC); and
- (iii) local tour to the Eastern, Southern and Lusaka provinces.

In order to study the effectiveness of the Local Government Service Commission, your Committee undertook local tours to eleven local authorities. Five (5) in the Eastern Province, five (5) in Southern Province and one (1) in Lusaka Province.

#### **5.0. Procedure adopted by the Committee**

Your Committee requested detailed memoranda from the Permanent Secretary in the Ministry of Local Government and Housing, heads of local authorities and chief executive officers of corporate organizations on the effectiveness of the Local Government Service Commission.

Your Committee's Report is therefore, in three parts. Part I is on the topical issue while Part II is on the Action-Taken Report. Part III is the conclusion.

## PART 1

### 6.0. Study on the Effectiveness of the Local Government Service Commission (LGSC)

In 2010, the Local Government Service Commission (LGSC) was reintroduced through the *Local Government (Amendment) Act No. 6 of 2010*. In reintroducing the LGSC, the Government stated that it was necessary because it had been observed that in the preceding decade, most councils had faced serious challenges relating to recruitment and retention of trained staff and payment of salaries. Councils had no capacity to train their staff. Further, due to the low level of understanding of issues by most councillors, their powers to employ and dismiss were not being exercised in an objective manner. Although the decision to give councils powers to employ and dismiss was done in good faith, it had become apparent that it had failed because it was done without appropriate capacity building programmes. The re-establishment of the Local Government Service Commission was, therefore, an attempt to address the above challenges in councils, by ensuring that the Ministry of Local Government and Housing had supervision over the recruitment, promotion and transfer of staff, and the general conditions of service in the local authorities.

In view of the above, your Committee decided to carry out a study to ascertain the effectiveness of the Local Government Service Commission in carrying out its duties.

### 7.0 Objectives of the study

The study had the following objectives listed hereunder.

- (i) Establish the mandate of the Local Government Service Commission.
- (ii) Ascertain the adequacy of the Local Government Service Commission's policy framework.
- (iii) Establish the current strength/capacity of the Local Government Service Commission.
- (iv) Establish the major drawbacks in the operations of the Local Government Service Commission in carrying out its duties.
- (v) Determine the way forward in the operations of the Local Government Service Commission.

#### 7.1. The mandate of the Local Government Service Commission

Your Committee learnt that the mandate of the Local Government Service Commission, as stipulated in the *Local Government (Amendment) Act No. 6 of 2010*, was to deal with all matters relating to the employment and discipline of staff in councils under Divisions I, II and III. Further, the Local Government Service Commission was also charged with the mobilization and equitable distribution of human resource, and also to render support in terms of operations to councils in view of decentralization.

#### 7.2. Adequacy of the policy framework for the Local Government Service Commission

Your Committee was informed that apart from the provisions of the *Local Government (Amendment) Act No. 6 of 2010*, there was no policy document to guide the operations of the Commission.

Your Committee noted that the Local Government Service Commission's policy framework was nonexistent because there were no formal documents that could be easily accessed by management, employees and other key stakeholders, governing the work and actions of employees such as employee information, performance management, hiring, holidays, hours of work, leave of absence, overtime, vacation and termination of employment.

Particular concern was raised on the aspect of training of staff, which had been relegated to regulations to be made by the Commission. This was discretionary, connoting that the Commission was not under any obligation to train local authority staff.

### **7.3. The strength and capacity of the Local Government Service Commission**

Your Committee learnt that the tasks of the Commission were too numerous for the five (5) Commissioners and one Commission Secretary. It was too small to satisfactorily carry out its mandate relating to staff in all the 103 councils countrywide. The Commission was obviously over stretched.

### **7.4. Major drawbacks faced in the performance of the Commission**

Your Committee noted the major drawbacks as set out below.

- (i) Your Committee learnt that one of the major drawbacks in the operations of the Commission was that it was centrally constituted, and it was therefore operating in isolation. This was in contrast with the local authorities, that were autonomous bodies and run by democratically elected representatives of the people. Councillors were answerable to the people in respect of the efficient administration of the local authority areas. Since the recruitment of staff was centralised, an ordinary Councillor had been placed in a very difficult position. A councillor was held responsible for the non-implementation of projects, whereas in many cases, he or she was unable to influence matters concerning staff because recruitment was in the hands of the national body based in Lusaka. When there were shortages of staff or the staff recruited was not of the required caliber, there was very little that a councillor could do about it.
- (ii) Your Committee was informed that the Commission's central location and limited capacity had resulted in delays in dealing with staff matters. There was currently a backlog of requests for appointments, promotions and disciplinary cases. As a result, the employees were demoralized and demotivated.
- (iii) Your Committee learnt that another drawback lay in the fact that superior officers in the local authorities had no powers to discipline employees. This situation had led to inefficiency in the local authorities.
- (iv) Regarding training and staff development, your Committee heard that the current arrangement did not motivate councils to invest in the training of their staff, because they were not assured of retaining the trained staff.
- (v) Your Committee learnt that there was no provision for appeal within the Local Government Service Commission, other than recourse to ordinary courts of law.
- (vi) Your Committee was made aware of the fact that local authorities had different characteristics, which were unique to each one of them. Their human resource needs were ideally supposed to be based on their respective strategic plans, and therefore, they could not be uniform like the way they were being portrayed under the LGSC.

- (vii) Your Committee learnt that the lack of consultation on the part of the Commission with local authorities, regarding transfers and filling up of vacant positions was also a major drawback. There was dissatisfaction amongst the employees because transfers were commonly made against the wishes of the staff concerned. This had unsettled staff and damaged their morale. The transfer of senior staff from council to council, in quick succession, had greatly interfered with their capacity to effectively supervise council activities.
- (viii) Your Committee was also informed that staff accused of misdemeanors were often transferred as a solution to the problem, an action which did not resolve the problem. Councils receiving the transferred staff were expected to pay settling - in allowances and this was a further strain on the already overstretched revenue base. In addition, instances were cited where transfers had been instigated by politicians, thereby defeating one of the reasons which supported the creation of the Commission.
- (ix) Your Committee learnt that in most cases, the Commission did not consult the Ministry of Local Government and Housing on staff matters relating to appointments, transfers, promotions, discipline and separation. This was unlike the way other commissions created under the *Service Commissions Act* operated. The Teaching Service, Police and Prisons, and Public Service Commissions all worked on the recommendations of their respective line ministries.
- (x) Your Committee was informed that the Local Government Service Commission's Secretariat had been mostly staffed by human resource practitioners. This was a drawback in that while recognising that the Commission was primarily there as a human resource management institution, its lack of professionals in various technical skills posed challenges. For example, assessment of councils' problems on technical aspects could not be easily addressed. Reports of an engineer could not be easily understood by an administrator.
- (xi) Your Committee was informed that being established under the *Local Government Act* did not guarantee the independence of the Commission. Despite being appointed by the President, the Commission was subject to the Minister of Local Government and Housing for policy guidance, financial support for its operations and salary grants to councils.
- (xii) Your Committee further learnt that the absence of local government service regulations and conditions of service to guide in decision making was a major drawback. Clearly defined powers, duties and responsibilities of councils with regard to their principal and other officers were not available.
- (xiii) Your Committee heard that there was a weak relationship between the Ministry of Local Government and Housing, and the Local Government Service Commission in terms of financial support to ensure optimum staffing levels in the Local Government Service.



## PART II

### 8.0. Local Tour

Your Committee undertook its local tour from Monday 21st April, to Thursday 1st May 2014 and visited eleven (11) councils in the Eastern, Southern and Lusaka provinces as set out below.

- (i) **Eastern Province:**
  - a) Petauke District Council;
  - b) Sinda District Council;
  - c) Katete District Council;
  - d) Mambwe District Council; and
  - e) Chipata Municipal Council.
- (ii) **Southern Province:**
  - a) Mazabuka Municipal Council;
  - b) Pemba District Council;
  - c) Kalomo District Council;
  - d) Choma Municipal Council; and
  - e) Livingstone City Council.
- (iii) **Lusaka Province:**
  - Lusaka City Council

The main objective of the tour was to meet the councillors, council management and the unions representing council employees, and to get their views on the effectiveness of the Local Government Service Commission. Your Committee also visited some projects funded by the Constituency Development Fund and the Ministry of Local Government and Housing.

#### The Councillors

The councillors presented the views listed hereunder.

- (i) They were not consulted in the employment of council employees.
- (ii) There was a lack of communication between the Local Government Service Commission and the Ministry of Local Government and Housing. This had hindered the operations of the councils because the Ministry did not provide enough salary grants to cater for the new employees and those that had been transferred from other councils.
- (iii) The Local Government Service Commission had been given a lot of powers. This had rendered the councillors inept and unable to provide effective supervision over the employees.
- (iv) The Local Government Service Commission took very long to respond to staff requirements and recommendations from the councils. In some cases, the Commission had not responded at all.
- (v) The frequent transfers of key staff did not allow the officers to acclimatise. The councils were not consulted and in most cases, the transferred staff were not replaced.
- (vi) Frequent transfers had placed a financial strain on the councils because they had to bear the costs for settling – in and up – keep allowances.

The councillors who met your Committee in Petauke, Sinda, Katete, Chipata, Pemba, Kalomo Livingstone and Lusaka strongly recommended that the Local Government Service Commission should be abolished. The Councillors who met your Committee in Mambwe, Mazabuka and Choma recommended that the Local Government Service Commission should stay, but that a serious re – examination of it's mandate should be carried out.

### **The Council Managements**

The council managements presented the views listed hereunder.

- (i) The introduction of the Local Government Service Commission had enhanced the levels of council service delivery, by sending qualified personnel to the councils. It had also provided for fresh ideas and exposed staff to various other environments, challenges and opportunities.
- (ii) Introduction of the Local Government Service Commission had helped to reduce nepotism and corruption in the employment process.
- (iii) Transfers of staff had promoted national unity and some qualified staff had been posted to other councils, where there had originally been a lack of qualified staff. This had highly motivated the staff.
- (iv) Introduction of the Commission had protected the members of staff who used to be dismissed from employment on petty ground.
- (v) Introduction of the Local Government Service Commission had led to the harmonisation of salaries and standardisation of the conditions of service. This had motivated the staff and attracted more professionals to join the local authorities.

**Managements also pointed out the challenges faced in the operations of the local authorities as set out below**

- (i) Recommendations for staff recruitment to the Local Government Service Commission were usually ignored and instead, unrequired and unrequested for staff was employed and sent to the councils. Sometimes, two employees were posted to a council for a position that only required one person. Employees had also been posted to positions that had already been filled. The case of the firefighters who were interviewed and employed in Lusaka, and sent to councils around the nation was presented to your Committee. Management explained that the employment of fire fighters posed a great strain on the councils' budgets because the councils had to pay the settling – in allowances, salaries and provide accomodation for the newly recruited firefighters. The councils had not budgetted for this but they had been instructed to cater for the fire fighters.
- (ii) Lack of a training policy to provide guidance in the training of council employees had made it very difficult to provide training for staff.
- (iii) Dealing with disciplinary cases was a challenge because the procedure had not been fully explained to the councils. Management could only refer disciplinary cases to the Local Government Service Commission. The Commission took very long to deal with these cases and this had created a very difficult working environment.

## **The Unions**

The unions presented the views listed hereunder.

- (i) Division four (4) employees felt ostracised and did not feel part of the councils because the Government had not taken up the payment of their salaries. Their salaries were low and usually delayed for several months. This had negatively affected the operations of the councils.
- (ii) Retirees, who had faithfully served the councils for many years, had not been paid their benefits. Some had even passed away without their payments. This was very worrying to the council employees, especially those who were nearing the retirement age. It had negatively affected their performance.
- (iii) Councils did not have a performance appraisal system, the unions felt that appraisals were, therefore, based on a biased and subjective procedure.
- (iv) Council employees had not been provided with an avenue for appealing over decisions made by the Local Government Service Commission.
- (v) The unions further wondered why the councils had continued to employ through the Local Government Service Commission, when an employment and wage freeze had been instituted by the Central Government.
- (vi) Confidentiality and respect of workers' privacy was disregarded every time the Government made an announcement regarding the release of salary grants. The unions strongly recommended that the practice should be stopped.
- (vii) Marriages had been disturbed and disrespected, because the Local Government Service Commission had separated couples by transferring the spouses to separate councils. Appeals regarding such separations had been ignored.
- (viii) Criteria for promotion and confirmation of employees as laid down under *Statutory Instrument Number 115 of 1996* had been disregarded by the Local Government Service Commission. The Local Government Service Commission had only considered qualification and ignored the criteria of experience and seniority.
- (ix) The Local Government Service Commission had ignored the officers who had been acting in senior positions for many years, by opting to employ new officers to take up the senior positions. The ignored officers felt disrespected, they were disgruntled and this had negatively affected their performance.

## **Projects visited**

In the company of councillors, council managements and the provincial local government officers, your Committee toured the projects listed hereunder.

### **(i) Chaduka Primary School – Katete District Council**

Your Committee noted the completion of the building of Chaduka Primary School, under the Katete District Council. The School was well built and ready for use.

### **(ii) Street lighting Project - Mazabuka and Choma Municipal Council**

Your Committee noted the completion of the street lighting projects in the Mazabuka and Choma Municipal Councils. It urged the Councils to establish a



sustainable maintenance plan, and to agree on an affordable tariff payment system with the Zambia Electricity Supply Corporation Limited (Zesco).

- (iii) **Chubuyu Health Post – Sinda District Council, Feni Clinic – Chipata Municipal Council, and Council Housing Projects in Mfuwe and Pemba District Council**

Your Committee noted the progress on the building of the Chibuyu Health Post in the Sinda District Council, Feni Clinic under the Chipata Municipal Council, and the Council Housing projects in Mfuwe and Pemba District Councils.

- (iv) **New Intercity Bus Terminus, New Airport and Ultra Modern Market – Livingstone City Council**

Your Committee toured the Ultra Modern Market, the New Intercity Bus Terminus and the New Airport under the Livingstone City Council. Your Committee noted the progress made in the building of the projects.

- (v) **Likwele Dam Project - Pemba District Council**

Your Committee toured the Likwele Dam Project and it was impressed with the operations of the water purification process at the Dam. Your Committee noted that the Project had helped to alleviate the water shortages in the District.

- (vi) **Kaulo Secondary School Laboratory Project – Petauke District Council**

Your Committee noted with concern the poor workmanship and building materials used for the Kaulo Secondary School Laboratory Project. The bricks and the roofing material were of very poor quality. Your Committee recommends for closer monitoring of the project to ensure that good quality workmanship and materials are used.

- (vii) **Mfuwe District Council Market**

Your Committee was concerned to note that the building of the Mambwe District Council Market had stalled due to lack of funds. The main market structure had been completed but due to the inadequate funds, the ablution block had not been built and therefore, the market could not be used. Your Committee recommends that the Government should ensure that funds are provided for the completion of the ablution block.

- (viii) **Sinda District Council Housing Project**

Your Committee was concerned to note that funds for the commencement of the building of ten houses had not been released. The contractor had only been provided with funds to clear the site. Your Committee recommends for the immediate release of funds to start the building of the houses.

## 9.0. Committee's Observations and Recommendations

Following the local tour and the interaction with witnesses, your Committee makes the observations and recommendations set out hereunder:

- (i) Your Committee observes that though it was difficult for the witnesses (most of whom were council employees) to openly and frankly discuss the effectiveness of the Local Government Service Commission, they generally opposed its existence due to the several drawbacks faced in its operations.

Your Committee recommends that the mandate of the Local Government Service Commission should be reviewed because, apart from its poor performance, the Commission's operations are also in contradiction to the intentions of the Revised National Decentralisation Policy of 2013. As a matter of principle, and according to the Policy, each council as a body corporate should maintain its role to hire, discipline and dismiss its employees. This was also within the principle of subsidiarity, which entails much more efficiency and effectiveness in human resource management, provided that effective monitoring systems are put in place.

- (ii) Your Committee further recommends that the Government and major stake holders should immediately convene, and start working at establishing a Local Government Service Commission that will exist only to set up and ensure adherence to standards of human resources management in the local authorities. This will ensure transparency, meritocratic and good quality practices therein. Thus the Commission should only play an oversight role as promulgated in the Revised National Decentralisation Policy of 2013, and act in line with *Section 105 of the Local Government (Amendment) Act of 2010*. The Commission, therefore, should only serve as an appellate and oversight body.

- (iii) Your Committee observes that the recent policy decision on the harmonisation of salaries and conditions of service for local authorities, has resulted into increased benefits liabilities on the Local Authority Superannuation Fund (LASF). This is due to the fact that the scheme's benefits are calculated on the final salary. As a result of the harmonisation policy, the liability on benefits of members who retired from date of implementation in August 2013, to February 2014, had increased from K5 million to K22 million. As at 31<sup>st</sup> September 2013, LASF owed in the form of unpaid retirement benefits, a total of K152 million to over 3,000 retirees.

Your Committee recommends that all policy decisions regarding employees of the local authorities, should take into account the implications they would create on LASF and other stakeholders. Policy decisions should therefore be carried out through a broad consultative process.

Your Committee further recommends that the Government should therefore, ensure direct financial intervention to save LASF from a total collapse.

### **PART III**

#### **Action-Taken Report on the Report of the Committee on Local Governance, Housing and Chiefs' Affairs for the Second Session of the Eleventh National Assembly**

##### **10.0. *The Status of fire fighting Services in Zambia***

- i). Your previous Committee recommended that the Government should develop a Fire Policy and enact a Fire Act in order to enforce fire safety such as prevention, protection, detection and suppression

In response, the Ministry informed your Committee that the advert for the provision of consultancy services for the formulation of a National Fire and Rescue Policy was in the media on 9<sup>th</sup> August, 2013. Two draft fire policies had already been received from stakeholders and therefore, the Ministry's desire was to quicken the process so that the policy was developed before the end of the year.

##### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the development of a National Fire and Rescue Policy.

- ii). Your previous Committee recommended for the review of the Fire Fighting Training Curriculum; upgrading of the current college in Kabwe; and for the establishment of fire fighting training schools in all provincial headquarters.

In response, the Ministry informed your Committee that it had already taken some steps to improve the standards at the Fire School in Kabwe. TEVETA had visited the School and a draft TEVETA Qualifications Framework (TQF), Level 6 Curriculum Chart for Diploma in Fire Safety Operation and Administration had already been developed and was awaiting approval.

Besides this, the Ministry had acquired land in Kabwe earmarked for the construction of a modern fire school. This would help to address most of the training challenges faced by the industry. Terms of Reference had already been prepared for consultancy services in the development of architectural designs for the school.

##### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the approval of the Level 6 Curriculum Chart for Diploma in Fire Safety Operation and Administration. Your Committee further requests a progress report on the construction of a modern fire school.

- iii). Your previous Committee recommended for the review of the policy on the construction of road humps. There was a proliferation of road humps in the country and these had greatly interfered with the time taken to respond to fire out breaks.

In response, the Ministry informed your Committee that the policy on the construction of road humps would be reviewed to accommodate fire fighting concerns, and also safety of the public at black spots.

### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.

- iv). Your previous Committee recommended for the reduction of duty on fire fighting equipment and chemicals.

In response, the Ministry informed your Committee that it would take up the issue with Ministry of Finance for consideration and submission to Cabinet.

### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.

- v). Your previous Committee recommended that the Fire Services Association should sensitise the public about its existence and its main objectives. Further, they recommended that the Fire Fighting Association should interact more with the Zambia Bureau of Standards and with the private sector.

In response, the Ministry informed your Committee that the Fire Services Association of Zambia would be advised accordingly. Further, the Ministry would invite the Association for a meeting in order to discuss the challenges it was facing and how best they could be assisted to function effectively.

### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.

- vi). Your previous Committee recommended that fire hydrants that had previously been shut down should be opened up and that the local authorities should engage with the water utility companies on the maintenance of the fire hydrants.

In response, the Ministry informed your Committee that the water utility companies had on several occasions been engaged by the Ministry on matters of maintenance of fire hydrants in their localities. The utilities companies were working very well with the local authorities to address the concerns raised by your Committee.

The Ministry was working out a programme to procure more fire hydrants to increase the water points in districts. This would enhance the fire fighting operations of fire brigades, especially in areas of viable economic activity.

### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.

- vii). Your previous Committee recommended that a fire station should be a prerequisite for the establishment of a council. Your Committee was also of the view that Traffic Police at road blocks should ensure that all vehicles had a working fire extinguisher.

In response, the Ministry informed your Committee that districts were declared fire authorities for purposes of fire prevention and fire fighting. This was in accordance with

the Local Administration (Fire Services) Regulations of 1991. Councils were, therefore, supposed to have a fire station upon establishment. The Ministry would look into the matter to ensure that the above recommendation was adhered to.

#### **Committee's Observations and Recommendations**

Your Committee was also informed that the Road Transport and Safety Agency (RTSA) would work harder to ensure that vehicles, especially Public Service Vehicles had an appropriate extinguisher for use in case of a fire outbreak.

Your Committee notes the response and requests a progress report on the establishment of fire stations in all the districts, and on the efforts that had been put in place by the Road Transport and Safety Agency, to ensure that all vehicles and particularly Public Service Vehicles had an appropriate fire extinguisher.

- viii) Your previous Committee recommended for the involvement of the private sector in the revamping of the fire services in the Livingstone City Council, and in the rest of the country.

In response, the Ministry informed your Committee that it was working with other departments such as the Disaster Management and Mitigation Unit in trying to revamp the fire services not only in Livingstone, but the rest of the country. Some private organisations had already been approached to help improve the fire services in the country.

#### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.

- xi). Your previous Committee recommended that the current fire fighting legal framework should be reviewed to ensure the inclusion of modern trends in fire fighting.

The Ministry responded by stating that the current fire fighting legal framework would definitely be reviewed. This would allow the fire fighting fraternity to meet professional demands and challenges of modern trends in fire fighting.

#### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.

- x). Your previous Committee recommended that the Ministry of Agriculture and the Department of Forestry should play a more active role in the process of fire detection, prevention, fighting and sensitisation in farming communities.

In response, the Ministry stated that the Ministry of Agriculture and the Department of Forestry would be advised to play an active role in the process of fire detection, prevention, fighting and sensitization of farming communities.

#### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.



- xi) Your previous Committee recommended that the Government should ensure that fire prevention was given priority in terms of funding for training and purchase of modern fire fighting equipment.

In response, the Ministry stated that the budget would be increased for training and purchase of modern firefighting equipment. The Ministry was making every effort to improve fire fighting operations of fire brigades.

#### **Committee's Observations and Recommendations**

Your Committee requests a progress report on the matter.

#### **Consideration of the Honourable Minister's Report of Local Government and Housing on the audited accounts of local authorities for 2012**

##### **Kitwe City Council**

Statutory Audit and Audit Inspection Report on the Constituency Development fund (CDF) for the Period January to 31<sup>st</sup> December, 2010

##### **Outstanding Debtors – K34, 045.00**

The Ministry informed your Committee that the Council had not yet collected the outstanding debts totaling to K34, 045.00. The Council had since developed a settlement plan on the payments of debts. Your Committee would be notified of progress on the recovery of the debts in due course.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the issue.

##### ***Outstanding Creditors – K37, 594,197.00***

The Ministry informed your Committee that the Council had not completed the settlement of the outstanding creditors even though successive payments had been made to liquidate the debt. The debt had not been paid in full due to liquidity challenges. Your Committee would be notified of progress in due course.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the issue.

##### **Kalulushi Municipal Council**

##### ***Collection of payment for billboard charges***

The Ministry reported to your Committee that the Council had made a follow up with the Ministry. The Act had not yet been revised to allow the councils to collect the payments for billboard charges. Therefore, the debt on the payments could not be cleared.

However, the matter had since been approved by the Council so that the debt is written off from the accounts receivable records.

Your Committee seeks further clarification on the matter. It must be made clear who will collect the payments for billboard charges. It awaits a progress report on the matter.

***Outstanding Statutory Creditors – K6, 806, 537.41***

The Ministry reported to your Committee that the Council had not agreed with Zambia Revenue Authority (ZRA) on a settlement plan for liquidating the debt. The query had not been resolved inspite of the Council making a follow-up with the Authority.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

**Chililabombwe Municipal Council**

**Statutory Audit Report and Audit Inspection on the Constituency Development Fund (CDF) for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2010**

***Outstanding Debtors – K1, 444,253.88***

The Ministry reported to your Committee that the Council had declared an amnesty to all the defaulters comprising mainly of people without stable income, senior citizens, retirees, widows, orphans, and youths in the informal sector, the unemployed and other organisations and companies. The Council had managed to recover debts totaling to K722, 127.00. Your Committee would be notified of progress in due course.

**Committee's Observations and Recommendations**

While noting the response, your Committee awaits a progress report on the matter.

***Outstanding Statutory Creditors – K5, 029,062.93***

The Ministry reported to your Committee that the matter was still under consideration as the Council had not identified suitable land to allocate to the Local Authorities Superannuation Fund (LASF) in kind as payment of the debt. In addition, the Council had also written to National Pension Scheme Authority (NAPSA), proposing settlement plans for the outstanding debt. The Authority had not yet given the Council a response.

The query still stood until land for investment for LASF was identified, and a plan of settlement was agreed upon with NAPSA.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Council Properties (Buildings) not insured***

The Ministry reported to your Committee that the Council had in principle agreed to insure the assets following the completion of assessment of the property. The Council would insure its assets once the financial position improved.

**Committee's Observations and Recommendations**

Your Committee noted the response and awaits a progress report on the matter.

***Assets (Buildings) without documents of ownership***

The Ministry reported to your Committee that the properties had not been surveyed to enable the Council acquire Title Deeds.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

**Kafue District Council**

***Outstanding Creditors/Accruals: K10, 519,584. 00***

The Ministry reported to your Committee that during the verification exercise, it was found that as a result of limited resources flowing into the coffers, the Council had only managed to pay K2, 746,806.00 from the total debt of K10, 518,584.00. The Council had, however, made commitments to ensure settlement of debts by agreeing on a settlement plan.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Mistreatment of Financial Statements Items – K4, 252,162.00***

The Ministry reported to your Committee that at the time of the verification exercise, it was found that following the reminders written to defaulting property owners of rateable properties appearing on the Council's Valuation Roll, the Council had managed to collect K636, 696.93 against the total of K4, 252,162.00. The Council was still pursuing the debts following the low compliance.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

### **Livingstone City Council**

#### ***Outstanding Creditors/Accrual: K 24, 551.33***

The Ministry reported to your Committee that the liabilities were due to financial constraints. In addition, the Council has since developed a settlement plan to clear the indebtedness.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

### **Mufulira Municipal Council**

#### ***Council properties not on Title***

The Ministry reported to your Committee that the Council had followed up the Title Deeds with Ministry of Lands, Natural Resources and Environmental Protection, but the Title Deeds had not yet been processed.

#### **Committee's Observations and Recommendations**

Your Committee notes the response and awaits a progress report on the matter.

### **Luangwa District Council**

#### **Statutory Audit Report for the period 1st January to 31st December, 2011**

#### ***Lack of Internal Audit Reports and Weak Control Systems***

The Ministry reported to your Committee that the Council had written requesting the Local Government Service Commission to fill up vacant positions. However, at the time of the verification exercise, only the position of Procurement Officer had been filled while the other positions were still vacant.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

### **Namwala District Council**

#### **Audit Review Report on CDF indebtedness and Assets Management for the Period 1<sup>st</sup> January, 2007 to 31<sup>st</sup> December, 2011**

The Ministry reported to your Committee that the hammer mill had been retrieved from Hichandi Women's club. The Council had agreed to procure a new hammer mill for the community that had applied for the same, so that the community did not feel rejected or neglected from the subsequent CDF allocations.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### **Siavonga District Council**

### **Statutory Audit Report on the Audited Financial Statements for the period 1<sup>st</sup> January to 31<sup>st</sup> December, 2011**

#### ***Outstanding Creditors/Accruals: K5, 944.22***

The Ministry reported to your Committee that the outstanding creditors had not been completely cleared. The Council had since developed a settlement plan to clear off the debts.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### **Katete District Council**

### **Audit Review Report on the Constituency Development Funds (CDF), Fixed Assets and Council indebtedness for the period 1<sup>st</sup> January 2007 to 31<sup>st</sup> December 2011**

#### **Constituency Development Fund (CDF)**

##### ***Site inspection***

#### ***Non-completion of Chibolya Clinic – Mkaika Constituency (2010) K100, 000.00 CDF***

The Ministry reported to your Committee that the Council had provided an allocation for the completion of the project from the 2013 CDF.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### ***Non-completion of Chiwuyu Rural Health Centre (RHC) – Sinda Constituency (2009 – 2011) K200, 000.00 CDF***

The Ministry reported that the Council had made a provision for funding to the said project from the 2013 CDF.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### ***Non-completion of Kawaza Rural Health Centre (RHC) – Milanzi Constituency (2009 – 2011) – K184, 808.00 CDF***



The Ministry reported that the Council had made a provision from 2013 CDF to complete the said project.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Poor workmanship at Mindola Cooperative Society House (2007) – Milanzi Constituency – K11, 000.00 CDF***

The Ministry reported that the Council had not yet repaired the project building. This was due to non availability of funds. Your Committee would be notified of the progress in due course.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Non-completion of Seya Day Secondary School (2009) - Sinda Constituency – K30, 000.00 with no Bill of Quantities***

The Ministry reported that the project had not been completed as it awaited funding from 2013 CDF.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Nthongole Basic School (2009) – Sinda Constituency – Diversion of K10, 000.00 CDF***

The Ministry reported that the project had not been completed. The Council had lodged an application for funding from the 2013 CDF allocation.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

**Petauke District Council**

**Maintenance of a Fixed Assets Register**

The Ministry reported to your Committee that the Council was yet to acquire the Title Deeds as the issue was before the Ministry of Lands.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

### **Site inspection**

#### ***Non-completion of Show Grounds Market (2009) – Petauke Central – K53, 000.00 CDF***

The Ministry reported to your Committee that the Council had allocated additional funding from the 2013 CDF allocation, and the project was near completion at the time of verification.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### ***Purchase of a tractor (2008) – Msanzala Constituency – K97, 000.00 CDF***

The Ministry reported to your Committee that due to budgetary constraints, the Council had failed to repair the tractor from its own resources. At the time of verification, the Council had requested for funding from the CDF. The funding was granted and the documents were verified.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the repair of the tractor.

### **Nyimba District Council**

#### ***Ndake Rural Health Centre – Delayed completion of Staff House – K126, 495.00***

The Ministry reported that the project had not been completed as the initial allocation was not enough. The Community awaited a funding request from the 2013 CDF allocation.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

### **Chipata Municipal Council**

#### **Statutory Audit and Audit Inspection Report of Constituency Development Funds for the period 1<sup>st</sup> January to December, 2010**

#### ***Non-acquisition of Certificates of Title for Council Properties***

The Ministry reported that the Council had not yet acquired the Title Deeds as the process was still being handled by the Ministry of Lands.

#### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

### ***Lack of Vehicle Policy Management***

The Ministry reported that the Council had not yet established a full fleet management policy.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

### **Chipata Municipal Council**

#### ***Non – completion of Kaumbwe Market (2010) - Chipata Central – K30, 000.00 CDF***

The Ministry reported that the CDF projects were approved and verified by the Ministry. However, the project would be completed once the funding was sourced from the 2013 CDF.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### ***Electrification of St. Margaret's Secondary School (2009)-Chipangali Constituency – K350, 000.00 (2009 – 2010) CDF***

The Ministry reported that the project had not been completed as the Council was awaiting funding from 2013 CDF.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### ***Non-completion of Kazimule Basic School (2010) - Luangeni Constituency K21, 000. 00 (2010 – 2011 CDF)***

The Ministry reported that the project had not been completed as the Council was awaiting funding from 2013 CDF.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### ***Non – completion of Mbenjele Rural Health Centre (2007) - Chipangali Constituency – K85, 000.00***

The Ministry reported that the project had not been completed due to lack of funding from the CDF allocation for 2013.

### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Non-completion of Mkowe Basic School (2007) - Kasenengwa Constituency – K47, 000.00***

The Ministry reported that the project has not been completed due to non availability of funding from the CDF allocation of 2012. However, the Council had since submitted an application to the CDF Committee on the allocation of 2013, to complete the project.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Chipata Motel Primary Health Care (2007) - Chipata Central -- K30, 000.00 2008 and 2010 CDF***

The Ministry reported that the project had not yet been completed because of inadequate funding from the CDF allocation of 2012.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Outstanding works at Mkandamateyo Community School (2008)-Chipangali – K35, 000.00 2008 and 2010 CDF***

The Ministry reported that the project had not yet been completed because of inadequate funding from the CDF allocation of 2012.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Non-completion of two VIP toilets at Ndembela Community School (2009) - Kasenengwa Constituency – K10, 500.00 CDF***

The Ministry reported that the project had not yet been completed because of inadequate funding from the CDF allocation of 2012.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Rehabilitation of Mnukwa Agriculture Shed (2011) - Chipangali Constituency K30, 00000 CDF***

The Ministry reported that the project had not yet been completed because of inadequate funding from CDF allocation of 2012.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### **Isoka District Council**

##### ***Uninsured Motor vehicles***

The Ministry reported to the Committee that the Council had since concluded taking stock of non-runner and obsolete vehicles. The Ministry had approved the request to dispose the said properties.

##### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter

##### ***Council properties not insured***

The Ministry reported that the Council had not yet insured its properties due to financial challenges.

##### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### **Mafinga District Council**

##### **Statutory Audit Report Responses on the Books of Accounts for Mafinga District Council for the period 1<sup>st</sup> January to 31<sup>st</sup> December 2011**

##### ***No Internal Audit function***

The Ministry reported to your Committee that the Local Government Service Commission had deployed staff to fill some key vacant positions. However, the position of Internal Auditor had not yet been filled by the Local Government Service Commission.

##### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

#### **Mungwi District Council**

##### **Statutory Audit Report and Audit Inspection Report on the CDF for the period 1<sup>st</sup> January to 31<sup>st</sup> December, 2010**

##### ***Non-segregation of duties***

The Ministry reported that the Local Government Service Commission had not yet filled the vacant positions, including that of Internal Auditor.

##### **Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.



***Substantial amount of uncollected Debt – K45, 705.00***

The Ministry reported that the Council had not collected the debts amounting to K45, 705.00. However, the Council had instituted warrants of distress in order to recover the debts.

**Committee's Observations and Recommendations**

Your Committee notes the response and awaits a progress report on the matter.

***Lack of Depreciation Policy***

The Ministry informed your Committee that the Council had not yet updated its Valuation Roll due to financial constraints.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the availability of a Depreciation Policy and on the availability of a Valuation Roll.

***Title Deeds for Council Properties not available***

The Ministry reported that the Council had not yet started the surveying of plots due to financial challenges.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

**Mpika District Council**

***Title Deeds not available***

The Ministry reported to your Committee that the Council was actively working with the Northern Province Planning Authority to ensure that there was orderly planning for all settlements in the District. In addition, the surveying of the Council land by the Provincial Survey Team was on-going and this had a bearing on the acquisition of title.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

**Mbala Municipal Council**

**Statutory Audit on Council Accounts for the Period 1<sup>st</sup> January to 31<sup>st</sup> December, 2011**

***Outstanding Statutory Creditors – K1, 255,126.78***

The Ministry reported to your Committee that the Council had not yet settled the outstanding debts due to financial challenges. In addition, the Council had developed a Settlement Plan.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

**Luwingu District Council**

**Audit Responses to the Statutory Audit on Council Accounts for the period 1st January to 31st December, 2011**

***No Certificates of Title for properties***

The Ministry reported that the Council had not yet acquired the Title Deeds as it was still processing survey diagrams.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Non-preparation of a Procurement Plan***

The Ministry reported that the Local Government Service Commission (LGSC) was yet to send a Procurement Officer once the recruitment process was concluded.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

**Chama District Council**

**Statutory Audit on Constituency Development Fund, Fixed Assets and Council Indebtedness for the period 1st January, 2007 to 31st December, 2011**

**Constituency Development Fund (CDF)**

***Maintenance of a Fixed Assets Register***

The Ministry reported that the valuation of assets had not yet been done due to financial constraints.

**Committee's Observations and Recommendations**

Your Committee awaits a progress report on the matter.

***Non completion of works at Chama Day High School (2010) - Chama North K40, 000.00***