



UGU 2018/2019 ANNUAL REPORT

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD

1. Foreword by the Mayor

During the year under review, South Africa held a successful and peaceful general election on the 8th of May 2019 for the sixth Administration who will carry the aspirations of South African citizens into the new century.

These elections also marked the closing of the first quarter of a century since we, the people of South Africa, successfully brought an end to centuries of colonial domination and apartheid after the year 1994. And accordingly, the people of South Africa took to the polls to re-affirm themselves as the driving force behind the political success of post-apartheid South Africa. The renewed mandate given to the African National Congress by the voters, under the leadership of President Ramaphosa can never be taken for granted as it re-affirms the positive reception with which the people of South Africa have understood the principal message of **Thuma Mina**. And as a district municipality, we are ready to deliver to the aspirations of our residents.

The Constitution of the Republic of South Africa is very clear on the existence and objectives of local government. The Municipal Systems Act no 32 of 2000 provides for us as a district municipality, clear functions and powers in respect of service delivery. Our core function is the humble but huge task of providing water and sanitation services. And the local economic development is another critical function whose core imperatives are shared with our local municipalities.

As part of our public participation process, we have on numerous occasions had conversations with residents across the district, the purpose of which was to solicit the views of our communities and measure our service delivery progress as well as to gather information on the immediate community needs.

And during these public engagements, residents confirmed that the municipality is indeed at work in delivering water and sanitation services, but more work still needs to be done. They also gave this council a clear mandate to deliver basic services, grow the economy, create jobs and help build a better life. As we compile this report, we are acutely aware of the task before us and the challenges that come with it. The 2018/19 financial year saw the municipality experiencing several financial challenges which have compromised the municipality's ability to perform certain of its deliverables. The legacy of our dysfunctional billing system coupled with the prevalent culture of non-payment by some residents for municipal services served as a major contributor to our financial situation.

And our audit outcome which was characterised by an Adverse audit opinion from the Auditor General for the year under review was also uninspiring for a municipality of our stature. We have since developed turn around strategies in this regard and have placed a huge emphasis on our administration to strictly adhere to the deliverables of these turn around strategies which are monitored regularly. And as this leadership, we are resolute to our commitment of turning the situation around.

Despite the challenges, the municipality have made remarkable in-roads towards extending water and sanitation services to communities who had no access to these services. But we still cannot stay at the comfort of these achievements as voices of the destitute communities are still echoing. Therefore, our task going forward, is to work tirelessly in mobilizing our resources towards our core function, that of water and sanitation services. Our key focus has been that of accelerating service delivery of water and sanitation services to our communities. And we are determined to overcome whatever challenges we encounter along the way in pursuit of this noble course.

This report will reflect on the efforts made to implement our adopted Revenue Collection Strategy in a manner that builds confidence of residents.

The people of Ugu District expect the municipality to provide an uninterrupted water and sanitation services which requires full cooperation of our residence towards the payment of municipal services. We are making all strides towards mitigating risks; improvements of our billing systems; improvement of our water infrastructure and bettered municipal financial management

We also have not departed from our deliberate efforts to actively intervene on the plight faced by local small businesses through ring-fencing 30% of total procurement to Ugu District-based companies which will increase participation of local businesses to the economy of the District. We still place a high emphasis on the Expanded Public Works Programme (EPWP) which is part of the municipality's poverty alleviation programme tailored to absorb many of our communities into job opportunities.

Cllr Phumlile Mthiyane
Acting Mayor, Ugu District Municipality

COMPONENT B: EXECUTIVE SUMMARY

1.1. Municipal Manager's Overview

The Ugu District Municipality currently finds itself in a seriously precarious situation primarily due to its poor financial situation. This financial instability has a substantive effect on the ability of the Municipality to discharge its core mandate of providing Water and Sanitation Services to all our communities.

The prevalence of service delivery related protests prior to the General Election in May 2019 has brought to the fore the unhappiness of communities with the provision of basic service delivery i.e. Water and Sanitation.

These protests continue even after the elections. Responses to some of these protests result in unauthorised and irregular expenditure. Our communities especially those from rural areas expect a certain level of service. Communities are now rejecting standpipes and expect piped water as a standard.

The provision of providing that level of service is not within the capacity of the Municipality presently. This is a challenge that Government at a National level must deal with.

Communities have become impatient and resort to venting their anger in a very destructive and regrettable manner. There must be some serious attention given to planning for the provision of water to all communities. All sources of supply must be identified and harvested in a sustainable manner.

Security of supply to areas along the coastal belt must be safeguarded. This needs serious injection of financial resources into our Repairs and Maintenance Budget of at least eight percent (8%) of our asset value. All our Water and Sanitation infrastructure must be regularly maintained and upgraded. Much of our crucial infrastructure has outlived its useful life and in most instances is inadequate to meet demands of growing communities.

The Water and Sanitation Masterplan must talk to the eradication of the thirteen percent (13%) water coverage shortfall and twenty-two (22%) sanitation shortfall.

The leadership both political and administrative must now take some critical decisions in respect of expenditure on non-essential functions. Currently the expenditure is far in excess of income and the income levels is showing a decreasing trend while expenditure increases exponentially. To return to financial stability the Municipality needs to curtail all non – essential expenditure and focus on provision of water and sanitation.

The costs of personnel have reached unaffordable levels and an urgent engagement is overdue with all stakeholders to discuss this cost driver which is the single biggest input cost.

Due to the current poor economic outlook and need for increase in productivity the optimum use of human resources is a non-negotiable imperative.

Cost containment needs to become part of the institutional fabric of our Municipality and “belt tightening” exercises cannot be part of debates anymore but must be implemented.

Our previous two (2) Audit Opinions have brought to the fore our lack of expertise and capacity in especially financial management. Together with support from KZN Provincial Treasury we are trying to address these challenges and mitigate further findings in the ensuing years.

The introduction and implementation of MSCOA has posed some challenges especially with migration of existing systems to the new system and our billing of customers. Until we are able to resolve our revenue management issues our status of a “going concern” will always remain questionable.

Our previous Audit Opinion (2017/18) is the single factor that affected our assessment in the Back to Basics (B2B) programme from functional to “Requiring intervention”

The Qualified Audit Opinion for 2018/19 is a significant improvement from the previous year but is by no means an acceptable audit outcome. All issues that informed the qualified audit outcome must be attended to so that the Unqualified audit outcome becomes a reality for 2019/20. The initiative stated around the Audit Improvement Plan must continue until the Ugu District Municipality achieves Clean Audit Status. Consequence Management must be pursued without fear or favour to its ultimate logical conclusion.

It is my considered opinion that many of the community protests can be mitigated by effective and meaningful public engagements through a pro-active public participation programme.

Our customer care through our call centre, control centre and billing queries line must be informative and responsive. Regular and timeous community engagements can always arrest, and calm simmering tensions informed by Service Delivery challenges.

Our Inter Governmental Relations (IGR) within the District must be enhanced so that the District and Local Municipalities can in many instances provide a singular response to cross-cutting issues. A highly interactive IGR structure can lend itself to positive economic efficiencies in respect of service delivery.

The cash flow challenges and financial instability of 2012/13 is repeating itself and many of the causes are linked to the human factor. It is only consequence management that will send an unambiguous message to all officials that incompetence and negligence cannot be rewarded any longer. Public funding cannot be used to fund poor / non-performance.

There must be a very positive and productive interface between political and administrative leadership. The roles of political and administrative leadership must be clearly understood and practiced by all.

The organisational culture must reflect a work ethic directed at serving all our communities. Self-serving employees indulging in acts of misconduct and misuse of public resources must face the consequences of their unlawful, immoral and, unethical actions. Disrespect for all applicable laws and pursuit of personal agendas must be dealt with appropriately.

Ugu District Municipality is now at a point where both political and administrative leadership needs to be bold and make some very significant decisions that will influence our future sustainability and our ability to meet our service delivery obligations. This may require some “unpopular” decisions, but public office requires that we discharge our duties without fear or favour in a transparent and fair manner.

It is at critical times like this we get to appreciate the many role-players and stakeholders who against all odds and sometimes in the face of much adversity keep the “water flowing”. This is the loyalty and commitment we should all embrace.

The future of Ugu District Municipality rests in our hands and so does the well – being of our entire district, we have to remain focused, loyal committed and selfless to serve all our communities.

“In the middle of difficulty lies opportunity”

- Albert Einstein

D D NAIDOO
MUNICIPAL MANAGER

1.2. Municipal Functions, Population and Environmental Overview

Population Details								
Age in completed years	Population 2013	Population 2014	Population 2015	Population 2016	Population 2017	Population 2018	Population 2019	Population 2020
0-19	333 827	329 186	325 422	322 514	317 740	352 346	357 517	362 826
20-34	174 222	175 733	175 541	173 509	173 897	223 782	224 125	223 462
35-49	99 606	99 240	99 177	99 699	100 598	111 754	118 224	125 263
50-69	89 716	90 335	90 716	90 812	90 416	78 740	78 456	78 381
70-79	23 490	23 575	23 677	23 785	23 840	13 809	18 865	18 730
80+	11 204	11 311	11 454	11 640	11 665	5287	5037	4800

Socio Economic Status						
Year	Housing Backlog as proportion of current demand	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in Low-skilled Employment	HIV/AIDS Prevalence	Illiterate people older than 14 years
Year -2	19%	22%	26%	44%	10%	27%
Year -1	20%	23%	26%	48%	15%	37%
Year 0	21%	24%	26%	52%	20%	44%
	59 868	29.1%			19.1%	

MUNICIPAL MAJOR NATURAL RESOURCES OVERVIEW

The Municipality has taken a major focus on environment, considering the fact that environmental management issues are a major item of discourse across the globe. The municipality enjoys the natural resources tabulated below within its area of jurisdiction hence such resources ought to be managed properly through the development and implementation of a number of specific environmental management plans and capacitated institutional plan.

In extension to the district municipality, some local municipalities within the district are performing some of the Environmental Management functions with the district playing an oversight role.

Natural Resources	
Major Natural Resource	Relevance to Community
Coast	Tourism, recreation and aesthetics, religious beliefs, source of livelihood (food, employment and income), research and education
Biodiversity	Tourism, recreation and aesthetics, religious beliefs, source of livelihood (food and income), research and education, traditional health (medicine)
Air quality	Clean and safe environment, human health, education
Water resources	Domestic and industrial use, recreation, source of livelihood, education and research
Land	Agriculture, human settlements, resources for human consumption, source of power and human contentment

The Coast

Ugu District Municipality, in its Growth and Development Strategy identifies the coast as a major tourism attraction to the Lower South Coast. Further to tourism, the strategy identifies the coast as a source of livelihood for many families who depend on marine resources to cater for their families and access to employment opportunities.

Biodiversity

Like the coast, biodiversity is also used to attract tourism to the district. There are features of the district biodiversity that have been exploited and redesigned for tourism attraction. Apart from tourism the district biodiversity is also used for religious beliefs, livelihood, research and education as well as traditional health.

Air Quality is used to promote a clean and safe environment as well as for education.

Water Resources are used for domestic and industrial purposes, recreation, as a source of livelihood as well as for education and research

Land is one of the primary resources for agriculture, human settlements, resources for human consumption, source of power and human contentment. The district has therefore developed a number of policies to guide sustainable use of land.

1.3. Service Delivery Overview

1.3.1 Service Delivery Introduction: Water and Sanitation

Proportion of Households with minimum level of Basic services				
	Year -3	Year -2	Year -1	Year 0
Electricity service connections	60%	70%	80%	90%
Water - available within 200 m from dwelling	55%	60%	65%	85%
Sanitation - Households with at least VIP service	48%	53%	58%	87%
Waste collection - kerbside collection once a week	25%	30%	35%	40%

1.4. Financial Health Overview

1.4.1 Financial Overview: Current Situation; Opportunities and Challenges

Financial Overview: 2017/2018 R' 000			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	713 631 880	713 366 551	714 519 337
Taxes, Levies and tariffs	429 071 445	355 328 615	325 342 983
Other	31 825 452	9 326 437	25 305 422
Sub Total	1 174 528 777	1 078 021 603	1 065 167 742
Less: Expenditure	859 535 546	832 884 172	1 057 952 458
Net Total*	314 993 231	387 461 772	7 215 284
Table 1.4.1			

Operating Ratios	
Detail	%
Employee Cost	35.28%
Repairs & Maintenance	1.56%
Finance Charges & Impairment	0.98%
Table 1.4.2	

Total Capital Expenditure: 2016/2017 to 2017/2018 R'000			
Detail	2016/2017	2017/2018	2017/2018
Original Budget	368 747 000	362 325 304	362 325 304
Adjustment Budget	369 147 000	343 195 103	343 195 103
Actual	353 253 546	316 465 509	316 465 509
Table 1.4.3			

1.5. Organisational Development Overview

The municipality finalised and adopted a new organogram in October 2017. This section therefore gives a thorough analysis of the new organogram and the vacancy rates within the institution. The current number of employees employed by the Ugu municipality is 902 as broken down in the table below. The total amount spent on the salaries averages to R17 – R18 million per month and R 2 million is allocated to overtime. The employee costs will be further analyzed under the Financial Viability section.

Table 1.5.1: Ugu District Employees per Department

Source: Ugu District Municipality Corporate Services, 2017

Department	Number of Employees
Water Services	612
Infrastructure and Economic Development	30
Budget and Treasury	94
Corporate Services	90
Municipal Manager's Office	76
Table 1.5.1	

The organogram currently has 910 positions approved with only 902 filled making the vacancy rate 0.8.% (including budgeted and unbudgeted vacancies). In terms of the age analysis of the Ugu District Municipality's employees, it is broken down as per table 1.5.2.

Age group	Number
22 - 35	183
36 – 45	349
46 – 55	265
56 – 60	65
61 – 65	40
Table 1.5.2	

What emerges from the age analysis of the employees of Ugu District Municipality is that a total number of 96 employees are within a retirement bracket. This amounts to 10.5% of the total positions filled in the municipality. In the table below; Ugu District Municipality age analysis is further analysed with the age brackets and positions held.

Ugu District Employees per Age Group and Positions held.

Post Level	22-35	36-45	46-55	56-60	61-65	Total
0 – Municipal Manager	0	0	0	1	0	1
1 - General Managers	1	2	0	0	0	3
2- Senior Managers	0	4	1	1	1	7
3 - Managers	5	15	3	2	1	26
4 - Officers	8	24	5	2	1	40
5 - Practitioners	10	6	1	2	0	19
6 - Accountants/ other professionals	14	25	17	0	3	59
7 - Foremen / Personal Assistants	2	6	8	1	1	18
8 - Senior clerks, secretaries	3	4	1	0	0	8
9 - Clerks, operators Class 3, admin assistant	50	59	36	7	9	161
10 - Office Clerks	12	14	9	0	1	36
11 - Customer care clerks, VTS supervisors	11	14	11	0	1	37
12 - Operators Class 2, receptionist	5	11	11	1	2	30
13 - Drivers, machine operators	15	33	23	10	4	85
14 - Operators Class 1, Senior shift workers	6	21	11	7	1	46
15 - Handyman, shift workers	5	3	9	4	2	23
16 - Plant reproduction assistant	0	0	0	1	0	1
17 - General Workers Grade 1	0	1	3	1	3	8
18 - General workers, Filing clerks, General assistants	36	108	115	25	10	294
Totals	189	350	260	63	40	902

1.6. REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL DISTRICT LEGISLATURE AND COUNCIL ON UGU MUNICIPALITY AND ITS MUNICIPAL ENTITIES

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

OPINION

1. I have audited the consolidated and separate financial statements of the Ugu District Municipality and its municipal entities (group) set out, which comprise the statement of financial position as at 30 June 2019, the consolidated and separate statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as the notes to the consolidated and separate financial statements, including a summary of significant accounting policies.
2. In my opinion, except for the effects of the matters described in the basis for qualified opinion section of this report, the consolidated and separate financial statements present fairly, in all material respects, the financial position of the group as at 30 June 2019, and their financial performance and their cash flows for the year then ended in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2018 (Act No. 1 of 2018) (Dora).

BASIS FOR QUALIFIED OPINION

PROPERTY, PLANT AND EQUIPMENT

3. The municipality did not properly account for assets in accordance with GRAP 17: *Property, plant and equipment* as the municipality did not adequately record all items that met the definition of property, plant and equipment. I was unable to determine the impact on property, plant and equipment as it was impracticable to do so. Consequently, property, plant and equipment stated at R4,75 billion (2017-18: R4,73 billion) in note 11 to the consolidated and separate financial statements is materially misstated by an undeterminable amount. Additionally, there was an impact on the deficit for the period and on the accumulated surplus.

REVENUE FROM EXCHANGE TRANSACTIONS - SERVICE CHARGES AND RECEIVABLES FROM EXCHANGE TRANSACTIONS

4. The municipality did not properly account for service charges included in revenue from exchange transactions in accordance with GRAP 9, *Revenue from exchange transactions*. Items meeting the definition of revenue were not recognised and/or recorded at the fair value received or receivable. Consumers were not billed for services received and/or audit evidence was not provided to support the non-billing of consumers in certain instances. I

was also unable to obtain sufficient appropriate audit evidence for service charges recognised in revenue. I could not confirm service charges included in revenue from exchange transactions and receivables from exchange transactions by alternative means. Consequently, I was unable to determine whether further adjustments were necessary to service charges included in revenue from exchange transactions stated at R306,74 million (2017-18: R337,14 million) as well as receivables from exchange transactions stated at R508,27 million and R507,30 million (2017-18: R455,79 million and R453,61 million) in the note 22 and 8 to the consolidated and separate financial statements, respectively.

Receivables from non-exchange transactions

5. The municipality recognised items that did not meet the definition of an asset in accordance with GRAP 1, *Presentation of financial statements*. The municipality incorrectly billed consumers for services not rendered. Therefore, the municipality incorrectly recognised revenue and the related receivable from non-exchange transactions in its financial statements. Consequently, receivables from non-exchange transactions and revenue were overstated by R85,78 million (2017-18: R73,86 million) in note 6 to the consolidated and separate financial statements.

PAYABLES FROM EXCHANGE TRANSACTIONS

6. The municipality did not appropriately account for trade payables included in payables from exchange transactions as required by GRAP 1, *Presentation of financial statements*. The municipality recognised trade payables on an incorrect statement of account. I was unable to determine the impact on the trade payables included in payables from exchange transactions as it was impracticable to do so. Consequently, the trade payables included in payables from exchange transactions stated at R253,65 million and R259,90 million (2017-18: R103,06 million and R102,14 million) in note 15 to the consolidated and separate financial statements respectively was misstated by an undeterminable amount.

Expenditure

7. The municipality did not appropriately account for bulk purchases, contracted services and general expenditure included in expenditure as required by GRAP 1, *Presentation of financial statements*. Expenditure incurred in the previous year was erroneously included in the current year amounts and certain expenses were recorded at incorrect amounts. Expenditure was overstated by R48,46 million. Consequently, contracted services of R190,15 million, bulk purchases of R131,96 million as well general expenditure of R180,09 million and R164,30 million included in expenditure disclosed in note 36,37 and 38 to the consolidated and separate financial statements respectively, was misstated by an undeterminable amount.

Commitments

8. I was unable to obtain sufficient appropriate audit evidence for the restatement of the corresponding figure for commitments. As described in note 56 to the financial statements,

the restatement was made to rectify a previous year misstatement, but the restatement could not be substantiated by supporting audit evidence. I was unable to confirm the restatement by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to the commitments corresponding figure stated at R684 million in note 45 to the consolidated and separate financial statements.

Water losses

9. During 2018, I was unable to obtain sufficient appropriate audit evidence for water losses, and to confirm the water losses by alternative means. Consequently, I was unable to determine whether any adjustment was necessary to water losses stated at R30,50 million in note 51 in the consolidated and separate financial statements. My audit opinion on the consolidated and separate financial statements for the period ended 30 June 2018 was modified accordingly. My opinion on the current year's consolidated and separate financial statements was also modified because of the possible effect of this matter on the comparability of the water losses for the current period.

Context for the opinion

10. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the consolidated and separate financial statements section of this auditor's report.
11. I am independent of the group in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and parts 1 and 3 of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.
12. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

13. I draw attention to note 46 in the consolidated and separate financial statements, which indicates that, as of 30 June 2019 the group's current liabilities exceeded its current assets by R184,36 million. The deficit has significantly increased by 348,47% from R38,29 million to R171,72 million in the current year, these events or conditions, along with other matters as set forth in note 46, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern.

OTHER MATTER

14. I draw attention to the matter below.

Unaudited disclosure notes

15. In terms of section 125(2)(e) of the MFMA, the municipality and its municipal entities are required to disclose particulars of non-compliance with the MFMA in the consolidated and separate financial statements. This disclosure requirement did not form part of the audit of the consolidated and separate financial statements and, accordingly, I do not express an opinion on it.

RESPONSIBILITIES OF THE ACCOUNTING OFFICER FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

16. The accounting officer is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with SA Standards of GRAP and the requirements of the MFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

17. In preparing the consolidated and separate financial statements, the accounting officer is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the group or to cease operations, or has no realistic alternative but to do so.

AUDITOR-GENERAL'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

18. My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

19. A further description of my responsibilities for the audit of the consolidated and separate financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

INTRODUCTION AND SCOPE

20. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report material findings on the reported performance information against predetermined objectives for the selected development priority presented in the annual performance report. I performed procedures to identify findings but not to gather evidence to express assurance.
21. My procedures address the reported performance information, which must be based on the approved performance planning documents of the municipality. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures also did not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
22. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the basic service delivery development priority presented in the annual performance report of the municipality for the year ended 30 June 2019.
23. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
24. The material finding in respect of the usefulness and reliability of the selected development priority is as follows:

KPA 1 – Basic Service Delivery

Various strategic objectives

25. The following strategic objectives reported in the annual performance report (APR) were not consistent when compared with the planned strategic objectives as per the service delivery and budget implementation plan (SDBIP).

Strategic objective per SDBIP	Strategic objective per APR
-	Increase access to adequate basic services
-	Compliance with decent sanitation standards

Number of HH provided with access to sanitation through the Masinenge / Uvongo Sanitation project

26. I was unable to obtain sufficient appropriate audit evidence to support the reported achievement and target of 125. This was due to a lack of technical indicator descriptions and proper performance management systems and processes that predetermined how the achievement would be measured, monitored and reported. I was unable to confirm the reported achievement of the indicator by alternative means. Consequently, I was unable to determine whether any adjustments were required to the achievement of 125 as reported in the APR.

Number of customers benefiting from indigent support

27. I was unable to obtain sufficient appropriate audit evidence and confirm by alternative means the reported achievement for the target of 6000. Consequently, I was unable to determine whether any adjustments were required to the achievement of 5172 as reported in the annual performance report.

Various indicators

28. The municipality did not maintain adequate records to support the achievement of the indicator to enable reliable reporting on achievement of targets. As a result, I was unable to obtain sufficient appropriate audit evidence for the reported achievement of the indicators listed below. I was unable to confirm the reported achievement by alternative means. Consequently, I was unable to determine whether any further adjustments were required to the reported achievements of the indicators listed below:

Indicator description	Reported achievement	Audited value
Number of loads delivered via water tankers	940	0
Percentage compliance to water tankering programme	56%	0

OTHER MATTERS

29. I draw attention to the matters below.

Achievement of planned targets

30. The annual performance report sets out information on the achievement of planned targets for the year. This information should be considered in the context of the material findings on the usefulness and reliability of the reported performance information from paragraph 25 to 28 of this report.

ADJUSTMENT OF MATERIAL MISSTATEMENTS

31. I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information of the basic service delivery development priority. As management subsequently corrected only some of the misstatements, I raised a material finding on usefulness and reliability of the reported performance information. Those that are not corrected are reported above.

REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

INTRODUCTION AND SCOPE

32. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the compliance of the municipality with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

33. The material findings on compliance with specific matters in key legislation are as follows:

Expenditure management

34. Reasonable steps were not taken to prevent unauthorised expenditure amounting to R228,15 million, as required by section 62(1)(d) of the MFMA, which is disclosed in note 47 to the annual financial statements of the municipality. The majority of the unauthorised expenditure was caused by poor planning.

-
35. Reasonable steps were not taken to prevent irregular expenditure amounting to R302,01 million as disclosed in note 49 to the annual financial statements of the municipality, as required by section 62(1)(d) of the MFMA. The majority of the disclosed irregular expenditure was caused by the non-adherence to municipal supply chain management regulations.
 36. Reasonable steps were not taken to prevent fruitless and wasteful expenditure amounting to R5,01 million, as required by section 62(1)(d) of the MFMA, which is disclosed in note 48 to the annual financial statements of the municipality. The majority of the disclosed fruitless and wasteful expenditure was caused by late settlement of invoices.
 37. Money owed by the municipality was not always paid within 30 days, as required by section 65(2)(e) of the MFMA.

Procurement and contract management

38. Some of the goods and services with a transaction value of below R200 000 were procured without obtaining the required price quotations, in contravention of SCM regulation 17(a) and (c). Similar non-compliance was also reported in the prior year.
39. Some of the goods and services of a transaction value above R200 000 were procured without inviting competitive bids, as required by SCM regulation 19(a). Deviations were approved by the accounting officer even though it was not impractical to invite competitive bids, in contravention of SCM regulation 36(1). Similar non-compliance was also reported in the prior year.
40. Some of the competitive bids were adjudicated by a bid adjudication committee that was not composed in accordance with SCM regulation 29(2).
41. The performance of twenty-seven contractors or providers was not monitored on a monthly basis, as required by section 116(2)(b) of the MFMA. The total value of related contracts was R245,19 million.

Annual financial statements

42. The annual financial statements submitted for auditing were not prepared in all material respects in accordance with the requirements of section 122(1) of the MFMA. Material misstatements of non-current assets, current assets, liabilities, revenue, expenditure and disclosure items identified by the auditors in the submitted annual financial statements some were subsequently corrected and the supporting records were provided, but the uncorrected material misstatements resulted in the annual financial statements receiving a qualified audit opinion.

Asset management

43. An effective system of internal control for assets was not in place, as required by section 63(2)(c) of the MFMA.

Revenue management

44. An effective system of internal control for debtors and revenue was not in place, as required by section 64(2)(f) of the MFMA.

Consequence management

45. Some of the irregular expenditure incurred by the municipality was not investigated to determine if any person is liable for the expenditure, as required by section 32(2)(b) of the MFMA.

OTHER INFORMATION

46. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the consolidated and separate financial statements, the auditor's report and the selected development priority presented in the annual performance report that has been specifically reported in the auditor's report.
47. My opinion on the consolidated and separate financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.
48. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements and the selected development priority presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
49. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

50. I considered internal control relevant to my audit of the consolidated and separate financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the basis for the qualified opinion, the findings on the annual performance report and the findings on compliance with legislation included in this report.

-
51. The leadership did not establish effective oversight and monitoring over financial and performance reporting processes, and compliance with laws and regulations.
52. Management did not implement controls to regularly update, validate and reconcile financial and performance records, in addition, management did not ensure that consolidated and separate financial statements and the annual performance report were supported by accurate and reliable information.

Auditor-General
Pietermaritzburg

30 January 2020



ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the consolidated and separate financial statements, and the procedures performed on the reported performance information for the selected development priority and on the municipality’s compliance with respect to the selected subject matters.

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

2. In addition to my responsibility for the audit of the consolidated and separate financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the consolidated and separate financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group’s internal control
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of consolidated and separate the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements about the material uncertainty or, if such disclosures are inadequate, to modify the opinion on the consolidated and separate financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause the group to cease continuing as a going concern
 - evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, related safeguards.

STATUTORY ANNUAL REPORT PROCESS

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	August
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	Q1: July – Sept Q2: Oct – Dec Q3: Jan – March Q4: April - June
3	Finalise the 4th quarter Report for previous financial year	July
4	Submit draft year 2017/2018 Annual Report to Internal Audit and Auditor-General	August
5	Municipal entities submit draft annual reports to MM	December
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	December
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	August
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	December
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	January
14	Audited Annual Report is made public and representation is invited	February
15	Oversight Committee assesses Annual Report	February and March
16	Council adopts Oversight report	March
17	Oversight report is made public	April
18	Oversight report is submitted to relevant provincial councils	April
19	Commencement of draft Budget/ IDP finalization for next financial year. Annual Report and Oversight Reports to be used as input	May

Table 1.6.1

CHAPTER 2 – GOVERNANCE

Component A: Political and Administrative Governance

2.1. Introduction to Political Governance

The Constitution of South Africa, in Section 151(3), states that a Municipality has the right to govern on its own initiative, the local government affairs of its community, subject to national and provincial legislation as provided for in the Constitution.

The Council is a legislative Political Structure which is entrusted with the oversight responsibility on matters pertaining to the developmental progress and implementation of service delivery projects. There are various Portfolio Committees as legislated through section 80 of the Municipal Structures Act 117 of 1998, that are each convened by the members of the Executive Committee who play a political oversight on various activities that are implemented by Municipal Administration Departments. All these Portfolio Committees report to the Executive Committee, whose chairperson is the Mayor, which takes decisions and resolves to recommend to Council for the implementation of service delivery matters.

The Portfolio Committees are as follows:

- Portfolio Committee on Finance
- Portfolio Committee on Water and Sanitation
- Portfolio Committee on Local Economic Development
- Portfolio Committee on Sound Governance and Human Resources
- Portfolio Committee on Special Programmes

2.1.1 Financial management and administration performance is further monitored and evaluated by the established Section 79 of the Municipal Structures Act 117 of 1998 Committees below,

- Municipal Audit Committee
- Municipal Public Accounts Committee (MPAC)

It is a legislative requirement that an Audit Committee be established which considers the Auditor General's report and its implications for internal risk management and performance audit matters. The purpose and objective of the Audit Committee is to advise the Municipal Manager on:

The members of the Audit Committee are defined in the MFMA 166(4), 166 (5) and at Ugu District Municipality, the unit of Internal Audit which is based within the Office of the Municipal Manager provides support to this committee.

The Audit Committee has the following responsibilities;

- **Financial Statements**

Ensure that all financial reports are complete and consistent with the information required. Review financial reports with management and the external auditors, before filing with regulators.

➤ **Internal Control**

Ensure the effectiveness of the council's internal control over annual and interim financial reporting, including information technology security and control. Understand the scope of internal and external auditor's review of internal control and obtain reports on significant findings with specific reference to the safeguarding of assets, accounting records and the maintenance of effective internal control systems.

➤ **Internal Audit**

Review with management the charter, plans, activities, organisational structure of the internal audit activity. Ensure there are no unjustified restrictions or limitations. Review the effectiveness of the internal audit activity, including compliance with the Institute of Internal Auditor's Standards for the Professional Practice of Internal Auditing. On a regular basis, meet separately to discuss any matters that the committee or auditors believe should be discussed privately.

➤ **External Audit**

On a regular basis, meet with the external auditors to discuss any matters that the committee or external audit believes should be discussed privately.

➤ **Compliance**

Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of investigations, follow-ups of any instances of non-compliance. Review the findings of any examinations by regulatory agencies, and any auditor observations. Review the process for communicating the code of conduct to Council personnel and for monitoring compliance therewith. Obtain regular updates from management and legal counsel regarding compliance matters. Assess the reliability of performance information reported and commission in-depth performance investigations where there is continued poor performance. Evaluate the committee's performance on a regular basis. Institute and oversee special investigations as needed.

Review and assess the adequacy of the committee's Charter annually, requesting Executive Committee approval for proposed changes. Confirm annually that all responsibilities outlined in this charter have been carried out. Section 14(4) (a) (iii) of the Local Government Municipal Planning and Performance Management Regulations requires that the Audit Committee submit a report to the Municipal Council at least twice a year, regarding the Performance Management System. In fulfilling its role and in carrying out its duties and responsibilities, the Audit Committee may conduct such investigations and seek from any employee or Councillor such information as it considers necessary to enable it to fulfill its functions, and all employees and Councillors are required to co-operate with any request made by the Audit Committee. The committee must consider and recommend improvements in financial control and accounting systems as well as assess extraordinary items or abnormal disclosures with specific reference to: -

- The annual financial statements;
- Accounting policies and practices;
- Specific strategic reports;
- External audit procedure;
- The annual external audit report before submission to the relevant committee;
- All Internal audit activity;
- Compliance with law, audit and accounting standards; and
- Reports of the Head: Investigations.

Audit committee members do not have any authority to make any decisions on behalf of the Council.

In terms of the Municipal Audit Committee's functionality and oversight process at Ugu District Municipality, the following is applicable;

- All reports requiring Audit Committee consideration shall first go to the Management Committee
- The reports shall then go to the Audit Committee which shall meet at least once every two months;
- After consideration by the Audit Committee, the reports shall be tabled to the Executive Committee, by the Chairperson of the Audit Committee or his/her nominee;

2.1.2 The municipal public accounts committee (MPAC) must report directly to Council through the Speaker: Any other form of reporting line will compromise its independence, authority and integrity. As MPAC performs an oversight function on behalf of Council it is not a duplication of, and must not be confused with either the Audit Committee or the Finance Portfolio Committee. The Audit Committee is an independent advisory body that advises Council and the Executive on financial and risk matters and can act as an advisory body to MPAC. The Finance Portfolio Committee deals with financial management issues such as budget, revenue and expenditure management as well as supply chain management. The primary function of a MPAC is to help Council to hold the Executive and the municipal administration to account and to ensure the efficient and effective use of municipal resources. It will do this by reviewing public accounts and exercising oversight on behalf of the Council.

The committee must examine:

- financial statements of all executive organs of Council;
- any audit reports issued on those statements;
- any reports issued by the AG on the affairs of any municipal entity;
- any other financial statements or reports referred to the committee by Council; and
- the Annual Report on behalf of Council and make recommendations to Council thereafter; and

The committee may

- report on any of those financial statements or reports to Council;
- initiate and develop the annual oversight report based on the Annual Report;
- initiate any investigation in its area of competence; and
- must perform any other function assigned by resolution of Council.

When the committee examines the financial statements and audit reports of a municipality or municipal entity, it must take into account the previous statements and reports and report on the degree to which shortcomings have been rectified; The committee must monitor the extent to which its recommendations and that of the AG are carried out. The outcomes and the resolutions of the deliberations of this committee must be reported to Council and made public; and It must enhance the accountability process by ensuring that there is objective political oversight, which allows for public involvement and comments in addition to other established governance committees, such as the Finance Portfolio Committee and the independent Audit Committee. MPAC, like other council committees, should solely be comprised of Councillors appointed by a full council meeting. The actual size should be determined by the size of a Council (i.e. number of Councillors), but care should be taken to ensure that members represent a wide range of experience and expertise available in Council as well as political representation. ranging between a minimum of 5 to a maximum of 12, mainly dependent on the size of the Council. In keeping with the tradition of

oversight function, the Council may consider whether a member of an opposition party must chair a MPAC. The Mayor and members of the executive committee are not allowed to be members of a MPAC.

Reports requiring the Municipal Public Accounts Committee's Consideration follow the process as below;

- All reports requiring Municipal Public Accounts Committee's consideration shall first go to the Management Committee;
- In order for the MPAC to be able to deal with a report, the Chairperson of the relevant Portfolio Committee and the Head of Department responsible should be present at the tabling of the report;
- Reports from MPAC shall go directly to the full Council with a report from the MPAC Chair;

This committee meets at least once quarterly as per the annual council roster of meetings. There is a person deployed by the KZN Department of Cooperative Governance and Traditional Affairs, who advises, provides support and gives strategic direction on matters of public participation.

2.1.3 POLITICAL DECISION-TAKING

The executive and legislative authority of a Municipality is vested in its Municipal Council. The pre-eminent roles of the Council, amongst others, are the approval of by-laws, budgets, policies, IDP, tariffs for rates and service charges. The Council consists of 35 members, seven of whom are full-time.

Refer to **Appendix A** where a full list of Councilors can be found (including committee allocations and attendance at council meetings).

Appendix B sets out Committees and Committee purposes

MUNICIPAL COUNCIL

SPEAKER: CLLR NH GUMEDE

MEMBERS: Cllrs MA Chiliza (Mayor), PH Mthiyane (Deputy Mayor), LMR Ngcobo (Exco Member), SP Mthethwa (Exco Member), NT Zwane (Exco Member) AD Ngubo (Exco Member), L Mzimela (Exco Member), SN Caluza, TB Cele, S Chetty, TA Disane, TW Dube, JJ East, M Gcwabe, GD Henderson, DMM Hlengwa, SE Khawula, BE Machi, MA Manyoni, H Mbatha, S Mngomezulu, NCP Mqwebu, ZZ Msani, NY Mweshe, Y Nair, PT Naude, D Nciki, SR Ngcobo, HJ Ngubelanga, B Ntusi, A Rajaram and MPL Zungu.

- Please note that Cllr MA Chiliza was the Mayor from July 2018 to May 2019.
- From June 2019, Cllr PH Mthiyane was the Acting Mayor.
- Also, note that there are two (2) vacancies; one (1) for PR Councillor and one (1) for a MR Councillor.

EXECUTIVE COMMITTEE:

Chairperson: Cllrs MA Chiliza (Mayor) (ANC), PH Mthiyane (Deputy Mayor) (ANC), LMR Ngcobo (Exco Member) (DA), SP Mthethwa (Exco Member) (IFP), NT Zwane (Exco Member) (ANC), AD Ngubo (Exco Member) (ANC), L Mzimela (Exco Member) (ANC), and NH Gumede (Speaker: Ex-Officio) (ANC).

Portfolio Committee on Sound Governance & Human Resources:	Portfolio Committee on Local Economic Development:	Portfolio Committee on Water & Sanitation:	Portfolio Committee on Finance:	Portfolio Committee on Special Programmes
<p>Chairperson: NT Zwane (ANC) LM Mzimela</p> <p>Members: SE Khawula - ANC S Mngomezulu - ANC NY Mweshe - ANC Y Nair – ANC S Chetty - ANC LMR Ngcobo - DA</p>	<p>Chairperson: Cllr AD Ngubo (ANC)</p> <p>Members: DMM Hlengwa (ANC) SN Caluza - ANC TB Cele - ANC Cllr K Dladla (ANC) ZZ Msani – IFP SP Mthethwa -IFP JJ East - DA</p>	<p>Chairperson: Cllr PH Mthiyane (ANC)</p> <p>Members: H Mbatha – ANC MPL Zungu - ANC HJ Ngubelanga – ANC TW Dube - ANC SP Mthethwa – IFP TA Disane - IFP PT Naude - DA</p>	<p>Chairperson: Cllr MA Chiliza (ANC) / Cllr PH Mthiyane (ANC)</p> <p>Members: B Ntusi - IFP SR Ngcobo – ANC MPL Zungu – ANC S Chetty - ANC D Nciki ANC GD Henderson – DA MA Manyoni – ANC, Ex-Officio</p>	<p>Chairperson: NT Dlamini (ANC)</p> <p>Members: SN Caluza - ANC HJ Ngubelanga -ANC NY Mweshe - ANC BE Machi - IFP GS Mngomezulu -ANC LMR Ngcobo - DA A Rajaram – DA</p>

2.1.3.1 POLITICAL DECISION-MAKING

Every Municipal Council has the right to determine its internal procedures; this right is protected by S160 of the Constitution, which also allows the Municipal Council to decide what mandate or area of responsibility it assigns to political structures, office bearers and the Municipal Manager. This right is coupled with an obligation in the Municipal Systems Act 32 of 2000, which instructs each municipality to define the roles and areas of responsibility of political office-bearers and political structures. This definition process is done through the terms of reference, which seek to precisely outline the roles and responsibilities of the Councillors, political structures and officials in a municipality as identified in legislation.

The purpose of the Executive Committee is to delegate specific functions to committees as provided for in Part 5: Section 79 of the Municipal Structures Act, 1998. The Executive Committee exercises oversight responsibilities in respect of the day-to-day activities of Council.

The object of the Council Committee is to perform the following functions:

- To formulate and develop legislation and policies pertaining to the functions of the administration;
- To provide oversight in the implementation and monitoring of the approved legislation, by-laws, policies, municipal budget as well as Council's strategic plans;
- To consider any report on legislation, policies (Budget and Integrated Development Planning included), and bylaws with regard to the administration; and

-
- To ensure that the inputs from the communities and sector fora are given due consideration and Councillor Mthiyane, Acting Mayor / Chairperson of the Executive Committee, accounts where applicable

2.1.3.2 GENERAL FUNCTIONS OF THE EXECUTIVE COMMITTEE

- Recommends to Council after consultation with the relevant Portfolio Committee, policies where Council had reserved the power to make the policies itself
- Makes recommendations to Council in respect of Council's legislative powers
- Determines strategic approaches, guidelines and growth parameters for the draft budget including tariff structures

These Portfolio Committees continue to assist the Executive Committee in policy development and monitoring to accelerate service delivery, as well as the oversight of strategic programmes and projects.

2.1.3.3 PORTFOLIO COMMITTEE ON FINANCE

The Portfolio Committee on Finance is a Section 80 Committee, responsible for the following functions and making recommendations to the Executive Committee thereon:

- Familiarise, interrogate and recommend to the Executive Committee the budget and reports on economic issues, statistical information, agreements, financial reports and reports on economic and policy statements.
- Sharpen public awareness of the budget and Government financial and economic policies, and encourage informed debate on the budget.
- Advise the Executive Committee on the district municipality's domestic borrowing policies.
- Study Government's policies as regards budgets and advise accordingly.
- Seek advice from all three spheres of Government, on financial and other budget related matters.
- Drive the entire budget process as alluded to by legislation, thus ensuring that budgets are based on priorities and realistic income and expenditure.
- Advise on processes that need to be put in place for formulating and monitoring the budget, throughout its cycle, that will enhance the District Municipality's role in appropriating and overseeing the budget, and make the budget process more responsive to stakeholders.
- Advise on budget programmes that need to be given special treatment during budget implementation.
- Ensure that the budget of the District Municipality is used as a primary tool for implementing National and Provincial Policies.
- Review the relevant legislation and future legislation (bills) with financial and budget implications and advise the Executive Committee accordingly.
- Deal with any other budget related matter referred to the Committee by the Executive Committee.
- Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.

2.1.3.4 PORTFOLIO COMMITTEE ON SPECIAL PROGRAMMES

The Portfolio Committee on Special Programmes is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon:

- Undertake the following special programmes in respect of Policy, Strategy and Programmes.
 - Youth;
 - Senior Citizens;
 - People with Disability;
 - Gender;
 - Moral Regeneration;

-
- Rights of the Child; and
 - Farm Workers
 - Lobby and advocate for special programmes' interests by other Portfolio Committees within Council.
 - Coordinate response for vulnerable groups
 - Facilitate and monitor an evaluation framework for all the functional areas.

2.1.3.5 PORTFOLIO COMMITTEE ON SOUND GOVERNANCE AND HUMAN RESOURCES

The Portfolio Committee on Sound Governance and Human Resources is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon

- To develop and recommend the Good Governance and Human Resources Services portfolio policies;
- To develop and recommend the Good Governance and Human Resources portfolio by-laws;
- To consider and make recommendations in respect of the draft budget and IDP of the Human Resources & Sound Governance Portfolio;
- To ensure public participation in the development of policy, legislation, IDP and budget of the Human Resources & Sound Governance Portfolio;
- To monitor the implementation of Council policies in respect of the Human Resources & Sound Governance portfolio;
- To ensure the provision of efficient, economical and effective administration of the municipality, to co-ordinate secretarial services, to oversee the delivery of the human resource services, and to render management and transformation services;
- To oversee the delivery of support services to the Council
- Exercise delegated authority after considering a report from the designated officials for the Human Resources & Sound Governance Portfolio;
- Introduce to Exco the recommendations from the Human Resources & Sound Governance Portfolio Committee.

The objective of the Sound Governance & Human Resources Portfolio Committee is to assist the executive committee on the functions listed below:

Administration and Operational Support

- Corporate Strategies, Systems and Services;
- Records Management and Registry Services;
- Secretariat Support and Printing Services;
- Occupational Health and Safety;
- Employment Equity Planning;
- Wellness: EAP;
- Customer Relations;
- Performance management
- Information Communications Technology;
- Facilities Management; and
- Enterprise Security
- Development planning including IDP Development and GIS
- Intergovernmental Relations
- Legal Services
- Statutory Compliance Legislation, and Legal Research
- Strategic Human Resources and Personnel Services
- Individual Performance Management;

-
- Training and Development;
 - Labour Relations and
 - Personnel Management

2.1.3.6 PORTFOLIO COMMITTEE ON LOCAL ECONOMIC DEVELOPMENT

The Portfolio Committee on Local Economic Development is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon:

- Oversee the implementation of all applicable legislation relating to social and Economic Development, National Development Programmes, Provincial Development Programmes, trading regulations, investment opportunities, transport, land affairs, electrification, housing and public works.
- Oversee all aspects, programmes and activities of local economic development.
- Oversee all fiscal and other incentives designed to promote social and economic development.
- Oversee environmental management and ensuring environmental planning, education, sustainable development management.
- Oversee the provision of efficient environmental health services through continuous monitoring and enforcement.
- Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.

2.1.3.7 PORTFOLIO COMMITTEE ON WATER AND SANITATION

The Portfolio Committee on Water and Sanitation is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon:

- Advise the Executive Committee on all legislation or prospective legislation relating to: -
 - Water and Sanitation Reticulation;
 - Water and Sanitation Treatment Works;
 - Water and Sanitation Capital Projects;
 - Water and Sanitation Operations;
 - Water and Sanitation Operational Projects;
 - Non-Revenue Water;
 - Water Restrictions;
 - Water Services Planning;
 - Emergency Water and Drought Relief;
 - Ground Water;
 - Industrial Effluent and Recycling of Wastewater;
- Oversee the following municipal services:
 - Water and Sanitation Reticulation;
 - Water and Sanitation Purification;
 - Water and Sanitation Designs;
 - Water and Sanitation Operations;
 - Water and Sanitation Capital projects;
- Oversee municipal infrastructure development and services to meet the needs of the Municipality in the discharge of its responsibilities.
- Oversee the commissioning of the best methods to deliver the aforementioned municipal services and facilities to the maximum benefit of the community of the municipality.
- Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.
- To obtain expert advice where deemed necessary.

2.1.3.8 EXECUTIVE COMMITTEE

The Executive Committee exercises oversight responsibilities in respect of the day to day activities of Council. The Ugu Executive Committee has delegated plenary powers to exercise the powers, duties and functions of Council, excluding those plenary powers expressly delegated to other standing committees and those powers which are wholly reserved to the Ugu District Council. Notwithstanding the above, the Executive Committee is authorised to exercise any of those plenary powers delegated to other Standing Committees in circumstances where any matters from these committees are referred to the Executive Committee.

The municipality has 35 Councilors, seven EXCO members, with the Speaker being the Ex Officio.

THE STATUTORY FUNCTIONS OF THE EXECUTIVE COMMITTEE, IN RESPECT OF THE MUNICIPAL FUNCTIONS, ARE:

- Review of the performance of the municipality in order to monitor and improve performance;
- Economy, efficiency and effectiveness of the municipality;
- Ensure the efficiency of credit control and revenue and debt collection services
- Ensure the implementation of municipality by-laws
- Oversee the management of the municipality's administration in accordance with the policy directions of the municipal Council (output monitoring)
- Ensure the provision of services to communities in the municipality in a sustainable manner
- Ensure involvement of communities and community organisations in the affairs of the municipality
- Ensure the alignment of the IDP and the budget received; and to effect consultation on the decisions of the Council

THE EXCO FURTHER MAKES RECOMMENDATIONS TO THE COUNCIL REGARDING:

- The adoption of the estimates of revenue and expenditure, as well as capital budgets and the imposition of rates and other taxes, levies and duties
- The passing of by-laws
- The raising of loans
- Approval or amendment of the IDP
- Appointment and approval of conditions of service of a Municipal Manager and heads of departments / GMs
- Any other matters referred to it by the Council
- Matters delegated to it by Council in terms of the Systems Act and delegations framework
- Progress against the key performance indicators
- Reports received and considered from committees in accordance with the directives as stipulated by the EXCO
- Varied or revoked decisions taken by the Section 80 committees, subject to vested rights
- Development of strategies, programmes and services to address priority needs of the municipality through the IDP and estimates of revenue and expenditure, taking into account any applicable national and provincial plans
- Determination of the best methods, including partnerships and other approaches to deliver services, programmes and projects to the maximum benefit of the community subject to applicable legislation and delegated authority
- Identification and development of criteria in terms of which progress in the implementation of services, programmes and objectives to address the priority needs of the municipality can be evaluated, which includes KPIs which are specific to the municipality and common to Local Government in general.
- Management of the development of the Performance Management System by assigning responsibilities in this regard to the Municipal Manager and submits the proposed performance management system to Council for consideration

-
- Monitoring of progress against the said key performance indicators
 - Receipt and consideration of reports from committees in accordance with the directives as stipulated by the EXCO
 - Election of a chairperson to preside over meetings if both the Mayor and Deputy Mayor are absent from a meeting in the event of there being a quorum present at such meeting and the Mayor has not designated a member of EXCO in writing to act as Mayor
 - Consideration of appeals from a person whose rights are affected by a decision of the Municipal Manager in terms of delegated powers, provided that the decision reached by this committee may not retract any rights that may have accrued as a result of the original decision
 - Reporting of all decisions taken by EXCO at the ordinary Council meeting;

2.1.3.9 TRADITIONAL LEADERS

Section 81(2) of the Municipal Structures Act, Act 117 of 1998, provides for the participation of traditional leaders in municipal Councils. This piece of legislation empowers the Provincial MEC to resolve on the details of Amakhosi to participate and publish same in the provincial gazette.

This is to give an opportunity to a leader of a traditional authority directly affected by a decision to express a view on the matter before the municipal Council takes a decision. This is in line with government's values of transparency, inclusivity, and cooperation amongst its stakeholders.

In line with Section 81(5) of the same Act, the municipality's Code of Conduct for councillors and its Rules of Order will apply fully to traditional leaders participating in the meetings of Council.

The following Amakhosi participated in the Ugu District Municipal Council during the FY 2018/2019:

Inkosi RS Shinga
 Inkosi NM Machi
 Inkosi BS Nzimakwe
 Inkosi ZE Ngcobo
 Inkosi R Qwabe
 Inkosi MBW Xolo; and
 Inkosi ZGB Msomi

2.2 ADMINISTRATIVE GOVERNANCE

2.2.1 Introduction to Administrative Governance

The Ugu District Municipality is committed to transparent and accountable governance. The broad range of public participation programmes and processes, especially related to its IDP and Budget, bear testimony to the institution's commitment to involve its communities in its planning and decision-making processes.

The Council of the Ugu District Municipality is the highest decision making authority in the institution. It guides and instructs the administrative component, which implements the decisions taken by the political component. The head of the administrative component is the Municipal Manager, DD Naidoo and there are 4 GMs for the various Departments within the Municipality. The administrative wing consists of structures that are put together by the Municipal Manager in order to ensure efficiency and improve service delivery within the municipality. The refereed institutional arrangements relate to Management Committee and Extended Management Committee.

Management committee consists of GMs (S56) reporting directly to the Municipal Manager as well as Senior Managers and Managers that are reporting directly to the municipal manager, but who are not S56 Managers. This committee discusses strategic issues pertaining to the provision of municipal services and deals with those matters before they can be considered by the Portfolio Committees and Executive committee. The proceedings of Management committee are always recorded, whilst a formal agenda is followed.

The Extended Management Committee consists of all GMs, Senior Managers and Managers within Ugu district municipality and is an extension of Management committee. This committee serves the same purpose as Management committee, however it considers mainly issues that directly affect the section managers and which require implementation by managers. This committee is convened by the Municipal Manager and the meeting proceedings are always recorded. Both Management and Extended management meetings take place on Mondays following a formal agenda.

In order to give effect to the implementation of Council and management resolutions, the Management Committee has formed the Resolutions committee which is comprised of all GMs of Ugu district municipality. The role of GMs is to monitor and track implementation of Council and management resolutions. This committee has a separate agenda, and upon consideration of resolutions – those that are not implemented get followed up by the Secretariat unit. In all the above-mentioned committees, secretariat unit plays a crucial role in terms of minute taking, recording and distribution of the agenda. In the past financial year, the administrative governance within Ugu district municipality has improved considerably both in terms of attendance to issues or challenges and compliance with the implementation of resolutions.

Top administrative structure:

Ugu District Municipality has five (5) departments which are led, administratively by the Municipal Manager and four (4) Heads of departments. The departments are: The Office of the Municipal Manager; Water and Sanitation Services; Budget and Treasury Office; Corporate Services and Infrastructure and Economic Development. These departments are allocated per National Key Performance Area as well as Powers and Functions.

TOP ADMINISTRATIVE STRUCTURE

PHOTO	POSITION AND NAME	GENDER	FUNCTION
	Municipal Manager Mr D.D. Naidoo	Male	<ul style="list-style-type: none"> • Overall Municipal Administration Management • Performance Management System • Legal Services • Internal Audit and Risk Management • Community Participation • Mayoralty and Communication • Intergovernmental Relations • Special Programmes • Youth Development • Development and Strategic Planning
	General Manager: Water Services Mr Sivuyile Mbewu	Male	<ul style="list-style-type: none"> • Provision and management of Water and Sanitation • Water and Sanitation Infrastructure development and Maintenance • Water Services Authority
	General Manager: Budget and Treasury Office Mr Mkhululeni Simon Dlamini	Male	<ul style="list-style-type: none"> • Municipal Budget Management • Municipal Revenue Collection and Expenditure Management • Municipal Assets Management • Municipal Supply Chain Management
	General Manager: Economic Development and Environmental Services Mr Mandla Mabece	Male	<ul style="list-style-type: none"> • Local Economic Development • Environmental Services
	General Manager: Corporate Services Mr Vela Mazibuko	Male	<ul style="list-style-type: none"> • Human Resources Development and Management • Secretariat and Auxiliary services • Information Communication Technology (ICT) • Fleet Management • Occupational Health and Safety • Disaster Management Services

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.2.2 Introduction to Co-Operative Governance and Intergovernmental Relations

Guided by Section 41 of the Constitution of the Republic of South Africa, Section 3 of the Municipal Systems Act and the Intergovernmental Relations Act, the District Municipality has managed to establish the intergovernmental relations structures ranging from those which involve municipalities only to the general ones which include all sectors of the society.

Each individual structure has an important role to play towards service delivery. The structures address mainly the issues of alignment and coherent planning to eliminate duplication of the service delivery programmes and projects.

The main objectives of the IGR Act are as follows:

- Coherent government
- Effective service delivery
- Monitoring of the policies and legislation implementation and realization of national priorities.

These objectives will be achieved through the intergovernmental systems. IGR is an instrument for mobilizing the distinctive efforts, capacities, leadership and resources of each sphere of government towards service delivery and government defined development objectives.

The strategic role of the IGR is facilitating integrated service delivery and development and therefore the capacity of local municipalities to manage IGR is of vital importance. For this reason, the UGU IGR Framework has been developed as a specific strategy to strengthen the functionality of the IGR SYSTEM in respect of Local Government. This framework has advocated for the creation of IGR structures and sub structures to deal with specific matters of service delivery.

2.3 INTERGOVERNMENTAL RELATIONS

2.3.1 National Intergovernmental Structures

- The NCOP (National Council of Provinces) section 42(4) of the Constitution
- Cabinet Committees -FOSAD
- President's Co-ordinating Council (PCC)
- President's Infrastructure Coordinating Council (PICC)
- Ministers and Members of Provincial Executive Committees (MINMEC)
- Heads of Department Committee (HEADCOMM)

The participation and benefits derived from these structures are through the Provincial Government.

2.3.2 Provincial Intergovernmental Structure

- Executive Council, its Clusters and Committee for Heads of Departments (COHOD)
- Premier's Coordinating Forum (PCF)
- Technical Premier's Coordinating Forum (TPCF)
- Municipalities and MEC for COGTA (MUNIMEC)

2.3.3 Relationships with Municipal Entities

The municipal entities are accountable to the municipality and reports are submitted to the Municipal Managers' forum which is the Technical Support forum to the Mayors' forum. Recommendations are made at the technical level for the Political input and buy in.

2.3.4 District Intergovernmental Structures

- District Coordinating Council (Mayors' forum)
- Technical Support Forum (Municipal Managers' forum)
- And sub-fora to the Municipal Managers' forum:
 - Governance and Human Resources (incorporating ICT District Forum)
 - Local Economic Development
 - Technical Services
 - Communicators
 - Finance
 - Planners
- The Speakers Forum
- District Disaster Management Forum

The fora are constituted by the members of the district and local municipalities thereby discussing issues which have commonalities to the development of the district.

The Speakers Forum which is convened by the District Speaker meets on a monthly basis to facilitate and perform a Political oversight role on matters of public participation.

The Intergovernmental Relations (IGR), District Mayors and Municipal Managers Fora further deliberate on decisions of the Speakers Forum and ensures that resolutions taken are put into practice.

2.3.5 Overview of Public Accountability and Participation

The District Municipality engages communities through Mayoral Izimbizo as well as IDP and Budget road shows. During this process communities are requested to voice their concerns and to have input on the budget. Government departments are also encouraged to be involved in these processes so that they will be able to address issues that concern them. Capacity building workshops are conducted, a performance management system is in place, and functionality of Ward Committees is monitored to empower Ward Committees for effective community participation.

Ward Committees

The District includes four local municipalities with 84 wards and all ward committees have been established. However, the key challenges that hinder effectiveness of ward committees include administration / logistics support and the vastness and inaccessibility of rural wards. Some of the areas are serviced by the Community Development Workers who have a dual responsibility to report to Department of Local Government and Traditional Affairs and Local Municipalities.

The Sukuma Sakhe Programme is another one of the effective platforms for public participation.

2.4 PUBLIC MEETINGS

The **Operation Sukuma Sakhe Programme**, formerly known as the Flagship, Social Cluster Programme (War on Poverty), was introduced to the Ugu District in 2009. In introducing the programme, the Kwa-Zulu Natal, Office of the Premier gave a mandate to all districts, to ensure that the following is in place, to ensure successful implementation of the OSSP:

The structure constitutes the District Task-Team (DTT), Local Task-Teams (LTTs), Ward Task-Teams (WTTs), Political Champion (MEC), Administrative Champion (HOD) District Convener

Focus programmes include: Poverty Alleviation, HIV & AIDS, TB & STIs as well as all health matters, Employment Creation, Youth Development, Drug & Substance Abuse and other social ills, Orphaned & Vulnerable Children and other vulnerable groups (e.g. Senior Citizens, Women, Farm Workers & People Living with disabilities), Illiteracy & other educational programmes, Food Security & social relief, Economic Development and Provision of critical registration documents (e.g. birth certificates and IDs)

Areas of infrastructure focus include: Community halls, Schools, Clinics, Crèches, MPCCs, Churches or any other suitable infrastructure, depending on the area

The implementing process involves: Household Profiling (HHP), reporting of findings to WTT, Referral of cases to relevant department/entity, Provision of interventions, Capturing of HHPs in NISIS at the Office of the Premier (OTP), Operation MBO (To cover the general community and fast track service delivery)

2.4.1 COMMUNICATION, PARTICIPATION AND FORA

The Municipality has a broader spectrum of consultative and participatory public programmes in place to ensure community participation in municipal planning and decision-making processes.

In addition, awareness campaigns are held throughout the year to provide vital information to local communities, for example, on how they may access municipal services and support programmes. Invitations to the public to public meetings are communicated via Councillors, media (print and electronic), loud hailing and social media. These meetings provide communities with the opportunity to interact and share their concerns and complaints with the leadership and administration of the Municipality. Key in the Municipality's Public Participation Programme are the IDP/Budget and Annual Performance meetings. Public meetings are conducted by Ward Councillors and the District Municipality through Mayoral Izimbizo. The Municipal Political leadership is often deployed to communities if petitions are received through the Speaker's Office from the public.

The municipality has an established IDP Representative Forum which meets at least quarterly, an IGR forum, Speakers Forum, Municipal Managers Forum and CFOs Forum which ensure public and stakeholder participation in key decision-making processes.

Important public documents (i.e. IDP, SDBIP, Annual Report, Municipal Policies and By-laws) are published on the municipal website.

WARD COMMITTEES

Ward Committees are a Municipal Systems Act statutory formation within a ward. They consist of ten members including the ward councillor who, per the Act, must be the chairperson of the committee. Ward committees are one of the structures through which participation by the local community in the affairs of the municipality must take place.

Roles and Responsibilities of Ward Committees:

1. They play as an advisory body to the Ward Councillor
2. They are a public representative structure,
3. They are an independent structure that deals with community issues within a ward,
4. They are an impartial body that must perform its functions without fear, favour or prejudice. Ward Committee guidelines offer some possible powers and duties that municipalities may delegate toward committees, namely:
 - To serve as an official specialised participatory structure in the municipality.
 - To create formal unbiased communication channels as well as cooperative partnerships between the community and the Council
 - Advising and making recommendations to the Ward Councillor on matters and policy affecting the ward;
 - Assisting the Ward Councillor in identifying challenges and needs of residents;
 - Section 74 of the Act states that a ward committee may make recommendations on any matter affecting its ward to the Ward Councillor or through the Councillor to the Council, Executive Committee or Mayor
 - Ward Committees can also have any duties and powers delegated to them by the municipal Council.

Major issues that the ward committee have dealt with were the issues of shortage of water and social ills; ensuring that all in wards have identity documents and general development requirements.

WARD COMMITTEES

Public Meetings						
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Number of Community members attending	Issue addressed (Yes/No)	Dates and manner of feedback given to community
Mayoral Izimbizo	2018/06/10	10	9	200	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/09/10	10	9	300	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/10/10	10	9	180	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/11/10	10	9	100	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/12/10	10	9	300	yes	Presentations made by political leadership
Mayoral Izimbizo	16/10/2018	10	9	200	yes	Presentations made by political leadership

Mayoral Izimbizo	23/10/2018	10	9	180	yes	Presentations made by political leadership
Mayoral Izimbizo	25/10/2018	10	9	150	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/01/11	10	9	250	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/02/11	10	9	230	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/05/11	10	9	300	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/07/11	10	9	290	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/08/11	10	9	170	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/09/11	10	9	200	yes	Presentations made by political leadership
Mayoral Izimbizo	2018/12/11	10	9	180	yes	Presentations made by political leadership
Mayoral Izimbizo	13/11/2018	10	9	220	yes	Presentations made by political leadership
Mayoral Izimbizo	14/11/2018	10	9	178	yes	Presentations made by political leadership
IDP/Budget road show	19/03/2019	10	9	200	yes	Presentations made by political leadership
IDP/Budget road show	26/03/2019	10	9	221	yes	Presentations made by political leadership
IDP/Budget road show	28/03/2019	10	9	165	yes	Presentations made by political leadership
IDP/Budget road show	2019/03/04	10	9	200	yes	Presentations made by political leadership
IDP/Budget road show	2019/04/04	10	9	230	yes	Presentations made by political leadership
IDP/Budget road show	2019/08/04	10	9	300	yes	Presentations made by political leadership
IDP/Budget road show	2019/09/04	10	9	180	yes	Presentations made by political leadership
IDP/Budget road show	2019/10/04	10	9	200	yes	Presentations made by political leadership
IDP/Budget road show	2019/10/04	10	9	191	yes	Presentations made by political leadership
IDP/Budget road show	2019/11/04	10	9	200	yes	Presentations made by political leadership
IDP/Budget road show	2019/12/04	10	9	245	yes	Presentations made by political leadership
IDP/Budget road show	15/04/2019	10	9	176	yes	Presentations made by political leadership
IDP/Budget road show	16/04/2019	10	9	220	yes	Presentations made by political leadership
IDP/Budget road show	17/04/2020	10	9	220	yes	Presentations made by political leadership
IDP/Budget road show	18/04/2019	10	9	250	yes	Presentations made by political leadership
IDP/Budget road show	25/04/2019	10	9	250	yes	Presentations made by political leadership
IDP/Budget road show	26/04/2019	10	9	310	yes	Presentations made by political leadership
T 2.4.3						

EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:

The Ugu District Municipality has identified the following benefits from the public meetings

- Understanding of community development ideas and direction
- Close relationship with community members
- Effective implementation of participatory development
- Elimination of public protests
- Identification of community structures and their role in the community
- Enhancement of the municipal-community partnership
- Establishment of level of community satisfaction about the municipality's service delivery
- Establishment of the services standard expected by communities.

2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* Section 26 Municipal Systems Act 2000	Table 2.5.1

COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is a system of rules, practices and processes by which the municipality is run.

Administratively the Accounting Officer is the head and accounts to the Council and the Executive Committee

To maintain oversight, Council has established Council Committees in terms of Section 79 and 80 of the Municipal Systems Act

2.6 RISK MANAGEMENT

Risk Management is one of Management's core responsibilities in terms of section 62 of the Municipal Finance Management Act (MFMA) and is an integral part of the internal processes of a municipality.

It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of a municipality. When properly executed, risk management provides reasonable assurance that the institution will be successful in achieving its goals and objectives.

Highlights

- The Chief Risk Officer facilitated the risk assessment workshop from which a register was developed and a risk mitigation plan was developed and implemented during the year under review.
- Quarterly reports are subjected to the risk management committee as well as the audit committee for their respective reviews and progress made in terms of implementation of controls to mitigate risk. Percentage (%) Implementation of mitigation plan recommendations as at the end of Quarter 4 stood at 66%.
- Emerging risks were identified during the year, for example that of Expanded Public Works Programme (EPWP)
- It must be noted that the risk management committee was active during the current year however specific restructuring needs to take place to make it more effective.

Internal Audit

In terms of section 165 of the municipal finance management Act of 2003, internal audit must amongst others prepare a risk-based audit plan. The risk-based audit plan was prepared and approved by the audit committee for implementation.

Some assignments executed as per the plan include the following:

- Performance management system review for quarter 1 – 4
- Expanded Public Works Programme review
- Financial Discipline Review
- Supply Chain Management review
- Follow up assignments

Some assignments were deferred to the next financial year. These include Asset management, Revenue management review and Budget & Expenditure management review.

The percentage implementation of the Internal audit plan is currently sitting at 88% as of the end of June 2019. It is anticipated to be 100% implemented by end September 2019.

The following policies are available:

1. Risk Management Policy
2. Risk Management Charter
3. Anti – Fraud and corruption strategy and framework
4. Internal Audit Charter

Challenges

- There is no risk management software which will make it easy to track due dates as the system will have pop up alerts as and when due dates have been reached for action plans however this process is done manually on a quarterly basis.

The following are the high-risk areas that the municipality is facing:

- Ageing Infrastructure
- Revenue collection and overdue debt
- Billing administration

2.7 ANTI-CORRUPTION AND FRAUD

The municipal council is committed to preventing Fraud, corruption & theft. There is an established anti-fraud hotline from which monthly reports are generated and forwarded to us for investigations and report backs where applicable.

The unit conducts anti-fraud awareness campaigns as part of its service delivery targets

2.7.1 Fraud and Anti-Corruption Strategy

An approved Anti-Fraud and Corruption Strategy by the Council is in place. This Strategy includes the following:

-

- Regulatory Framework Relevant to Prevent Fraud and Corruption
- Fraud Exposures
- Governance structures to Mitigate Fraud and Corruption
- Anti- fraud and Anti-Corruption Prevention Initiatives
- Anti- fraud and Anti-Corruption Detection
- Anti- fraud and Anti-Corruption Response Strategy
- Compliance with the strategy

The Fraud Risk Assessment is conducted every year and follow ups on the implementation of mitigation plans is done on a monthly basis and reported on a quarterly basis to the Risk Management Committee and other governance structures as per the policy.

High Risk Areas

- Failure to follow SCM processes
- Falsified qualifications
- Abuse of overtime and leave
- Misuse of fuel cards
- Exposure of critical data and systems to acts of irregularity such as hacking and system attacks, internet and e-mail misuse, manipulation of critical data, unauthorised access, virus and spam

2.8 SUPPLY CHAIN MANAGEMENT

2.8.1 Overview Supply Chain Management

The Municipality's Supply Chain Management functions are centralised in the Budget and Treasury Office (Supply Chain Management Unit). All bid committees are in place, and they sit as per the adopted roster of bid committee meetings.

The Supply Chain Management Unit is responsible for the procurement of goods and services, the management of supplier database and contracts management.

2.9 BY-LAWS

The Water Services bylaws were revised. Council approved the amendments on 26 April 2018. The main amendments were the compulsory paying of capital contributions and Quota acquisition. The amended bylaws make provision for the property owner to decide whether he/she would like to acquire quota or pay the penalty tariff for excessive water consumption. Rates for vacant stands has been replaced by basic charges for all properties.

2.10 WEBSITES

2.10.1 Municipal Website Content and Access:

The Municipality also has a Facebook page namely Ugu Talk where daily communication is published to residents regarding various services the Municipality is responsible for.

UGU DISTRICT MUNICIPALITY, MUNICIPAL COMPLIANCE CHECKLIST 2018/19		
Documents published on the Municipality's website	Yes/No	Date of Publication
The Annual Report (2018/19)	Yes	2018/2019 Annual report – 31 Jan 2020
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act 2017/18 and resulting scorecards	Yes	2018/2019 for MM - 4 October 2018 2018/2019 for S56 Managers - 16 August 2018
All service delivery agreements 2017/18	No	N/A
All long-term borrowing contracts 2017/18	No	N/A
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during 2017/18	No	N/A

UGU DISTRICT MUNICIPALITY, MUNICIPAL COMPLIANCE CHECKLIST 2018/19		
Documents published on the Municipality's website	Yes/No	Date of Publication
Contracts were agreed upon in 2017/2018 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	No	N/A
Public-private partnership agreements referred to in section 120 were made in 2017/18	No	N/A
All quarterly reports were tabled in the Council in terms of section 52 (d) during 2017/18	Yes	Q1 – 31 October 2018 Q2 – 25 January 2019 Q3 – 24 April 2019 Q4 – 29 July 2019
Copies of the draft and final <u>Medium-Term Revenue and Expenditure Framework</u> / (i.e. <u>Municipal Budgets</u>) in the prescribed format as per Section 17 of the Local Government: Municipal Finance Management Act, 2003 with the following supporting documents:	Yes	Draft Budget 2019/2020 – 04 April 2019 2019/2020 Consolidated Budget – 20 June 2019
Any proposed amendments to the municipality's <u>integrated development plan</u> following the annual review of the integrated development plan in terms of section 34 of the Municipal Systems Act;	Yes	2018/2019 Ugu IDP Review - 03 October 2018
any proposed amendments to the budget-related policies of the municipality:	Yes	2018/2019 Consolidated Budget Part 1 to 2 – 08 June 2018 2018/2019 Consolidated Budget Part 1 to 3 – 20 July 2018

All Municipal websites, in respect of the MFMA, Section 75 require specific information to be published on the website within predetermined timeframes. Ugu District Municipality maintained a website compliance checklist which was reviewed for compliance on a quarterly basis and submitted to the Website Champions Task Team, comprised of champions from each Department and the ICT Steering committee for Oversight. Information is published to the website on an ad hoc basis and vetted by content owners prior to being published, in line with the ICT Operations Policy on website guidelines.

Monthly website usage trends by visitors to the www.ugu.gov.za is monitored through Google analytics and allows the Communications Section of the Municipality to interrogate trends such as number of users visiting the site, number of sessions, number of page views, cities where the site is being accessed from and other useful statistical data.

.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

2.11.1 Public Satisfaction Levels

The 2018/19 Customer Satisfaction survey conducted at the Mayoral Izimbizo found the following:

Poor and irrelevant communication mechanisms by the municipality especially with residents of more remote areas of the district

Poor visibility and commitment of councillors in community development issues and programmes

Lack of awareness of the youth and local economic development programmes of the municipality.

Poor knowledge and understanding of the Integrated Development Plan by communities and their role in its (IDP) development-

Lack of regular feedback by the municipality on issues raised by the community.

Recommendations

- Better communication strategies need to be developed to address all segments of the Ugu community.
- Councillor capacity development programmes on community engagement, participation and development.
- The Youth and LED Offices to develop public awareness campaigns around the programmes and services that they offer.
- The Development Planning unit to hold sessions to educate residents on what the IDP is and its function in facilitating active community participation and development.
- Regular feedback sessions should be facilitated by the municipality to give feedback on issues raised by communities at different platforms.
- The Mayoral Izimbizo and other community engagement platforms should be better utilised by all municipal departments to better communicate the available and planned municipal programmes with the community.

CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

COMPONENT A: BASIC SERVICES

A.1 Introduction to Basic Services

As an established Water Service Authority, Ugu District Municipality has in this financial year responded to the growing need for water supply by providing access to 3266 households across the district. The municipality owns and operates 15 of its Water Treatment Works and two other works which are operated by Umgeni Water.

3.1. WATER PROVISION



The Ugu District Municipality, authorized in terms of the Municipal Structures Act (Act No. 117 of 1998) and the Municipal Structures Amendment Act (Act No. 33 of 2000) as the Water Services Authority for its area of jurisdiction and therefore has a duty, as assigned to it in terms of the Water Services Act (Act No. 108 of 1997), to all consumers or potential consumers to progressively ensure efficient, affordable, economical and sustainable access to water services.

Ugu WSA has elected to perform the water services provision function and is therefore also the Water Services Provider (WSP) including the functions of bulk water provision, water reticulation, sewerage services and bulk wastewater collection and treatment to the towns and villages in its area of jurisdiction.

The Ugu District Municipality remains committed to basic service provision. The provision of sustainable services and the promotion of development are the key focus areas of the municipality. In the context of water services, Ugu District Municipality needs to overcome several challenges relating to capacity, planning, performance

monitoring of projects, basic services backlogs, inadequate services leading to sewer blockages amongst others, meter reading challenges resulting in cash flow shortages, ageing infrastructure and the need to provide more serviced residential stands as well as poor blue- and green drop compliance.

Ugu District Municipality has increased water services delivery to 83% of its households even though 17% of the 83% is below the national minimum standard. The remaining 17% get water from springs, boreholes and streams.

Access to sanitation has been increased to 94% of the households in Ugu district. 35% of the 94% is however, according to STATS SA, below the National standard (VIP).

Specific highlights re the extensions to the Umtamvuna and Bhobhoyi Water Treatment Works.

Ugu has a water quality monitoring programme, not only for the urban bulk water scheme but also for the rural settlements. Although much is still to be done to improve compliance to the Blue Drop Certification programme, the Municipality is confident that it will achieve an improved Blue Drop Score

The gaps in level of services include rural/urban National design standards. This affects the rural area more and more because the level of service required in the rural area increases annually and the actual level of service cannot keep up with the demand. This trend will continue until service levels are equalised.

Aged water and sanitation infrastructure, lack of capacity of key treatment plants continues to be a challenge and results in many interruptions and service delivery challenges.

Key programmes around this still present challenges for the urban coastal strip

Refurbishment of sanitation infrastructure

Waterborne sanitation - only 18% reticulated

Septic and Conservancy tanks - 16%

Augmentation of water bulk supply schemes

Development of water resources (Dams)

Sustainable sanitation for low cost housing projects

The water infrastructure was originally developed to serve the settlement along the coast. The recent development require strengthening of the system to replace the old pipe systems and increase the capacity of water treatment plants to meet demands.

The aging infrastructure and rising demands have resulted in Ugu District Municipality embarking on the Non-Revenue Water Management Programme to reduce water losses and new water projects to meet the demand. The Umzimkhulu augmentation and South Coast bulk pipeline has reduced the pressure on the Coastal system but many challenges still exist.

Bulk raw water supply poses a serious threat for future development and increased demand in the rural areas. Alternative raw sources such desalination is being investigated in an effort to meet the future demand.

The existing sewerage reticulation, pump stations and treatment works infrastructure was assessed to be in desperate need of refurbishment.

Water shortages in the several areas the resulted in water outages for several days. Plans and projects have been put in place to reduce the risk for the future.

The coastal areas have the highest concentration of the population and are also the main economic centres for the District. Infrastructure development in the rural areas was historically done in a haphazard manner and this resulted in a number of stand-alone rural water schemes that many times are supplied from unsustainable water sources. The Regional master planning initiatives that were completed in 2006 corrected the lack of planning in the rural areas and shifted the focus towards the implementation of more sustainable Regional Water schemes

3.1. WATER PROVISION

3.1.1 Introduction to Water Provision

Main source of water for drinking	Umdoni	Umzumbe	uMuziwabantu	Ray Nkonyeni	Ugu
Piped (tap) water inside the dwelling \	8 311	440	1 367	27 001	37 119
Piped (tap) water inside yard	4 792	4874	1 182	10 930	21 777
Piped water on community stand	15 335	7 853	7 345	35 880	66 412
Borehole in the yard	138	151	275	362	926
Rain-water tank in yard	381	776	573	351	2079
Neighbours tap	301	314	60	301	975
Public/ communal tap	2 680		7 122	12 448	27 844
Water-carrier /tanker	675	1 070	1 100	1 130	3 975
Borehole outside the yard	319	684	363	229	1 593
Flowing water/ stream /river	2 403	6 146	1 732	1 381	11 662
Well	0	71	0	136	206
Spring	62	76	0	23	160
Other	38	82	54	237	411
Total	35 433	28 132	21 172	90 409	175 146
% Access to Water	88	67	80	95	87
% Backlog	12	33	20	5	13

District and local municipality	Access to safe drinking water		No access to safe drinking water		Total
	N	%	N	%	
DC21: Ugu	147 255	84,7	26 529	15,3	173 785
KZN212: Umdoni	31 212	88,6	4 007	11,4	35 219
KZN213: Umzumbe	18 680	67,2	9 102	32,8	27 782
KZN214: uMuziwabantu	15 928	76,1	4 991	23,9	20 918
KZN216: Ray Nkonyeni	81 436	90,6	8 429	9,4	89 865

District and local municipality	Piped (tap) water inside the dwelling/house	Piped (tap) water inside yard	Piped water on community stand	Rain-water tank in yard	Borehole in the yard - Borehole outside the yard	Neighbours tap	Public/communal tap	Water-carrier/tanker	Flowing water/stream/river	Other source	Total
DC21: Ugu	37 119	21 778	66 413	2 080	2 520	975	27 845	3 976	11 662	779	175 146
KZN212: Umdoni	8 311	4 792	15 335	381	457	301	2 680	675	2 403	100	35 433
KZN213: Umzumbe	440	4 874	7 853	776	835	314	5 595	1 070	6 146	229	28 132
KZN214: uMuziwabantu	1 367	1 181	7 345	572	638	60	7 122	1 100	1 732	54	21 172
KZN216: Ray Nkonyeni	27 001	10 930	35 880	351	591	301	12 448	1 130	1 381	396	90 409

District and local municipality	Flush toilet connected to a public sewerage system	Flush toilet connected to a septic tank or conservancy tank	Chemical toilet	Pit latrine/toilet with ventilation pipe	Pit latrine/toilet without ventilation pipe	Ecological toilet (e.g. urine diversion; enviroloo; etc.)	Bucket toilet (collected by municipality) - Bucket toilet (emptied by household)	Other	None	Total
DC21: Ugu	36 356	6 044	14 590	63 201	28 637	3 853	5 760	9 140	7 565	175 146
KZN212: Umdoni	8 312	1 636	5 615	6 940	4 602	10	3 242	3 305	1 771	35 433
KZN213: Umzumbe	351	428	4 309	13 643	3 868	1 045	1 321	2 478	689	28 132
KZN214: uMuziwabantu	1 728	206	2 338	11 406	1 603	972	436	2 165	318	21 172
KZN216: Ray Nkonyeni	25 965	3 774	2 328	31 212	18 564	1 825	762	1 193	4 787	90 409

Most of the WWTP and pump stations are in a state of disrepair. Little or no maintenance has been done for many years and equipment has become non-functional and outdated. They have been used far beyond their designed life cycle. A Business plan has been approved for the refurbishment of the WWTP's and pump stations but the actual funding source being MIG is very limited and cannot accommodate the refurbishment project adequately.

The lack of a proper operations and maintenance plan does not help either. Maintenance is being done on an adhoc basis and is more of a crisis management nature. An O&M plan must be developed to ensure that all plant and equipment is appropriately maintained.

COGTA is funding an Asset Management project that will ensure that all assets be captured and maintained in accordance with GRAP standards.

Water Conservation Demand Management

Water Conservation and Water Demand Management (WC/WDM) interventions have been a priority of Ugu district Municipality for the past few years and a wide range of measures are being implemented continuously to reduce losses and improve the efficient use of water. The results have indicated that the potential for savings in water use through WC/WDM measures. The Water leakage management study completed recently indicate that NRW to be 30 % of water produced, which can be translated to huge direct financial losses for the Municipality. Reducing water losses within reasonable margins through WC/WDM measures should therefore be a pre-requisite before embarking on huge infrastructure upgrading to augment the water supply

Employees: Water Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	11	2	2	0	0.0
4 - 6	28	4	3	60	0.4
7 - 9	81	47	44	130	1.1
10 - 12	65	9	7	260	0.7
13 - 15	57	57	52	160	1.8
16 - 18	179	160	143	250	6.1
Total	421	279	251	860	10.01

*Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.*

T3.1.7

Financial Performance 2017/2018: Water Services				
R'000				
Details	2016/2017	2017/2018		
	Actual	Original Budget	Adjustment Budget	Actual
Total Operational Revenue	397 771	599 436	551 632	530 558
Expenditure:				
Employees	146 062	156 169	140 455	172 132
Repairs and Maintenance	31 591	41 915	12 932	17 708
Other	412 010	264 477	278 986	362 045
Total Operational Expenditure	589 663	462 561	432 373	460 890
Net Operational Expenditure	191 892	136 875	119 259	69 668

Table 3.1.6

Capital Expenditure 2017/2018: Water Services R' 000					
Capital Projects	2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All - R					
Kwaxolo Water Supply: Reticulation	4 000	817	765	52	
Mhlabatshane Regional Water Supply	10 000	7 160	6 556	604	
Umtamvuna Water Works Raw Water Upgrade	20 000	24 149	26 213	-2 063	
Mabheleni East Water Project	5 000	9 744	9 880	-136	
Harding Weza Regional Water Supply (Dam)	35 000	33 580	34 120	-540	
Harding Weza Regional Water Supply (Bulk)	7 500	1 080	1 643	-563	
Thoyane Water Project		850		850	
Stick Farm Water Scheme					
Nyavini Water Supply Scheme		1 484	683	801	
Umkhulu Bulk Water Augmentation Scheme	10 500	9 744	9 880	-136	
Masinenge Bulk Water and Sanitation Project	5 500	7 477	4 893	2 584	
Msikaba and Surrounds Water Supply Scheme	15 000	12 000	201	11 799	
Umkhulu Slum Clearance: Farm Isonti	10 000	3 178	5 795	-2 617	
Water Pipeline Replacements	33 500	87 265	89 615	-2 380	
Mistake Farm Supply Scheme	11 479	9 355	8 805	550	
Bulk Water and Sewer Infrastructure for Mazakhele, Harding	1 500		697	-697	
Vulamehlo Cross-Border Water Scheme	5 000	6 017	3 244	2 772	
Kwalemba Bulk Water Extension	2 500	702	581	121	
Kwanyuswa Water Scheme	2 500	2 775	127 099	-124 324	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>	181 979	214 602	203 601	11 031	

Table

3.1.1.2. Water Services Performance Overall:

3.2 WASTEWATER (SANITATION) PROVISION

3.2.1 Introduction to Sanitation Provision

Sanitation Service Delivery Levels				
Description	Year -3	Year -2	Year -1	*Households
	Outcome	Outcome	Outcome	Year 0
	No.	No.	No.	Actual
Sanitation/sewerage: (above minimum level)				
Flush toilet (connected to sewerage)	36,356	36,356	36,356	36,356
Flush toilet (with septic tank)	6,044	6,044	6,044	6,044
Chemical toilet	14,590	14,590	14,590	14,590
Pit toilet (ventilated)	90,000	90,000	91,000	91,838
Other toilet provisions (above min. service level)	9,130	9,130	9,130	9,130
<i>Minimum Service Level and Above sub-total</i>	156,120	156,120	157,120	157,958
<i>Percentage</i>	90.1%	90.1%	90.1%	90.2%
Sanitation/sewerage: (below minimum level)				
Bucket toilet	5,760	5,760	5,760	5,760
Other toilet provisions (below min. service level)	3,853	3,853	3,853	3,853
No toilet provisions	7,565	7,565	7,565	7,565
<i>Below Minimum Service Level sub-total</i>	17,178	17,178	17,178	17,178
<i>Below Minimum Service Level Percentage</i>	9.9%	9.9%	9.9%	9.8%
Total households	173,298	173,298	174,298	175,136

Employees: Sanitation Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0.0	0.0
4 - 6	4	3	3	0.0	0.0
7 - 9	20	6	6	0.0	0.0
10 - 12	36	7	3	104	3.6
13 - 15	27	0	0	0.0	0.0
16 - 18	113	95	85	305	9.0
Total	200	111	97	409	12.6
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p style="text-align: right;"><i>T 3.2.7</i></p>					

Financial Performance 2017/2018: Water Services					
R'000					
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	107 384	95 891	57 907	55 695	-2 212
Expenditure:					
Employees	29 356	37 074	33 344	40 864	-7 520
Repairs and Maintenance	4 995	12 594	3 618	4 434	-816
Other	51 552	42 557	41 237	53 235	-11 998
Total Operational Expenditure	85 903	92 225	78 199	54 808	-20 334
Net Operational Expenditure	-21 481	3 666	-20 292	887	-22 546

Table 3.2.4

Municipal Vote/Capital project	Individually Approved (Yes/No)	Asset Class	Asset Sub-Class	2017/2018 Medium Term Revenue & Expenditure Framework	
R thousand	6	3	3	Budget Year 2017/2018	Actual 2017/2018
Parent municipality:					
<i>Capital projects grouped by Municipal Vote</i>					
Finance and Administration (mSCOA System Implementation (Phase 2))	Y		BTO78	3 000	3 000
Finance and Administration (Replacement of assets from insurance pay outs)	Y		BTO68	1 009	80
Finance and Administration (fridge)	Y			3	3
OMM (Property Transfers Project)	Y		OMM100	400	198
Corporate Services (Computer Equipment)	Y		CS025A	1 950	1 947
Corporate Services (Furniture & Equipment)	Y		CS021A	850	850
Corporate Services (Motor Vehicles)	Y		CS011A	16 167	15 873
Corporate Services (Disaster Management Building)	Y		CS023A	8 000	5 211
Corporate Services (Oslo Beach Phase 3)	Y		CS023A	5 400	4 472
Corporate Services (Canteen & Toilet for Connor Street and ground floor)	Y		CS023A	500	438

Corporate Services (Fleet workshop & garage earthworks)	Y		CS023A	1 000	1 000
Corporate Services (Improvement various areas (including stores)	Y		CS023A	16 800	14 797
IED: Environmental Management (Odometer for noise pollution)	Y		IED59_EMS_CAP1	300 000	0
IED: Environmental Management (PM10 monitor)	Y		IED59_EMS_CAP1	350 000	0
Water Services					
Wastewater Management					
M&E Replacement of Ageing Infrastructure	Y		WS/WAT/CAP/2	3 333	2 510
Margate WWTW	Y		ws/san/cap/11_12_13_14	976	597
Shelly Beach WWTW	Y		ws/san/cap/16_17_18	346	0
Gamalakhe WWTW	Y		ws/san/cap/19_20_21	533	282
Ramsgate WWTW	Y		ws/san/cap/23_24	200	123
Palm Beach WWTW	Y		ws/san/cap/25_26	33	0
Red Desert WWTW	Y		ws/san/cap/27_28_29	73	101
Melville WWTW	Y		ws/san/cap/30	33	0
Pennington WWTW	Y		ws/san/cap/32_33_34	0	0
Umbango WWTW	Y		ws/san/cap/3	0	0
Public Ablution Facilities	N		n/a	0	0
Parent Capital expenditure					
SANITATION INFRASTRUCTURE-MIG					
Malangeni Low Cost Housing Project	Y		WS/PMU19	13 353	9 559
Sanitation Refurbishment Phase 1 (Port Edward to Park Rynie)	Y		WS/PMU20	2 606	828
Umtzinto Wastewater Treatment Works and Outfall Sewer Upgrade and Rehabilitation	Y		WS/PMU21	150	0
Pennington Waterborne Sanitation Project – Provision of bulk sewer & reticulation infrastructure	Y		WS/PMU22	12 777	1 618
Margate Sewer Pipeline Replacement	Y		WS/PMU24	6 831	6 831
Masinenge / Uvongo Sanitation Project	Y		WS/PMU25	662	1 021
Bhobhoyi / Mkholombe Sanitation	Y		WS/PMU26	120	0
Park Rynie Sanitation	Y		WS/PMU27	80	0
KwaLatshoda	Y		WS/PMU28	2 768	2 542
Harding Sanitation Scheme: Phase 3	Y		WS/PMU31	4 474	4 474
Ugu South Coast Tourism Entity					
Ugu South Coast Development Agency					
Entity Capital expenditure					
Total Capital expenditure					
References					Table 3.2.5

3.3 FREE BASIC SERVICES AND INDIGENT SUPPORT

3.3.1 Introduction to Free Basic Services and Indigent Support

Ugu District municipality's indigent register has a total of 5199 for water and 1810 sanitation households and is reviewed on an annual basis. The management of indigent consumers has been identified as a challenge in the Revenue Enhancement Strategy. The municipality is currently in the process of verifying of indigent beneficiaries however it has been realised that it is more efficient and effective to do this continuously and not only once a year.

This will have attempted through the profiling of applicants with data houses and any substantial economic activity should be followed up as it indicates a source of income. There is an automated ongoing process that could supplement the annual verification. The installation of electronic flow limiters and prepaid meter system to all indigent consumers can also act as a deterrent as those who can afford to pay for excess usage will not be comfortable with being limited to 6kl and having to change from paying in arrear to paying in advance as well as inconvenience of monitoring consumption. This will also be attempted also be explored by the municipality

Households earning less than R3,200 per month		
	Free Basic Water	Free Basic Sanitation
2016/2017	5820	2657
2017/2018	5211	2401
2018/2019	5199	1810

Table 3.3.1

Financial Performance 2018/2019: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	2017/2018	2018/2019			
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget
Water	48 261	70 037	70 037	65 248	4 789
Wastewater (Sanitation)					
Total					

Table 3.3.2

COMPONENT C: PLANNING AND DEVELOPMENT

3.4 PLANNING

3.4.1 Introduction to Planning and Development

The Development Planning unit deals mainly with three functions which are:

- **Strategic Planning** – this involves the development of an Integrated Development Plan (IDP) and Organisational Performance Management System.
- **Spatial Planning** – this involves the development of Spatial Development Framework and regional spatial plans. Furthermore, it includes the development of the Land Use Management Framework for the entire district
- **Performance Management System** - this involves the management and reporting of performance of the municipality on service delivery matters

Highlights: Development Planning

The highlights of the unit have been the consistent compliance on PMS legislated requirements and improved coordination of the development of both the IDP and OPMS.

Furthermore, the coordination of the District Planners Forum leading to healthy participation and relations within the district has been one of the highlights which has played a major role in ensuring effective implementation of Development Shared Services.

Challenges Development Planning

In the prior year, the review of the Spatial Development Framework (SDF) was a challenge but with the availability of a grant from CoGTA the SDF was attended to and councilors are to be trained on same.

What is further required is the development of an Integrated Transport Plan for the district.

The audit opinion on Performance Management in the year under review has declined to a Qualified opinion. The inadequate record keeping, and in some cases, inadequate reporting has led to this unfavourable opinion. Consequence management by the Accounting Officer is being implemented and the Audit Corrective Action Plan will be followed strictly.

3.5 LOCAL ECONOMIC DEVELOPMENT

INTRODUCTION TO ECONOMIC DEVELOPMENT

Municipalities derive the LED mandate from Section 152(1)(c) which envisages the role of local government as being to promote social and economic development and likewise from Section 153(a) and (b) which states that a municipality must manage its administration and budget and planning process to give priority to the needs of the community, and to promote the social and economic development of the community and to participate in the provincial and national development programs. Pursuant to this mandate Ugu District Municipality had during the past financial year implemented projects and programs under the four Portfolios which constitute the Economic Planning & Development Unit namely, Agriculture, Rural Development and Land Reform, Mining, Manufacturing & Energy, SMMEs & Cooperative Development and Economic Research, Development & Capacity Building. As a Unit that is charged with the responsibility of fulfilling the LED mandate it is responsible for formulating programs and projects, concomitant prioritization and resource allocation in selection of initiatives that will best tackle the triple challenges of poverty, in equality and joblessness.

Various initiatives have been implemented within the municipality's LED under the Rural Development & Land Reform, SMME & Cooperative Development, Mining, Manufacturing & Energies Portfolios under which the LED function has been delineated. The Unit observes with appreciation that a high percentage of its initiatives attract a substantial participation of youth and women. In a climate characterized by high unemployment the prevalence of which is even more dire among youth this trend is highly commendable. Likewise, with women especially the elderly playing a vital role in family sustenance the affirmative that derives from the foregoing truly accords with the spirit of gender empowerment.

3.5.1 SAMPLE OF PROGRAMS IMPLEMENTED DURING THE YEAR AND HIGHLIGHTS THERETO

Ezingoleni Essential Oils Tea Tree Cluster continues to be a prominent cog in the Unit's leading effort and continues to be a catalyst for mainstreaming black emerging farmers into the tea tree value chain with the invaluable support of the LED Unit's strategic partners Oribi Flats Farmers Association (OFA). Despite inroads being made by these emerging black farmers into the export market and thus foreign currency earning, the focus of the initiative has recently shifted into equipping the black emerging farmers in readiness for the relocation of the distillery plant some 6 kilometers North of its current location. The envisaged relocation planned to materialize in the next two year will see the black farmers take full responsibility of all facets of distillery management including putting in place

mechanism to ensure that maintenance and other aspects of sustainability are internalized within the project. Accordingly, serious efforts will be made in the interim to ensure that through the assistance of OFA critical technical knowledge of running the distillery is imparted to the community. To achieve this, young black farmers will be selected and put through intensive training to master these critical success-factor skills.



The above photo was taken at a meeting of black emerging farmers and OFA on the 05th March 2019 during which future expansion plans and the relocation and modalities attendant thereto were agreed upon. The sheer numbers and smiles of the participants bear evidence of the excitement that this project has brought to the community.

3.5.2 LED APPRENTICESHIP PROGRAM

Another highlight initiative within the LED Unit is the LED Apprenticeship Program which is in its 3rd year now, as part of investment in human capital pursuant to strategic objective 2.2 of the Provincial Growth & Development Strategy (PGDS). Through this programme these apprentices which will become full artisans at the end of the training which represents the LED Unit's contribution to skills development and alignment of skills to economic needs as envisaged in the PGDS.



The captions above and below show some of the apprentices who are currently enrolled in the Ugu LED Apprenticeship Program during the theoretical training component at Nqamuza Campus of the eSayidi TVET College.



3.5.2 IGR STAKEHOLDERS COORDINATION

It is often asserted that LED is about partnerships. Therefore, this makes partnerships, both formal and informal imperative to the discharge of the LED mandate as National LED Framework. Accordingly, the LED Unit has, through the LED Forum, ensured optimal stakeholder mobilization. As a result of this it is one of the districts within KZN province which prides itself in maintaining vibrant stakeholder participation whereby the stakeholders meet quarterly to discuss LED initiatives.

3.5.3 ARTISTS DEVELOPMENT PROGRAM

The LED Unit continues to extend its support to the performing arts sector, which sector proves to be most popular with the youth. Of significance in this regard is that the performing arts provides exposure to various career options that are otherwise readily not known. This is of vital importance in the fight against unemployment bearing in mind that the prevalence of this phenomenon with Ugu is above the national average. Within this context, it must be acknowledged that the performing arts value chain accords well with the Fourth Industrial Revolution (4IR) which is touted as the engine of the new economy. Accordingly, the LED Unit has extended its supports to various facets of the performing industry including film production and music production. An added advantage with specific reference to filming is that this is part of a greater initiative of using film as a differentiation strategy in its quest to become a prime tourist destination.

3.5.4 THE DYNAMIC ENVIRONMENT IN WHICH LED OPERATES

LED takes place in a dynamic environmental which in recent times has leaned greatly towards austerity due to the constrained economic environment that has gripped the South African economy in the past decade or so. This has undoubtedly affected our own ability to discharge the LED mandate. On the positive side, the 4th Industrial Revolution presents new opportunities and with it a commensurate obligation to align ourselves with the imperatives of this emerging phenomenon. As we have already stated under paragraph 3.5.3 above, as the LED Unit we are keenly exploring the environment with a quest to continuously aligning our efforts to emerging imperatives akin to the 4th IR.

Economic Activity by Sector Constant 2010 Prices (R '000)			
Sector	2016	2017	2018
Agriculture	2 007 621	2 655 939	2 592 314
Mining	172 834	189 208	166 467
Manufacturing	2 803 740	2 789 320	2 843 535
Electricity	487 820	490 465	491 706
Construction	1 332 870	1 321 234	1 307 360
Trade	4 093 304	4 063 565	4 100 868
Transport	1 879 143	1 902 513	1 946 483
Finance	3 322 932	3 373 970	3 441 103
Community Services	4 449 353	4 452 696	4 523 545
Total	20 549 615	21 238 911	21 413 381

Table 3.5.1

Economic Employment by Sector			
Sector	2016 No.	2017 No.	Jobs
			No
Agriculture	11 552	10 802	10 686
Mining	1 361	1 422	1 407
Manufacturing	15 485	15 864	15 694
Electricity	521	533	528
Construction	11 226	11 432	11 309
Trade	34 362	35 231	34 853
Transport	7 407	7 718	7 635
Finance	15 418	15 558	15 391
Community Services	35 216	35 765	35 381
Households	14 921	14 935	14 774
Total	147 469	149 262	147 659

T 3.5.2

Jobs Created during 2018/2019 by LED Initiatives (Excluding EPWP projects)				
Total Jobs created / Top 3 initiatives	Jobs created No.	Jobs lost/displaced by other initiatives No.	Net total jobs created in year 2018/19 No.	Method of validating jobs created/lost
Total (all initiatives)	608	Unknown	Unknown	
2018/2019 (SMME & Cooperatives Development Sector)	297	Unknown	Unknown	Extract of Minutes of Meeting of LED Portfolio Committee
2018/2019 Tea Tree Essential Oils and Moringa Plantation and Value Chains Cluster	183	Unknown	Unknown	Tea Tree Essential Oils Project Technical Report
2018/2019 (Performing Arts, Plumbing Apprenticeship, One-home-one Garden Pilot Support Program)	128	Unknown	Unknown	LED Portfolio Committee Extract
				T 3.5.3

Comment of employment and Growth Statistics

Whilst table 3.5.3 shows a marginal growth in economic activity over the 3-year period, the growth in employment over the same is marginal despite a bump in 2017. Overall, these figures depict an economy that is stagnant.

Job creation through EPWP* projects		
Details	EPWP Projects No.	Jobs created through EPWP projects No.
2016/2017	27	594
2017/2018	35	1429
2018/2019	40	1708
* - Extended Public Works Programme		1708

Employees: Local Economic Development Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	4	1	1	0	0.0
4 - 6	4	4	2	140	33.3
7 - 9	1	1	1	0	0.0
10 - 12	0	0	0	0	0.0
13 - 15	0	0	0	0	0.0
16 - 18	0	0	0	0	0.0
Total	9	6	4	140	33.3
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days. T 3.11.8					

Financial Performance 2017/2018: Local Economic Development Services					
					R'000
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	249 316	26 036	23 240	22 352	-888
Expenditure:					
Employees	16 627	15 690	14 111	17 294	-3 183
Repairs and Maintenance	0	0	0	0	0
Other	5 648	17 000	17 730	22 889	-5 159
Total Operational Expenditure	22 275	32 690	31 842	40 183	-8 341
Net Operational Expenditure	-227 041	-6 654	-8 602	-17 831	-9 229
					T 3.5.8

Capital Expenditure 2016/2017: Economic Development Services R' 000					
Capital Projects	2018/2019				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	0				
Project	Nil	N/A	N/A	N/A	N/A
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					
T 3.11.10					

COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:

This performance reports excludes the two municipal entities being the South Coast Development Agency and Ugu South Coast Development Agency who shared the LED Mandate with the LED Unit.

Ugu South Coast Tourism

Ugu South Coast Tourism (USCT) is an entity of Ugu District Municipality with the mandate to grow tourism in the region. Aside from the usual demanding work schedule, for the USCT team the 2018/19 financial year was characterised by numerous changes on a variety of levels. The first half of the financial year was marked by the arrival of the new CEO; who as part of her leadership responsibilities presented a new strategic direction for the organization. The Destination Management Framework was adopted by the USCT Board in December 2018. The framework takes into account and emphasizes the need to implement programs that are aimed at ensuring and promoting integration and transformation of tourism in the South Coast, leading to the spread of tourists to the hinterland. Ugu South Coast Tourism performed fairly well in its efforts to drive tourism growth in the region in the past financial year achieving an average 74% overall performance.

Guided by economic development objectives; USCT positions the South Coast as a tourist destination of choice to potential visitors. Through operating the Marketing & Communications and Tourism Development functions; the key priority areas are to:

1. Attract and **increase the number of tourists** to the destination

-
2. Support the development of innovative and unique tourism products in order to extend the **geographical spread** of tourists across the destination – thus encourage transformation and attract potential investments
 3. Ensure the availability of **visitor information infrastructure**
 4. Ensure the availability of **world class tourist services**

During the 2018/19 financial year; USCT remained focused on positioning the *Paradise of the Zulu Kingdom* as an accessible, year-round, leisure and an emerging business destination of choice, with diverse experiences. USCT's primary business focus remained on reintroducing the South Coast to stakeholders and growing the presence of the South Coast in the global tourism market. Engagements were held with different government and private sector stakeholders in the tourism industry to place Ugu South Coast Tourism as their top of mind strategic partner with which they can work and include in their programs. Positive feedback was received from all stakeholders and USCT will be able to leverage on some of the programs that the stakeholders already have in place and cut costs.

In addition to participating in the regular marketing and communication platforms; USCT also joined forces with provincial and national stakeholders to:

- Educate the tourism trade about the South Coast and encouraged them to include the destination in their itineraries as a place to visit and experience.
- Improve tourism trade's knowledge and understating of the South Coast as a destination with diverse experiences
- Expose tourism media to the South Coast product offerings to create positive rapport.
- Create top of mind awareness of South Coast offerings as an all year-round destination of choice in South Africa.

USCT remained dedicated to facilitating ongoing nodal tourism product development, as well as SMME support so that the benefits of increased visitor numbers are maximized. To enhance the destination's tourism competitiveness and diversify the product offering, developmental efforts were undertaken to:

- Develop new routes and experiences to encourage rural tourism development in order to encourage the spread of tourists and unlock the potential for job creation opportunities.
- Create awareness about tourism in rural communities
- Encourage transformation by assisting emerging entrepreneurs

Our visitors continued to enjoy 7 permanently managed Blue Flag Beaches, the highest number in Africa as our beaches were once again awarded the Blue Flag status in 2018. Based on Visitor Satisfaction Survey findings, it was noted that despite difficult economic times, people were still looking forward to that time away from their normal lives; they still visited the South Coast to unwind as they see the region is an affordable,

family-friendly destination where they can still enjoy some time off – an indication that domestic tourism remains a key market for the South Coast. This gives the industry, including the shareholder municipalities, great confidence and impetus to build on our strengths and continue on our growth path. The challenge however remains to engage our visitors, encouraging them to stay longer and spend more time and money in the South Coast. Through our newly developed website which is destination focused and inclusive; potential tourists will be able to explore the diverse experiences and corners of our destination. We hope that such efforts will translate to increased visitor numbers and lead to positive financial results for the South Coast products and create jobs.

It also goes without saying that municipal infrastructure plays a huge role in the efforts to grow tourism. Challenges related to water shortage in the district attracted negative publicity both in the social media and on national television. This created uncertainties about the destination as potential tourists were unable to plan or book in advance due to the fear of losing money should they decide to cancel.

Despite difficult financial times, with challenges of not receiving grant funding from the parent municipality (approximately R9million not paid to date) as well huge gaps between senior management and junior staff (notwithstanding non-performance by some); USCT managed to perform above 70%. USCT is looking forward to fully implementing the new Business Plan & Scorecard that is aligned to the Board approved Destination Management Framework in 2019/20 financial year.

3.6 RIGHTS OF A CHILD

Introduction

Rights of the Child is a responsibility of government institutions including municipalities to create an environment that is child-friendly; prioritizes and protects children's rights.

Over the years it has become a common place for children to be neglected; abused; exploited and killed. This is a result of society's disregard for the value of human life, dignity and rights of vulnerable groups, especially children. Our responsibility is to protect those rights. The role of the District Municipality is to coordinate all programmes in relation to this cause and create a platform for all stakeholders sharing common cause such as NGOs, CBOs, Local Municipalities and Government Departments, particularly DSD and DOE who are key stakeholders.

The following are programmes achieved

- Dress a Child Campaign
 - provide school uniforms to learners from disadvantaged backgrounds.
- Children's Rights Awareness Campaigns
 - capacitate children on their rights and responsibilities. Furthermore, to empower children in terms of protective behaviour.
- Take a School Child to Work
 - an annual Cell C corporate social investment is a girl empowerment campaign, held in South Africa since 2003. Companies involved organise for female high school learners, usually from disadvantaged backgrounds, to spend the day at their place of work on the last Thursday of every year in May.
- Provincial/National Children's Parliament/Child Ambassador
 - Provincial/National Children's Parliament is a way of saluting Nelson Mandela for prioritizing children on the national development agenda ranked as the key strategic activity in the building of a national child rights movement the Children's Parliament is initiated through a partnership between the Department of Social Development and the NMCF.
- Support for Indigent Children
 - Provide immediate hunger relief to children living without parents or guardians by providing food parcels before cases are referred to the Department of Social Development for further intervention, or provide any kind of support to indigent children depending on resources available

-
- Christmas for Hospitalised Children
 - Targets children in hospitals who are admitted making them feel that they are not forgotten as well and can enjoy childhood. The programme is also meant to express our compassion as the Municipality to cheer they up during their difficult time.

3.7 HIV AND AIDS PROGRAMME

Introduction

The Special Programmes Unit coordinates the functioning and the implementation for the HIV and AIDS programmes in the district. The coordination is done through working hand-in-hand with the Department of Health which is the key department in the implementation of the HIV and AIDS programme. Other key stakeholders include with other government departments, Civil Society (PLHIV Sector) and NGOs (BroadReach, FHI360 NACOSA, Khethimpilo, AIDS Foundation, MiET Africa, Lovelife, Right to Care and so forth.).

Programmes achieved

- Functional District AIDS Council with full support of Political Leadership. Members of civil society being represented in the Council
- Continuous reporting to the Provincial AIDS Council
- Vibrant and visible PLHIV sector
- Extensive awareness campaigns on HIV, TB, STIs and teenage pregnancy conducted in communities, schools and churches wherein the district partnered with various stakeholders
- Good relations with partners working in the district
- Establishment and functioning of She Conquers campaign committee and Adolescent Youth Forum-meeting monthly and conducts various activities which deal directly with the 5 She conquers objectives: i.e.
 - Decrease new HIV infections in adolescent girls and young women by at least 30%
 - Decrease teenage pregnancy by at least 30%
 - Keep girls in schools until matric-increase retention by 20%
 - Decrease gender base and sexual violence by 10%
 - Increase economic opportunities for young girls by 10%
- Over 500 nutritional supplements provided to non-governmental organizations dealing with HIV and AIDS in the community
- Condom distribution enhanced through support of a Health Promoter based in the District (appointed by Office of the Premier)
- Geospatial mapping done by KZN treasury in Umdoni Municipality (relevant stakeholders and civil society were present)
- Ongoing support to people who are infected and affected by HIV and AIDS
- 5 NGOs received funding and capacity building through Global Fund programme
- Broadreach and Care works making good impact on linkage to care for people who tested positive

Challenges

- Adherence to HIV/AIDS and TB treatments.
- Total patients remaining on ART fluctuating due to high number of patients lost due to follow-up.
- High HIV positivity rate from high transmission areas (HTAs) (e.g. TVETs, Sex Workers and Truck Stops).
- Increase in the number of new sexual assault cases compounded by social ills such as drug and substance abuse; poverty; and so forth.
- WAC functionality is hindered by poor participation.

3.8 People With Disability

Introduction

People with Disability in South Africa encounter a range of physical, cultural social and attitudinal barriers, which prevent them from enjoying and accessing their full civil, political, economic, and social and developmental rights.

The Special Programmes Section is committed to promoting an integrated National Disability Forum strategy. The collaboration is aimed at ensuring that those with disability are included in making decisions about their lives, have access to justice, achieve independent living, establish an adequate standard of living, personal mobility, enjoy freedom of expression and participate fully in society.

The Special Programmes Section is tasked with mainstreaming the Disability Programme within the District. Mainstreaming involves the integration of disability issues and interventions with government legislation and programmes and other sector organisations or programs.

Roles and Responsibility:

- Develop an Ugu District Municipality implementation plan that is aligned to the National Disability Strategy.
- Promote participation by relevant stakeholders in the development and use of research
- Encourage a process allowing the development an integrated project-based budget.
- Facilitate capacity development among stakeholders to enhance INDS implementation
- Develop a reporting mechanism to facilitate the dissemination of information by using appropriate medium e.g. Braille.
- Encourage the sharing of resources and the adoption of asset-based approaches.
- Change attitudes through sensitization and awareness programmes.
- Advocate and facilitate inclusion in the decision-making process.

Programmes achieved:

- Therapeutic Session for mothers with disabled children
- Disability Sports Day
- Skills Development Workshop
- Awareness campaigns
- Driver's License Pogramme
- Economic Empowerment Workshop
- Sanitary Dignity Campaign in Special Schools
- Disability NPO Grants Support
- Support provided to Disabled people

Challenges

- People with disabilities are far less likely to be employed. Departments do not meet their mandate to employ at least 7% of disabled people
- Physical environment not accessible. Public transportation may be unavailable or at an inconvenient distance.

-
- There are not enough special schools in the district for children with disabilities.
 - Lack of relevant assistive technology in Government Departments thus making them inaccessible to people who use assistive devices.
 - Negative attitudes of people towards disability
 - Written health promotion messages with barriers that prevent people with vision impairments from receiving the message – no braille or versions for people who are visually impaired.

3.9 SENIOR CITIZEN PROGRAMME

Introduction

Senior Citizens must be full participants in the development process and share in its benefits. No individual must be denied the opportunity to benefit from development. Older persons have been previously marginalised, as ageing has been perceived as a problem rather than a natural process.

The Special Programmes Section is the main facilitating section. All this operation's work is founded on the goal of mainstreaming senior citizens into all policies, programmes and projects across all government spheres. This means effectively ensuring that the focus on the empowerment of and protection of senior citizens is effective coordinated and monitored. It further has a vital role to play as the principal coordinating institution for the Ugu District Senior Citizens Forum.

Roles and Responsibility:

- Coordinate and facilitate a comprehensive agenda for the promotion & protection of senior citizens,
- Ensure that government translates its constitutional & global commitments into measurable & meaningful programmes,
- Establish multi-sectoral Forums to mainstream & monitor rights of senior citizens.
- To promote close collaboration between the UDSCF, government departments and the broader NGO-sector involved with senior citizens sector,
- To coordinate, monitor, evaluate and report on the implementation of programmes and strategies aimed at achieving goals for senior citizens,
- To raise awareness, advocate and lobby on, and conscientise the public about senior citizens' rights with a view to stimulating public debate,

Programmes achieved

- Functional Ugu District Senior Citizens Forum (UDSCF). The objectives of the UDSCF:
 - To guide the District response
 - To create and strengthen partnerships for an expanded provincial response to issues of Senior Citizens
 - To mobilize resources for partnership activities
 - To promote the Senior Citizen Act
 - To establish medium and long-term goals of Senior Citizen's, based on the Senior Citizen's Act
 - To identify and formulate strategies for the attainment of the above goals
 - To coordinate, monitor evaluate and report on the implementation of programmes and strategies aimed at achieving goals for Senior Citizens

-
- To raise awareness, advocate, lobby on and consociates the public about the Rights of Senior citizens
 - To lobby / advocate for allocation of resources by the Government
 - To identify, solicit and mobilize resources to implement initiatives aimed at promoting and protecting the rights of Senior Citizens
 - To receive reports of all sectors on sectoral responses for the purposes of monitoring and evaluation of the effectiveness and impact of all sector efforts
 - To facilitate and support the establishment of the Local Municipality Senior Citizens Forums.
 - To strengthen capacity at all levels by providing the necessary framework, guidance and support to all sectors to achieve these objectives
- Functional Senior Citizens Forums at local level with vocal members and Chairperson's who also participate in the District Forum
 - Conducted awareness campaigns on elder abuse, chronic diseases, active ageing and healthy living etc.
 - Coordinated workshop on social benefits and means test for senior citizens
 - District senior citizens participated in Provincial 2018
 - District senior citizens participated in the Provincial Senior Citizens Parliament and submitted a motion
 - All local municipalities are represented in the district senior citizen's forum
 - District is also represented in the Provincial and SAOPF
 - Providing ongoing support to senior citizen's luncheon clubs
 - Coordinating and supported destitute elderly
 - Provided 500 walking sticks to senior citizens and nutritional supplements
 - Coordinated District Golden Games 2018
 - Participated in the Provincial and National Golden Games 2018
 - Participated in the Provincial Senior Citizens Forum
 - Ugu senior citizens representatives attended the Provincial Senior Citizens Parliament

Challenges

- Shortage of skilled personnel to provide adequate home-based care for older persons.
- South African Social Security Agency (SASSA) pay points are not user-friendly for older persons ranging from long queuing times, lack of basic facilities including toilets, shelter, and seats; and so forth.
- Limited knowledge of human rights.

3.10 GENDER PROGRAMME

Introduction

The Gender Programme promotes the respect for the rule of law, human rights as well as economic and social development for both women and men to ensure that equal opportunities are achieved. The Gender section aims to promote, protect, monitor, and evaluate gender equality within the District. The programme is responsible for the coordination and implementation of strategies that would ensure that women play an active role in the economy of the District and the country at large thereby escaping the cycle of poverty and abuse. This it does by raising awareness on issues pertaining to women's health, men's health, skills development, sexual health, fighting domestic abuse and access to justice.

The Special Programmes Unit works closely with the 4 local municipalities to coordinate and implement strategies that promote gender equality and raise awareness on issues such as sexual and reproductive health, gender-based violence, and access to legal, health, economic and social services within the District.

Roles and Responsibility:

- Guide the District response to gender-related issues.
- Create and strengthen partnerships for an expanded provincial response to issues of Gender.
- Mobilize and streamline resources to effectively implement partnership activities.
- Establish medium and long-term goals for the Gender Programme based on the Gender Equality Act.
- Coordinate, monitor, evaluate and report on the implementation of programmes and strategies aimed at achieving Gender goals.
- Raise awareness, advocate, lobby on and consociates the public about the Rights of Gender

Programmes achieved

- Women in Leadership
- Annual Umkhosi Womhlanga
- Men Empowerment Session
- Boys-to-Men Session
- Women Empowerment Session
- Young Women's Summit
- Widows Workshop
- Ondlunkulu Workshop
- Men's Summit
- Sanitary Dignity Campaigns
- Moral Regeneration

Challenges

- Unequal opportunities available to women due to nepotism, gender bias and stereotyping.
- High unemployment results in high poverty rates.
- Cultural beliefs and social norms perpetuate gender-based violence.
- Limited knowledge of human rights.
- High teenage pregnancy rates has resulted in high drop-out rate in schools amongst adolescent girls.

3.11 EXPANDED PUBLIC WORKS PROGRAMME

Introduction

The EPWP is one of several Government initiatives aimed at addressing unemployment and alleviating poverty within Ugu District Municipality in the short to medium-term. The EPWP involves creating temporary work opportunities for the unemployed, using public sector expenditure. The importance of the EPWP is clearly reflected in key government policies like the New Growth Path (NGP) and the National Development Plan (NDP). In both, EPWP is positioned as a key programme to contribute to achieving government's goals of halving unemployment and addressing gaps in the social protection system.

Furthermore, the Ugu District Municipality has been mandated to create work opportunities. To assist with the implementation of EPWP projects and achievement of targets, EXCO Resolution noted that the EPWP Unit requires capacity to operate and achieve targets set by the Department of Public Works.

Review of Phase III

- A review of the EPWP Phase III was conducted by the technical support that was provided by a team specialist from ILO and DPW.
- The aim of the review was to identify the achievements, challenges, and lesson learnt in the implementation of the EPWP Phase III
- The methodology used in conducting the review was: extensive consultations with EPWP managers across all spheres of government and sectors of the programme, in-depth interviews stakeholders, existing EPWP reports and analysis of available EPWP data.
- The findings from the review assisted to inform some of the proposals for the EPWP Phase IV.
- An extensive e impact evaluation of the EPWP Phase III is currently underway.

The objectives of EPWP Phase IV

The objective of the EPWP Phase IV is to provide work opportunities and income support to poor and unemployed people through the delivery of public and community asserts and services, thereby contributing to its development. Programme impact:

- Employment Creation - Acquiring work-based skills and workplace experience enhancing their potential to find further work in the formal or informal sector.
- Income Support - Earning an increase income and improving their household securities.
- Development of community asserts and the provision of services - Benefiting from improved service delivery and infrastructure in their communities.

UGU DISTRICT MUNICIPALITY PHASE IV TARGET							
Total All Sectors							
Municipality		2019/20	2020/21	2021/22	2022/23	2023/24	Total
Ugu	WO	1765	1 785	1 798	1 806	1 817	8 971
	FTE	618	625	630	634	638	3 146
Ray Nkonyeni	WO	835	846	857	866	877	4 281
	FTE	318	323	327	332	336	1 636
Umdoni	WO	276	280	284	287	291	1 419
	FTE	103	105	106	108	109	531
Umuziwabantu	WO	179	180	182	183	185	909
	FTE	65	65	66	67	68	330
Umkumbe	WO	250	252	253	254	255	1 265
	FTE	88	88	89	89	90	443

2019/2020 ALLOCATIONS			
Municipality	Allocated (R'000) - 2018/19	Allocated (R'000) - 2019/20	Variance
uMdoni	R1,219,000	R1,228,000	R9,000
uMzumbe	R1,526,000	R1,564,000	R38,000
uMuziwabantu	R1,213,000	R1,219,000	R6,000
Ray Nkonyeni	R4,061,000	R4,405,000	R344,000
Ugu District Municipality	R3,250,000	R4,523,000	R1,273,000
Total uGu District Municipality	R11,269,000	R12,939,000	R1,670,000

Programmes achieved

- Some beneficiaries are now permanently employed by Ugu District Municipality
- HIV and AIDS training
- Chain Saw training
- Labour Intensive Construction Methods Workshop
- Training in Application of Herbicides
- Training in Soil and Plant Nutrition Practice NQF Level 4

Challenges

- Tender document not having EPWP component
- Limited budget
- Local Municipalities not cooperating during recruitment
- Overall – all municipalities not contributing enough Work Opportunities to assist the district in meeting EPWP set targets.

Employees: Special Programmes					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	5	5	5	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	7	7	7	0	0%
<p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p> <p>T 3.14.4</p>					

3.11 YOUTH DEVELOPMENT

Introduction; programmes achieved and challenges

Employees: Youth Development					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	1	1	1	0	0%
7 - 9	1	1	1	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	3	3	3	0	0%
<p>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</p> <p>T 3.10.4</p>					

Financial Performance 2017/2018: Special Programme					
R'000					
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		9 487	8 468	8 145	-324
Expenditure:					
Employees		6 756	5 572	6 829	-1 257
Repairs and Maintenance		0	0	0	0
Other		15 729	16 045	21 178	-4 773
Total Operational Expenditure		22 485	21 977	12 099	-6 030
Net Operational Expenditure		-12 998	-13 509	-3 955	-6 353
<i>Table 3.11.3</i>					

Financial Performance 2017/2018: Youth Development					
R'000					
Details	2017/2018	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		9 187	8 200	7 887	-313
Expenditure:					
Employees		4 755	3 572	4 378	-806
Repairs and Maintenance		0	0	0	0
Other		15 729	16 045	21 178	-4 773
Total Operational Expenditure		20 484	19 977	12 099	-5 579
Net Operational Expenditure		-11 297	-11 777	-4 212	-5 892
<i>Table 3.11.4</i>					

COMPONENT E: ENVIRONMENTAL PROTECTION

E.1 Introduction to Environmental Protection

Environmental management is essentially the manner in which natural resources are utilized in order to serve the social, economic and other needs of the present and future generations. The level and extent of protection of natural environmental carrying capacity in order to uphold and maintain the development needs is very important for the realisation of sustainable development.

Ugu as a region is a tourist destination, and this economic pillar relies on its natural scenic beauty. As a water and sanitation service provider and authority, the municipality relies on water resources and such must be protected and treasured in order to ensure sustainable water and sanitation service delivery.

Ugu Environmental Management has developed various environmental management instruments, while others are still under development, as per legislative requirements of the National Environmental Management Act (NEMA) and other legislations. These provide a strategic direction during planning phases of development as the municipality has to work within the capacity the current natural assets for sustainability of the development. As per chapter 5 of NEMA, some of the instruments are essential for risk management and compliance with environmental legislation as they proactively assess the impacts of development on the environment in order to mitigate negative effects and maximise positive impacts. The infrastructural investments of the municipality are also protected in cases of natural events. In order to achieve environmental protection while meeting the development social needs of the communities, the municipality has complied with these requirements and still strives to improve in the immediate to long-term.

3.14 POLLUTION CONTROL

3.14.1 Introduction to Pollution Control

Ugu Environmental Management issued the first generation of Atmospheric Emissions License (AEL) regime under the National Management: Air Quality Act of 2005 (NEMA: AQA) in 2013. AEL's are valid for a maximum period of 5 years. Some provisional AELs have been issued, however they were valid for a maximum period of 1 year. All provisional AELs have since been renewed and replaced with AELs. There are currently 10 active AELs. The second generation of AELs was issued in 2018 and this is still in progress for the facilities that had their AELs later than other. While compliance was achieved, some improvements are very necessary in order

to achieve and maintain a good state of air in Ugu District Municipality. This is for the benefit of the environment and ultimately public health.

As an atmospheric emissions licensing (AELA) authority atmospheric emissions licensing, air quality management is essentially to ensure the protection of air quality in the district, thereby protecting human health. The responsibilities of a district municipality as required by the Air Quality Act have been met and air pollution mitigation measures are continuously being implemented. Air quality management by-laws, Air Quality Management Plan and Atmospheric Emissions Licencing are in place. There are ten eligible facilities that are listed under Section 21 Notice of the Air Quality Act are being licenced while others are still being followed up for compliance with this requirement.

A database of Controlled Emitters according to Section 23 of the same legislation has been compiled and declared by the Council. Therefore, legislative measures are being followed with regard to their reporting and compliance measures for those that do not comply are being applied gradually.

Air quality information and reporting requirements

Ugu Atmospheric Emissions Licencing Authority (AELA) is fully compliant with the reporting requirements. The South African Atmospheric Emissions Licencing Integrated Portal (SAAELIP) is an online portal for applying for an Atmospheric Emission License (AEL) in terms of the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004) as well as the reporting of emissions data for the compilation of the National Atmospheric Emissions Inventory (NAEIS). The portal allows users to:

- Create and manage user accounts;
- Submit and manage AEL applications online;
- Track the status of an application;
- Submit emission inventory data & compliance reports;
- Receive e-mail notifications on licensing results;
- Receive e-mail alerts of upcoming reporting obligations; and
- Track historical versions of all applications

All our complying facilities have been registered with online system and are reporting their emission inventory data and compliance report as and when required. There are currently 10 AELs within Ugu District Municipality.



Figure 3.14.1 Air pollution measures: Industrial inspections to determine eligibility for licensing or compliance with license conditions



Figure 3.14.2 Environmental Education on Air Quality Management

3.14.2.1 Performance of Pollution Control Overall:

Ugu District Municipality as a water and sanitation services authority has invested in the development and maintenance of infrastructure. It therefore has a crucial responsibility towards environmental protection through prioritising environmental impact management and compliance, environmental planning and education and awareness. Due to interface with the coastal environment, minimizing coastal pollution remains a serious challenge for the municipality. However, measures are continuously being taken on an ongoing basis to minimize impacts on the environment and human health, hence working with Environmental Health Services is critical.

3.15 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

INTRODUCTION BIO-DIVERSITY AND LANDSCAPE

Biodiversity management is very crucial for ensuring the conservation and sustainability of natural capital in order to sustain ecological goods and services that support livelihood (food and income), pollution control, tourism, recreation and aesthetics, religious beliefs, research and education, traditional health (medicine).

3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)

COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE, CLIMATE CHANGE, COASTAL MANAGEMENT AND OVERALL

3.16.1 Environmental Protection and Biodiversity

(a) Invasive Alien Species Programme

Research and practical experience have shown that the IAS, in their many forms have severe, detrimental economic and ecological effects whose extent is not well understood and appreciated. This lack of understanding is not good for economic policy and decision-making. Plant invasions alter ecosystems, as well as important natural processes such as fire frequency, nutrient cycling, erosion, hydrologic cycles and sediment deposition, which, in turn, result in significant negative environmental, and therefore socio-economic impacts – for both current and future generations.

The National Environmental Management: Biodiversity Act requires each and every property owner to control and manage these species in their backyard. In compliance to this legal call, Ugu's efforts have been invested in programmes, projects and engagements that focus on the control and management of IAS in Ugu's land and properties. There are initiatives that are being undertaken that stand to benefit every citizen of Ugu in various ways. These include organizations responsible for alien plant control through national government funding, local conservatives, youth, women and schools. A close focus is being placed on the common plants that are found in Ugu properties (even homes), the dangerous ones to our workers, how to handle/report those that need special methods. Having said all this, Ugu believes that controlling and managing invasive alien plants is everyone's business. Research by the South African Biodiversity Institute (SANBI) is ongoing, focusing on emerging weeds.

(b) Biodiversity management forum

This is a multi-stakeholder forum that stages dialogue amongst all stakeholders that take part in the management of biodiversity in the district. Of primary interest and urgency now is the invasive alien plants control. The year under reporting concluded with planned positive changes that will take the forum and its deliberations and projects to the next level. The forum meetings are planned to sit quarterly every year, and in the year under reporting, all 4 meetings were held successfully.

3.16.2 Coastal management**(a) Coastal Management Programme (CMP)**

The CMP is in its 3rd year of implementation. Some challenges are being experienced in some priority areas like pollution management and those that are finance intensive. However, a multi-stakeholder approach to the general coastal management is the most effective mechanism, especially with regard to resource efficiency.

(b) Coastal education and awareness

Central to coastal management is environmental education and awareness of the coastal users and visitors. This is delivered across all societal groups through Ugu Environmental Education and Awareness Forum partnership. In this way resources are leveraged and optimally used, and duplication is avoided. Events of the year are observed and celebrated across coastal local municipalities. These include coastal clean-up campaigns like International Coastal clean-up held at Ray Nkonyeni Municipality by national, provincial and municipal environmental departments, the Wildlife and Environmental Society of Southern Africa (subject experts) and schools. The initiative was to empower and capacitate the Grade 10 young girls, where wherein 30 girls participated. The event was aligned with the International Biodiversity Day theme - IBD: Celebrating 25 Years of Action for Biodiversity. Topics of the day included a comprehensive talk and overview of legislation, what it is like being a woman in the environmental sector and challenges of a working environment.



Cleanup Campaign and Public Awareness

3.16.3 Climate Change Response Strategy and Adaptation Plan

Ugu District Municipality adopted its Climate Change Vulnerability Assessment and Response Strategy, which is the first generation of any climate response strategic actions in the region. This is in its 2nd year of implementation. The first part of the strategy was assessing the vulnerability of Ugu assets per sector, namely, water, agriculture, biodiversity, economy, communities, etc to the impacts of climate change. It also sought to consolidate and formalise programmes and projects that had been haphazardly implemented with no formal structure. With funding from the department of Environmental Affairs' Climate Change Branch, Climate Adaptation Plan was developed, making the strategy easy to implement for each sector. The following are some of the lower hanging fruits that had been handpicked from the strategy for ease of implementation:

(a) Training and capacity building

Ugu district municipality is among the privileged municipalities to be considered for capacity building by Strategic Energy Africa (SEA) in partnership with the Department of Environmental Affairs and GIZ. The municipality has attended all costs covered trainings on climate finance, greenhouse gas (GHG) inventory development and climate mitigation and so on. The eThekweni municipality and its local and global partners are doing their best to capacitate neighbouring municipality that are in the Central KwaZulu-Natal Climate Change Compact (CKZNCCC). Ugu District Municipality was also one of the award-winning municipalities in 2018 for being diligent signatories in the CKZNCCC and initiatives like Sihambasonke. Local municipalities, except Umuziwabantu collected their fair share of awards, for example Ray Nkonyeni was awarded for its successful implementation of the Energy Efficiency and demand Management (EEDSM) project. Umzumbe and Umzumbe were awarded for their diligence. It is also worth noting that the Environmental Manager of Umdoni Municipality was nominated to be in the KZN Advisory Council of Energy Efficiency, which is an opportunity the region should be proud of.

(b) Climate Change workshops

Umdoni Youth waste management workshops is one of the examples of the community engagements that are initiated and facilitated in order to continuously identify areas of collaboration with community groups. In this workshop, some of the issues identified within the communities of Umdoni was illegal dumping, youth unemployment and lack of initiatives focusing on addressing environmental issues and knowledge of climate change. The topics focused Climate change, Disaster Management and Waste Management in collaboration with the Department of Economic Development, Tourism and Environmental Affairs (Climate Change Branch), Ugu Disaster Management, Virtual States and Umdoni Waste Management Unit. There was a need to provide the youth with information in order to capacitate them so that they are aware of the issues around them with regards to their surrounding environment. The outcome of the session will be to capacitate and promote the youth of Umdoni to establish or initiate programmes and projects that will empower them and also assist the municipality in environmental protection.

(c) Climate change community and ecosystems-based adaptation project

One of the local responses to climate change impacts at a community level is Community and Ecosystems-based Adaptation (CbA and EbA). This is one of the approaches recommended by the Ugu Climate Change Response strategy, Climate change adaptation plan and learnt from trainings and eThekweni Metropolitan Municipality. It promotes conservation of the environment and ecosystems to ensure community resilience while alleviating poverty and reducing greenhouse gases (GHGs). This also gives effects to the disaster management, viz, risk reduction as some of the ecosystems have become fire prone due to alien plants invasion

and riverine systems becoming more stressed. Ugu District Municipality has adopted the Sihlanzimvelo Programme, as a community driven project to ensure clean and healthy riverine ecosystems that not only seek to preserve the ecosystem health, but to also create jobs, thereby restoring community pride in their own environment while also earning a living. The programme has two wings in it, Sihlanzimifula (Rivers and riparian zones) and Sihlanzamaxhaphosi (Wetlands), which will be piloted in all wards of the district. Expanded Public Works Programme (EPWP) is the delivery mechanism that will be applied in the delivery of this programme, using guiding principles of the *Working for Water* (WfW) programme.

3.16.4. Environmental education and awareness

Environmental Management continues to undertake a number of environmental education initiatives in schools, communities and inside the municipality. This is done under the banner of the Environmental Education and Awareness forum and individually. The areas of educational interest cover waste management with local municipalities, biodiversity management, climate change, air quality and many more. For some aspects of environmental management, an international environmental calendar is followed in order to make education more thematic and there interesting. The following are some of the examples of education initiatives:

(a) Clean up Campaigns

Ugu District Municipality together with Department of Environmental Affairs (DEA) alongside various stakeholders within the district have conducted a number of beach clean-up and an awareness session campaigns.

Marine litter, including plastic litter, has become a matter of increasing global and national concern as a source of marine pollution. The fact that the international community selected “Preventing plastic pollution...” as the theme for World Oceans Day 2018, is of no coincidence. Globally, plastic production has reached new highs, with over 320 million tons now being produced annually. It has been estimated that between 4 to 12 million tons of plastic are added to the oceans each year. The impacts of these global phenomena are felt and experienced locally due to the culture of consumption.



Coastal Cleanup at Scottburgh Beach

(b) Career Exhibition

Led by the Department of Environmental Affairs (DEA), Dept. of Economic Development, Tourism and Environmental Affairs and Umuziwabantu LM, a joint 2018 environmental career exhibition was initiated and coordinated at Umuziwabantu. These organizations have been actively working with schools in various Environmental Education programmes within the district. The career exhibition sought to raise awareness career opportunities offered by different stakeholders to assist with higher education studies and career parthing.



Figure 3.16.4 Career Exhibition at Umuziwabantu municipality

(c) Ugu Eco/Green Office Initiative

The municipality recognizes the need to internalize good environmental practices within its business processes and operations, hence the Eco/Green Office initiative that established in 2007. Workshops, toolbox talks are held with key staff members in strategic operations that have a direct impact on the environment. These include hygiene services staff, Registry & Auxiliary Services staff that works with loads of paper, Information and communication Technology unit and wastewater treatment workers that are in direct contact with environmental pollution. These sessions were conducted in collaboration with the Occupational Health and Safety Unit, Environmental, Environmental Health and Ugu based SANEDI official. The Green office initiative were focusing on energy efficiency, separating and recycling of the waste from source and water efficiency. It is important to note that this initiative also recognizes the fact that Ugu staff are also members of the community. They are omitted during the community awareness campaigns that are conducted while they are at work et they are affected by the environmental issues and their actions have impacts on their daily lives.

(d) Environmental Pollution

One of the competency areas that Environmental Management Section is to ensure that the projects that are being undertaken by Ugu District Municipality are compliant with the environmental management legal requirements. Wastewater treatment is the send biggest operation and first biggest environmental polluter in the municipality. Hence specific environmental education among the workers is crucial.

Ugu is a Water Services provider and authority of water and sanitation is being assisted by Environmental Management to ensure that their work is compliant, and their environmental awareness is being enhanced while the past backlog are gradually cleared.

As stated in subsection (c) above, he WWTWs workers have been taken through environmental education as it is required by the Environmental Management Programme (EMPr). This compounded by the fact that they need to understand the implications of their work and actions on the environment and the entire value chain of wastewater treatment. During the education sessions, the workers get to raise issues that require management actions and Ugu management need to take these matters forward in order to abate pollution of rivers, streams and coastal environments. This will be a continuous exercise that will be aimed at achieving environmental compliance at all levels. however, management commitment and actions on operations are more critical. While their educational sessions were mainly focusing on their daily work, in 2018 plastic pollution was the theme of emphasis.

(e) School Environmental Education Programme (SEEP) Awards and campaigns

SEEP is a schools-based programme which aims to educate and empower learners through connecting them with nature and promoting advocacy for conservation of the natural environment. This is a partnership programme between the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) (lead), Ugu DM family of municipalities, government entities, private sector and schools.

The SEEP Annual Awards Programme is an annual event which is led and coordinated by EDTEA in collaboration with Ugu DM Environmental Education and Awareness Programme

Progress that was made in 2018/19 is as follows:

- Recruitment of registered schools took place in the first quarter of 2018/19, this was a decline in numbers from previous year 2017, which saw 90 schools registered, 74 prepared for assessment, 30 schools were visited for assistance and 44 schools completed.
- Support to schools was provided throughout the year in the form of mentorship to environmental committees and educators workshop were conducted.
- For the 2018/19 financial year, 100 schools were registered for participation, 20 schools were audited and only 56 schools were assessed, 34 schools did not participate in the assessment
- All participating schools were awarded with acknowledgement certificates provided they participated for the entire year
- The SEEP Awards Ceremony was held on 28 February 2019



SEEP 2018 Awards and 2019 recruitment workshop

(f) Environmental Calendar days

Umzumbe Municipality was the host of the World Environmental day at. The event targeted the youth who are beneficiaries of the Environmental Protection Infrastructure Programme (EPIP) mass training programme. The youth are participating in the Clothing and Textile Programme which is over a 9-month duration. The aim was to familiarize them with the concept of environment since their Learnership is not related to the environmental field. The officials felt that the youth should be aware and informed about the Department that had funded their learnership programme. It was also important for them to learn about the world environmental day itself. The session also touched on the environmental background, legislation and the departmental programmes that are offered by the department with the aim of poverty alleviation and addressing youth unemployment in South Africa.

An annual arbor day event was held at Nyandezulu Primary school in collaboration with Ezemvelo KZN Wildlife, WESSA beach stewards and the rest of the Environmental Education and Awareness Forum member organizations. As it is customary for any arbor day, after the positive verbal engagements, trees were planted at the schools.



Arbor Day at Nyandezulu High School

3.16.5 Capacity Building through Youth Community Outreach Programme

One of the major challenges is high levels of pollution emanating from littering and illegal dumping of waste amongst others, which affects the health of citizens and that contravenes the Constitution. In response to this challenge the Department of Environmental Affairs took a strategic decision to expand the existing environmental education and awareness initiatives to reach out at ward level and enhance youth participation in environmental management. Hence the establishment of youth community outreach programme (YCOP).

The establishment and implementation of YCOP has been undertaken in two (2) phases, the first phase was the opportunity given to four (4) unemployed graduates in the Environmental field. These youths were appointed on a 3-year contract from the 01 January 2019 and have since been deployed within the 4 local municipalities of Ugu. Their key responsibility will be the coordination of YCOP in their respective local municipality. These youths were selected from the Ugu DM Environmental databases of Unemployed Graduates and were in possession of environmental qualification.

The second phase of the YCOP in the introduction of Environmental Ambassadors under the ThumaMina Good Greed Deeds initiative. The Environment Ambassadors programme is a community based environmental education and awareness programme aimed at nurturing a cohort of young people, where 22 youth will be employed. The Environment Ambassadors will educate their communities about but not limited to basic aspect of environmental management at a community level. In this programme youth are regarded as agents of change. This programme requires collaborative support from various municipal departments such as Waste Management, Local Economic Development, Environmental Management, and ward committees.

3.16.6 Youth development through mass training

Youth unemployment is standing a challenge in South Africa in general as it is known from the continuously fluctuating statistics. The Department of Environmental Affairs has taken this challenge through its Environmental Protection Infrastructure Programme with the aim of developing the youth through training in line with the needs of the municipalities, and to make a significant contribution towards the socio-economic status of the communities. This training was cutting across all skill areas, and not necessarily environmental management.

The programme was aimed at skilling the youth through accredited training and personal development programmes. These programmes were implemented in two-fold. The first set of training programmes were **(9 months) National Certificate** training programmes and the second set were **(3 months) Skills Development** programmes. It was anticipated that on completion of the training, the youth would be in a better position to be employed, further training or even self-employment. The goal of these programmes was enhance and implement skills development and implement EPWP.

The DEA: Provincial Training Coordinator engaged the municipalities to present the training priority areas. From the priority areas the municipalities were able identify training interventions according to their municipalities' needs. The recruitment criteria were set for youth in possession of Grade 11 or Matric (Grade 12). The participants received monthly stipend, study materials and Personal Protective Equipment (PPE) to assist with their learning process. Each training programme was facilitate assigned by a service provider through funds from the Department of Environmental Affairs.

Three local municipalities within Ugu DM, namely, Ray Nkonyeni, Umdoni and Umzumbe benefited from the programme in the following learning areas:

- National Certificate: Professional cookery NQF 4, SADA ID 14111
- National Certificate: Landscape Irrigation NQF 2 SAQA ID 66429
- National certificate: Clothing textile, Footwear and leather Manufacturing Processes NQF 2, SAQA ID 58227
- Life guarding NQF 3, SADA ID 61509
- Construction - Building and Civil Construction Painting NQF2
- Construction -Building and Civil Construction Tiling NQF2

The respective municipalities assisted with the apportionment of participants and the provision of training venues for the duration of the programmes. For the practical training the service providers partnered with relevant sectors to provide work placements. The role of the municipalities was to provide support to the programme in terms of monitoring progress and where possible assist establish areas of partnership with the participants, wherein the participants would be assisted in the job market or empowerment in establishing small businesses, to sustain themselves after the completing the programme.

Employees: Environmental Management					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	3	2	60	20%
7 - 9	1	1	1	0	0%
Total	5	5	4	60	20%
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p>T 3.15.4</p>					

COMPONENT F: HEALTH

INTRODUCTION TO HEALTH

Section 24 of the Constitution of the Republic of South Africa entrenches the right of all citizens to live in an environment that is not harmful to their health or well-being. Environmental Health is fundamental public health approach that seeks to benefit the whole population which seeks to fulfil this Constitutional right. Services provided by Environmental Health Practitioners and Assistants are essential elements in building healthy communities; which includes amongst others, water quality monitoring, food control, waste management monitoring, health surveillance of premises (food and non-food), surveillance and prevention of communicable diseases excluding immunisations, vector control, environmental pollution control, disposal of the dead and chemical safety. The continued neglect on basic public health practices in general and of environmental health has resulted in the emerging of diseases seen around the world. Environmental Health therefore remains the first line of defence against diseases and food borne illnesses and thus the provision of quality environmental health services is critical.

The norms and standards developed reflect the vision of South Africa's Environmental Health to ensure provision of quality services as well as requirements to ensure the protection of human health. Maintaining a healthy environment is central to increasing quality of life and therefore life expectancy of the population. Poor environmental quality has its greatest impact on people whose health status is already at risk.

The Ugu public health by-laws serves to encourage, promote and enforce important public health principles in the prevention of communicable diseases food borne illnesses and health risks. The by-laws and other legislative health measures undoubtedly support environmental health practitioners to render equitable environmental health services and ensuring compliance in the district.

The implementation of the Environmental Operational Plan which is aligned to the SDBIP and Environmental Scope of Practice, ensures effective coverage of Environmental health service delivery

The Health and Hygiene Education Strategy, which is in its 4th year of implementation, ensures that the health and hygiene programmes reach all communities and targets vulnerable groups such as youths, women and those burdened with dreaded and long-term diseases. Environmental Health Practitioners and assistants work closely to identify awareness in high risk areas as identified in the Health and Hygiene Education Strategy.

Therefore, the role of Municipal Health Services, in minimizing disease morbidity and mortality, cannot be over-emphasized, as its role is preventative rather than curative. Water quality monitoring, food safety and control and health and hygiene education, has received higher priority.

FOOD CONTROL

Food safety is an important discipline of Environmental Health, as food prepared under unhygienic conditions has a potential to cause food poisoning and foodborne diseases. It is therefore necessary for all food establishments to be regularly inspected and monitored to ensure that food prepared and sold, is safe for human consumption. Health surveillance of food premises involves the identification, monitoring and evaluation of health risks, nuisances and hazards on any food premises and instituting remedial and preventative measures where necessary. This requires regular monitoring of all food premises including caterers at events and izimbizo to ensure compliance with applicable health legislations and minimisation of any detrimental health risk.

With regard to the outreach activities, Environmental Health Practitioners monitor food safety within the economic environment including food consumptions at festivals, fairs, markets, imbizos and similar community driven activities that involve stimulation of economic growth. In order to regulate the food catering industry caterers are educated on the food safety protocol and issued with events permits or certificate of acceptability in terms of the R638. A total of 83 caterers awareness sessions were held 7 SMME's food awareness workshops were held to empower Co-ops with knowledge that they require in order to operate food handling businesses. These workshops included external stakeholders. Environmental health practitioners and health assistants undertake planned and spontaneous vigilant monitoring of all food service facilities, retails, wholesale and manufacturing businesses. The focus is on acceptable legal compliance to good food handling, food preparation, food facilities, keeping, display and sale of foods for public consumption. Health education is also conducted to the caterers before the events.

1262 food establishments were inspected for compliance. Non- compliant establishments were served with notices to ensure compliance.

Regular swabbing and testing were also conducted to determine the degree of contamination of food surfaces and the effectiveness of cleansing procedures implemented at food outlets. A total of 201 food swabs were taken and analyzed. Control measures were implemented for non-compliant samples.

UGU DISTRICT INTEGRATED COMPLIANCE AND REGULATORY FORUM (ICOREF)

Environmental Health Services initiated an all-inclusive programme to monitor compliance of businesses, enhance awareness and increase vigilance and capacity towards enforcement to regulations. This resulted to an intergovernmental structure called the Ugu District Integrated Compliance and Regulatory Forum. The Forum consists of representatives from district municipality, Department of Home Affairs, South African Revenue Services, South African Police Services, Department of Labour, local municipalities, EDTEA (Office of the consumer protector, regulations services, BBBEE, tourism development) KZN liquor authority.

The main objectives of the UGU Integrated Compliance Regulatory Forum are, amongst others;

- To take an integrated and structured approach towards ensuring regulatory compliance by all businesses for the benefit of all consumers
- To protect the rights of the consuming public.
- To implement, monitor and evaluate compliance with legal, statutory, and other regulatory requirements related to environmental health and safety.
- To promote and facilitate cooperation, benchmarking, coordination and communication amongst Government sector with regards to betterment of Municipal Health Services.

This forum conducts blitz operations, which target several business outlets throughout the district, over and above the regular food inspections. The blitz operations have resulted amongst others an increase in R638 compliance, business license applications, heightened awareness on food safety and combating of other criminal elements like bogus health inspectors who would visit food premises soliciting bribes.

A total of 25 blitz operations have been conducted throughout the district, with 350 shops being visited, and 1500kg of unsound foodstuffs surrendered under strictly monitored conditions.



The blitz team checking for amongst others, expired foods

WATER QUALITY MONITORING

A water quality and safety programme seeks to monitor, evaluate and control the quality of water supplied to citizens to ensure that the water has no threat to the health and well-being. The bacteriological quality of water must comply with the standards as per SANS 241:2015. This is also the emphasis of the Health and Hygiene Education Strategy, pointing it out as a service delivery prerogative. Microbiological and physical testing is also done monthly to ensure safe and adequate water supply for domestic use, water used for recreational purposes, industrial use, food production purposes and any other human and animal use.

To this end 1466 water samples were taken monthly from various sources, viz. tankers, standpipes, rivers, lagoons, and boreholes for testing. In instances where the water quality is compromised for the safe consumption or recreational use, the necessary remedial steps were taken to ensure the safety of the community and to prevent the outbreak of waterborne diseases. The monitoring programme also supports pollution control from private and public wastewater disposal systems.

HEALTH EDUCATION

The lack of hygiene and access to safe drinking water and proper sanitation facilities are major contributors to waterborne and diarrheal diseases (Ugu Health and Hygiene Strategy: 2016). Poor knowledge on the safe handling, storage, preparation and food safety protocols also contributes to foodborne illnesses. The lack of health education is a confounding factor to the high level of ignorance amongst disadvantaged communities. With more emphasis on proper personal hygiene, good food safety practices, water and sanitation practices, the risks can be eliminated.

The aim is to apply a preventative rather than a curative approach to health and hygiene management through education. Some of the objectives of health and hygiene education are prevention and reduction of health risks associated with environmental hazards which are the direct causes of the spread of diseases and those factors in the environment that can potentially harm the health and quality of life of present and future generations.

Effective environmental health education in order to protect the environment can only be carried out through effective communication, utilizing all methods of communication, tools and media of communication. Effective communication helps to encourage positive behaviors that are environmentally friendly while negative behaviors are discouraged. The health education component has always played a pivotal role in sensitizing the disadvantaged communities on communicable diseases water and sanitation, chemical safety, clean up campaigns amongst others. 1809 health education sessions excluding PHAST methodology were held. Some of these are indicated as Figures 4 -8

PARTICIPATORY HYGIENE AND SANITATION TRANSFORMATION (PHAST) Methodology

This is one of the most effective tools in behavioral transformation. The PHAST methodology is used to create health awareness, to solve community health problems and to evaluate Environmental Health knowledge. During this process Environmental Health officials are responsible for facilitating and giving guidance. This approach allows the communities to manage their water and to control sanitation related diseases. PHAST is an integral part of the Health and Hygiene Education Strategy, which involves house to house visits comprising a systematic methodology of addressing gaps and challenges in the sanitation hygiene system. A total of 227 PHAST sessions were held in the financial year under reporting.

CLEAN UP CAMPAIGNS

Clean ups were held to engage public and sensitize them on health impacts of poor waste management pollution including control, and segregation. Environmental Health Officials facilitated and supported the projects.

Fig 1 and 2 represent Port Shepstone Beach clean-up campaign was held in collaboration with the HOPE organization wherein schools participated. The targeted area was the beach area leading to the Umbango River mouth, which is generally a water pollution hotspot.

Gamalakhe Clean-up campaign was held in conjunction with Environmental Management and the local municipality's waste management sections. The local community that are ignorant of the waste management system were the targeted area.



Port Shepstone Beach clean-up campaign held with HOPE organization

Some of the highlights of Environmental Health Education



Fig XX -Njamangweni Primary School



Fig XX -Ntabeni Primary School



Caterers workshop, tree planting and waste recycling

Financial Performance 2017/2018: Health Inspection and Etc					
R'000					
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		8 801	7 856	7 556	-300
Expenditure:					
Employees		11 500	10 343	12 675	-2 333
Repairs and Maintenance		0	0	0	0
Other		0	0	0	0
Total Operational Expenditure		11 500	10 343	12 675	-2 333
Net Operational Expenditure		-2 699	-2 487	-5 120	-2 633

Table 3.19.5

Health Inspection and Etc Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0(15-16)		(16-17) Year 1			(17-18) Year 2	(18-19) Year 3	
		Target	Actual	Target	Actual	Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
Service Indicators (i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)
Service Objective xxx									
Water quality monitoring	1428	800	1010	1320	1256	1496	1256	1428	1428
Food safety	1200	700	717	700	1000	765	1000	1200	1200
Food handlers workshop	60	8	10	40	48	55	48	52	60
Sanitation compliance	100%	100%	100%	100%	100%	100%	100%	100%	100%

3.22 INTRODUCTION TO DISASTER MANAGEMENT

OVERVIEW

The Ugu District Municipality is one of the ten districts of KwaZulu-Natal. The Disaster Management within the district is coordinated in partnership with the four local municipalities, namely: Umdoni, Umzumbe, Ray Nkonyeni and Umuziwabantu.

STATUS OF THE DISASTER MANAGEMENT CENTRE

The Ugu District Disaster Management Centre was established in 2005, to enable the effective implementation of disaster risk management policy and legislation. The center is promoting an integrated and coordinated approach to disaster management, with special emphasis on prevention and mitigation, by the department and other internal units within the administration of the District and Local Municipalities. Phase 2 of the construction of the District Management Centre, which caters for Fire Services was completed.



DETAILS OF THE CURRENT DM-CENTRE: -.

The centre is located at R102 Ext 2, Marburg in the Ray Nkonyeni Municipality;

Phase 1 consists of the following: -

- Phase 1 has two floors with 8 offices, kitchen, boardroom that can accommodate 40pp, reception area, camera room, server room and control room.

Phase 2 consists of the following: -

- 3x Fire Tenders, Accommodation and ablution facilities, gymnasium & lounge area, equipment storeroom, Standby quarters for Fire Fighters, Lockable Storage Garages for Emergency Relief Stock.

STATUS OF IGR STRUCTURES

DISTRICT DISASTER ADVISORY FORUM

The District Disaster Management Advisory Forum is functional and was formed in terms of the Disaster Management Act No. 57 of 2002, Section 51 coupled to Section 42 and Disaster Management Framework, which requires the municipality to establish a formal structure consisting of representatives from the District Municipality, local municipalities within the area of jurisdiction of the district municipality, relevant sector departments offices within the area, senior representatives of national departments within the area and all role-players i.e. NGO's in the district.

The forum is being utilised as “a body in which a municipality and relevant disaster management role players in the municipality consult one another and coordinate their actions on matters relating to disaster management.” The Forum meets at least four times per annum and the special meetings are called as per the need arises.

Local Municipalities have established their own Local Disaster Management Advisory Forum which assists in terms of disaster management coordination and planning. The forum is currently having a challenge in terms of getting full stakeholder representation, not all relevant stakeholders are being represented at the forum.

Number of Meetings Convened:

Number of Meetings Conducted		
No	Type of Meeting & Venue	Date
1.	District DMAF – Disaster Management Centre	25 September 2018
2.		28 November 2018
3.		14 March 2019
4.		24 April 2019
Total		04

DISTRICT PRACTITIONERS FORUM MEETINGS

The District together with Local Municipalities convenes the District Disaster Management Practitioners Meeting. The aim of these meetings is to deliberate, strategise and planning of disaster management to have a well-coordinated and standardised approach on disaster management. The Practitioners meetings are convened every second month and were scheduled as follows:

No.	Type of Meeting & Venue	Date
1.	District Practitioners Forum – Disaster Management Centre	19 October 2018
2.		19 February 2019
3.		18 April 2019
Total		03

DISTRICT FIRE FORUM MEETINGS

The Disaster Management and the Fire Brigades Act requires the districts to play a coordinating role. Meetings are convened on quarterly bases to ensure oversight as well as coordination in Fire Services, while also addressing all fire related issues.

No.	Type of Meeting & Venue	Date
1.	District Fire Forum – Disaster Management Centre	13 November 2018
2.		29 May 2019
Total		02

DISTRICT POST DISASTER COMMITTEE

The Post Disaster Committee was established to focus on the implementation of the rehabilitation projects to also ensure monitoring and submission of reports

No.	Type of Meeting & Venue	Date
1.	District Practitioners Forum – Disaster Management Centre	17 August 2018
2.		08 November 2018
3.		12 February 2019
4.		16 April 2019
Total		04

STATUS OF THE DISASTER MANAGEMENT CAPACITY

Approved Personnel Structure for District Disaster Management Centre is as follows:

- The Manager:
- 1 x Officer: Disaster Management & Fire Services
- 2 x Disaster Management Practitioners
- 1 x Administrative Assistant
- 2 x Fire Fighters
- 1 x Trainee Fire Fighters
- 1x Fire Fighter/Emergency response driver

STATUS OF THE DISASTER MANAGEMENT PLANS

The District Disaster Management successfully reviewed its Sector Plan in-line with the IDP, upon completion it was submitted to the Portfolio Committee as well as IDP for alignment. The district also has an approved Disaster Management Plan.

STATUS OF READINESS TO DEAL WITH A DISASTER INCLUDING FINANCIAL CAPABILITIES.

The District Municipality in partnership with the family of Local Municipalities is ready to deal with incidents/disasters. Ray Nkonyeni and Umdoni Municipality has 24hr emergency Call Centres, deals with reporting of emergency incidents. The Call Centres also support the other local municipalities by recording incidents reporting and allow for the necessary response. The Control Centre operating on a shift system, with two controllers on each shift. Local municipalities have one or two staff members dedicated to disaster management duties and is available for 24 hours.

In terms of financial capabilities, the district has budgeted for the disaster management and for this financial year budgeted the amount of **R3.8 million** which is for Fire Services and Disaster Management operations as well as response and recovery. Each LM has been encouraged to put aside a budget for disaster management although it is not sufficient to deal with all programs for disaster management.

STATUS AND RESULTS OF DISASTER RISK ASSESSMENTS UNDERTAKEN

Key performance Area 2 in the Disaster Management policy framework requires the implementation of disaster risk assessment and monitoring for all spheres of government. The outcomes of disaster risk assessments

directly inform the development of disaster risk management plans. The Disaster risk assessment is the first step in planning an effective disaster risk reduction programme. It also examines the likelihood and outcomes of expected disaster events this includes investigating related hazards and conditions of vulnerability that increase the chances of loss.

Ugu DM is primarily responsible for the implementation of the Disaster Management Amendment Act 16 of 2015 within its area of jurisdiction, with a specific focus on ensuring effective and focused integration and standardised district wide risk reduction planning.

TOP 10 PRIORITIZED HAZARDS

Prioritized Hazards
Lightning & Thunderstorms
Strong winds
Veld Fires
Structural fires
Flash Floods
Drought
Deforestation
Hailstorm
MVAs
Illegal Connections

STATISTICS OF INCIDENTS REPORTED

The summary statistics gives an overview of the incidents that were reported to the District Disaster Management Centre during the month of **July 2018 – June 2019**. The incidents occurred in four Local municipality within the district which are Ray Nkonyeni, Umzumbe, Umuziwabantu and Umdoni Municipalities. The district was mostly affected by structural fires heavy rains and strong winds.

The district continuously provided support to municipalities in terms of physical damage assessments and emergency relief response as municipalities does not have sufficient budget to deal with incidents, relevant emergency relief stock was also issued.

The incident breakdown below highlights incident per quarter, number of households and people affected as well as relief efforts.

No.	Local Municipality	JULY 2018	AUGUST 2018	SEPTEMBER 2018	Type of Incidents
Strong Winds – SW; Structural Fire – SF; Heavy Rains – HR; Severe Thunderstorm - ST					
1.	Ray Nkonyeni	59	85	131	SF, HR, SW
2.	Umdoni	12	6	0	SF, HR, SW
3.	Umuziwabantu	1	2	2	SF, HR, ST
4.	Umzumbe	12	9	7	ST, HR, SW
TOTAL		11	102	142	

Description	July 2018	August 2018	September 2018	Total
Households Affected	444	19	25	488
Partially Damaged	348	14	14	376
Totally Destroyed	96	5	11	112
People Affected	1091	100	145	1336
Injuries	6	4	38	48
Fatalities	2	5	12	19
Missing	0	0	0	0

No.	Local Municipality	OCT 2018	NOV 2018	DEC 2018	Type of Incidents
Strong Winds – SW; Structural Fire – SF; Heavy Rains – HR; Severe Thunderstorm - ST					
1.	Ray Nkonyeni	103	96	133	SF, HR, SW, MVA
2.	Umdoni	15	12	9	BF, MVA, SF
3.	Umuziwabantu	4	4	3	SF, HR, ST
4.	Umzumbe	n/a	21	2	ST, HR, SW
TOTAL		122	133	147	

Description	OCT 2018	NOV 2018	DEC 2018	Total
Households Affected	25	26	84	135
Partially Damaged	17	25	40	82
Totally Destroyed	7	1	27	35

People Affected	127	124	452	315
Injuries	98	33	184	315
Fatalities	0	5	9	14
Missing	0	0	0	0

No.	Local Municipality	JAN 2019	FEB 2019	MARCH 2019	Type of Incidents
Strong Winds – SW; Structural Fire – SF; Heavy Rains – HR; Severe Thunderstorm - ST					
1.	Ray Nkonyeni	91	98	99	SF, HR, SW, MVA
2.	Umdoni	13	9	11	BF, MVA, SF
3.	Umuziwabantu	4	2	5	SF, HR, ST
4.	Umzumbe	5	1	9	ST, HR, SW
TOTAL		113	110	124	

Description	JAN	FEB	MARCH	Total
Households Affected	54	153	76	283
Partially Damaged	30	107	40	177
Totally Destroyed	9	31	27	67
People Affected	151	398	241	790
Injuries	87	72	78	377
Fatalities	4	2	11	17
Missing	0	0	0	0

No.	Local Municipality	April 2019	May 2019	June 2019	Type of Incidents
Strong Winds – SW; Structural Fire – SF; Heavy Rains – HR; Severe Thunderstorm - ST					
1.	Ray Nkonyeni	107	108	71	SF, HR, SW, MVA
2.	Umdoni	6	10	12	BF, MVA, SF
3.	Umuziwabantu	3	0	2	SF, HR, ST
4.	Umzumbe	11	7	16	ST, HR, SW
TOTAL		127	125	101	

Description	April	May	June	Total
Households Affected	1888	200	16	2104
Partially Damaged	1030	99	12	1141
Totally Destroyed	804	38	4	846
People Affected	7149	587	74	7810
Injuries	87	127	84	298
Fatalities	191	6	7	204
Missing	0	0	0	0

CAPACITY BUILDING

As part of community-based risk reduction measures the District embarked of the following capacity building programmes: -

COMMUNITY AWARENESS

A number of School and Community Based Awareness campaigns were conducted in different parts of the district covering all 4 Local Municipalities. The main objective of these campaigns is to reduce disaster risks while building resilient communities.

The table below highlights some of the areas that were visited:

DATE	VENUE	MUNICIPALITY
19 November 2019	Sakhayedwa Primary School	Umuziwabantu
20 November 2018	Magaya Primary School	RNM
22 November 2018	Mehlomnyama Primary School	Umzumbe
19 October 2018	Entshelikashoba Primary School	RNM
16 October 2018	Phumza Community Hall	Umuziwabantu
03 August 2018	Mansfield Primary School	RNM
08 August 2018	Dweshula Primary School	RNM
17 August 2018	Umzinto Town hall	Umdoni
05 November 2018	Enxolobeni Primary School	RNM
24 October 2018	Enxolobeni Primary School	RNM
18 July 2018	Shibase Sports Ground	Umzumbe
30 July 2018	Ezingolweni Taxi Rank	RNM

11 June 2019	Entabeni Primary School	RNM
05 June 2019	Enkanini Primary School	Umzumbe
23 May 2019	Odeke Primary School	Umzumbe
14 May 2019	Ndimane Community Hall	RNM
14 April 2019	Amavenya Primary School	Umdoni
14 March 2019	Mabiya High School	Umzumbe
28 February 2019	Gobhom Sports Ground	Umzumbe
26 February 2019	Siphephile Secondary School	Umdoni
18 February 2019	Mkholombe Primary School	RNM
18 February 2019	Paddock Informal Settlement	RNM

TRAINING AND WORKSHOPS CONDUCTED

The District has conducted numerous workshops for Traditional Councils and its community during the course of the year. The purpose of the trainings and workshops conducted was to mainstream disaster risk management and explain the incident management protocol in detail. Disaster Risk Management workshops were also conducted for the establishment of ward-based community structures and these were conducted in partnership with EMRS and Environmental Services unit and other role-players.

Trainings and workshops were conducted as follows:

DATE	VENUE	TRAINING / WORKSHOP	MUNICIPALITY
14 November 2018	Lushaba TC	Enforcement of By- Laws - Workshop	RNM
11 November 2018	Lutheran Evangelical Church	Disaster Management Plan	RNM
03 December 2018	Jali T/C	Ward Based Structure Workshop	Umuziwabantu
30 November 2018	Municipal Council Chamber	Disaster Management Workshop	Umzumbe
15 November 2018	Jali T/C	Training	Umuziwabantu
03 December 2018	Machi T/C	Disaster Risk Management Workshop	Umuziwabantu
10 December 2018	Machi TC	Training	Umuziwabantu
16 August 2018	Gqayinyanga Clinic	Ward Based Structure Workshop	Umzumbe
24 August 2018	Ndelu TC	Disaster Risk Management	Umzumbe
30 August 2018	Qiniselani Manyuswa T/C	Fire Safety Workshop	RNM

BEST PRACTICE / ACHIEVEMENTS / SUCCESSES (DISASTER MANAGEMENT TRAINING)

ACCREDITED FIRE FIGHTING AND DISASTER MANAGEMENT TRAINING

A total of four (8) members from both the District and Local Municipalities received training conducted by Rural Metro on Fire and Rescue Operations. The said training was scheduled for a period of 12 months. They have completed training and are now qualified fire fighters. These fire fighters are serving within their Municipalities.

EVENTS & CONTINGENCY PLANS

The Safety at Sport & Recreational Events, Act No 2 of 2010 requires that the Disaster Management Centre ensures the co-ordination of stakeholders with the aim of providing measures to safeguard physical well - being and safety persons and property at sport, recreational, religious, cultural, exhibition, organisational or similar events held in stadium, public venues; to also provide for the accountability of event role players,

In line with the above, the District in conjunction with the Local Municipalities and the Security Cluster were able to convene planning meeting and Section 4 meetings in preparation for these events; -

NAME OF EVENT	DATE	MUNICIPALITY
Shembe Event	07 October 2018	Umzumbe
South Coast Indaba	19 October 2018	RNM
Port Shepstone Museum	23 October 2018	RNM
Prayer Meeting	06 July 2018	RNM
Maidens Camp	17 July 2018	RNM
Visit by Deputy Minister of Rural Development	09 Jan 2019	RNM
Visit by State President	19 April 2019	RNM
Uvukile Gospel Festival	27 April 2019	RNM
Opening of Port Shepstone	19 April 2019	RNM

CHALLENGES EXPERIENCED AND RECOMMENDATIONS

Challenges	Recommendations
Slow response to incident due to limited resources in some municipalities.	Appointment of additional staff.
Incidents are reported to the DDMC with insufficient information and details not specified	Incidents to be reported using the correct administration tool i.e. assessment form
Municipalities with limited budget for disaster relief stock	Municipalities to budget for Disaster Management programs.
Poor stakeholder participation at district IGR Structures	The district and locals to identify relevant stakeholders and review terms of reference for advisory forums

Employees: Disaster Management					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0	0%
4 - 6	3	4	4	0	0%
7 - 9	0	3	3	0	0%
10 - 12	0	1	1	0	0%
13 - 15	0	0	0	0	0%
16 - 18	1	0	0	0	0%
Total	5	9	9	0	0%
					T 3.22.4

Financial Performance 2017/2018: Disaster Management					
					R'000
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustments Budget	Actual	Variance to Budget
Total Operational Revenue	109	8 434	7 528	7 241	-288
Expenditure:					
Employees		9 700	8 724	10 691	-1 968
Repairs and Maintenance		0	0	0	0
Other	2515	0	0	0	0
Total Operational Expenditure	2515	9 700	8 724	10 691	-1 968
Net Operational Expenditure	2406	-1 266	-1 196	-3 451	-2 255
					Table 3.22.6

Capital Expenditure 2017/2018: Disaster Management R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Firefighting equipment (Disaster trucks)	8000	8000	5210	2789	

COMPONENT H: SPORT AND RECREATION

INTRODUCTION TO SPORT AND RECREATION

3.23 SPORT AND RECREATION

Service Statistics for Sport and Recreation

UGU SPORTS AND LEISURE 2018/2019		
MONTH	SPORT CODE	NUMBER OF GAMES
JULY 2018		
AUGUST 2018		
SEPTEMBER 2018		
OCTOBER 2018		
NOVEMBER 2018		
DECEMBER 2018		
JANUARY 2019		
FEBRUARY 2019		
MARCH 2019		
APRIL 2019		
MAY 2019		
JUNE 2019		

Table 3.23.2

Employees: Sport and Recreation					
Job Level	2017/2018	2018 / 2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	0	0	0	0	0%
4 - 6	0	0	0	0	0%
7 - 9	0	0	0	0	0%
10 - 12	0	0	0	0	0%
13 - 15	0	0	0	0	0%
16 - 18	0	0	0	0	0%
Total	0	0	0	0	0%

Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.

T 3.23.3

Financial Performance 2017/2018: Sport and Recreation					
R'000					
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	222	7 487	6 683	6 428	-255
Expenditure:					
Employees	3	3 755	2 572	3 152	-580
Repairs and Maintenance	73	0	0	0	0
Other	390	15 729	16 405	21 178	-4 773
Total Operational Expenditure	466	19 484	18 977	12 099	-5 353
Net Operational Expenditure	244	-11 997	-12 294	-5 672	-5 608
Table 3.23.4					

COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

INTRODUCTION TO CORPORATE POLICY OFFICES

3.24 EXECUTIVE AND COUNCIL

INTRODUCTION TO EXECUTIVE AND COUNCIL

Financial Performance 2017/2018: The Executive and Council					
R'000					
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	1831	6 443	5 751	5 531	-220
Expenditure:					
Employees	47277	11 755	12 584	15 422	-2 838
Repairs and Maintenance		0	0	0	0
Other	7925	4 760	4 964	6 409	-1 444
Total Operational Expenditure	55202	16 515	17 549	12 099	-4 283
Net Operational Expenditure	53371	-10 072	-11 798	-6 568	-4 502

Table 3.24.5

Capital Expenditure 2017/2018: The Executive and Council					
R' 000					
Capital Projects	2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Property Transfers Project	1 000	400	198	202	
Project B					
Project C					
Project D					

Table 3.24.6

3.25 FINANCIAL SERVICES

3.25.1 Introduction Financial Services

Debt Recovery R' 000							
Details of the types of account raised and recovered	2016/2017		2017/2018			2017/2018	
	Actual for accounts billed in year	Proportion of accounts value billed that were collected in the year %	Billed in Year	Actual for accounts billed in year	Proportion of accounts value billed that were collected %	Estimated outturn for accounts billed in year	Estimated Proportion of accounts billed that were collected %
Water - B							
Water - C	239,784	89.00%		217,888	91.00%	228,782	95.00%
Sanitation	93,777	89.00%		102,346	91.00%	107,463	95.00%
Other	11,312	95.00%		19,420	98.00%	20,391	95.00%
							T 3.25.2

Employees: Financial Services					
Job Level	2017/2018 Employees	2018/2019			
	No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
0 - 3	7	7	6	322	2.3
4 - 6	27	27	25	70	0.0
7 - 9	39	39	39	0.0	0.0
10 - 12	22	22	21	85	1.2
13 - 15	0	0	0	0.0	0.0
16 - 18	0	0	0	0.0	0.0
Total	95	95	91	477	3.5
Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.					
					T 3.25.4

Financial Performance 2017/2018: Financial Services				
R'000				
Details	2017/2018			
	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	16 368	45 851	44 099	-1 752
Expenditure:				
Employees	25 065	22 543	27 627	-5 084
Repairs and Maintenance	0	0	0	0
Other	20 604	21 489	27 741	-6 252
Total Operational Expenditure	45 669	44 032	55 368	-11 336
Net Operational Expenditure	-29 301	1 819	-11 269	-13 088
Table 3.25.5				

Capital Expenditure 2017/2018: Financial Services					
R' 000					
Capital Projects	2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
mSCOA System Implementation (Phase 2)	3 000	3 000	3 000	0	
Replacement of assets from insurance pay outs	1009	1009	79	930	
Table 3.25.6					

Capital Expenditure Year 2017/2018: Financial Services					
R' 000					
Capital Projects	2017/2018				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	856				
Table 3.25.6					

3.26 HUMAN RESOURCE SERVICES

3.26.1 Introduction to Human Resource Services

The Human Resources Section provides leadership and works together with other departments within the Municipality. The Human Resources Section is tasked with the function of providing leadership and working together with other departments within the Municipality to promote managerial and employee excellence while fostering an understanding and observance of legislative obligations.

The Human Resources Section's goal is to support the Municipality as it attracts, retains and rewards a talented and diverse workforce to enable the departments to efficiently meet their objectives. The Section adds value to the organization by providing human resource management tools, promoting employee development and managing change. The Section consults and works in partnership with management, employees to solve employee related issues.

3.26.2 Service Statistics for Human Resource Services

Employees: Human Resource Services					
Job Level	2017/2018	2018/2019			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	1	1	1	0.0	0.0
4 - 6	10	11	10	145	4.1
7 - 9	2	0	0	0.0	0.0
10 - 12	12	12	11	78	4.1
13 - 15	0	0	0	0.0	0.0
16 - 18	0	0	0	0.0	0.0
Total	28	24	22	223	8.2
<i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i>					

T3.26.4

Financial Performance 2017/2018: Human Resource Services					
					R'000
Details	2016/2017	2017/2018			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue	944	30 379	30 440	29 277	-1 163
Expenditure:					
Employees	14858	17 460	15 703	19 245	-3 542
Repairs and Maintenance		6 165	0	0	0
Other	36213	47 066	49 088	63 370	-14 282
Total Operational Expenditure	51070	70 691	64 791	82 614	-17 824
Net Operational Expenditure	50126	-40 312	-34 351	-53 337	-18 986
Table 3.26.5					

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

The Human Resources Management Services rendered by the Municipality aims to achieve the following:

- Attend to the human resources requirements of the various municipal departments
- Establish and maintain a working environment that encourages personal growth, development, enrichment and job satisfaction.
- Ensure that human resources policies and procedures are administered in such a way as to protect the interests of both the Municipality and its employees. To accomplish this purpose, professional support services are rendered in respect of the following functional areas:
 - Recruitment and selection
 - Induction of newly appointed staff
 - Personnel administration – administration of staff benefits and maintaining employee records
 - Maintaining and monitoring Conditions of Service in terms of the applicable legislation, Bargaining Council agreements and Council policies
 - Placement at the behest of the institution
 - Staff movement
 - EHSW Unit ensures compliance with the Occupational Health and Safety Act 85 of 1993, and ensures employee wellness.
 - General administration

Ugu District Municipality values all its employees and commits itself to promoting their wellbeing. It is therefore the aim of the Employee Health, Safety and wellness Programme to improve the quality of life of all employees by providing support and helping to alleviate the impact of everyday work and personal and family problems. It is therefore intended, that, with this Employee Health, safety and Wellness Strategy that the Municipality will be effective in providing employees with a programme that provides innovative methods of managing performance related problems.

The explicit aim of the EHSW Strategy is to improve the quality of life of all employees by providing support and helping to alleviate the impact of everyday work and personal and family problems. EHSW Strategy offers new and exciting prospects to assist in the wellbeing of employees while at the same time increasing the effectiveness of the Organization. Participation in the programme is voluntary and will not jeopardize job security. The programme does not intend to interfere with workers' private lives; however when a member does not perform according to the standard expected, management has a right to intervene.

The programme is a cost-free worksite based programme providing confidential and professional assistance to employees of UGU District Municipality employees. EHSW Strategy does not replace any existing procedures, but provides innovative methods of managing performance related problems.

3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

During the 2018/2019 financial year, the Municipality has continued to focus on ICT and has sustained a reliable ICT environment, services, and sound ICT governance practices.

ICT services can be classified into three categories: Application Development; Technical Services; and Enterprise, Resource and Planning (ERP) Programmes.

- Application Development, application programmes are provided that not only match the user departments specific needs but allow all such departments to utilise these application programmes in achieving their specific objectives as set out in the IDP, harmoniously, efficiently, and timeously.
- Technical Services; the hardware infrastructure, end user devices, and network and telephony infrastructure that enables all departments to electronically communicate both internally and externally, are provided and maintained using quality equipment and network technology in this provision.
- Enterprise Resource Planning (ERP) Programmes. With the advent of mSCOA and the decision taking by the Municipality to change the existing Management Information Systems to an integrated technology platform through the Sage Evolution ERP software, there are significant benefits in the long term for the Municipality on ICT systems and services being fully integrated and consolidated, such as;
 - Reduced cost of licensing
 - Reduced multiple service providers per system / module
 - Reduced costs of service level agreements and support
 - Reduction of duplication of effort in processing into various systems
 - Compliance with the mSCOA Regulations

ICT SERVICES POLICY OBJECTIVES AS TAKEN FROM THE IDP

NKPA	S.O. No.	Objectives	IDP REF	Organisation KPI	Strategies	Baseline	Demand	Backlog	2018/2019 Achievement
NKPA 1: Municipal Transformation and Organisation Development			MTID 2.2	Number of policies which have detailed standard operating procedures.	Develop and adopt the 5-year organisation re-engineering plan and implement it	0	14	14	14
	MTID 2	Optimise systems and operations	MTID 2.3	Number of Policies Reviewed, Formulated and Adopted		6	6	0	7
			MTID 2.4	Number of ICT Facilities and Infrastructure Resource	Commission ICT Facilities and Infrastructure	N/A	4	N/A	2

NKPA	S.O. No.	Objectives	IDP REF	Organisation KPI	Strategies	Baseline	Demand	Backlog	2018/2019 Achievement
				projects commissioned.					
			MTID 2.5	Percentage reporting on compliance to ICT Service Continuity and Availability Assurance	Reporting on ICT Service continuity	100%	100%	0	100%
			MTID 2.6	Percentage Compliance to ICT Governance Phase 1 and Phase 2 and Phase 3	ICT Governance Framework and Charter reviewed and implemented	80%	100%	20%	100%
			MTID 2.7	Percentage Reporting on ICT Incident Management	Analysed Incident report presented quarterly to ICT Steering Committee	100%	100%	0	100%
			MTID 2.8	Number of ICT Service Delivery programmes implemented	Implement ICT Programmes such as; Monitoring of Network operations, Licensing management, Website compliance	N/A	5	0	5

NKPA	S.O. No.	Objectives	IDP REF	Organisation KPI	Strategies	Baseline	Demand	Backlog	2018/2019 Achievement
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ICT Security Assessments



Picture: 25 decommissioned computers donated to 25 business graduates in a ceremony held on 30 April 2019 at the Port Shepstone Civic Centre

COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:

The ICT vision is to establish a sustained stable and secure ICT environment that is aligned to the ICT Governance Framework to provide ICT systems users with an efficient experience, provide security and integrity of information, ensure the timely recovery of operations resulting from the loss of data or environmental forces and provide excellent service delivery to the users of Ugu District Municipality.

This can be achieved through:

- Municipality having a unified management team
- ICT Staff being certified and knowledgeable due to strategic recruitment and training
- The municipality being a desirable workplace
- Excellent customer feedback

The strategic development process identified the potential benefits offered by ICT. These include:

- To enable a mobile and flexible workforce that rapidly responds to service delivery needs and services requests according to demand, made possible through new technologies.

- To improve and ensure real-time access to information for the municipality's employees, its customers, and the public.
- To improve data security and integrity.
- To restructure business applications by implementing a service-oriented architecture (SOA) for software integration and scalability that maximizes return on investment.
- To improve data management by creating dashboard reports that enable optimised analysis of information and improved decision-making.
- To improve ICT asset management.
- To demonstrate improvement and potential to external bodies such as the Auditor General.
- Enhanced ability to work with strategic partners external to the municipality.
- To be an attractive employer able to recruit and retain staff.
- Implementation of SLAs and ensuring adequate contract management.
- Formulation and documentation of Disaster Recovery procedures.
- To keep abreast of ICT trends and technologies in the market and industry.
- To promote and sustain teamwork in all aspects of ICT.
- To develop and review ICT policies in line with the ICT strategy.
- To standardise all hardware and software solutions.
- To reduce costs by implementing a centralised printing solution.
- To increase an ICT presence at all Municipal sites including offices, water treatment work, wastewater treatment works and other operational plants through email, telephony and systems access.
- To reduce telephony costs by leveraging on the wide area network technology for voice using VOIP
- To reduce costs by lessening the dependency on consultants where possible.
- To participate in awareness and initiatives in respect of Broadband in the District
- Alignment to the State of the Nation Address (SONA) and State of the District Address (SODA)

The already established ICT District Forum comprising of the District Municipality and the Local Municipalities within the District as a strategic objective aims to accomplish;

- Mainstreaming ICT Services and ICT infrastructure in the District
- Explore opportunities for the sharing of ICT services
- Drive ICT development in the District both socially and economically
- Ensuring efficient and effective employment of ICT resources in the District
- Monitor and evaluate legislative compliance of ICT infrastructure and services in the district
- Harmonisation of ICT and associated policies in the District
- Ensuring digital inclusiveness in the District
- Enhance service delivery through ICT tools in the District
- Collaboration
- Knowledge Management opportunities
- State of the Nation / Province / District issues
- AG Audit and Risk issues in the ICT Environment
- Areas of Support
- Share information in the developments within the ICT Environment such as legislation, white papers, bills, etc.
- Invitation of key stakeholders that can assist with ICT efficiencies

The ICT District Forum is a functional IGR structure and during the 2018/19 Financial Year met 10 times for various meetings, knowledge exchanges and focus workshops.

UGU DISTRICT ICT SUMMIT 2018

The Municipal Managers Forum resolved that an ICT Summit be held within the Ugu District. The Ugu District ICT Forum hosted an ICT Summit at the Ugu Sports and Leisure Centre in 2018.

The event theme was “The role technology can play in the delivery or acceleration of Municipal Service Delivery through e-Governance”

114 people attended the event.

Lessons learnt for ICT in the District and for inclusion in areas of ICT Strategy and Organisational Strategy are;

- People
- Organisational Culture
- Processes
- Leadership
- Governance and Institutional Arrangements

Innovations introduced by ICT

- Soft and VOIP Phones as a standard
- Video Conferencing
- Monitoring and Reporting of Network Availability through Software ensuring a sustained uptime of 98% 24/7
- Network Refresh LAN (DELL)
- WAN expansion through the use of LTE Technology to a 20-site environment
- Paperless Office implementation
- Mobile devices for ICT Technicians to receive incident reporting enabling quicker reaction to resolutions
- Consistent patch management through automation
- Sustained Disaster Recovery Simulations over 3 years for all core applications
- Generator refresh project for all priority sites
- Microsoft SharePoint implementation for the website and Intranet
- Consolidation of WAN & Internet Services resulting in cost savings
- Telephony savings through various interventions such as infrastructure optimization, saving R50k to R70k per month
- Office 365 implementation
- Wi-Fi and Smartboards in boardrooms
- Workflow Management system (Citicall) at the Control Centre, Disaster Centre, ICT Helpdesk
- ICT Governance sustained at 100% of all 3 phases of governance
- Infrastructure and device refreshes within the policy guidelines



Pic: The Ugu ICT Team at the ICT Summit held in 2018

The continued improvement in the ICT Service rendered by Ugu ICT can be seen in the analysis of the AG Findings over 5 Financial years;

2013/14	QUALIFIED	14	SECURITY MANAGEMENT	7
			USER ACCESS CONTROL	2
			PROGRAM CHANGE MANAGEMENT	1
			FACILITIES & ENVIRONMENTAL CONTROLS	1
			ICT SERVICE CONTINUITY	3
2014/15	UNQUALIFIED	11	ICT GOVERNANCE	4
			USER ACCOUNT MNGT	4
			IT SERVICE CONTINUITY	2
			PROGRAM CHANGE MANAGEMENT	1
2015/16	UNQUALIFIED	3	USER ACCOUNT MANAGEMENT	1
			IT SERVICE CONTINUITY	1
			PROGRAM CHANGE MANAGEMENT	1
2016/17	QUALIFIED	5	USER ACCOUNT MANAGEMENT	2
			PROGRAM CHANGE MANAGEMENT	2
			mSCOA	1
2017/18	ADVERSE	3	SECURITY MANAGEMENT	1
			USER ACCOUNT MANAGEMENT	1
			PROGRAM CHANGE MANAGEMENT	1

With the continued support of the Executive Management and Council, ICT will continue to provide an enabling environment to the core service delivery goals of the Municipality, in a cost effective and efficient manner, always considering the technological opportunities available in the market to assist in the attainment of these goals.

Financial Performance 2017/2018: ICT Services			R'000
Details	Year -1	Year 0	

	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
Total Operational Revenue		60 379	30 439	29 276	-1 163
Expenditure:					
Employees	14858	15 460	13 904	17 040	-3 136
Repairs and Maintenance	23548	6 165	0	0	0
Other	12665	47 066	49 088	63 370	-14 282
Total Operational Expenditure	51070	68 691	62 992	80 410	-17 418
Net Operational Expenditure	51070	-8 312	-32 553	-51 134	-18 581
Table 3.27.5					

Capital Expenditure Year 0: ICT Services					
R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	260	326	378	31%	
Project A	100	130	128	22%	280
Project B	80	91	90	11%	150
Project C	45	50	80	44%	320
Project D	35	55	80	56%	90
Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).					T 3.27.6

3.28 PROPERTY; LEGAL; RISK MANAGEMENT AND PROCUREMENT SERVICES

Employees: Property; Legal; Risk Management; and Procurement Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	3	3	2	180	5.6
4 - 6	9	8	7	320	5.6
7 - 9	11	0	0	0.0	0.0
10 - 12	5	7	6	157	5.6
13 - 15	0	0	0	0.0	0.0
16 - 18	4	0	0	0.0	0.0
Total	28	18	15	657	16.70%
<p><i>Totals should equate to those included in the Chapter 4 total employee schedule. Employees and Posts numbers are as at 30 June. *Posts must be established and funded in the approved budget or adjustments budget. Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.</i></p> <p style="text-align: right;">T</p> <p style="text-align: center;">3.28.4</p>					

1. INTRODUCTION

The Annual Performance Report is prepared and submitted in terms of the Municipal Systems Act (MSA), 32 of 2000, section 46(1) and (2), as well as the MFMA Circular 11 providing guidelines on the Annual Report. This Annual Performance Report covers the performance information from 01 July 2018 to 30 June 2019 and focuses on the implementation of the Service Delivery Budget and Implementation Plan (SDBIP), in relation to the objectives as encapsulated in the Municipality's Integrated Development Plan (IDP). The report reflects actual performance of the Municipality as measured against the performance indicators and targets in its Integrated Development Plan (IDP) and Service Delivery and Budget Implementation Plan (SDBIP) of 2018/2019. The format of the report will reflect the Municipality's Key Performance Indicators (KPI); targets; challenges and corrective measures in relation to each Municipal Key Performance Area.

Six Municipal Key Performance Areas:

- (1) Basic Service Delivery;
- (2) Local Economic Development;
- (3) Municipal Institutional Transformation and Development;
- (4) Municipal Financial Viability and Management
- (5) Good Governance and Public Participation
- (6) Cross Cutting Intervention

Ugu District Municipality has organised its responsibilities within the six municipal key performance areas as per its legislative powers and functions, which is as follows:

Basic Service Delivery

- Provision and management of Water and Sanitation
- Water and Sanitation Infrastructure development and Maintenance
- Provision of Free Basic Services

Local Economic Development

- Local Economic Development
- Job Creation
- Poverty Alleviation
- Economic sector development
- Improvement of community socio-economic conditions
- Creation of an enabling environment for business investment and thriving
- Economic Research and Development
- Social Services i.e. special programmes and youth development

Municipal Institutional Transformation and Development

- Performance Management System

- Human Resources Development and Management
- Legal Services
- Secretariat and Auxiliary services
- Information Communication Technology (ITC)
- Fleet Management
- Occupational Health and Safety
- Policy Development

Municipal Financial Viability and Management

- Municipal budget management
- Municipal Revenue Collection and Expenditure Management
- Municipal Assets Management
- Municipal Supply Chain management

Good Governance and Community Participation

- Internal Audit and Risk Management
- Community Participation
- Mayoralty and Communication
- Intergovernmental Relations
- Special Programmes
- Youth Development
- HIV And AIDS

Cross-cutting Intervention

- Development, Statutory and Strategic Planning and Management
- Environmental Management
- Disaster Management and services

During the 2017/2018 financial year the municipality adopted an IDP/PMS framework plan, which was going to provide chronological guideline on the development of the 2018/2019 IDP and its implementation thereof. The IDP implementation featured the budget; service delivery and budget implementation plan (SDBIP) and performance management system policy and procedure manual for the 2018/2019 financial year.

During the year 2018/2019, the municipality monitored; assessed and measured its performance through the following plans and structural arrangement:

- S54 and 56 performance agreements
- Individual performance plans
- Budget
- Quarterly reviews
- Internal Audit
- Performance Audit Committee
- Quarterly and Half-yearly S54 and 56 performance assessments
- Portfolio Committees
- Exco
- Council

2. LEGISLATIVE FRAMEWORK

The need for performance management within municipalities comes from a number of pieces of legislation, giving guidance and direction on the path to be followed when developing these systems. All this is done in order to ensure effective and efficient service delivery to communities. The different pieces of legislation follow here below:

2.1 THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, ACT 108 OF 1996

Section 152(1) of the Constitution prescribes that the objects of local government are:

- (a) To provide democratic and accountable government for local communities;
- (b) To ensure the provision of services to communities in a sustainable manner;
- (c) To promote social and economic development;
- (d) To promote a safe and healthy environment; and
- (e) To encourage the involvement of communities and community organizations in the matters of local government.

Section (152) (2) further states that:

“A municipality must strive, within its financial and administrative capacity, to achieve the objects set out in subsection (1)”.

2.2 THE LOCAL GOVERNMENT MUNICIPAL SYSTEMS ACT 32 OF 2000 (MSA)

Chapter 6 of the MSA deals specifically with performance management in local government. Section 38 of the Act prescribes that a municipality must:

- (a) Establish a performance management system;
- (b) Promote a culture of performance management among political structures, office bearers and councillors and in its administration; and
- (c) Administer its affairs in an economical, effective, efficient and accountable manner.

Further legislative requirements within the MSA include:

Section 39 stipulates that the Executive Committee (EXCO) is responsible for the development of a PMS, for which purpose they may assign responsibilities to the Municipal manager. The EXCO must submit the proposed PMS to Council for approval.

Section 40 stipulates that a municipality must establish mechanisms to monitor and review its PMS.

Section 41 prescribes that the core components of the PMS must:

- (i) Set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, with regard to the municipality's development priorities and objectives set out in its Integrated Development Plan
- (ii) Set measurable performance targets;
- (iii) Monitor performance;
- (iv) Measure and review performance annually;
- (v) Take steps to improve performance where performance targets are not met
- (vi) Establish a process of regular reporting to Council, other political structures, political office bearers and staff of the municipality; the public and appropriate organs of state.

Section 41(2) states that the PMS of a municipality must serve as an early warning indicator of under-performance.

Section 42 requires that the community, in terms of the provisions of chapter 4 of the Act, be involved in the development, implementation and review of the PMS. The community should also be involved with the setting of Key Performance Indicators (KPI's) and performance targets for the municipality.

Section 43 (2), prescribes that a municipality must include any general key performance indicators prescribed in terms of subsection (1), to the extent that these indicators are applicable to the municipality concerned.

Section 44 prescribes that the KPI's and performance targets in the PMS of a municipality must be made known both internally and externally in a manner described by Council.

In terms of section 45, the results of the performance measurement must be audited as part of the internal auditing processes and annually by the Auditor General.

Section 46 requires that a municipality must prepare for each financial year a performance report reflecting-

(a) the performance of the municipality and of each external service provider during that financial year;

(b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and

(c) measures taken to improve performance.

The table below is indicative

Ugu District Municipality

**Vendor Performance Report JULY 2018 -
JUNE 2019**

MIG Projects	PROJECT NAME	Service provider	Nature of vendor performance	Project Status	Rating	Remarks	Action to be taken
Kwanyuswa Water Project	KwaNyuswa Reticulation Infrastructure pipeline phase 7A	Umpisi Engineers	Abandoned project	Balance of scope executed by internal personnel	Poor	Proper termination to be executed to avoid future litigation	Termination from project
Kwanyuswa Water Project	KwaNyuswa Reticulation Infrastructure pipeline phase 7B	Umpisi Engineers	Abandoned project	Balance of scope executed by internal personnel	Poor	Proper termination to be executed to avoid future litigation	Termination from project
Kwanyuswa Water Project	KwaNyuswa Water supply scheme phase 6A	Umpisi Engineers	Abandoned project	Balance of scope executed by internal personnel	Poor	Proper termination to be executed to avoid future litigation	Termination from project
Harding Sanitation	Harding sanitation phase 3	Dartingo-Town & Around	Delays in project completion	Project behind schedule as a result of power supply	Fair	The project is delayed as a result of power supply installation challenges which were beyond control of role players	None
Malangeni Low Cost Housing 2b	Waterborne sanitation project phase 2B	Ilitshe construction	Contractor illegally withheld employer's equipment	Complete	Poor	The contractor refused to hand over M&E equipment which was part of the permanent works for compensation on his vandalised	Termination and blacklisting

						equipment which was supposed to be covered by the insurance	
Malangeni Low Cost Housing 2c	waterborne sanitation project phase 2C	RHDHV-Pilcon	None	Practical completion stage	Good	Project was delayed as a result of sub-contracting issues by business forums	None
Margate Sewer Pipeline Replacement	Upgrade of Margate sewer rising main.	Dartingo-Town & Around	None	Complete	Good	None	None
Masinenge Bulk Sanitation Project	Supplementary agreement for Masinenge project: Construction of sewer bulk mains and sewer pump station refurbishment.	Bosch- LNY Construction	None	Practical completion stage	Good	None	None
Water pipeline replacement	Southern Mains: Gamalakhe to Margate pipeline	Dartingo-Pilcon Projects	Standing- No progress	Construction	Fair	The project is currently standing as result of WULA, however sections that do not require same can be executed	Municipality must decide on the standing time risks that may course the project extremely costly to complete
Maphumulo Water Scheme	Maphumulo Bulk & reticulation scheme	Vuba- Pilcon	None	Practical completion stage	Fair	No water available to commission by eThekweni Metro	None
Mzimkhulu Water Works Upgrade	Upgrade of Bhoboyi water treatment works from 54MI/da to 81 MI/day. Civil Works	RHDHV-Pilcon	Completion of outstanding works	Practical completion stage	Fair	The funds are exhausted which will depend on approval of AFA submitted to DWS	None
Mzimkhulu Water Works Upgrade	Upgrade of Bhoboyi water treatment works from 54MI/da to 81 MI/day. Mechanical & Electrical	RHDHV-PCISA	None	Complete	Good	None	None

Umtamvuna Water Works Upgrade	Upgrading of Umtamvuna Water treatment works to 30MI/day	Vuba- Icon construction	Submission of AFA by engineer	Complete	Good	AFA is pending submission by the engineer. Letter of non-compliance to be issued to engineer	Letter of non-compliance to be issued to engineer
Pipeline Replacement-Murchison	construction of 7km of 450mm rising main.	KDC- Pilcon	None	Complete	Good	None	None
Pipeline Replacement-Murchison	Construction of 7.5MI and 500kl reservoir & tower	KDC- Heydricks	None	Complete	Good	None	None
Pipeline Replacement-Murchison	Mechanical & electrical	KDC- Godide	None	Construction	Fair	The previous contractor-Winwater was terminated	Blacklist the contractor-Winwater
Pennington Sanitation	Pennington Waterborne Sanitation Phase 3	Pilcon	None	Construction	Good	The previous contractor-Winwater was terminated	Blacklist the contractor-Winwater
Mistake Farm Water Scheme	Construction of reservoirs and pipelines in Mistake Farm	Mafahleni-Pilcon	Poor finance management	Practical completion	Poor	The project has technical challenges which were to be addressed at design stage. AFA is pending approval by DWS	Letter of non-compliance to be issued to engineer
Mhlabatshane Bulk Water Scheme: Mabheleni West Res	Construction of 2.5MI reservoir	KDC- Thubalam	Poor finance management	Practical completion	Fair	AFA is pending submission by the engineer. Letter of non-compliance to be issued to engineer	Letter of non-compliance to be issued to engineer
Mhlabatshane Bulk Water Scheme: Gcwalemini Res	Construction of 1MI reservoir	KDC- Heydricks	Poor finance management	Practical completion	Fair	AFA is pending submission by the engineer. Letter of non-compliance to be issued to engineer	Letter of non-compliance to be issued to engineer

Ugu Vip Sanitation	Construction of VIP sanitation scheme	Dartingo	None	Tender stage	Fair	None	None
Ugu Oslo Beach Phase 3 Offices	Ugu Oslo Beach Phase 3 Offices	TJA- FSG	None	No progress	Good	Funding constraints	Availability of funds in the new financial year
Umzinto slums clearance- Farm Isonti	Water and sanitation	Mafahleni	Poor finance management	Planning stage	Fair	Awaiting AFA to implement next phase	Letter of non-compliance to be issued to engineer
Gamalakhe Security of water supply	Gamalakhe water supply	Ziyanda consulting	Poor finance management	Complete	Fair	Proper budgeting not executed properly by the consultant	Letter of non-compliance to be issued to engineer

BID/ORDER NO	VENDOR	DATE OF AWARD	ORDER / CONTRACT VALUE	START DATE	END DATE	TARGETS (INCL. TIME FRAMES)	VENDOR PERFORMANCE
PO07958	Car Plates & Signs	24 June 2019	R 199 999.88	01 July 2018	30 June 2019	1 year	Good
UGU-05-1315-2015	Seartec	1 Nov 2015	3 873 798.64	01 Nov 2015	31 Oct 2018	Month-Month	Good
UGU-05-1315-2015	Konica Minolta	1 Nov 2015	3 719 812.45	01 Nov 2015	31 Oct 2018	Month-Month	Good
UGU-05-1415-2016	Nashua	01 Nov 2017	2 566 281.96	01 Nov 2017	31.March 2020	36 m	Good
UGU-05-1477-2018	Ithemba Lempumelelo Construction	29 Jan 2019	858 180.00	01 April 2019	31 March 2022	36 m	Good
UGU-05-1414-2016	Alcocks Services Group	1 May 2019	89 120.64	1 May 2019	31 April 2022	36 m	Good
UGU-05-1265-2014	RDC Contractors (Handyman Services)	Aug 2016	pricing schedule	1 Sept 2016	30 Aug 2019	36 m	Good
UGU-05-1367-2016	Sompisi Cleaning Services	05 July 2016	8 061 100.53	1 Aug 2016	31 June 2019	36 m	Good
UGU-05-1413-2016	Emmalin Rachel Trading	18 May 2017	193 560.00	01 Oct 2017	31 Sept 2020	36 m	Good

UGU-02-1155-2012	Ithunzi Security Services	Month to Month		Month to Month	Month to Month	Month to Month	Good
UGU-02-1155-2012	Gambu Security Services	Month to Month		Month to Month	Month to Month	Month to Month	Good
	Mzansi Security Services	Month to Month		Month to Month	Month to Month	Month to Month	Good
	Lootch Security Services	Month to Month		Month to Month	Month to Month	Month to Month	Good
UGU-1478-2018	Document Warehouse	29 Jan 2019	474 467.78	1 April 2019	31 March 2022		Good
Ugu -05-1383-2016	HI Q Hi -Land Tyres	21-Dec-16	Rate based	21-Dec-16	21-Dec-19	36 m	Good
Ugu -05-1383-2016	Auto Junction Fitness tyres	21-Dec-16	Rate based	21-Dec-16	21-Dec-20	36 m	Good
Ugu -07-1381-2016	Clive lee Engineering & mechanics	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu -07-1381-2016	D- Tec Motors	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu - 07-1381-2016	Autocheck (Port Shepstone)	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	Emhlangwini Trading and construction	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	Brain Thompstone & brothers	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	DRS Auto (PTY)LTD	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	Hampson Auto	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	Mj Light Heavy Duty	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	EMC Properties cc t/a EMC	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	Bates & Johnstone Motors	06-Feb-17	Rate based	06-Feb-16	06-Feb-20	36 m	Good
Ugu-07-1381-2016	All Plant diesel	06-Feb-17	Rate based	06-Feb-16	06-feb-201	36 M	Good
PO06438	Nashua Communications	06Dec 2019	R160 177.44	1 Jan 2019	31 Dec 2019	12 m	Good

PO06439	East Coast Solutions	06 Dec 2019	R162 00.00	1 March 2019	28 Feb 2020	12 m	Good
UGU-05-1465-2018	VOX	15 Oct 2018	5 848 622.90	1 Dec 2018	01 Dec 2021	36 m	Good
UGU-05-1466-2018	S Con IT Services and Lenovo Financial Services	15 Oct 2018	5 068 404.00	1 March 2019	28 Feb 2022	36 m	Good
PO06751	Decision Inc	4 Jan 2019	32 340.00	1 Feb 2019	31 Jan 2020	12 m	Good
UGU-05-1357-2015	CHM Vuwani	25 April 2016	1 854 228.60	1 Sept 2016	31 Aug 2019	36 m	Good
UGU-05-1412-2016	Acronyms IT	18 May 2017	1 010 040.00	1 July 2017	30 June 2019	24 m	Closed
UGU-05-127-2015	Zingezethu Trading	21/01/2016	Panel	21/01/2016	Contract ended		Good
UGU-05-127-2015	Mthobonga Enterprise	21/01/2016	Panel	21/01/2016	Contract ended		Good
UGU-05-127-2015	NG Investment	21/01/2016	Panel	21/01/2016	Contract ended		Good
UGU-05-127-2015	Mlandowami Pty Ltd	21/01/2016	Panel	21/01/2016	Contract ended		Good
UGU-05-127-2015	Mhlungwini	21/01/2016	Panel	21/01/2016	Contract ended		Good
Ugu-05-1395-2016	Zingezethu Traning	10/01/2018	R 513 000.00	02/01/2018	Contract ended		Good
Ugu -05 1380-2016	Mathimliza Trading	06/10/2016	Panel	06/ 10/2016	06/10/2019	36 M	Good
Ugu-05-1380-2016	One Time Disaster Management	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good
Ugu -05-1380-2016	Mini More	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good
Ugu- 05-1380-2016	NG Investment	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good
Ugu-05-1380-2016	Mthobonga Enterprise	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good
Ugu-05-1380-2016	Injabulo kAMandla	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good
Ugu-05-1380-2016	Indlolenhle Trading Enterprise	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good

Ugu-05-1380-2016	ZHJ Holdings (PTY) LTD	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good
Ugu-05-1380-2016	Mabhakubhaku Trading (PTY)LTD	06/10/2016	Panel	06/10/2016	06/10/2019	36 M	Good
Ugu-05 -1431-2017	D and S Holding (PTY)LTD	14/11/2017	Panel	14/11/2017	14/11/2020	36 M	Good
Ugu-05 -1431-2017	Simuvo Retail and Trading Enterprise (PTY) LTD	14/11/2017	Panel	14/11/2017	14/11/2020	36M	Good
Ugu-05 -1431-2017	Tee-Cee Communications (PTY)LTD	14/11/2017	Panel	14/11/2017	14/11/2020	36 M	Good
Ugu-05 -1431-2017	Mpho Moloyi (Pty)Ltd	14/11/2017	Panel	14/11/2017	14/11/2020	36M	Good
Ugu-05 -1431-2017	Triumphant 2014 Projects (Pty) Ltd	14/11/2017	Panel	14/11/2017	14/11/2020	36 M	Good
Ugu-05 -1431-2017	BS Soya Construction	14/11/2017	Panel	14/11/2017	14/11/2020	36M	Good
Ugu 05-1449-2017	Rural Metro Emergency Management Services	14/01/2018	R 378 936.00	05/02/2018	Contract ended		Good

It is further required that the annual performance report must form part of the municipality's annual report in terms of the requirements of chapter 12 of the Municipal Finance Management Act (MFMA) of 2003.

2.3 LOCAL GOVERNMENT: MUNICIPAL PLANNING AND PERFORMANCE MANAGEMENT REGULATIONS, 2001

These regulations state that a municipality's PMS entails a framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, including determining the roles of the different role-players.

Chapter 3 outlines the regulations in terms of the:

- (i) The adoption of the performance management system;
- (ii) Setting of key performance indicators;
- (iii) General key performance indicators;
- (iv) Review of key performance indicators;
- (v) Setting of performance targets;
- (vi) Monitoring, measurement and review of performance; and
- (vii) Internal auditing of performance measurement.

Chapter 4 regulates the requirements for community participation in respect of performance management.

2.4 THE MUNICIPAL FINANCE MANAGEMENT ACT 56 OF 2003

The following provisions from the Municipal Finance Management Act (MFMA) relate largely to the PMS of the municipality:

- (i) Section 53(1)(c)(ii) of the Act requires that the municipality's Service Delivery and Budget Implementation Plan (SDBIP) is approved by the Mayor within 28 days after the approval of the budget;
- (ii) Section 53(1)(c)(iii) requires the Mayor to ensure that the performance agreements of Section 57 employees comply with the requirements of the MSA in that they promote sound financial management and that they are linked to measurable performance objectives approved with the budget and included in the SDBIP;
- (iii) Section 72 of the Act requires the accounting officer of the municipality to submit a mid-year budget and performance assessment by the 25 January each year. The

assessment must include:

- (a) The monthly budget statements, of the first 6 months of the financial year, as required in terms of Section 71 of the MFMA.
 - (b) The municipality's service delivery performance, for the first 6 months of the financial year, against targets and indicators as set out in the municipality's approved SDBIP.
 - (c) Progress on resolving problems identified in the past year's annual report;
 - (d) An assessment of the performance of every municipal entity taking into account reports in terms of Section 88 of the Act.
- (iv) Section 127(2) of the Act requires the Mayor to, within seven months after the end of the financial year, table in the municipal Council the annual report of the municipality and of any municipal entity under the municipality's sole or shared control;
- (v) Section 129 (1) requires the Council of a municipality to consider the annual report of the municipality and of any municipal entity under the municipality's sole or shared control, and by no later than two months from the date on which the annual report was tabled in the Council in terms of section 127, adopt an oversight report containing the council's comments on the annual report, which must include a statement whether the Council-
- (a) *Has approved the annual report with or without reservations;*
 - (b) *Has rejected the annual report; or*
 - (c) *Has referred the annual report back for revision of those components that can be revised.*

2.4.1 MUNICIPAL PERFORMANCE REGULATIONS FOR MUNICIPAL MANAGERS AND MANAGERS DIRECTLY ACCOUNTABLE TO MUNICIPAL MANAGERS, 2006

These regulations articulate issues of employment contracts, performance contracts and performance appraisal of Municipal Managers and Managers directly accountable to them.

Chapter 3 of the regulations allude to the following regulation clauses as purpose of performance agreement:

23. The purpose of the agreement is to:

- (1) comply with the provisions of Section 57(1)(b), (4A), (4B) and (5) of the Act as well as the employment contract entered into between the parties;
- (2) specify objectives and targets defined and agreed with the employee and to communicate to the employee the employer's expectations of the employee's performance and accountabilities in alignment with the Integrated Development Plan, Service Delivery and Budget Implementation Plan (SDBIP) and the Budget of the municipality;
- (3) specify accountabilities as set out in a performance plan, which forms an annexure to the performance agreement;
- (4) monitor and measure performance against set targeted outputs;
- (5) use the performance agreement as the basis for assessing whether the employee has met the performance expectations applicable to his or her job;

(6) in the event of outstanding performance, to appropriately reward the employee; and

(7) give effect to the employer's commitment to a performance-orientated relationship with its employee in attaining equitable and improved service delivery.

2.5 LOCAL GOVERNMENT: REGULATIONS ON APPOINTMENT AND CONDITIONS OF EMPLOYMENT OF SENIOR MANAGERS 2011

These regulations are supplementing the effectiveness of the Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006.

2.5.1 COMPETENCY FRAMEWORK STRUCTURE

Leading Competencies	
Strategic Direction and Leadership	Impact and Influence Institutional Performance Management Strategic Planning and Management Organisational Awareness
People Management	Human Capital Planning and Development Diversity Management Employee Relations Management Negotiation and Dispute Management
Program and Project Management	Program and Project Planning and Implementation Service Delivery Management Program and Project Monitoring and Evaluation
Financial Management	Budget Planning and Execution Financial Strategy and Delivery Financial Reporting and Monitoring
Change Leadership	Change Vision and Strategy Process Design and Improvement Change Impact Monitoring and Evaluation
Governance Leadership	Policy Formulation Risk and Compliance Management Cooperative Governance
Core Competencies	
Moral Competence	
Planning and Organising	
Analysis and Innovation	
Knowledge and Information Management	

Communication
Results and Quality Focus

2.5.2 MINIMUM COMPETENCY REQUIREMENT

- Strategic Direction and Leadership
- People Management
- Program and Project Management
- Financial Management
- Change Leadership
- Governance Leadership
- Moral Competence
- Planning and Organising
- Analysis and Innovation
- Knowledge and Information Management
- Communication
- Results and Quality Focus

2.5.3 ACHIEVEMENT LEVELS

Achievement Level	Description	Action to Take for Achievement Level
Basic	Applies basic concepts, methods, and understanding of local government operations, but requires supervision and development intervention	Remedial action including counselling, training, mentoring and monitoring, monthly performance evaluation and eventually termination of contract if all fails to improve performance
Competent	Develops and applies more progressive concepts, methods and understanding. Plans and guides the work of others and executes progressive analyses	Training
Advanced	Develops and applies complex concepts, methods and understanding. Effectively directs and leads a group and executes in-depth analyses	N/A
Superior	Has a comprehensive understanding of local government operations, critical in shaping strategic direction and change, develops and applies comprehensive concepts and methods	N/A

2.5.4 GENERIC KEY PERFORMANCE INDICATORS

The following are compulsory key performance indicators emanating from Section 43 of the Local Government Municipal Systems Act and Regulation 5 (1):

No.	Compulsory Key Performance Indicators
1	Percentage of households with access to all basic household services
2	Percentage of households with imputed expenditure of less than R1 100 per month that have access to basic services
3	Percentage of capital budget spent on projects identified in terms of the IDP.
4	Number of jobs created through local economic development initiatives supported by the municipality.
5	Percentage achievement of approved employment equity plan within the first three layers of management.
6	Percentage of skills levy received in rebate as a measure of the municipality's investment in human resource development.
7	Financial Viability: Ratios - Debt Coverage; Outstanding debtors to revenue; and Cost Coverage



2.6 POLICY AND BEST PRACTICE GUIDELINES

Performance Management is also underpinned by policies and best practice guidelines.

2.6.1 BATHO PELE

Eleven Batho Pele principles were adopted by Ugu DM to serve as acceptable policy and legislative framework regarding service delivery in the Municipal service. These principles are aligned with the Constitutional ideals of:

- Promoting and maintaining high standards of professional ethics;
- Providing service impartially, fairly, equitably and without bias;
- Utilising resources efficiently and effectively;
- Responding to people's needs; the citizens are encouraged to participate in policy-making; and
- Rendering an accountable, transparent, and development-oriented Municipal administration

2.6.2 KZN BEST PRACTICE GUIDELINES

The best practice guidelines provide that, a systematic process should be followed in developing a performance management system of a municipality. The systematic process suggested by the guidelines comprises of the following steps:

2.6.2.1 INTRODUCTION OF PMS TO THE MUNICIPALITY

PMS (as a framework) is a legislative requirement and tool that is aimed at measuring the implementation of the IDP. The PMS is also a tool for managing individual performance in a developmental approach.

2.6.2.2 GEARING UP THE INSTITUTIONAL STRUCTURE FOR IMPLEMENTING THE PMS

Prior to implementing a PMS, an approved organisational structure that is aligned to the IDP be put in place. This structure should indicate roles, responsibilities, powers and functions for the implementation of the IDP.

2.6.2.3 DEVELOPING MEASURES FOR MONITORING THE IMPLEMENTATION OF THE IDP:

Flowing from the IDP is the annual budget and annual operational plan which is the SDBIP, which comprises the Departmental Operational Scorecards: which comprise of annual and quarterly performance targets and quarterly projected budget per source.

3. ORGANISATIONAL PERFORMANCE MANAGEMENT PROCESS

The Department of Corporative Governance And Traditional Affairs defines performance management as, *'a strategic approach to management, which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organization in terms of indicators and targets for efficiency, effectiveness and impact.'*

The organisational performance is evaluated by means of a municipal scorecard (Top Layer SDBIP) at organisational level and through the Service Delivery Budget Implementation Plan (SDBIP) at Directorate levels.

The SDBIP is a plan that converts the IDP and budget into measurable criteria on how, where and when the strategies, objectives and normal business process of the municipality is implemented. It also allocates responsibilities to directorates to deliver the services in terms of the IDP and Budget.

MFMA Circular No.13 prescribes that: The IDP and budget must be aligned; The budget must address the strategic priorities; The SDBIP should indicate what the municipality is going to do during next 12 months; and The SDBIP should form the basis for measuring the performance against goals set during the budget /IDP processes.

From the SDBIP/Departmental scorecards, Performance Agreements of Departmental Heads/ General Managers are compiled, and the performance management system is cascaded downwards from the Head of Departments Performance Agreements and departmental scorecard to Section Managers who also sign performance agreements based on the Head of Department's performance agreements.

Development and Approval of Service Delivery and Budget Implementation Plan

The 2018/2019 SDBIP was therefore prepared and approved by the Mayor 28 days after the adoption of the budget.

The 2018/2019 municipal scorecard/ SDBIP was developed to consolidate service delivery targets set by Council/ Senior Management and provide an overall picture of performance for the municipality and to reflect performance on its strategic priorities.

The components of the 2018/2019 SDBIP included as per section 53 of the Municipal Finance Management Act 56 of 2003:

- (a)** projections for each month of-
 - (i)** revenue to be collected, by source; and
 - (ii)** operational and capital expenditure, by vote;
- (b)** service delivery targets and performance indicators for each quarter".

PERFORMANCE REPORTING, REVIEW AND ANALYSES

Performance review sessions were done in a cycle for performance throughout the 2018/2019

financial year. Performance reporting took place at three levels which were, departmental; strategic or organisational; and political levels.

DEPARTMENTAL LEVEL

Each month of the financial year, section meetings were held to assess and consolidate reports, which were eventually consolidated into departmental reports at the end of a quarter. The reports would not be accepted without portfolio of evidence of achievement of key performance indicators. These reports were then assessed at quarterly review as departmental quarterly performance reports.

STRATEGIC / ORGANISATIONAL LEVEL

The departmental quarterly reports were then submitted to the internal audit and management committee for assessment before submitted to the political level. During this process peer assessment was done and feedback given where necessary.

POLITICAL LEVEL

At this level the quarterly performance reports were evaluated critically by the EXCO members at quarterly review sessions.

This evaluation is aimed at determining to what extent the performance targets and KPIs are positively impacting on the development objectives. Recommendations are then formulated around corrective actions in this regard, if necessary. The quarterly municipal performance report, together with recommendations, is then forwarded to the council.

The municipality, to assist the process of performance management, developed the following standard operating procedure:

- All Departments to submit their Quarterly Reports to the Performance Management Unit by the 10th after the end of the Quarter.
- All the Departments Quarterly Reports are then sent to Internal Audit by the 15th after the end of the Quarter.
- The Consolidated Review Report and Performance Analysis Report will be presented to Extended Management Committee by the 20th after the end of the quarter.
- The Quarterly Review Meeting will then take place by the 30th after the end of the quarter when all inputs from various committees have been incorporated into the review reports

- Departments will be requested to provide evidence of their performance against targets as and when required, as this information may be requested by Internal Audit from time to time as a means of verification of what has been reported in the quarterly reports.

Roles and Responsibilities of Community, Council and Its Committees

The following stakeholders were involved in the development and implementation of Ugu District Municipalities performance management system:

Roles and Responsibilities	
Responsibility	Role
Citizens & Communities	<ul style="list-style-type: none"> ➤ Be consulted on needs; ➤ Develop the long-term vision for the area; ➤ Assist in identifying priorities; ➤ Participate in the identification of indicators and setting targets; and ➤ Be given the opportunity to review municipal performance and suggest new indicators and targets.
Council	<ul style="list-style-type: none"> ➤ Facilitate the development of long-term vision. ➤ Develop strategies to achieve the vision. ➤ Identify priorities. ➤ Adopt indicators and set targets. ➤ Review municipal performance quarterly.
Mayor	<ul style="list-style-type: none"> ➤ Approves the SDBIP, Quarterly reviews and annual assessments or evaluation of performance of the Municipal Manager.
Executive Committee	<ul style="list-style-type: none"> ➤ Give strategic direction and develop strategies and policies for the municipality; ➤ Management the development of the IDP; ➤ Approve and adopt indicators and targets; ➤ Communicate the plan to other role-players; and ➤ Conduct major reviews of municipal performance determining where goals had or had not been met, what the reasons were and to adopt response strategies.
Portfolio Committees	<ul style="list-style-type: none"> ➤ Manage the implementation of the strategy; ➤ Review and monitor the implementation of the IDP and the PMS; and ➤ Propose response interventions, in areas of non/under-performance, to EXCO.
Municipal Manager and	<p>Assist EXCO in:</p> <ul style="list-style-type: none"> ➤ Giving strategic direction and developing strategies and policies for the municipality;

Roles and Responsibilities	
Responsibility	Role
Section 56 Managers	<ul style="list-style-type: none"> ➤ Manage the development of the IDP; ➤ Ensure that the plan is integrated; ➤ Identify and propose indicators and targets; ➤ Communicate the plan to other role players; ➤ Regularly monitor the implementation of the IDP and identify risk areas; ➤ Ensure regular monitoring (measurement, analysis and reporting); ➤ Take corrective action as and when required; ➤ Conduct regular reviews of performance; ➤ Ensure the availability of information; ➤ Propose response strategies to Portfolio Committees and EXCO; ➤ Develop Service Delivery and Budget Implementation Plans for the Municipality; and ➤ Municipal manager, where necessary, evaluates the performance of the section 56 managers.
Departmental Managers	<ul style="list-style-type: none"> ➤ Assist the Section 54 manager to Develop SDBIP for the Municipality; ➤ Measure performance according to agreed indicators, analyze and report regularly; ➤ Manage implementation and intervene where necessary; and ➤ Inform decision makers of risks immediately
Internal Audit	Assess the functionality, effectiveness and legal compliance of the PMS.
Evaluation Panels	Evaluate the performance of the Municipal Manager and Section 56 managers as per the requirements of section 27 (d) & (e) of the Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006.
Auditor General	Ensure legal compliance
Performance Audit Committee	Independent oversight on legal compliance
PMS Champions	Co-ordinate compilation of departmental reports
PMS Unit	<ul style="list-style-type: none"> ➤ Co-ordinate and compile reports; ➤ Facilitates and manage performance management from planning to evaluation stages; and ➤ Ensures performance management legislative compliance.

4. MUNICIPAL PERFORMANCE PER KEY PERFORMANCE AREA: 18/19 FINANCIAL YEAR

The following indicates how the municipality performed in each key performance area during the 2018/2019 financial year.

Basic Service Delivery

The Basic Service Delivery Key Performance Area is constituted by water and sanitation provision. The municipal performance in this KPA shows an achievement of 59 percent of its key performance indicators and targets set for the 2018/2019 financial year. The unachieved key performance indicators and targets accounts for 41 percent of the total predetermined set of KPIs and targets. The non-achievement was due to several factors including cash flow and contractor performance challenges, which the municipal has a plan to deal with same in the 2019/2020 financial year.

The year under review's performance however shows an improvement in comparison with the municipality's previous year's, 2017/2018, performance of 38 percent.

Local Economic Development

The Local Economic Development key performance area constitutes the addressing of the country's triple challenges: poverty; unemployment and inequality.

The municipality has achieved 80 percent performance in this KPA during the 2018/2019 financial year, which is a 7 percent regression compared to the 2017/2018 financial year's achievement of 87 percent. The municipality has set wheels in motion to address the challenges of the unachieved key performance indicators.

Cross Cutting Intervention

This KPA constitutes areas of disaster, waste management; Geographic Information System and Planning. In the both 2017/2018 and 2018/2019 financial years, the municipality has performed very well in this KPA, achieving 98 percent and 95 percent respectively. The minor challenges that might have coursed the non-achievement of 100 percent in this KPA will be addressed in the 2019/2020 financial year.

Municipal Financial Viability and Management

The municipality's performance under this KPA during the 2018/2019 financial year is 69 percent which is a 9 percent improvement from the previous year's, 2017/2018, performance of 60 percent. The municipality will address challenges that led to the some KPIs not being achieved, in the 2019/2020 financial year.

Municipal Transformation and Institutional Development

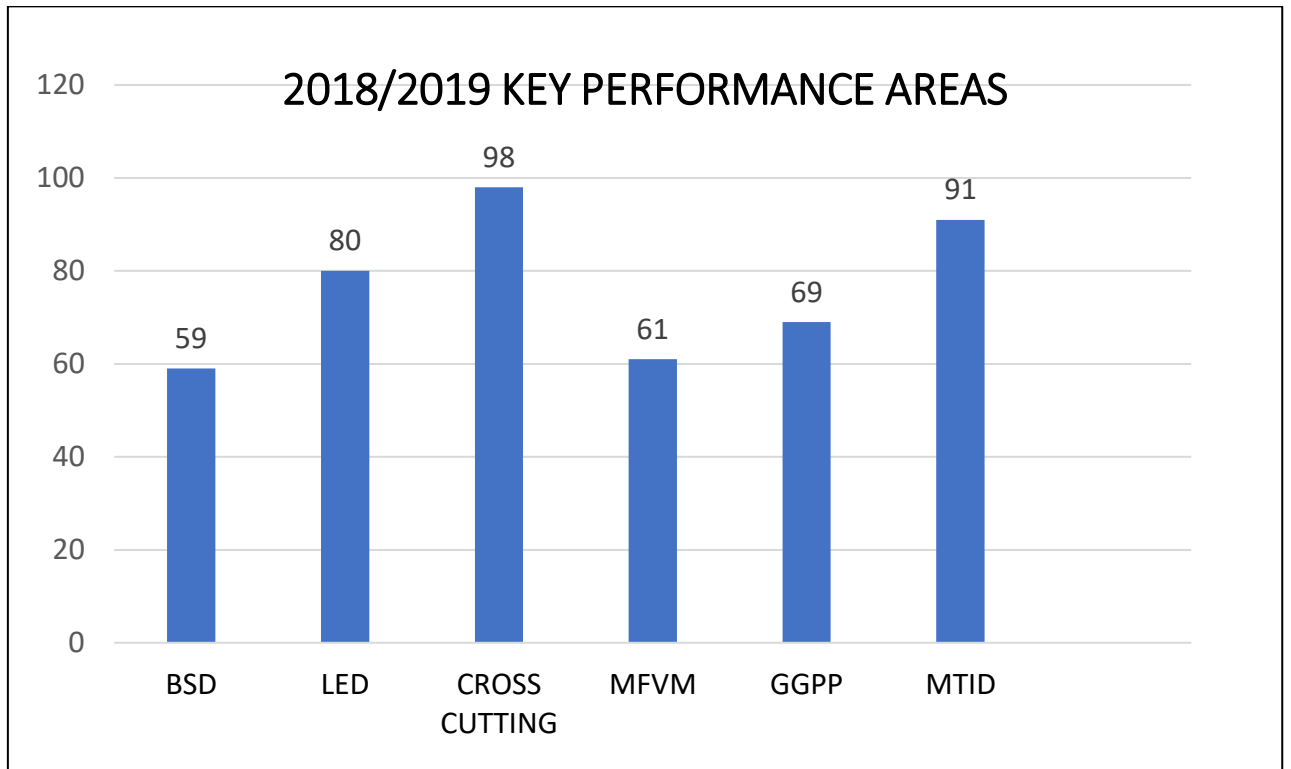
The municipality's performance under this KPA during the 2018/2019 financial is 91 percent while the performance in the previous year was 95 percent. This is an indication that the municipality is performing very well in this KPA while challenges are also acknowledged regarding the unachieved, which will be addressed in the next financial year, 2019/2020.

Good Governance and Public Participation

The municipality's performance under this KPA, during the 2018/2019 financial year is 69 percent which is a regression from the previous financial year's performance of 83 percent. The regression and challenges will be addressed in the next financial year 2019/2020.

Overall Organisational Performance

The below graph shows the overall performance of the municipality during the 2017/2018 and 2018/2019:



The overall performance of the municipality for the financial year 2018/2019 shows regression from the previous year's performance.

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE
(PERFORMANCE REPORT PART II)

ANNUAL PERFORMANCE REPORT 2018/2019																
						COMPARISON WITH CURRENT YEAR										
SDBIP Ref.	Strategic Objective	IDP Ref	Project ID	Measurable Objective / Output	Key Performance Indicator	2017/2018 (TARGET)	2017/2018 (ACTUAL)	Baseline	Demand	Backlog	2018/2019 (TARGET)	2018/2019 (ACTUAL)	Achieved/ Not Achieved	Challenges	Corrective Measures	Annual POE
BASIC SERVICE DELIVERY																
WS 1	To increase access to adequate basic services	BSD 1.1	BSD 1.1.1	Water infrastructure	Number of HH provided with access to water through the KwaNyuswa Bulk Supply project	200	0	988	1457	457	200	0	Not applicable	At midyear the number of households were not going to be verified as the project was still under implementation. The engineer withdrew from the project following non-performance and project internally implemented	The KPI was amended to allow the adjusted date of completion of the project with internal resources	Practical completion certificate
		BSD 1.1	BSD 1.1.1	Water infrastructure	Date Kwa-Nyusa Water Treatment Works completed and commissioned	200	0	988	1457	457	31-Mar-19	28-Feb-19	Achieved	None	N/A	Completion certificate
WS 2		BSD 1.2	BSD 1.2.4	Waterborne sanitation	Percentage achieved in Provision of water borne sanitation in Pennington	N/A	N/A	0	0	0	50%	50%	Achieved	N/A	N/A	Progress report
WS 3		BSD 5.1	BSD 5.1.1	Replaced pipeline	Percentage of Murchison pump station construction completed	N/A	N/A	0	0	0	60%	54%	Not achieved	The project was only awarded in February 2019	The project is due for completion in November 2019	Progress reports & Completion certificate
WS 4		BSD 2.1	BSD 2.1.1	Alternative water supply	Number of loads delivered via water tankers	75%	81%	48%	100%	52%	3300	940	Not Achieved	Community protests, labour unrest, tanker breakdowns, budget constraints	Delivery of water is monitored and supported by log books, recipients signature and adherence to schedule	Water tankering schedule / logbook

		BSD 2.1	BSD 2.1.1		Percentage compliance to water tankering programme	75%	81%	48%	100%	52%	50%	56%	achieved	(6-month report) KPI not smart	amended KPI	Water tankering schedule / logbook
WS 5		BSD 1.2	BSD 1.2.3	Households with access to waterborne sanitation	Number of HH provided with access to sanitation through the Masinenge / Uvongo Sanitation project	125	125	0	0	0	125	125	Achieved	The project is practically complete but awaiting installation of Eskom power supply	Eskom is being engaged - 30 September 2019	Completion certificate
WS 6		BSD 1.2	BSD1.2.7		Number of HH provided with access to sanitation through the Harding Sanitation Scheme: Phase 3 project	N/A	N/A	0	105	105	105	0	Not achieved	Delays in installation of power installation by Eskom	The contractor is on site doing electricity supply - should complete by 30 August 2019	Completion certificate and Beneficiary List
WS 7		BSD 1.2	BSD 1.2.5	Malangeni Low Cost Housing sanitation	Number of HH provided with access to sanitation through the Malangeni Low Cost Housing Project scheme	394	0	0	0	0	336	0	Not achieved	Service delivery protests and Local Business Forum protests	The project is back on track - to be completed by 30 August 2019	Completion certificate and Beneficiary List
WS 8		BSD 2.1	BSD 2.1.1	Springs protected and refurbished	Number of Springs protected and/or refurbished	30	30	449	449	449	20	27	Achieved	n/a	n/a	Invoices paid
WS 9		BSD 4.1	BSD 4.1.1	Turnaround time taken to repair water leaks	Average turnaround time in hours taken to repair water leaks	4 Hours	14h6m	14 hours	4 hours	0	6 hours	4h59	Achieved	None	N/A	System report
WS 10	Reduce water losses	BSD 4.2	BSD 4.2.1	Reduction of non-revenue water	Percentage reduction of non-revenue water	1%	-12%	32%	32%	32%	0.5%	-4.2%	Not Achieved	The drought in the district has led to increased tankering of water as well as breaks caused by ageing infrastructure	Water tanker usage is monitored strictly, especially because of the financial implications. The use of tankers has now been reduced to internal tankers only as far as possible.	Water balance report
WS 11	Compliance with access to quality drinking water standards	BSD 6.1	BSD 6.1.1	Public safety	Number of dam safety plans	15	13	2	2	0	2	2	Achieved	N/A	N/A	Manco resolution

WS 12		BSD 6.1	BSD 6.1.1	Compliance with regulators	Number of Water Use License applications approved.	N/A	N/A	0	2	0	2	0	Not achieved	Budgetary constraints	An allocation was reserved in the budget for this KPI in the new financial year	Water Use License
WS 13	To reduce illegal connections	BSD 4.2	BSD 4.2.1	Basic Service Delivery	Percentage attendance to reported illegal connections from the internal Audit.	70%	100%	0	100%	70%	100%	0%	Not Achieved	Inadequate reporting	Policy to be submitted by 31 March 2020 for adoption and WSA to compile an Illegal Connections action plan for enforcement	Manco resolution reporting actions against illegal connections
WS 14	Compliance with access to quality drinking water standards	BSD 7.3	BSD 7.3.1	Compliance with standards	Percentage compliance to monitoring of registered private WWTW and Municipality WWTW as per the license condition.	100%	100%	0%	100%	0%	25%	100%	Achieved	n/a	n/a	Manco resolution
WS 15		BSD 6.2	BSD 6.2.1	Water plants refurbished	Number of water plants upgraded	1	0	0	2	0	2	2	Achieved	N/A	N/A	Completion certificates
WS 16		BSD 6.1	BSD 6.1.1	Blue drop status achieved.	Percentage water quality compliance to SANS 241:2015	93%	93%	93%	100%	12%	93%	89%	Achieved	N/A	N/A	Independent water quality report
WS 17		BSD 6.1	BSD 6.1.1		Number of water safety plans reviewed	15	13	15	15	0	7	14	Achieved	N/A	N/A	Reviewed Safety Plans and Manco resolution
WS 18	To ensure compliance with decent sanitation standards	BSD 7.3	BSD 7.3.1	Turnaround taken to repair sewerage spillages.	Turnaround time in hours to respond to sanitation infrastructure breakdown	N/A	N/A	24hrs	24hrs	0	24hrs	12H14M	Achieved	N/A	N/A	System report
WS 19		BSD 7.1	BSD 7.1.1	Green drop status achieved.	Percentage effluent quality compliance to General Authorisation Standards	80%	76%	75%	90%	15%	75%	71%	Not achieved	The equipment failures are the biggest contributor to the non-compliance with the Green Drop standards. Some plants do not have full time staff operating them, they are operated by roving Process Controllers	Capital investment to repair equipment is urgently needed. Full time human resource is need at all plants. 30 June 2020	Independent wastewater quality report

WS 20		BSD 7.1	BSD 7.1.1		Number of Wastewater Risk Abatement plans reviewed	20	19	20	20	0	10	19	Achieved	N/A	N/A	MANCO Resolution
WS 21	Optimise expenditure and get better returns on investments	MFVM 2.2	MFVM 2.2.1	Municipal Infrastructure grants expenditure	Percentage expenditure on MIG capital budget per transferred amount	N/A	N/A	100%	100%	0%	100%	100.0%	Achieved	N/A	N/A	Certificate of expenditure from UGU Treasury Department
WS 22			MFVM 2.2.2		Percentage expenditure on WSIG capital budget per transferred amount	N/A	N/A	100%	100%	0%	100%	100%	Achieved	N/A	N/A	Certificate of expenditure from UGU Treasury Department
WS 23	Increase Income	MFVM 1.3	MFVM 1.3.1	Revenue actually collected from debtors against total billed.	Number of meters replaced	N/A	N/A	1261	500	0	300	152	Not achieved	Inadequate resources because the internal plumbers prioritise emergency work	Dedicated staff will be set aside to deal with meter replacements - 30 December 2019	Meter register
BTO 29	To ensure access to free basic water	BSD 2.2	BSD 2.2.1		Number of customers benefiting from indigent support.	N/A	N/A	New	6000	6000	6000	5172	Not Achieved	No Indigent road shows have been conducted due to budget constraints	To join the budget roadshows and invite more needy people to apply for the Indigent support	Indigent Register
LOCAL ECONOMIC DEVELOPMENT																
WS 24	Improve job creation opportunities particularly to youth	LED 1.1	LED 1.1.1	Jobs created through EPWP projects	Number of job opportunities created through infrastructure sector	120	124	NEW	N/A	N/A	3203	547	Not achieved	Insufficient budget	Each HODs performance agreement will include EPWP as a KPI, internal funding has been allocated for the new FY	Payment register
OMM 1	Improve job creation opportunities particularly to youth	LED 1.1	LED 1.1.1	Jobs created through EPWP projects	Number of jobs created through the EPWP Environmental and Social Sector	3188	1429	5%	N/A	N/A	355	570	Achieved	N/A	N/A	Payment register
OMM 2	Promote special vulnerable focus group development		LED 6.1.1		Number of support a Child Development Programmes implemented	8	10	3	NA	N/A	1	2	Achieved	N/A	N/A	Attendance register and report noted by Portfolio Committee

OMM 3					Date Christmas event for hospitalised children held	31-Dec-17	06-Dec-17	31-Dec-16	NA	NA	31-Dec-18	13-Dec-19	Achieved	N/A	N/A	Letter of Acknowledgement from the Department of Health
OMM 4		LED 6.1	LED 6.1.1		Number of Dress a Child Campaign beneficiaries	100	133	100	60	0	80	95	Achieved	N/A	N/A	List of beneficiaries signed by the principal on delivery
OMM 5			LED 6.1.1		Number of Awareness Campaigns on Children Rights held	8	10	12	12	0	8	8	Achieved	N/A	N/A	attendance registers and report noted by Portfolio Committee
OMM 6			LED 6.1.1		Number of Support to Indigent Children	N/A	N/A	6	6	NA	6	7	Achieved	N/A	N/A	List of beneficiaries signed by the School Principal on delivery or Ward Councillor and Report noted by Portfolio Committee
OMM 7			LED 6.1.1		Date Take a School Child to Work Campaigns held	30-Jun-18	24-May-18	30-Jun-18	N/A	NA	30-Jun-19	30-May-19	Achieved	N/A	N/A	attendance register and report noted by Portfolio Committee
OMM 8			LED 6.1.1	Gender Programmes	Number of beneficiaries in Sanitary Dignity Campaigns held	1000	1080	200	2000	1800	200	861	Achieved	N/A	N/A	List of beneficiaries signed by beneficiaries on date received
OMM 9		LED 6.1	LED 6.1.1		Number of Women Empowerment Session held	3	3	3	NA	NA	3	4	Achieved	N/A	N/A	Attendance register and report noted by Portfolio Committee
OMM 10			LED 6.1.1		Number of Men Empowerment Session conducted	4	4	4	4	NA	4	4	Achieved	N/A	N/A	Attendance register and report noted by Portfolio Committee
OMM 11			LED 6.1.1		Number of Moral Regeneration Campaigns held	4	4	4	4	NA	4	4	Achieved	N/A	N/A	Attendance register and report noted by Portfolio Committee
OMM 12			LED 6.1.1		Date Reed Dance held	30-Sep-17	18-20 Aug-17	30-Sep-18	NA	NA	30-Sep-18	20-Sep-18	Achieved	N/A	N/A	Report noted by Portfolio Committee
OMM 13			LED 6.1.1		Number of Women Mentorship Programmes implemented	N/A	N/A	New	New	New	1	1	Achieved	N/A	N/A	list of ambassadors and report noted by portfolio committee
OMM 14			LED 6.1.1	Senior Citizens Programmes	Date District Golden Games held	30-Sep-17	26-Jul-17	30-Sep-18	NA	NA	30-Sep-18	02-Aug-19	Achieved	N/A	N/A	attendance register and report noted by Portfolio Committee

OMM 15		LED 6.1	LED 6.1.1		Number of Coordination and Support (beneficiaries) to Destitute Elderly implemented	100	125	New	NA	NA	100	115	Achieved	N/A	N/A	Report on support programmes provided
OMM 16			LED 6.1.1		Number of Awareness Campaigns for Senior Citizens conducted	4	4	4	2	NA	2	2	Achieved	N/A	N/A	Attendance register and report noted by Portfolio Committee
OMM 17			LED 6.1.1	Disability Programmes	Number of Disability Awareness Programmes implemented	2	2	4	NA	NA	2	2	Achieved	N/A	N/A	Attendance registers and report noted by Portfolio Committee
OMM 18			LED 6.1.1		Number of Disability Sports Day held	1	1	1	NA	NA	1	1	Achieved	N/A	N/A	Attendance registers and report noted by Portfolio Committee
OMM 19		LED 6.1	LED 6.1.1		Number of young disabled female beneficiaries of Sanitary Dignity Campaigns	800	1026	600	N/A	N/A	800	803	Achieved	N/A	N/A	List of beneficiaries and report noted by Portfolio Committee
OMM 20			LED 6.1.1		Number of Therapy Sessions for Mothers with Disabled Children	2	2	2	NA	NA	1	1	Achieved	N/A	N/A	Attendance register and report noted by Portfolio Committee
OMM 22			LED 6.1.1		Number of support programmes for people with disabilities implemented	N/A	N/A	NEW	N/A	NA	1	1	Achieved	N/A	N/A	Attendance Register and report on awareness conducted noted by Special Programmes Portfolio
OMM 23		LED 6.1	LED 6.1.1	HIV and AIDS Programmes	Number of HIV and AIDS Awareness Campaigns conducted	4	4	4	4	NA	4	4	Achieved	N/A	N/A	Attendance Register and report on awareness conducted noted by Special Programmes Portfolio
OMM 24			LED 6.1.1		Date World AIDS Day event held	31-Dec-17	01-Dec-17	31-Dec-18	31-Dec-18	NA	31-Dec-18	01-Dec-18	Achieved	N/A	N/A	Report on World AIDS day noted by Special Programmes Portfolio Committee
OMM 25			LED 6.1.1		Number of nutritional supplements distributed to LMs and NGOs dealing with HIV and AIDS related issues	1000 packs	1065	100	100	N/A	100	100	Achieved	N/A	N/A	Acknowledgement Letter of Receipt from NGOs and LMs

OMM 27			LED 6.1.1	Operation Sukuma Sakhe	Number of Functional DTT, coordination of DTT				NA	NA	4	4	Achieved	N/A	N/A	Signed Minutes and attendance register
OMM 73	Arts and Culture programs	LED 7.2	LED 7.2.1	Mandela Day Soccer Challenge held	Date Mandela Day Soccer Challenge held	N/A	N/A	New	NA	NA	30-Sep-18	20-Sep-19	Achieved	N/A	N/A	Confirmation letters by beneficiaries and event's close-up report noted by portfolio committee
OMM 74		LED 7.7	LED 7.7.1	Sport Indaba	Date Sports Indaba held	N/A	N/A	New	N/A	N/A	31-Dec-18	0	Not Achieved	Budgetary constraints	The programme has been removed from the 19/20 SDBIP as finances remained constrained	Attendance register & close out report
OMM 75		LED 7.7	LED 7.7.1	Coaching clinic	Number of Coaching Clinics events held	N/A	N/A	New	N/A	N/A	1	0	Not Achieved	Budgetary constraints	The programme has been removed from the 19/20 SDBIP as finances remained constrained	Attendance register and closeout report noted by Manco
OMM 79		LED 7.3	LED 7.3.1		Date Career Exhibition held	4	4	New	NA	NA	30-Mar-19	4-8 Feb-19	Achieved	N/A	N/A	Attendance register & close out report
OMM 85		LED 7.7	LED 7.7.1		Date Indigenous games held	1	1	30-Sep-17	NA	NA	30-Sep-18	12-Aug-18	Achieved	N/A	N/A	Attendance register & close out report
OMM 87	Promotion of Youth Development	LED 7.2	LED 7.2.1		Number of Substance Abuse and Social Ills Awareness Campaigns conducted	N/A	N/A	New	N/A	N/A	2	1	Not Achieved	Financial Challenges	through establishing partnership with other sector Departments	Attendance register & close out report
OMM 90		LED 7.2	LED 7.2.1	Homecoming event	Date Homecoming Event held	N/A	N/A	New	N/A	N/A	30-Jun-19	0	Not Achieved	Financial Challenges	reviewed the KPI	Attendance register and Closeout Report
OMM 91		LED 7.2	LED 7.2.1	June 16 commemoration	Date June 16 Commemoration event held	N/A	N/A	New	N/A	N/A	30-Jun-19	0	Not Achieved	Financial Challenges	through establishing partnership with other sector Departments	Closeout Report noted by portfolio
OMM 94	Promotion of Youth development	LED 7.7	LED 7.7.1	SALGA games	Number of sport codes participated in SALGA games	31-Dec-17	4-11-Dec-17	5	NA	NA	5	8	Achieved	N/A	N/A	Closeout Report
EDES 20	To promote Sectoral development	LED 3.2	LED 3.2.1	To promote sector development	Number of Block Manufacturers Supported with equipment and inputs	5	3	9	10	1	1	0	Not Achieved	Budget Constraints	Target Deferred to new Financial Year	Copy of Invoices & Beneficiary Appreciation Letter
EDES 23	To optimise tourism marketing and Development	LED 3.6	LED 3.6.1	IGR Stakeholder Coordination	Number of LED Forums Hosted	N/A	N/A	4	4	0	4 LED Forums Hosted	4	Achieved	None	Not Applicable	Minutes of LED Forums Meeting

EDES 24	To optimise tourism marketing and Development	LED 3.1	LED 3.1		Date Agricultural Indaba Hosted	N/A	N/A	0	31-Dec-18	0	31 December 2018	Agric. Indaba hosted in November 2018	Achieved	None	Not Applicable	Agric Indaba Report & Resolutions
EDES 26	To promote small businesses, Cooperatives and SMMEs	LED 2.2	LED 2.2.1	Support to Creative Industry Program	Number of Artists Promoted in Local Events	2	2	80	50	0	45 Artists Promoted in Local Events	85	Achieved	None	Not Applicable	Copies of Contracts
EDES 30	Reduced Levels of poverty, inequality, and unemployment	LED 1.1	LED 1.1.4	SMME & Cooperative Sector-LED Portable Skills	Number of progress reports for Apprentices Enrolled and paid under the Ugu LED Apprenticeship Program	N/A	N/A	22 apprentices enrolled	N/A	0	4 quarterly reports	3	Not Achieved	Ugu MANCO resolved on 28 Feb 2019 to reconsider this programme	To be re-introduced in 2020/2021 financial year	Quarterly report submitted to Portfolio
EDES 31	Promote small businesses and cooperatives	IED 8	LED 5	Rural Small an medium scale Farmers supported	Number of Rural Medium-Scale Farmers Supported	16	16	10	10	0	10	11	Achieved	None	Not Applicable	Copies of Invoices & Beneficiary Appreciation Letter
EDES 32	Promote sectoral development	LED 3.1	LED 3.1.1	Agricultural Development	Number of Progress reports for the One-Home-One -Garden Pilot Support Program	N/A	N/A	12 graduates placed in LMs	N/A	0	2	2	Achieved	None	Not Applicable	Quarterly report submitted to Portfolio
EDES 33					Number of beneficiaries supported in the One-Home-One Seedling Program	500	1060	500	250	0	500 beneficiaries Provided with Seedlings	895	Achieved	None	Not Applicable	Beneficiary signature list
EDES 34					Percentage of EDES 17/18 audit findings responded to	N/A	N/A	n/a	80%	n/a	100%	46%	Not Achieved	Some findings on the corrective action plan still in progress	Daily management meeting monitors the Corrective measures audit plan	Proof of submission
EDES 35					Number of submissions made to legal services in relation to the legal compliance checklist	N/A	N/A	80%	4	0	4	4	Achieved	n/a	n/a	Proof of submission
EDES 38	To optimise tourism marketing and Development	LED 5.9	LED 5.9.1		Number of Coastal Management Multi-stakeholder workshops conducted	4	UCMC workshop conducted in September 2017; Nov 2017 Feb 2018; May 2018	4	4	0	4	4	Achieved	N/A	N/A	Agenda; Attendance registers and Minutes of the workshops
CROSS CUTTING INTERVENTION																
EDES 1	To enhance measures to reduce community exposure to diseases and health risk	CCI 2.1	CCI 2.1.1	Environmental & Health Awareness initiatives conducted	No of Food Handlers awareness sessions	48	63	48	48	0	52	83	ACHIEVED	N/A	N/A	attendance register/ awareness session report
EDES 2		CCI 3.2	CCI 3.2.1		No of communicable disease control sessions held	600	641	600	600	0	600	726	ACHIEVED	N/A	N/A	health & hygiene evaluation report

EDES 3	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.1	CC 3.1.1		No of chemical safety sessions held	180	250	180	180	0	180	356	ACHIEVED	N/A	N/A	health & hygiene evaluation report
EDES 4	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.1	CC 3.1.1		No of PHAST sessions held	120	150	120	120	0	120	227	ACHIEVED	N/A	N/A	health & hygiene evaluation report
EDES 5	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.3	CCI 3.3.1		No of water & sanitation awareness sessions held	600	625	600	600	0	600	727	ACHIEVED	N/A	N/A	health & hygiene evaluation report
EDES 6	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.1	CCI 3.1.1		Percentage of paupers buried	100%	100%	100%	100%	0%	100%	100%	ACHIEVED	N/A	N/A	Invoice/ if requests received for pauper burial
EDES 7	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.1	CCI 3.1.1	Health Inspections conducted	Number of food samples / swabbing for microbial detection	100	204	128	128	0	128	201	ACHIEVED	N/A	N/A	Lab reports /reports
EDES 8	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.1	CCI 3.1.1		Number of inspections conducted on food establishments	1000	1096	1200	1200	0	1200	1262	ACHIEVED	N/A	N/A	inspections reports/COA/Permits
EDES 9	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.1	CCI 3.1.1		Number of inspections conducted on non- food establishments	324	375	380	380	0	380	408	ACHIEVED	N/A	N/A	inspections reports/COC
EDES 10	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.1	CCI 3.1.1		Percentage of building plans scrutinised	100%	100%	100%	100%	0	100%	100%	ACHIEVED	N/A	N/A	summary of building plans scrutinised with stamp
EDES 11	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.2	CCI 3.2.1	Environmental Health Risks investigations conducted	Percentage of communicable diseases investigated	100%	100%	100%	100%	0	100%	100%	ACHIEVED	N/A	N/A	Reports
EDES 12	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.2	CCI 3.2.2		Number of Wastewater treatment plants inspected	228	242	228	228	0	228	229	ACHIEVED	N/A	N/A	Inspection reports

EDES 13	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.2	CCI 3.2.3		Percentage of sanitation complaints investigated	N/A	N/A	100%	100%	0	100%	100%	ACHIEVED	N/A	N/A	Inspection reports
EDES 14	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.3	CCI 3.3.1	Water monitoring initiatives implemented	Number of river / lagoons water samples taken and analysed	N/A	N/A	500	500	0	500	712	ACHIEVED	N/A	N/A	laboratory reports
EDES 15	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.3	CCI 3.3.2		Number of WWTW / final effluent water samples taken and analysed	216	252	228	228	0	228	247	Achieved	N/a	N/A	laboratory reports
EDES 16	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.3	CCI 3.3.3		Number of standpipes (regional water) water samples taken and analysed	260	352	280	280	0	300	317	ACHIEVED	N/A	N/A	laboratory reports
EDES 17	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.3	CCI 3.3.4		Number of boreholes water samples taken and analysed	120	190	120	120	0	120	214	ACHIEVED	N/A	N/A	laboratory reports
EDES 18	To enhance measures to reduce community exposure to diseases and health risk	CCI 3.3	CCI 3.3.5		Number of water tankers /static tanks water samples taken and analysed	240	440	260	260	0	280	336	ACHIEVED	N/A	N/A	laboratory reports
EDES 36	To promote a healthy, safe, and sustainability environment	CCI 2.2	CCI 2.2.1	Functional Environmental IGR structures	Number of Air Quality Multi Stakeholder Workshops conducted	2	1	2	2	0	2 stakeholder workshops/annum	2	Achieved	n/a	n/a	Agenda; Attendance registers and Minutes of the workshops
EDES 37	To promote a healthy, safe, and sustainability environment	CCI 2.6	Cci 2.6.1		Number of Biodiversity multi-stakeholder engagements conducted	N/A	N/A	4	2	0	2 stakeholder workshops/annum	4	Achieved	N/A	N/A	Agenda; Attendance registers and Minutes of the workshops
EDES 40	promote healthy safe and sustainable environment	CCI 2.1	CCI 2.1.1	Env Public Awareness Campaigns	Number of environmental public awareness sessions conducted.	N/A	N/A	4	12	8	4	13	Achieved	N/A	N/A	Campaign reports and attendance registers
EDES 41		CCI 2.1	CCI 2.1.1	Schools Environ. Education Programme (SEEP)	Number of Schools enrolled for SEEP for 2019 Calendar Year	N/A	N/A	44	94	50	40	58	Achieved	N/A	N/A	List of schools enrolled for 2018 calendar year
EDES 42		CCI 2.1	CCI 2.1.1	Schools Environ. Education Programme (SEEP)	Date School Environmental Education Programme Awards for 2018 Calendar Year held	75	72 schools participated, 44 completed;	Feb-18	30-Mar-19	0	Hold SEEP awards by March 2019	Awards Ceremony and workshop for 2019 enrolment by 31 March 2019	Achieved	N/A	N/A	Close-out report Extract
EDES 43		CCI 2.1	CCI 2.1.1	Eco (Green) Office initiatives	Number of Eco (Green) office sessions/workshops (internal education) conducted	3	3	4	21	17	4	4	Achieved	N/A	N/A	Close-out report and extract

EDES 40		CCI 2.1	CCI 2.1.1	Env Public Awareness Campaigns	Number of environmental public awareness sessions conducted.	N/A	N/A	4	12	8	4	13	Achieved	N/A	N/A	Campaign reports and attendance registers
EDES 41		CCI 2.1	CCI 2.1.1	Schools Environ. Education Programme (SEEP)	Number of Schools enrolled for SEEP for 2019 Calendar Year	N/A	N/A	44	94	50	40	58	Achieved	N/A	N/A	List of schools enrolled for 2018 calendar year
EDES 42		CCI 2.1	CCI 2.1.1	Schools Environ. Education Programme (SEEP)	Date School Environmental Education Programme Awards for 2018 Calendar Year held	31-Mar-18	28-Feb-18	Feb-18	30-Mar-19	0	Hold SEEP awards by March 2019	Awards Ceremony and workshop for 2019 enrolment by 31 March 2019	Achieved	N/A	N/A	Close-out report Extract
EDES 44	Environmental sustainability	CCI 2.1	CCI 2.1.1	Community Climate response and EPWP-Env Sector	Number of wards and beneficiaries covered by Sihlanzimvelo pilot project (rivers)	N/A	N/A	1	10	10	1 river clean up pilot project	1 Concept document & programme of action, selection of wards & beneficiaries; Joined forces with EPWP; Progress report for 80 beneficiaries (20/LM), reported to LM	Achieved	n/a	n/a	1 pilot project progress report
EDES 49	Environmental sustainability	CCI 2.6	CCI 2.6.1	Implementation of environ management programme (EMPr) for Ugu projects	Number of projects implemented in line with EMPr	N/A	N/A	16	minimum 21/year	Minimum 5	16	33	Achieved	N/A	N/A	Annual compliance report and extract
EDES 53	To promote a healthy, safe, and sustainable environment	CCI 2.2	CCI 2.2.1	Air Quality Mngt - Atmospheric Emissions Licence renewals	Percentage of Atmospheric Emissions Licences (AEL) renewed	9	10 AELS monitored	10 AELS issued	100% of all eligible facilities	Unknown	100% renewal of existing AELs	100%	Achieved	N/A	N/A	Annual compliance report
EDES 54	To promote a healthy, safe, and sustainable environment	CCI 2.2	CCI 2.2.1	Air Quality Mngt- AEL Monitoring	Number of AEL monitored per year	N/A	N/A	10	11	1	5	24	Achieved	N/A	N/A	Correspondences
CS-54	improve Disaster prevention and Management		CCI 1.2.1	Disaster Risk Assessment conducted	Number of Disaster Risk Assessments Conducted.	4	4	4	2	0	2	2	Achieved	None	N/A	Report To DMAF & Extract
CS-55			CCI 1.2.2		Number of Risk Maps completed	4	4	4	2	0	2	2	Achieved	None	N/A	Reviewed Maps signed by GMCS
CS 56			CCI 1.3.1	Coordinated Risk Reduction initiative	Number of Households inspected for Rural Fire Prevention Programme	N/A	N/A	0	200	0	2000	2000	Achieved	None	N/A	Progress report to Portfolio Committee /Manco/DMAF
CS-61		CCI 1.4	CCI 1.4.1	Disaster Response and Recovery	Turnaround time to respond to reported disasters / Incidents	N/A	N/A	24 HOURS	24 HOURS	0	24 HOURS	24 HOURS	Achieved	None	N/A	Systems report Assessment Forms

CS-63			CCI 1.4.3		Number of Monthly Incident Statistics reports produced	N/A	N/A	10	10	0	10	10	Achieved	None	N/A	Report to the MANCO / DMAF Minutes
CS-64			CCI 1.4.4		Number of Post Disaster Committee Meetings co-ordinated	N/A	N/A	4	4	0	4	4	Achieved	None	N/A	Agenda Attendance Register Extract
CS-65		CCI 1.5	CCI 1.5.1	Milestones achieved on the Implementation of Fire and Rescue Strategy	Number of District Fire Services Forum meetings co-ordinated	N/A	N/A	4	2	0	2	2	Achieved	None	N/A	Agenda Attendance Register Minutes
CS-66			CCI 1.5.2		Number of fire safety inspections completed in buildings;	N/A	N/A	0	32	0	32	32	Achieved	None	N/A	Report to the District Disaster Management Forum Extract
CS-67					Date Disaster Management Day held	N/A	N/A	0	1	1	31/12/2018	15/10/2018	Achieved	None	N/A	Evaluation report to Manco & Attendance Register
CS-68			CCI 1.5.3		% Allocation of Grant Support to LMs	N/A	N/A	100%	100%	0	100%	100%	Achieved	None	N/A	Progress report to the CS Portfolio Committee Extract
CS-70					Number of Fire & Disaster Risk Management workshops conducted	N/A	N/A	6	12	0	12	12	Achieved	None	N/A	AgendaAttendance Register
CS-71			CCI 1.5.4		Number of Disaster Risk Management and Fire Trainings conducted	N/A	N/A	6	12	0	12	12	Achieved	None	N/A	Agenda Attendance Register
OMM 55	Improve coordination and planning	CCI 4.3	CCI 4.3.1	To improve planning and co-ordination	Date Geographic Information System Policy Adopted	N/A	N/A	29-Mar-19	30-Jun-19	NA	30-Jun-19	0	Not Achieved	No changes were required for the policy however this will still be submitted for review	To be submitted for review in August 2019	OPMS Policy & Procedural Manual Council Resolution

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT																
BTO 1	To optimise expenditure	MFVM 1.1	MFVM 1.1.1	Zero unauthorised, irregular expenditure	Percentage unauthorised expenditure	N/A	N/A	0%	0%	0%	0.0%	29.33%	Not Achieved	Contracts awarded in prior year ran into 1819 FY	Investigations underway	Unauthorised Expenditure Register
BTO 2			MFVM 1.1.2		Percentage irregular expenditure	N/A	N/A	7%	0%	7%	0.0%	4%	Not Achieved	Emergency work that was appointed through deviations process but do not qualify as Reg 36.	SCM process has started for the tenders that were appointed through S36 so that valid contracts will be in place and reduce irregular expenditure.	Irregular Expenditure Register
BTO 3		MFVM 1.2	MFVM 1.2.1		Average turnaround in time and days taken to finalise a tender.	N/A	N/A	0	90 Days	90 Days	90 Days	114 days	Not Achieved	Bid Committee meetings were not sitting as regularly as they should	It was resolved to have weekly meetings for Bid committees. This has shown improvement in the first month of the FY.	Minutes of BAC Meeting
BTO 4			MFVM 1.2.2		Average turnaround in time in days taken to finalise purchase orders.	N/A	N/A	0	7 Days	7 Days	7 Days	9.11days	Not Achieved	Challenges with SCM system	ERP staff dedicated to address issues	System Generated Purchase Orders Workflow Report
BTO 5			MFVM 1.2.3		Average turnaround in time and days taken to finalise mini tenders.	N/A	N/A	0	14 Days	14 Days	14 Days	12.39 Days	Achieved	N/A	N/A	System Generated Purchase Orders Workflow Report
BTO 6		MFVM 2.1	MFVM 2.1.1		Improve Cash and Cash Equivalent ratio.	N/A	N/A	0	3 Months	3 Months	3 Months	0.57 Months	Not Achieved	Low collection from consumers and high spending on projects	Improve collection and Implement Cost containment measures	Balance Sheet, Income Statement and Calculations
BTO 7		MFVM 2.6	MFVM 2.6.1	Creditors paid within 30 days	Percentage of creditors paid within 30 days	N/A	N/A	90 Days	30 Days	60 Days	100%	12%	Not Achieved	Cash Flow Challenges, payments to service providers not effected timeously	The implementation of the strategy to improve cash collection is in progress	Creditors Age Analysis

BTO 8	To strengthen budgeting and reporting	MFVM 3.1	MFVM 3.1.1	Zero fruitless and wasteful expenditure	Percentage of Fruitless and wasteful expenditure as a total of operating expenditure	N/A	N/A	0%	0%	0%	0.00%	0%	Achieved	N/A	N/A	Fruitless and Wasteful Expenditure Register
BTO 9		MFVM 3.2	MFVM 3.2.1		Percentage budget allocation to free basic services.	N/A	N/A	0%	0%	0%	100.00%	93.52%	Not Achieved	Not all the standpipe meters are read	To install meters for all the standpipes (31 Dec 2019)	Budget Report
BTO 10			MFVM 3.2.2		Date Annual Financial Statements submitted to Auditor General	N/A	N/A	31-Aug	31-Aug	None	31-Aug	31-Aug	Achieved	N/A	N/A	Acknowledgement of Receipt from AG
BTO 11			MFVM 3.2.3		Date Consolidated Annual Financial Statements submitted to the Auditor General	N/A	N/A	30-Sep	30-Sep	None	30-Sep	30-Sep	Achieved	N/a	N/a	Acknowledgement of Receipt from AG
BTO 12		MFVM 3.4	MFVM 3.4.1		Date Budget Process Plan approved	N/A	N/A	31-Aug	31-Aug	None	31-Aug	31-Aug	Achieved	N/A	N/A	Council Resolution
BTO 13			MFVM 3.4.2		Date Annual Budget adopted by Council	N/A	N/A	31-May	31-May	None	31-May	28-Jun	Achieved	N/A	N/A	Council Resolution
BTO 14			MFVM 3.4.3		Date Adjustment Budget adopted by Council	N/A	N/A	28-Feb	28-Feb	None	28-Feb	28-Feb	Achieved	N/A	N/A	Council Resolution
BTO 15			MFVM 3.4.4		Number of S71 reports submitted to Council and Treasuries in terms of the MFMA calendar of reporting.	N/A	N/A	12 pa	12 pa	None	12 per annum	12 per annum	Achieved	N/A	N/A	Letter of Submission to Treasuries
BTO 16			MFVM 3.4.5		Number of S72 reports submitted to Council and Treasuries in terms of the MFMA calendar of reporting.	N/A	N/A	1 pa	1 pa	None	1 per annum	1 per annum	Achieved	N/A	N/A	Council Resolution and the Letter of Submission to Treasuries

BTO 17			MFVM 3.4.6		Number of S52 reports submitted to Council and Treasuries in terms of the MFMA calendar of reporting.	N/A	N/A	4 pa	4 pa	None	4 per annum	4 per annum	Achieved	N/A	N/A	Council Resolution and the Letter of Submission to Treasuries
BTO 18		MFVM 3.5	MFVM 3.5.1		Percentage of support calls for financial management system resolved within a month	N/A	N/A	100%	70%	None	70%	100.00%	Achieved	N/A	N/A	ICT Helpdesk Report
BTO 19		MFVM 3.6	MFVM 3.6.1		Improve the Liquidity ratio of the Municipality	N/A	N/A	2,58:1	2:1	None	2:1	0.56:1	Not Achieved	Low collection from consumers and high spending on projects	Improve collection and Implement Cost containment measures	Balance Sheet and Calculations
BTO 20	To optimise debt management	MFVM 6.1	MFVM 6.1.1	Reduction of overdue debt	Percentage reduction of old debtors in excess of 90 days	N/A	N/A	21%	10%	11%	10%	17%	Achieved	N/A	N/A	Debtors' Age Analysis
BTO 21		MFVM 6.2	MFVM 6.2.1		Percentage of Meters Read - Urban	N/A	N/A	73.67%	90%	16.33%	90%	77%	Not Achieved	Due to community protest on service delivery, the service provider could not read all the meters	To improve on the provision of basic services to customers to minimise protests	Meter Reading Report
BTO 22			MFVM 6.2.2		Percentage of Meters Read - Rural	N/A	N/A	17.53%	10%	7.53%	10%	12%	Achieved	N/A	N/A	Meter Reading Report
BTO 23			MFVM 6.2.3		Percentage of monthly billing collected	N/A	N/A	0	76%	76%	76%	81%	Achieved	N/A	N/A	Summary Report Billing and Consumer Receipts
BTO 24		MFVM 6.3	MFVM 6.3.1		Improve Debt coverage ratio.	N/A	N/A	0%	45%	45%	45%	9%	Not Achieved	Unavailability of relevant reports (balance sheet and Income statement)	To request the service provider to develop the relevant reports - by June 2020	Balance Sheet, Income Statement and Calculations
BTO 25	To optimise Asset Management	MFVM 7.1	MFVM 7.1.1	GRAP compliant asset register	Number of Movable / Immoveable Asset Verifications conducted	N/A	N/A	1	1	0	1 per annum	1 per annum	Achieved	N/A	N/A	Updated Asset register and appendices & Asset Verification Plan
BTO 26		MFVM 7.2	MFVM 7.2.1		Number of Updated Asset Registers	N/A	N/A	6	12	6	12 per annum	12 per annum	Achieved	N/A	N/A	Updated Asset Register
BTO 27		MFVM 7.3	MFVM 7.3.1		Number of Disposal of assets by public auction	N/A	N/A	0	1	1	1	0	Not Achieved	The auction was delayed	Auction has since been conducted on 26 July 2019	Council Resolution and Auctioneers Report of Proceeds
BTO 28		MFVM 7.4	MFVM 7.4.1		Percentage insurance cover for municipal insurable assets	N/A	N/A	New	100%	100%	100%	100%	Achieved	N/A	N/A	Insurance Policy Document

GOOD GOVERNANCE AND PUBLIC PARTICIPATION																
BTO 31	To strengthen Governance and Leadership	GGPP 1.9	GGPP 1.9.1	Unqualified audit with no matters of emphasis	Percentage of Audit findings resolved.	N/A	N/A	31%	100%	69%	100%	0%	Not achieved	Most of the findings were still in progress at the time	Daily management meetings to track progress of findings	Audit Action Plan Report
BTO 32		GGPP 1.11	GGPP 1.11.1		Percentage of risks mitigation recommendations implemented.	N/A	N/A	50.00%	100.00%	50.00%	70%	47%	Not Achieved	Financial constraints led to difficulty in managing risk.	The 19/20 Risk register continues to monitor the risks	Risk Action Plan Report
BTO 33		GGPP 3.17	GGPP 3.17.1		Number of SLA Performance Review Meetings Held	N/A	N/A	3	12	9	4	4	Achieved	N/A	N/A	Minutes of Vendor Performance Meetings
BTO 34	To ensure full compliance with MFMA	GGPP 3.19	GGPP 3.19.1	100% compliance with all laws and regulations	Percentage of System Support Issues Resolved Within a Day	N/A	N/A	New	100.00%	100.00%	100%	94%	Not Achieved	All the calls that were resolved the following day had been logged almost at the end of the day they were captured. Some of the calls were escalated to the service provider because of complexity.	Sustained skills transfer to the internal team will improve resolution of system problems reported by users. Annual target will be revised 2019/20 SDBIP because the system is relatively new and 100% resolution of calls within a day was quite ambitious.	ICT Helpdesk Report
BTO 35	To strengthen budgeting and reporting	GGPP 3.20	GGPP 3.20.1		Percentage Implementation of mSCOA Financial System - Phase 3	N/A	N/A	New	100.0%	100.0%	80%	94.8%	Achieved	N/A	N/A	mSCOA Progress Report
OMM 33	Strengthen Governance and Leadership		GGPP 3.4.1		Number of Batho Pele Workshops conducted	N/A	N/A	8	N/A	N/A	4	4	Achieved	N/A	N/A	Report to Manco and attendance registers
OMM 35			GGPP 3.4.1		Number of Municipal Service Week Conducted	N/A	N/A	1	N/A	N/A	1	1	Achieved	N/A	N/A	Report to Manco
OMM 36			GGPP 3.4.1		Number of Unannounced visits conducted	N/A	N/A	4	N/A	N/A	4	4	Achieved	N/A	N/A	Report to Manco
OMM 37					Number of Batho Pele District fora held	N/A	N/A	new	4	N/A	4	4	Achieved	N/A	N/A	Attendance register and Minutes

OMM 38			GGPP 3.4.1		Number of District Public Participation fora held	N/A	N/A	4	4	N/A	4	4	Achieved	N/A	N/A	Attendance register and Minutes
OMM 39		GGPP 1.4	GGPP 1.4.1	Back to basics functional categorization score	Percentage Back to basics functional categorization score achieved	N/A	N/A	75 – 100%	75 – 100%	NA	75 – 100%	76%	Not achieved	Audit opinion for FY resulted in score being Requiring intervention	The audit opinion will be improved through the implementation of the Correction action plan	Audited Report by CoGTA
OMM 40	Strengthen stakeholder relations and Public participation	GGPP 4.1	GGPP 4.1.1	Public participation programmes co-ordinated	Number of Report Back Cluster Meetings held	N/A	N/A	4	4	0	4	4	Achieved	N/A	N/A	Attendance registers and minutes
OMM 42			GGPP 4.1.1		Number of Mayoral Imbizo conducted	N/A	N/A	18 Mayoral izimbizo	18	0	18	18	Achieved	N/A	N/A	Attendance registers and community inputs
OMM 43			GGPP 4.1.1		Number of IDP/Budget roadshow conducted	N/A	N/A	18 IDP roadshow	18	0	18	18	Achieved	N/A	N/A	Attendance registers and community inputs
OMM 44			GGPP 4.1.1		Number of Training and Capacity Building workshops for Ward Committee Members conducted	N/A	N/A	4 ward committee workshops	4	0	4	4	Not Achieved	Training was only done in the 2nd quarter for 3 Local Municipalities because 1 had already done training.	Next time the district will work in collaboration with the Local Municipality to set out targets.	Attendance register and training manual
OMM 45			GGPP 4.1.1		Number of Ward Committee Functionality assessments conducted	N/A	N/A	5 reports	4	N/A	4	4	Achieved	N/A	N/A	Functionality report noted by MANCO
OMM 46			GGPP 4.1.1		number of Learning visits done	N/A	N/A	3 study tours to other district council meetings	3	N/A	1	1	Achieved	N/A	N/A	Study tour report noted by MANCO
OMM 53		GGPP3.1	GGPP 3.1.1	Average turnaround time in hours taken to respond to Customers request for services	Number of hours taken to respond to Customers request for services	N/A	N/A	4	4	0	4hours	12hrs	Not Achieved	Billing system challenges	Review of Billing System/Target in 2020	Systems report

OMM 63	To strengthen communication and stakeholder relations	GGPP 3.3	GGPP 3.3.1	Milestones achieved on the Communication plan	Date Communication Strategy is reviewed and adopted	N/A	N/A	N/A	N/A	N/A	31-Aug-18	0	Not Achieved	Pending approval of the 6th Administration national strategy framework	To Review the strategy by 30 September 2019	N/A
OMM 64		GGPP 3.6	GGPP 3.6.1		Number of Radio Slots conducted by the Mayor	N/A	N/A	4	4	n/a	2	2	Achieved	N/A	N/A	Script and Confirmation letter from Radio station
OMM 65		GGPP 3.3	GGPP 3.3.1		Number of Internal Newsletters published	N/A	N/A	2	2	0	2	0	Not Achieved	Financial Constraints	A more realistic budget will be allocated in the new FY	Copy of newsletter
OMM 66		GGPP 3.3	GGPP 3.3.1		Number of external newsletters published	N/A	N/A	2	2	0	2	0	Not Achieved	Financial Constraints	A more realistic budget will be allocated in the new FY	Copy of newsletter
OMM 67	To strengthen communication and stakeholder relations	GGPP 3.8	GGPP 3.8.1		Number of Events Album developed	N/A	N/A	2	2	0	2	0	Not Achieved	Financial Constraints	A more realistic budget will be allocated in the new FY	Manco resolution acknowledging the album
OMM 68		GGPP 3.8	GGPP 3.8.1		Number of Corporate folders designed and printed	N/A	N/A	1 000	N/A	N/A	1000	0	Not Achieved	Financial Constraints	A more realistic budget will be allocated in the new FY	Copy of corporate folder and copy of delivery note
OMM 69		GGPP 3.8	GGPP 3.8.1		Number of Calendars designed and printed	N/A	N/A	5 000	N/A	N/A	5000	5000	Achieved	N/A	N/A	Copy of calendar and copy of delivery note
OMM 70			GGPP 3.8.1		Number of diaries designed and printed	N/A	N/A	200	N/A	N/A	200	200	Achieved	N/A	N/A	Copy of a diary and copy of signed delivery note
OMM 71			GGPP 3.8.1	Press releases	Number of Press releases published	N/A	N/A	8	8	0	32	34	Achieved	N/A	N/A	copy of published articles
OMM 95	Strengthen Governance and Leadership	GGPP 1.7	GGPP 1.7.1	Audit findings resolved	Date 2017 / 2018 Management Corrective Action Plan Developed	N/A	N/A	07-Dec-17	31-Jan-18	N/A	31-Jan-19	24-Jan-19	Achieved	N/A	NEED SIGNED RESOLUTION	Council Resolution noting the corrective action

OMM 96					Percentage of 2017 / 2018 Audit findings resolved	N/A	N/A	75%	100%	25%	100%	78%	Not Achieved	The term for the 2 AC members expires in Oct 2019 and Dec 2020, they will serve until then.	Audit Committee members will be replaced when their term ends in Oct 2019 and Dec 2020.	Progress report noted by Audit Committee
OMM 97					Date Internal Audit and Audit Committee Charters and audit methodology reviewed	N/A	N/A	28-Sep-17	30-Sep-17	N/A	30-Sep-18	26-Sep-18	Achieved	N/A	N/A	Audit committee minutes approving the IA plan, Charter and Methodology
OMM 98					Date Audit Committee Charters reviewed	N/A	N/A	28-Sep-17	30-Sep-17	N/A	30-Sep-18	26-Sep-18	Achieved	N/A	N/A	Council resolution
OMM 99					Date Ugu District Municipality's 3-year strategic audit plan is reviewed	N/A	N/A	28-Sep-17	30-Sep-17	N/A	30-Sep-18	26-Sep-18	Achieved	N/A	N/A	Audit Committee Minutes noting the Strategic Audit Plan
OMM 100					Date USCT 3-year strategic audit plan reviewed	N/A	N/A	28-Sep-17	30-Sep-17	N/A	30-Sep-18	24-Aug-18	Achieved	N/A	N/A	Audit Committee Minutes noting the Strategic Audit Plan
OMM 101					Date USCDA 3-year strategic audit plan reviewed	N/A	N/A	28-Aug-17	30-Sep-17	N/A	30-Sep-18	21-Aug-18	Achieved	N/A	N/A	Audit Committee Minutes noting the Strategic Audit Plan
OMM 102					Date Annual internal audit plan developed and approved - Ugu	N/A	N/A	28-Sep-17	30-Sep-17	N/A	30-Sep-18	26-Sep-18	Achieved	N/A	N/A	Audit Committee Minutes approving the Annual Internal Audit Plan
OMM 103					Date Annual internal audit plan developed and approved - USCT	N/A	N/A	23-Aug-17	30-Sep-17	N/A	30-Sep-18	24-Aug-18	Achieved	N/A	N/A	Audit Committee Minutes approving the Annual Internal Audit Plan
OMM 104					Date Annual internal audit plan developed and approved - USCDA	N/A	N/A	28-Aug-17	30-Sep-17	N/A	30-Sep-18	21-Aug-18	Achieved	N/A	N/A	Audit Committee Minutes approving the Annual Internal Audit Plan
OMM 105					Percentage Implementation of internal Audit Plan - UGU	N/A	N/A	28-Sep-17	100%	N/A	100%	88%	Not Achieved	The audit cycle ends in September 2019	Assignments to be concluded by 30 September 2019	Progress report noted by audit committee

OMM 106					Percentage Implementation of internal Audit Plan - USCT	N/A	N/A	28-Sep-17	100%	N/A	100%	92%	Not Achieved	The audit cycle ends in September 2019	Assignments to be concluded by 30 September 2019	Progress report noted by audit committee
OMM 107					Percentage Implementation of internal Audit Plan - USCDA	N/A	N/A	28-Sep-17	100%	N/A	100%	91%	Not Achieved	The audit cycle ends in September 2019	Assignments to be concluded by 30 September 2019	Progress report noted by audit committee
OMM 108		GGPP 1.8	GGPP 1.8.1	Risks mitigation recommendations implemented	Date Risk Management Policy and RM Committee Charter is reviewed	N/A	N/A	NEW	30-Jun-18	N/A	30-Jun-19	0	Not Achieved	The policies were discussed late at Manco therefore could not be submitted to other portfolios in time for approval within this financial year.	The policies will be submitted to Sound Governance and Human Resource portfolio committee scheduled for the 16th July 2019 and later to other relevant portfolios.Revised time frame:26 July 2019	Council Resolution Approving RM Policy and Charter
OMM 109					Date 2018 / 2019 Enterprise Risk registers developed and approved - UDM	N/A	N/A	30-Sep-17	30-Sep-18	N/A	30-Sep-18	07-Sep-18	Achieved	N/A	N/A	Risk Management Committee minutes approving the UDM Risk Register
OMM 110					Date 2018 / 2019 Enterprise Risk registers developed and approved - USCT	N/A	N/A	30-Sep-17	30-Sep-18	N/A	30-Sep-18	24-Aug-18	Achieved	N/A	N/A	Audit Committee minutes approving the USCT risk Register
OMM 111					Date 2018 / 2019 Enterprise Risk registers developed and approved - USCDA	N/A	N/A	30-Sep-17	30-Sep-18	N/A	30-Sep-18	21-Aug-18	Achieved	N/A	N/A	Audit Committee minutes approving the USCDA risk Register
OMM 112					Date 2018 / 2019 Fraud Risk registers approved - UDM	N/A	N/A	30-Sep-17	30-Sep-18	N/A	30-Sep-18	28-Sep-18	Achieved	N/A	N/A	Risk Management Committee minutes approving the UDM Fraud Risk Register
OMM 113					Date 2018 / 2019 Fraud Risk registers approved - USCT	N/A	N/A	30-Sep-17	30-Sep-18	N/A	30-Sep-18	24-Aug-18	Achieved	N/A	N/A	Audit Committee minutes approving the USCT Fraud risk Register
OMM 114					Date 2018 / 2019 Fraud Risk registers approved - USCDA	N/A	N/A	30-Sep-17	30-Sep-18	N/A	30-Sep-18	21-Aug-18	Achieved	N/A	N/A	Audit Committee minutes approving the USCDA Fraud risk Register

OMM 115					Percentage of Risk mitigation recommendations implemented - UGU OMM	N/A	N/A	69%	100%	31%	80%	52.63%	Not Achieved	Action plans that had financial implications were not implemented as the municipality is under financial constraints.	A financial turnaround strategy including cost containment and revenue enhancement measures has been adopted by the municipality.	Minutes of the Risk Management Committee
OMM 116					Percentage of Risk mitigation recommendations implemented - USCT	N/A	N/A	93%	100%	7%	80%	66.70%	Not Achieved	The entity did not manage to get all SLA's signed by municipalities also fund allocation from Ugu was not received by the entity.mSCOA system challenges still continue and there is not consultant allocated for the entity.	Follow-ups with municipalities to sign the SLA's as well as transfer fund allocations due to the entity.Revised Time Frame;31 July 2019	Minutes of the USCT Audit Committee
OMM 117					Percentage of Risk mitigation recommendations implemented - USCDA	N/A	N/A	78%	100%	22%	80%	82%	Achieved	N/A	N/A	Minutes of the USCDA Audit Committee
OMM 118					Percentage of Fraud Risk Mitigation Recommendation Implemented - UGU	N/A	N/A	70%	100%	30%	80%	93%	Achieved	N/A	N/A	Minutes of the Risk Management Committee
OMM 119					Percentage of Fraud Risk Mitigation Recommendation Implemented - USCT	N/A	N/A	88%	100%	12%	80%	100%	Achieved	N/A	N/A	Minutes of the USCT Audit Committee
OMM 120					Percentage of Fraud Risk Mitigation Recommendation Implemented - USCDA	N/A	N/A	77%	100%	23%	80%	71%	Not Achieved	Due to capacity challenges within the internal section in terms of investigating UIFWE & other investigations	Reprioritise work to be performed by other members of the audit team 31 July 2019	Minutes of the USCDA Audit Committee
OMM 121		GGPP 2.1	GGPP 2.1.1	Fraud prevention	Review of the Anti-Fraud and Anti-Corruption Strategy	N/A	N/A	NEW	30-Jun-18	N/A	30-Jun-19	0	Not Achieved	The policies were discussed late at Manco therefore could not be submitted to other portfolios in time for approval within this financial year.	The policies will be submitted to Sound Governance and Human Resource portfolio committee scheduled for the 16th July 2019 and later to other relevant portfolios. Revised time frame: 26 July 2019	Council Resolution Approving RM Policy and Charter

OMM 122					Number of Anticorruption and awareness campaigns co-ordinated	N/A	N/A	2	3	1	3	3	Achieved	N/A	N/A	Attendance registers / Pamphlets issued
OMM 123	To strengthen Governance and Leadership	GGPP 1.8	GGPP 1.8.1		Percentage compliance achieved as per the Municipal Compliance Checklist	N/A	N/A	New	80%	80%	80%	94%	Achieved	N/A	N/A	Extract of MANCO indicating receipt of report on %Compliance to Checklist
OMM 124			GGPP 1.8.2		Number of By Laws developed	N/A	N/A	New	1	2	1	1	Achieved	N/A	N/A	Council resolution
OMM 125			GGPP 1.8.3		Number of Legislative Awareness Workshops held	N/A	N/A	New	2	2	2	2	Achieved	N/A	N/A	Attendance registers and workshop manual
OMM 126			GGPP 1.8.4		Percentage Compliance to Litigation Risk Reduction Action Plan	N/A	N/A	75%	95%	25%	95%	100%	Achieved	N/A	N/A	Extract of MANCO indicating receipt of report on %Compliance to Action Plan
OMM 127			GGPP 1.8.5		Percentage compliance achieved as per the contractual obligations checklist	N/A	N/A	3	6	3	80%	100%	Achieved	N/A	N/A	Extract of MANCO indicating receipt of report on % compliance to the contractual obligations checklist.
OMM 128				To ensure Development planning and implementation	Date 2019/2020 IDP, Budget and PMS reviewed process plan adopted	N/A	N/A	N/A	N/A	N/A	30-Sep-18	30-Aug-18	Achieved	N/A	N/A	Council Resolution
OMM 129	Improve planning and coordination				Date 2019 / 2020 IDP adopted by Council	N/A	N/A	N/A	N/A	N/A	30-Jun-19	30-May-19	Achieved	N/A	N/A	Council resolution
OMM 130	Strengthen Governance and Leadership			To strengthen intergovernmental relations and co-ordinated service delivery	Number of Mayors' Fora coordinated	N/A	N/A	N/A	N/A	N/A	4	4	Achieved	N/A	N/A	Attendance registers and minutes
OMM 131					Number of Speakers' Fora coordinated	N/A	N/A	N/A	N/A	N/A	4	4	Achieved	N/A	N/A	Attendance registers and minutes
OMM 132					Number of MMs Forums coordinated	N/A	N/A	N/A	N/A	N/A	4	4	Achieved	N/A	N/A	Attendance registers and minutes
OMM 133					Number of District Development Fora coordinated	N/A	N/A	N/A	N/A	N/A	4	4	Achieved	N/A	N/A	Attendance registers and minutes
OMM 134					Number of IDP Rep Fora coordinated	N/A	N/A	N/A	N/A	N/A	4	4	Achieved	N/A	N/A	Attendance registers and minutes

MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT																
CS-2	Optimise the workforce potential	MTID 1.2	MTID 1.2.1	Compliance to the employment equity targets at a Management level	% overall compliance to the employment equity targets at a Management level 0-6	N/A	N/A	41%	49%	8%	43%	46.79%	Achieved	NONE	N/A	Progress Report to Ext-MANCO / MANCO Extract
CS-3		MTID 1.3	MTID 1.3.1	Training budget spent on implementing the workplace skills plan.	% of Training budget spent on implementing the workplace skills plan.	N/A	N/A	100%	100%	0	48%	48%	Achieved	NONE	N/A	Training Report Noted to Ext MANCO / MANCO & Number of Training Programs implement Minutes Attendance Registers of training
CS-4			MTID 1.3.2		Number of Employees with disabilities benefitting on Training	N/A	N/A	8	8	0	3	4	Achieved	NONE	N/A	Training Report Noted to Ext MANCO / MANCO Extract Attendance Registers of training
CS-6			MTID 1.3.4		Date skills audit is completed	N/A	N/A	0	31-Dec-18	0	31-Mar-19	04-Mar-19	Achieved	NONE	N/A	Progress Report to Manco/ Extended MANCO Extract
CS-7					Number of Level 1-6 with workplans developed	N/A	N/A	33	34	0	1	34	Achieved	NONE	N/A	Signed Workplans
CS-8			0		Number of performance reviews conducted	N/A	N/A	4	4	0	4	4	Achieved	NONE	N/A	Attendance Register for performance Reviews & PM reports on reviews conducted
CS-9		MTID 1.4	MTID 1.4.1	Departments with employees participating in the Individual performance management system of the Municipality.	Number of Departments co-ordinated to cascade IPMS for levels 1 - 6	N/A	N/A	1	5	4	5	5	Achieved	NONE	N/A	Quarterly Report to Ext MANCO / MANCO Committee Extract
CS-10		MTID 1.5	MTID 1.5.1	Implementation of Organisational Culture	Number of Workshops on Organizational Culture conducted	N/A	N/A	4	4	0	4	4	Achieved	NONE	N/A	Attendance Register Programme of Event

CS-11		MTID 1.7	MTID 1.7.1	Sourcing and Placement & Group Induction Programmes	Number of Sourcing and Placement group Inductions done	N/A	N/A	2	2	0	2	2	Achieved	NONE	N/A	Attendance Registers Programme of event
CS-12			MTID 1.7.2		Percentage compliance on acting positions iro 6-month requirement	N/A	N/A	100%	100%	0	100%	100%	Achieved	NONE	N/A	System Report
CS-13			MTID 1.7.3		Date by when Organogram is reviewed	N/A	N/A	31-Dec-18	30-Jun-19	0	30-Jun-19	27-Jun-19	Achieved	NONE	N/A	Copy of Organogram
CS-15			MTID 1.8.2		Number of Educational /awareness programmes on labour related issues conducted	N/A	N/A	4	4	0	4	8	Achieved	NONE	N/A	Attendance Registers Programme of event.
CS-16		MTID 1.9		Compliance with Exit Management interviews	Frequency of reporting on analysed Exit Management interviews	N/A	N/A	1	Quarterly	N/A	Quarterly	4	Achieved	NONE	N/A	Completed Questionnaire for exiting Employees Termination List Report to MANCO/Extended MANCO
CS-17		MTID 1.10	MTID 1.10.1	Compliance with Leave and Sick Leave Management	% Compliance with leave and sick leave management	N/A	N/A	Quarterly	Quarterly	0	Quarterly	100%	Achieved	NONE	N/A	Quarterly Report on Leave Compliance Analysis to Manco/Extended MANCOMinutes
CS-18		MTID 1.11	MTID 1.11.1	Compliance with overtime management	% Compliance on Departmental Overtime	N/A	N/A	Quarterly	Quarterly	0	Quarterly	100%	Achieved	NONE	N/A	Progress Report to Manco/ Extended MANCO Minutes
CS-19		MTID 1.12	MTID 1.12.1	OHS Act compliance	Number of OHS awareness / road shows conducted	N/A	N/A	Quarterly	Quarterly	0	Quarterly	8	Achieved	NONE	N/A	Attendance Register Programme of event
CS-20			MTID 1.12.3		Percentage Compliance with OHS Act as per checklist	N/A	N/A	50%	100%	50%	50%	50%	Achieved	NONE	N/A	Check list Compliance report to MANCO / Ext MANCO Extract

CS-35	Strengthen governance and leadership	MTID 2.22	MTID 2.23.1	Compliance to the Rules and Orders of Council	Number of reports on Councillor Attendance at meetings produced	N/A	N/A	4	4	0	4	4	Achieved	None	N/A	Signed Acceptance of Report on the Analysis of Councillors at Council and its Committee Meetings to office of the Speaker
CS- 36			MTID 2.23.2		Number of times Council Minutes Published on the Website	N/A	N/A	4	4	0	4	4	Achieved	None	N/A	Screen Print of the Website
CS-37			MTID 2.23.3		Number of times Council; Exco; Portfolio Committee minutes updates uploaded on the Intranet	N/A	N/A	4	4	0	4	4	Achieved	None	N/A	Screen Print of the Intranet
CS-36			MTID 2.23.4		% of Compliance with Committees Procedure Manuals on the Submission of Reports by Departments	N/A	N/A	50%	100%	0	50%	50%	Achieved	None	N/A	Analysis Report to MANCO / Ext MANCO Signed Extract
CS-37	Strengthen governance and leadership		MTID 2.23.6		Number of Awareness Campaigns for PA's and Admin Assistants in Minute Taking and Editing	N/A	N/A	2	4	0	4	4	Achieved	None	N/A	Attendance Register
CS-41	Optimise systems and Operations		MTID 2.23.2	Compliance with Records Management	Date File Plan Amendments Submitted to KZN Archives	N/A	N/A	30-Apr-18	30-Apr-19	Nil	30-Apr-19	26-Apr-19	Achieved	None	N/A	Letter to KZN Archives Proof of Submission
CS-42			MTID 2.23.3		Date Application for Authority to destroy old files is done to KZN Archives	N/A	N/A	30-Dec-17	30-Dec-18	Nil	30-Dec-18	30-Dec-18	Achieved	None	N/A	Letter to KZN Archives Proof of Submission
CS-44			MTID 2.23.6		Date Section 32 report Submitted to SAHRC	N/A	N/A	31-Mar-18	31-Mar-19	Nil	31-Mar-19	26-Feb-19	Achieved	None	N/A	Section 32 Report Proof of Submission
CS-45			MTID 2.23.7		Percentage of Documentation in respect of Tenders Filed	N/A	N/A	80%	80%	0%	85%	94%	Achieved	None	N/A	Completed Checklist and signed Verification by Manager SCM and GM Corporate Services
CS-46			MTID 2.23.8		Number of Records Management Awareness Campaigns conducted	N/A	N/A	8	8	0	8	8	Achieved	None	N/A	Attendance Register
CS-72	Optimise systems and Operations	MTID 2.9	MTID 2.9.1	Fleet Replacement Plan	% of vehicle replaced as per the plan	N/A	N/A	74%	100%	26%	90%	90%	Achieved	None	N/A	Purchase Order / Invoice
CS-73		MTID 2.10	MTID 2.10.1	Fleet Maintenance Plan	Date reviewed Vehicle Maintenance Plan completed	N/A	N/A	30-Sep-17	30-Sep-18	0	30/09/2018	03/09/2018	Achieved	None	N/A	Vehicle Maintenance Plan by signed the GMCS

CS-74			MTID 2.10.2		% of vehicles maintained as per the plan	N/A	N/A	100%	100%	0	100%	100%	Achieved	None	N/A	Progress report to the Manco/ Extended Management Committee Minutes
CS-75		MTID 2.11	MTID 2.11.1	Service Delivery vehicles availability	% availability of service delivery vehicles	N/A	N/A	75%	100%	25%	75%	75%	Achieved	None	N/A	Confirmation Report signed by Water Services (GMWS or Snr Mngr WSO)
CS-76		MTID 2.12	MTID 2.12.1	Vehicle Licensing Plan	Date reviewed Vehicle Licencing Plan completed	N/A	N/A	30-Sep-17	30-Sep-18	0	30-Sep-18	30-Sep-18	ACHIEVED	None	N/A	Vehicle Licencing Plan by signed the GMCS Invoices
CS-77			MTID 2.12.2		% of licenses renewed as per the plan	N/A	N/A	100%	100%	0	100%	100%	Achieved	None	N/A	Progress Report to the Manco / Extended Management Committee Minutes
CS-78		MTID 2.13	MTID 2.13	Vehicles Identified and Assessed for Disposal	Date identification and assessment vehicles for disposal is concluded	N/A	N/A	Dec-18	Dec-18	0	Dec-18	Dec-18	ACHIEVED	NONE	N/A	Vehicle assessment report for disposal of vehicles Signed acceptance by Manager Asset Management
CS-79		MTID 2.14	MTID 2.14.1	Verification of Drivers licences and PDP's	Date driver's licenses and PDP's verified	N/A	N/A	Nov-18	Dec-18	0	Dec-18	Nov-18	ACHIEVED	NONE	N/A	Signed verification forms
CS-80		MTID 2.15	MTID 2.15.1	Coordinating of Fleet management committee	Number of Fleet Management Committee Settings	N/A	N/A	0	4	0	4	4	Achieved	None	N/A	Resolution Register
CS-82		MTID 2.18	MTID 2.18.1	Fuel Usage and Management	% Compliance by Departments with fuel reduction goals	N/A	N/A	Quarterly	Quarterly	0	Quarterly	Quarterly	Achieved	None	N/A	Report on Fuel reduction per department to MANCO/Extended MANCO Extract
OMM 28	Promote Policy Development and Awareness	MTID 3.3	MTID 3.3.1	Policies, Strategies and Frameworks Developed and Reviewed	Number of Policies, Strategies and Frameworks Developed/Reviewed	N/A	N/A	0	N/A	N/A	8	33	Achieved	N/A	N/A	PRC Stamped Policy/ Strategy/ Framework
OMM 29		MTID 3.3	MTID 3.3.1	Facilitate Policy Awareness Campaigns	Number of Policy Awareness Campaigns Implemented	N/A	N/A	0	N/A	N/A	1	1	Achieved	N/A	N/A	Print-out of Campaign Promotional Material
OMM 30	To strengthen communications and stakeholder relations	MTID 3.1	MTID 3.1.1	Customer Satisfaction Surveys Conducted	Number of Customer Satisfaction Surveys Conducted	N/A	N/A	0	N/A	N/A	1	1	Achieved	N/A	N/A	Extract of MANCO NOTING report

OMM 47	Optimise the workforce potential		MTID 4.2.1	Cascaded IPMS for levels 1 - 6	Number of Level 1 - 6 with Work Plans Developed	N/A	N/A	15	35	20	20	8	Not Achieved	N/A	N/A	Work Plans
OMM 48			MTID 4.2.1		Number of Work Plans Performance Reviews	N/A	N/A	0	4 per annum	NA	1	0	Not Achieved	N/A	N/A	Attendance registers and review report noted by MANCO
OMM 49		MTID 3.10	MTID 3.10.1	Turnaround time in the Completion of disciplinary and grievance processes within the municipal internal processes	Percentage of disciplinary matters concluded within 3 months' Turn-around time	N/A	N/A	100%	100%	0%	100%	0%	Not Achieved	One Disciplinary matter, judgement has been delivered pending Sanction	Employer & employee to make representations and matter to be finalised by 31 July 2019	Attendance register and case report noted by MANCO
OMM 50				Exit Management Interviews	Percentage compliance with Exit Management interviews	N/A	N/A	100%	100%	0%	100%	100%	Achieved	N/A	N/A	Exit interview reports noted by MANCO
OMM 51		MTID 3.3	MTID 3.3.1	Compliance with Leave and Sick Leave Management	Percentage compliance with Leave and Sick Leave Management	N/A	N/A	100%	100%	0%	100%	97%	Not Achieved	N/A	N/A	Leave management report noted by MANCO
OMM 52		MTID 3.3	MTID 3.3.1	Compliance with overtime management	Percentage compliance with overtime management	N/A	N/A	100%	100%	0%	100%	100%	Achieved	N/A	N/A	Overtime management report noted by MANCO
OMM 54	Strengthen governance and leadership	MTID 4.1	MTID 4.1.1	Policies which have detailed standard operating procedures	Date Organisational Performance Management System Policy and Procedural Manual Adopted	N/A	N/A	30-Mar-19	30-Jun-19	NA	30-Jun-19	0	Not Achieved	This was erroneously left off the agenda of the May meeting and June did not have a portfolio committee meeting.	The policy was subsequently submitted and discussed for approval on 16 July 2019	OPMS Policy & Procedural Manual Council Resolution
OMM 56	To increase performance, monitoring and evaluation	MTID 3.1	MTID 3.1.2	Milestones achieved on the performance management process plan	Number of OPMS Quarterly Reviews Conducted	N/A	N/A	4	4	0	4	4	Achieved	N/A	N/A	Attendance registers and minutes of review
OMM 57		MTID 4.6	MTID 4.6.1	Annual Performance Report	Date 2017 / 2018 Annual Performance Report submitted to AG	N/A	N/A	2017/08/31	2018/08/31	0	2018/08/31	2018/08/31	Achieved	N/A	N/A	Confirmation letter
OMM 58	To increase performance, monitoring and evaluation	MTID 4.4	MTID 4.4.1	Mid-year review	Date Mid-Year Review and report adopted by Council	N/A	N/A	31-Jan-19	25-Jan-19	NA	25-Jan-19	24-Jan-19	Achieved	N/A	N/A	Attendance registers and minutes of review
OMM 59		MTID 4.3	MTID 4.3.1	Approved 2018/2019 SDBIP	Date 2019 / 2020 SDBIP Approved by Mayor	N/A	N/A	30-Jun-19	28-Jun-19	NA	28-Jun-19	27-Jun-19	Achieved	N/A	N/A	2019 / 2020 SDBIP and Mayors Approval letter
OMM 60	To increase performance, monitoring and evaluation	MTID 4.5	MTID 4.5.1	Section 54/56 Managers with signed performance contracts	Number of section 54/56 Managers with signed performance contracts	N/A	N/A	5	5	0	5	5	Achieved	N/A	N/A	Signed performance contracts
OMM 61		MTID 4.6	MTID 4.6.1	Annual Report Developed and Approved	Date 2017 / 2018 Draft Annual report tabled to Council	N/A	N/A	31-Jan-19	31-Jan-19	NA	31-Jan-19	24-Jan-19	Achieved	NA	NA	Council resolution
OMM 62	To increase performance, monitoring and evaluation	MTID 4.6	MTID 4.6.1	2017/2018 Oversight report	Date 2017 / 2018 oversight reports adopted	N/A	N/A	31-Mar-19	31-Mar-19	NA	31-Mar-19	28-Mar-19	Achieved	NA	NA	Council resolution
END OF APR 2018/2019																

COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

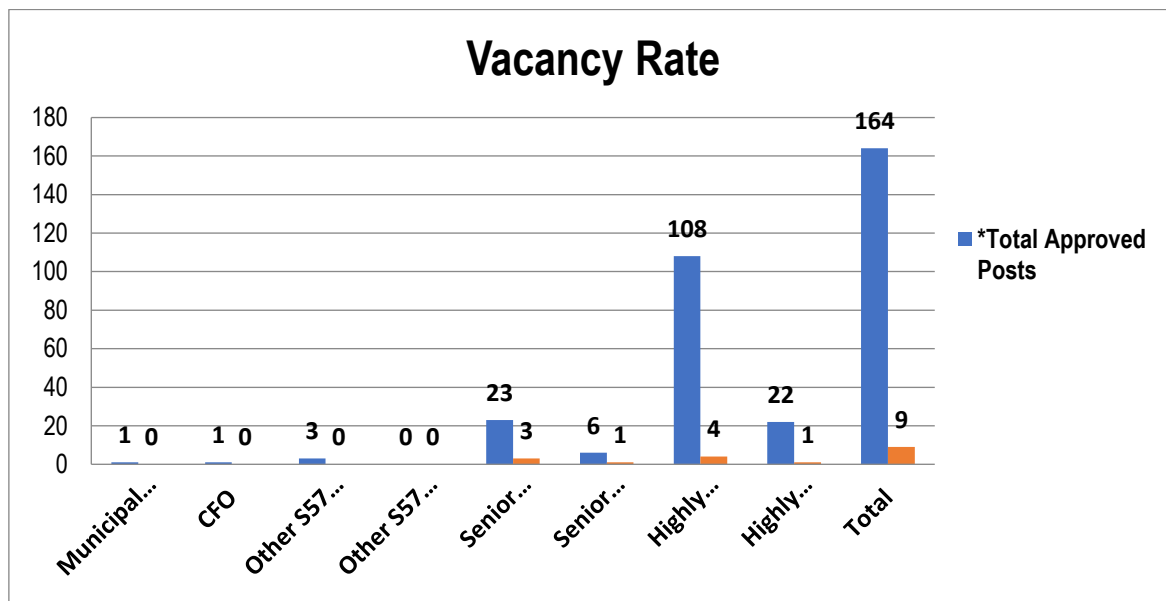
4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Description	Employees				
	2017/2018	2018/2019			
	Employees	Approved Posts	Employees	Vacancies	Vacancies
	No.	No.	No.	No.	%
CORPORATE SERVICES	84	90	90	0	0.89%
IED	35	30	30	0	0.05%
OFFICE OF MUNICIPAL MANAGER	66	78	76	2	0.44%
TREASURY	93	96	94	2	0.44%
WATER SERVICES	618	614	612	2	2.78%
Totals	896	910	902	6	4.6%
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June, as per the approved organogram.					

T 4.1.1

Vacancy Rate: Year 2018/2019			
Designations	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.0
CFO	1	0	0.0
Other S57 Managers (excluding Finance Posts)	3	0	0.0
Other S57 Managers (Finance posts)	0	0	0.0
Senior management: Levels 2-3 (excl Finance Posts)	23	3	3.18
Senior management: Levels 2-3 (Finance posts)	6	1	1.44
Highly skilled supervision: levels 4-6 (excl Finance posts)	108	4	0.72
Highly skilled supervision: levels 4-6 (Finance posts)	22	1	0.24
Total	164	9	5.58
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.			

T 4.1.2



Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year	Terminations during the Financial Year	Turn-over Rate*
	No.	No.	
2016/2017	55	90	9%
2017/2018	34	104	11%
2018/2019	14	58	7%
* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year			T 4.1.3

COMMENT ON VACANCIES AND TURNOVER

The Municipality has made enormous progress on filling critical posts. Every year the Municipality embarks on a process of reviewing the organigram and identifies posts to be funded during that year on the bases of criticality. All budgeted posts are filled with priority being placed on internal staff members on merit.

COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

Every Manager in the Municipality must ensure Workforce management in their Sections. To guarantee sensible normalisation and uniformity in the management of the employees, staff policies, procedures and conditions of service are developed at central level and are then implemented by line management. The Minister of Cooperative Governance is responsible for promulgation and regulation of Conditions of service for Senior Management and are further approved by Council. Conditions of staff below senior management level are negotiated at central level by the National and Provincial divisions of the South African Local Bargaining Council (SALGBC) and, where relevant, at a local level between management and the representative unions SAMWU and IMATU. A wide range of policies, procedures and directives are approved by relevant approval authorities after due consultation with stakeholders such as Council, Local Labour Forum and Management. These policies, procedures and directives are then circulated to all staff for implementation and compliance. Policies, procedures and directives are revised as the need arises.

4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
		%	%	
1	Recruitment and Selection Policy		100%	September 28 2017
2	Acting and Acting Allowance Policy		100%	May 30 2013
3	Leave Regulations Policy		100%	September 28 2017
4	Car Allowance Policy		100%	May 30 2019
5	Employment Equity Policy		100%	March 24 2013
6	Bursary Policy		100%	February 27 2014
7	Internship Policy		100%	October 29 2015
8	Disciplinary Procedure and Code		100%	October 26 2017
9	Training and Development Policy		100%	February 22 2018
11	S & T Policy		100%	May 29 2014
12	Human Resource Policy and Procedures Manual:		100%	April 24 2014
	- Human Resources Framework			
	- Organisational Design			
	- Recruitment, Selection, Appointment, Promotion, Transfer, Secondment			
	- Employment Remuneration			
	- Allowances			
	- Hours of work and attendance			
	- Leave Management			
	- Relocation Expenses for newly appointed staff			
	- Occupational Health & Safety and Employment Wellness			
	- Legal Aid to Employment			
	- Conditions of permission to private work			

	- Human Resource Development			
	- Staff Retention, succession planning and Performance Management			
	Labour Relations			
13	Human Resource Plan		100%	November 22 2016
14	Hours of Work Policy		100%	May 29 2014
Use name of local policies if different from above and at any other HR policies not listed.				T 4.2.1

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

The Municipality has adopted the Human Resources Plan that is aimed at ensuring that all the Human Resources Functions are well managed and that adherence to same is recognised by every employee in the Municipality. The Human Resources Policies and Procedures Manual that is in use, closes a major gap which exists in the organisation, where there are no clear procedures to follow.

4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	7	7	0	1	55,000.00
Temporary total disablement	79	31	0	2.55	
Permanent disablement	0	0	0	0	0.00
Fatal	0	0	0	0	0.00
Total	86	38		2.26	55,000.00
					T 4.3.1

COMMENT ON INJURY AND SICK LEAVE

Although there the same number of employees injured as the previous financial year(38vs38), there was a decrease of over a 100% of the number of sick leave days taken according to the previous financial year (191vs86). This means that although the same number of employees were injured, the injuries that did occur in this financial year were less serious.

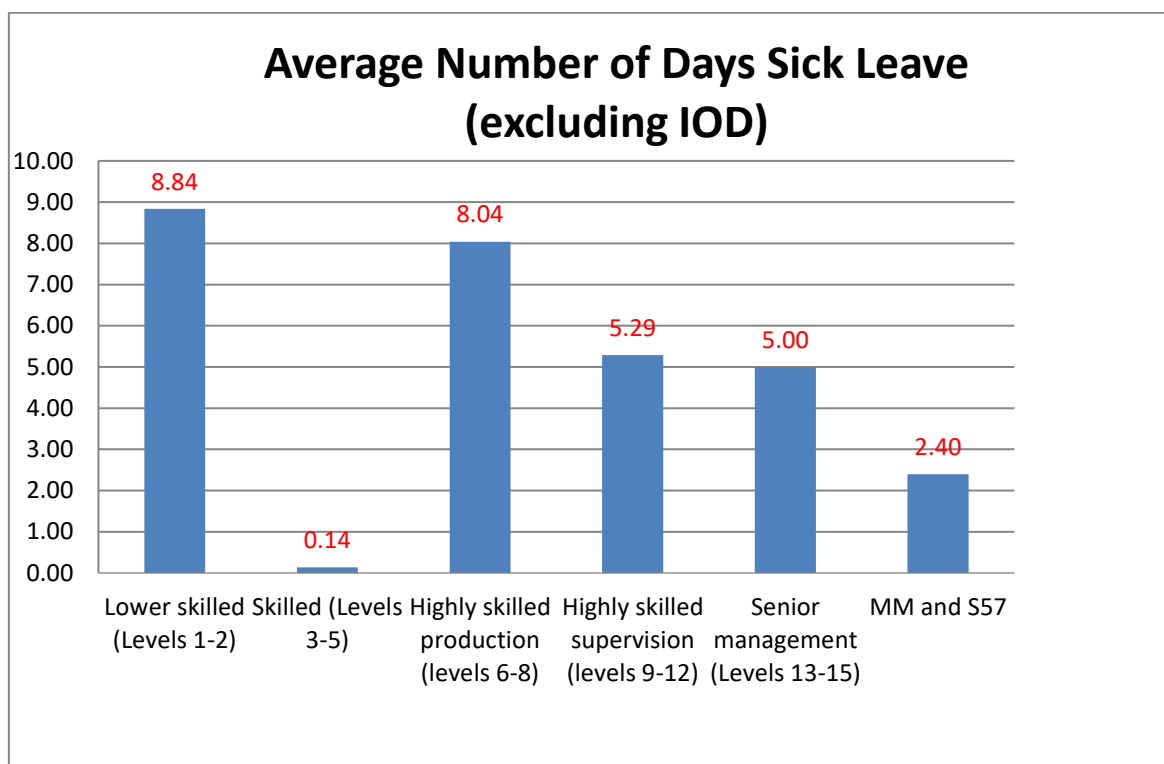
All municipal injured staff members are sent to local hospitals for treatment, the municipality does not have a dedicated Medical Practitioner.

How to Reduce the Workplace Injuries:

- Safety requires a comprehensive approach, and may mean all of the following:
- Hiring – Tell employees about the importance of safety when they start

- Educating – workers about safety measures and the importance of following rules
- Training – Properly train workers for new job duties
- Monitoring – Make sure employees properly follow all safety procedures, and correctly use equipment
- Enforcing – Institute consequences for failure to follow safety measures
- Discussing – Talk about safety all the time; at staff meetings, performance evaluations, etc.
- Assessment job requirements – Define physical capabilities for specific jobs
- Placement – Only place workers in jobs if they possess the necessary physical capabilities
- Providing – Supply personal protective equipment (i.e. safety glasses, boots, respirators)
- Reviewing injuries – If there is an injury figure out what went wrong, why, and try to fix it for the future
- Identifying weaknesses – Learn what your most frequent injuries are, and then develop strategies to address them
- Reviewing work practices – Know that working overtime or unsafe staffing practices may increase injuries
- Rewarding – Recognize or reward workers, teams, or shifts who assist or initiate training or monitoring.
- Safety should be part of every aspect of our business. Simply telling workers to work safely is not enough.

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 1-2)	2,476.50	10%	135	280	8.84	666,549.97
Skilled (Levels 3-5)	22.00	7%	11	151	0.14	12,011.65
Highly skilled production (levels 6-8)	2,212.50	5%	211	275	8.04	1,380,215.77
Highly skilled supervision (levels 9-12)	609.00	3%	108	115	5.29	503,814.10
Senior management (Levels 13-15)	325.50	2%	41	65	5.00	390,392.31
MM and S57	12.00	0%	4	5	2.40	20,569.80
Total	5,657.50	5%	510	891	6.35	2,973,553.60
* - Number of employees in post at the beginning of the year						
*Average is calculated by taking sick leave in column 2 divided by total employees in column 5						T 4.3.2



COMMENT ON INJURY AND SICK LEAVE

The graph above depicts the number of sick leave days taken by employees across Occupational Levels. The total number of sick leave days for the financial year 2018/2019 amounted to 5657.5. The highest number of sick leave days were taken amongst the lower skilled levels (16-18) with the Level 9-12 staff using 2212.5 days. The abuse of sick leave in any organization including Ugu District Municipality not only has financial implications, it also has a detrimental effect on the delivery of services. The keeping of adequate management information on trends regarding sick leave assists managers to manage sick leave in an efficient and effective manner and to plan and organize work in their components.

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Truck Driver	Dishonesty	1-Aug-18	Finalized, Payment of money	11-Sep-18
Supervisor	Assault	14-Feb-19	Finalized, Dismissed	4-Jun-19
				T 4.3.5



Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
N/A	N/A	N/A	N/A
			T 4.3.6

COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:

The Municipality has set strict standards for disciplinary action to be taken in all cases of serious misconduct. Where such serious misconducts are identified, accused staff members are suspended on a precautionary basis. There were two cases that employees were suspended but it was within a three -month period during the 2018/2019 Financial Year.

4.4 PERFORMANCE REWARDS

PERFORMANCE REWARDS

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1	Proportion of beneficiaries within group
				R' 000	%
Lower skilled (Levels 1-2)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
Skilled (Levels 3-5)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
Highly skilled production (levels 6-8)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A

Performance Rewards by Gender					
Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1	Proportion of beneficiaries within group
				R' 000	%
Highly skilled supervision (levels 9-12)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
Senior management (Levels 13-15)	Female	N/A	N/A	N/A	N/A
	Male	N/A	N/A	N/A	N/A
MM and S57	Female	1	NIL	NIL	NIL
	Male	4	NIL	NIL	NIL
Total		5	N/A	N/A	NIL
Has the statutory municipal calculator been used as part of the evaluation process?					N/A
<p><i>Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).</i></p> <p style="text-align: right;"><i>T 4.4.1</i></p>					

COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Municipality develops and implements a Workplace Skills Plan on an Annual Basis. This is based on the capacity- building and development needs identified by employees and Managers and is then affected through a training plan. Although these needs are identified by Managers and employees, the alignment of such needs with formal development needs, identified in terms of performance management is lacking. This challenge is anticipated to be addressed by the implementation of the IPMS and alignment with identified capacity gaps and interventions which are then contained in individual employees' Personal Development Plans (PDPs).

4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix 2018/19																			
Management level	Gender	No.	Number of skilled employees required and actual as at 30 June 2018/2019																
			Learnerships				Skills programmes & other short courses				Other forms of training				Total				
			Actual: End of Year - 2016/2017	Actual: End of Year 2017/2018	Year 0 Target 2018/2019	Actual: End of Year- 2018/2019	Actual: End of Year - 2016/2017	Actual: End of Year 2017/2018	2018/2019 Target	Actual: End of Year- 2018/2019	Actual: End of 2016/2017	Actual: End of 2017/2018	2018/2019 Target	Actual: End of Year- 2018/2019	Actual: End of 2016/2017	Actual: End of 2017/2018	2018/2019 Target	Actual: End of Year- 2018/2019	Actual: End of 2018/2019
MM and s57	Female	4	1	0	0	0	2	1	0	0	0	0	0	0	3	1	2	0	1
	Male	2	1	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	4
Councillors	Female	15	0	0	0	0	5	1	2	0	0	0	0	0	5	1	2	0	15
	Male	27	0	0	0	0	11	0	4	0	0	0	0	0	11	0	4	0	27
Sen. Managers	Female	1	1	0	0	0	0	1	1	0	0	0	0	0	1	1	1	0	1
	Male	6	1	0	0	0	2	1	2	2	0	0	0	0	3	1	2	2	3
Managers	Female	11	5	0	0	0	3	3	3	0	0	0	0	0	8	3	3	0	13
	Male	14	1	0	0	0	4	1	4	4	0	0	0	2	5	1	4	6	13
	Female	1	2	0	0	0	9	0	1	1	2	0	0	1	12	0	1	2	4

Skills Matrix 2018/19																			
Management level	Gender	No.	Number of skilled employees required and actual as at 30 June 2018/2019																
			Learnerships				Skills programmes & other short courses				Other forms of training				Total				
			Actual: End of Year - 2016/2017	Actual: End of Year 2017/2018	Year 0 Target 2018/2019	Actual: End of Year- 2018/2019	Actual: End of Year - 2016/2017	Actual: End of Year 2017/2018	2018/2019 Target	Actual: End of Year- 2018/2019	Actual: End of 2016/2017	Actual: End of 2017/2018	2018/2019 Target	Actual: End of Year- 2018/2019	Actual: End of 2016/2017	Actual: End of 2017/2018	2018/2019 Target	Actual: End of Year- 2018/2019	Actual: End of 2018/2019
Technicians and Trade Workers	Male	27	0	0	0	0	18	12	8	9	15	0	0	8	33	12	8	17	87
Professionals	Female	60	0	0	0	0	2	60	40	0	0	0	0	40	2	60	40	40	62
	Male	59	0	0	0	0	1	59	30	0	0	0	0	42	1	59	30	42	54
Clerical & Administrative Workers	Female	101	1	0	0	0	12	33	15	47	0	0	0	0	52	33	15	47	101
	Male	43	0	0	0	0	6	13	22	26	0	0	0	0	6	13	22	26	44
Plant and Machine Operators	Female	12	3	0	0	0	5	0	0	4	2	0	0	0	7	0	0	4	12
	Male	91	9	0	0	0	20	0	0	16	2	0	0	0	31	0	0	16	57
Elementary Workers	Female	60	4	0	0	0	8	4	4	12	0	0	0	0	12	4	4	12	19
	Male	179	4	0	0	0	33	8	21	43	0	0	0	0	37	8	21	43	142
General workers	Female	59	0	6	30	0	0	15	15	21	0	0	0	0	0	21	45	21	62
	Male	191	0	3	100	0	0	71	50	37	0	0	0	0	0	74	150	37	205
Sub total	Female	324	17	6	30	0	46	118	81	85	4	0	0	41	102	124	113	126	290
	Male	639	16	3	100	0	95	165	141	137	17	0	0	52	128	168	241	189	636
Total		963	33	9	130	0	141	283	222	222	21	0	0	93	230	292	354	315	926
*Registered with professional Associate Body e.g. CA (SA)										T 4.5.1									

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
Financial Officials						
<i>Accounting officer</i>	1	1	2	0	2	1
<i>Chief financial officer</i>	1	1	2	0	2	2
<i>Senior managers</i>	4	1	4	0	4	3
<i>Finance Managers</i>	4	0	3		0	3
<i>Any other financial officials</i>	24	0	0	0	0	24
Supply Chain Management Officials						
<i>Supply chain management officials</i>	3	0	3	0	0	3
<i>Supply chain management manager</i>	1	0	1	0	0	1
TOTAL	38	3	15	0	8	37
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						T 4.5.2

Skills Development Expenditure Budget R3 000 000.00										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 2018/2019							
		No.	Learnerships		Skills programmes & other short courses		Other forms of training		Total	
			Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Male	4	100,000.00		2,900,000.00				3,000,000.00	-
	Female	1								-
Councillors	Male	27								-
	Female	15		110,473.99		947,769.00				1,058,242.99
Sen Managers	Male	3								-
	Female	1								-
Managers	Male	13		2,940.00						2,940.00
	Female	13		3,600.00						3,600.00
Technicians and associate professionals	Male	87		100,280.00						100,280.00
	Female	4								
Professionals	Male	54								
	Female	62		19,155.00						19,155.00

Clerks	Male	44		109,500.00					109,500.00
	Female	101		9,786.00					9,786.00
Plant and machine operators and assemblers	Male	57		56,840.00					56,840.00
	Female	22		56,840.00					56,840.00
Elementary Occupations	Male	142							
	Female	68							
General Workers	Male	205				10,000.00			10,000.00
	Female	82							
Sub Total	Male	636							-
	Female								-
Total		1005	100,000.00	469,414.99	2,900,000.00	957,769.00	-	-	3,000,000.00
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.									0.01
									3,000,000.00
									T4.5.3

COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATION

The municipality has developed a long-term strategy on training and development of its employees. Emanating from that strategy, an annual workplace plan was developed according to the requirements of LGSETA. The total budget for the year under review was R 1 000 000 .00 and R1 427 183 .99 was spent on skills development during the period under review. The WSP makes provision for the implementation of accredited training programmes such as, plumbing, financial competency, computerized ABET, computer training and other training programmes. Implementation of these programmes has proven to be meaningful and effective and has improved service delivery. The Bursary Scheme has given opportunity to employees to acquire/improve qualifications. The UGU District Training and Development committee has played a very good

oversight role in ensuring that programmes are implemented in a fair manner and as planned. This committee sits monthly and receive reports from the Human Resources Department on the progress made.

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

INTRODUCTION TO WORKFORCE EXPENDITURE

4.6 EMPLOYEE EXPENDITURE

Number of Employees Whose Salaries Were Increased Due to Their Positions Being Upgraded		
Beneficiaries	Gender	Total
Lower skilled (Levels 1-2)	Female	N/A
	Male	N/A
Skilled (Levels 3-5)	Female	N/A
	Male	N/A
Highly skilled production (Levels 6-8)	Female	N/A
	Male	N/A
Highly skilled supervision (Levels 9-12)	Female	N/A
	Male	N/A
Senior management (Levels 13-16)	Female	N/A
	Male	N/A
MM and S 57	Female	N/A
	Male	N/A
Total		0
<i>Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right-hand side of the column (as illustrated above).</i>		

T 4.6.2

Employees Whose Salary Levels Exceed the Grade Determined by Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
N/A	N/A	N/A	N/A	N/A

T 4.6.3

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exists
N/A	N/A	N/A	N/A	N/A

T 4.6.4

COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

There were no upgraded positions during the 2018/19 Financial Year.

DISCLOSURES OF FINANCIAL INTEREST

Disclosures of Financial Interests		
Period 1 July to 30 June of 2018/2019		
Position	Name	Description of Financial interests* (Nil / Or details)
Mayor	MA Chiliza	Taxi Owner
	PH Mthiyane	Taxi owner
	NT Dlamini	None
Councillors	MA Manyoni	None
	SN Caluza	None
	ZR Gwabe	None
	PT Naude	Hibiscus hospital
	LMR Ngcobo	Millennium Contraction
	SP Mthethwa	Stomp Dayard (pty) ltd, taxi owner
	BE Machi	None
	NH Gumede	None
	WT Dube	Taxi owner, Kusabelele Investment
	DMM Hlengwa	None
	JJ East	None
	SR Ngcobo	Sizwe Ngcobo Foundation
	ZE Ngcobo	None
	MPL Zungu	None
	N Mweshe	None
	ZZ Msani	None
	D Nciki	None
	HJ Ngubelanga	None
	TA Disane	None
	DA Ngubo	None
	NCP Mqwebu	Stain LIB
	HP Mbatha	None
	GS Mngomezulu	None
	BT Cele	None
	R Nair	None
	GD Henderson	Property company, Anglo American, Anglo Platinum, Aspen, Billiton, Discovery, DRD Gold, Kumbha, Net Care, Old Mutual, Sanlam, Steinhoff, Vodacom, Better Bond.
	A Rajaram	None
	S Chetty	None
	MW Xolo	None
	MT Lubanyana	None
	ZD Cele	None

	TB Cele	None
	BS Nzimakwe	None
	ZR Qwabe	None
	ZGB Msomi	None
	RS Shinga	None
	B Ntusi	Enduneni Projects, Taxi owner
	SE Khawula	None
	LM Mzimela	Sanlam, Southern Ambition 1036cc, IPM Plants hire, Vuyie Xolie Contractions
	M Gcwabe	None
	ZK Dladla	Sbanisempilo Trading,Ibhodwe Lase Africa,Zibusele Holdings.
	MN Machi	None
Municipal Manager	DD Naidoo	Business Partner – Sak Investments, GC Reddy Via Super Auto Midas, Picorite Investments
Deputy MM and Gen Managers	N/A	
Other S57 Officials		
GM: Corporate Services	VO Mazibuko	None
GM: Budget and Treasury Office	M Dlamini	Ibungweti Accounting and Administrations Services Cc, Masandie Financial Services (Pty)Ltd, Umthelelo Enterprices
GM: Economic Development and Environmental Services	M Mabece	Member: Isivuno group
GM: WATER SERVICES	S Mbewu	None

COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL

The Human Resources Management Services rendered by the Municipality aims to achieve the following:

- Attend to the human resources requirements of the various municipal departments
- Establish and maintain a working environment that encourages personal growth, development, enrichment and job satisfaction.
- Ensure that human resources policies and procedures are administered in such a way as to protect the interests of both the Municipality and its employees. To accomplish this purpose, professional support services are rendered in respect of the following functional areas:
 - Recruitment and selection
 - Induction of newly appointed staff
 - Personnel administration – administration of staff benefits and maintaining employee records
 - Maintaining and monitoring Conditions of Service in terms of the applicable legislation, Bargaining Council agreements and Council policies
 - Placement at the behest of the institution
 - Staff movement
 - EHSW Unit ensures compliance with the Occupational Health and Safety Act 85 of 1993, and ensures employee wellness.
 - General administration

Ugu District Municipality values all its employees and commits itself to promoting their wellbeing. It is therefore the aim of the Employee Health, Safety and wellness Programme to improve the quality of life of all employees by providing support and helping to alleviate the impact of everyday work and personal and family problems. It is therefore intended, that, with this Employee Health, safety and Wellness Strategy that the Municipality will be effective in providing employees with a programme that provides innovative methods of managing performance related problems.

The explicit aim of the EHSW Strategy is to improve the quality of life of all employees by providing support and helping to alleviate the impact of everyday work and personal and family problems. EHSW Strategy offers new and exciting prospects to assist in the wellbeing of employees while at the same time increasing the effectiveness of the Organization. Participation in the programme is voluntary and will not jeopardize job security. The programme does not intend to interfere with workers' private lives; however when a member does not perform according to the standard expected, management has a right to intervene.

The programme is a cost free worksite based programme providing confidential and professional assistance to employees of UGU District Municipality employees. EHSW Strategy does not replace any existing procedures, but provides innovative methods of managing performance related problems.

CHAPTER 5 – FINANCIAL PERFORMANCE

5.1 STATEMENTS OF FINANCIAL PERFORMANCE

Financial statements attached.

CHAPTER 6: APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

PARTY	MALE	FEMALE
AFRICAN NATIONAL CONGRESS (ANC)	11	10
AFRICAN INDEPENDENT CONGRESS (AIC)	1	0
INKATHA FREEDOM PARTY (IFP)	3	3
DEMOCRATIC ALLIANCE (DA)	5	0
TOTAL – 33 (35 seats, 2 vacant)	20	13

REPORT ON ATTENDANCE OF COUNCIL BY COUNCILLORS: JULY 2018 TO JUNE 2019

Name of Councillor	July 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
Cllr NH Gumede	Meeting did not sit	Yes	Yes	Yes	Yes	Recess	Yes	Yes	Yes	Elections	Yes	Yes
Cllr M Gcwabe		Yes	Yes	Yes	No.2		Yes	Yes	No.1		Yes	Yes
Cllr SN Caluza		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	No.1
Cllr TB Cele		Yes	No.1	Yes	No.1		No 1	Yes	Yes		Yes	Yes
Cllr TW Dube		Yes	Yes	Yes	No.1		Yes	Yes	Yes		Yes	Yes
Cllr NY Mweshe		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr DMM Hlengwa		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr S Chetty		Yes	Yes	Yes	Yes		Yes	No 1	Yes		Yes	Yes
Cllr MA Manyoni		Yes	No.1	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr H Mbatha		No.1	Yes	Yes	No.1		Yes	No.1	Yes		Yes	No.1
Cllr S Mngomezulu		Yes	Yes	No.1	Yes		Yes	Yes	No.1		Yes	Yes

Name of Councillor	July 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
Cllr NCP Mqwebu		No.1	Yes	Yes	Yes		No.1	No.1	Yes		Yes	Yes
Cllr PH Mthiyane		Yes	Yes	No.1	Yes		Yes	Yes	Yes		Yes	Yes
Cllr R Nair		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr D Nciki		Yes	Yes	Yes	Yes		Yes	Yes	No.1		No.1	Yes
Cllr SR Ngcobo		Yes	Yes	Yes	No.1		Yes	Yes	Yes		Yes	Yes
Cllr HJ Ngubelanga		No.2	Yes	Yes	Yes		Yes	Yes	Yes		No.1	No.1
Cllr MPL Zungu		Yes	Yes	Yes	No.1		Yes	Yes	Yes		No.1	Yes
Cllr NT Dlamini		Yes	Yes	Yes	No.1		Yes	No.1	No 1		Yes	No.1
Cllr JJ East		Yes	No.1	No.1	No.1		Yes	Yes	Yes		Yes	Yes
Cllr GD Henderson		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr PT Naude		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr LMR Ngcobo		Yes	Yes	Yes	Yes		Yes	No.1	No.1		Yes	Yes

Name of Councillor	July 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
Cllr A Rajaram		Yes	Yes	Yes	Yes		Yes	No.1	Yes		Yes	Yes
Cllr TA Disane		No.2	Yes	Yes	Yes		No.1	Yes	Yes		Yes	No.1
Cllr SE Khawula		Yes	Yes	Yes	Yes		Yes	Yes	No.1		Yes	Yes
Cllr BE Machi		Yes	Yes	Yes	Yes		No.1	Yes	No.1		Yes	No.1
Cllr ZZ Msani		Yes	Yes	Yes	Yes		No.1	Yes	No.1		Yes	No.1
Cllr SP Mthethwa		No.1	Yes	No.1	Yes		Yes	No.1	Yes		Yes	Yes
Cllr B Ntusi		No.1	Yes	No.1	Yes		Yes	Yes	Yes		Yes	Yes
Cllr AD Ngubo		Yes	No.1	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr L Mzimela		Yes	Yes	Yes	No.1		Yes	No.1	Yes		Yes	Yes
Cllr K Dladla		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Yes	Yes
Cllr MA Chiliza		Yes	Yes	Yes	Yes		Yes	Yes	Yes		Not A Member	Not A Member

-
- # Indicate with “Yes” where the meeting was attended
- # Indicate with “No” where the meeting was not attended
- # Indicate with “No 1” where the meeting was not attended but the application for leave of absence was furnished
- # Indicate with “No 2” where the meeting was not attended and the application for leave of absence was not furnished and no apology was recorded

REPORT ON ATTENDANCE OF EXECUTIVE COMMITTEE BY COUNCILLORS

Name of Councillors	July 2018		Aug 2019	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
Cllr MA Chiliza	Yes		Yes	Yes	Yes	Yes	Recess	Recess	No.1	No.1	Yes	Yes	NA
Cllr PH Mthiyane	Yes		Yes	Yes	Yes	No.1			Yes	Yes	Yes	Yes	Yes
Cllr NT Dlamini	Yes		Yes	Yes	Yes	Yes			No.1	No.1	Yes	Yes	Yes
Cllr D Ngubo	Yes		Yes	Yes	Yes	Yes			Yes	Yes	Yes	Yes	Yes
Cllr LM Mzimela	Yes		Yes	No.1	Yes	Yes			Yes	Yes	Yes	Yes	Yes
Cllr LMR Ngcobo	Yes		No.1	Yes	Yes	Yes			Yes	Yes	Yes	Yes	Yes
Cllr SP Mthethwa	No.1		Yes	No.1	Yes	Yes			Yes	Yes	No.2	Yes	Yes
Cllr NH Gumede	Yes		Yes	Yes	No.1	No.1			Yes	Yes	Yes	Yes	Yes

-
- # Indicate with “Yes” where the meeting was attended
- # Indicate with “No” where the meeting was not attended
- # Indicate with “No 1” where the meeting was not attended but the application for leave of absence was furnished
- # Indicate with “No 2” where the meeting was not attended and the application for leave of absence was not furnished and no apology was recorded

ATTENDANCE AT PORTFOLIO COMMITTEE ON FINANCE

Name of Councillor	July 2018	Aug 2019	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
Cllr MA Chiliza	Yes	Yes	Yes	Yes	Meeting did not sit	Recess	Recess	Yes	Yes	Meeting did not sit	Meeting did not sit	Not member
Cllr PH Mthiyane	-	-	-	-				-	-			Yes
Cllr D Nciki	Yes	Yes	Yes	Yes				Yes	Yes			Yes
Cllr S Chetty	Yes	Yes	No.1	Yes				Yes	No.1			Yes
Cllr SR Ngcobo	No.1	No.2	Yes	Yes				Yes	Yes			Yes
Cllr AD Ngubo	No.1	Yes	Yes	Not member				Not member	Not member			Not member

Cllr MPL Zungu	Yes	No.2	Yes	No.2				Yes	Yes			Yes
Cllr B Ntusi	No.1	Yes	No.1	Yes				No1	No.1			No.2
Cllr GD Henderson	Yes	No.1	No.1	Yes				Yes	No.1			Yes

Indicate with “Yes” where the meeting was attended

Indicate with “No” where the meeting was not attended

Indicate with “No 1” where the meeting was not attended but the application for leave of absence was furnished

Indicate with “No 2” where the meeting was not attended and the application for leave of absence was not furnished and no apology was recorded

ATTENDANCE AT PORTFOLIO COMMITTEE ON WATER & SANITATION

Name of Councillor	17 July 2018	17 Aug 2019	18 Sept 2018	Oct 2018	20 Nov 2018	Dec 2018	Jan 2019	19 Feb 2019	12 Mar 2019	09 Apr 2019	07 May 2019	26 Jun 2019
Cllr PH Mthiyane	Yes	Yes	Did not sit	Did not sit	Yes	Recess	Recess	Yes	Did not sit	Did not sit	Elections	Yes
Cllr MPL Zungu	Yes	No.1			Yes			Yes				Yes
Cllr H Mbatha	Yes	Yes			Yes			Yes				No2
Cllr HJ Ngubelanga	Yes	No.1			Yes			Yes				No2

Name of Councillor	17 July 2018	17 Aug 2019	18 Sept 2018	Oct 2018	20 Nov 2018	Dec 2018	Jan 2019	19 Feb 2019	12 Mar 2019	09 Apr 2019	07 May 2019	26 Jun 2019
Cllr TA Disane	No 1	Yes			No 2			No 2				Yes
Cllr SP Mthethwa	Yes	No.1			Yes			Yes				Yes
Cllr PT Naude	Yes	Yes			Yes			Yes				Yes
Cllr L Mzimela	Yes	Yes			-			-				-
Cllr WT Dube	Not member	Not member			No.2			No.2				No.2

Indicate with “Yes” where the meeting was attended

Indicate with “No” where the meeting was not attended

Indicate with “No 1” where the meeting was not attended but the application for leave of absence was furnished

Indicate with “No 2” where the meeting was not attended and the application for leave of absence was not furnished and no apology was recorded

ATTENDANCE AT PORTFOLIO COMMITTEE ON LOCAL ECONOMIC DEVELOPMENT

Name of Councillor	July 2018	Aug 2018	Sept 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019
Cllr AD Ngubo	Recess	Yes	No Quorum	No Quorum	Yes	Recess	Recess	No 1	Yes	Elections	Elections	Yes
Cllr SP Mthethwa		No 1			Yes			Yes	Yes			No.1
Cllr DMM Hlengwa		No 2			Yes			Yes	Yes			Yes
Cllr TB Cele		Yes			No1			Yes	Yes			Yes
Cllr JJ East		Yes			No1			No 2	No 2			Yes
Cllr ZZ Msani		Yes			Yes			No 1	No 1			No 2
Cllr K Dladla		-			Yes			Yes	Yes			Yes
Cllr SN Caluza		No 2			yes			No 1	Yes			No 2

APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Portfolio Committee on Finance	<p>The Portfolio Committee on Finance is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon:</p> <ul style="list-style-type: none"> ➤ Familiarise, interrogate and recommend to the Committee of the budget and reports on economic issues, statistical information, agreements, financial reports, and reports on economic and policy statements. ➤ Sharpen public awareness of the budget and Government financial and economic policies and encourage informed debate on the budget. ➤ Advise the executive committee on the district municipality's domestic borrowing policies. ➤ Study Government's policies as regards budgets and advise accordingly. ➤ Seek advice from all three spheres of Government, on financial and other budget related matters. ➤ Drive the entire budget process as alluded to by legislation, thus ensuring that budgets are based on priorities and realistic income and expenditure. ➤ Advise on processes that need to be put in place for formulating and monitoring the budget, throughout its cycle, that will enhance the District Municipality's role in appropriating and overseeing the budget, and make the budget process more responsive to stakeholders. ➤ Advise on budget programmes that need to be given special treatment during budget implementation. ➤ Ensure that the budget of the District Municipality is used as a primary tool for implementing National and Provincial Policies. ➤ Review the relevant legislation and future legislation (bills) with financial and budget implications and advise the Executive Committee accordingly. ➤ Deal with any other budget related matter referred to the Committee by the Executive Committee. ➤ Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.
Portfolio Committee on Special Programmes	<p>The Portfolio Committee on Special Programmes is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon:</p> <ol style="list-style-type: none"> 1. Oversight over the following functional areas:- <ol style="list-style-type: none"> i. Undertake the following special programmes in respect of Policy, Strategy and Programmes. <ul style="list-style-type: none"> ➤ Youth ➤ Senior Citizens ➤ People with Disability ➤ Gender ➤ Moral regeneration ➤ Rights of the Child ➤ Farm workers ii. Lobby and advocacy for special programmes interests by other Portfolio Committees within Council. iii. Coordinate response for vulnerable groups. iv. Facilitate and monitor an evaluation framework for all the functional areas.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Portfolio Committee on Sound Governance and Human Resources	<p>The general responsibilities of the Portfolio Committee, in respect of the functional area of Corporate Services, are:</p> <ul style="list-style-type: none"> ➤ to develop and recommend the Good Governance and Human Resources Services portfolio policies; ➤ to develop and recommend the Good Governance and Human Resources portfolio by-laws; ➤ to consider and make recommendations in respect of the draft budget and IDP of the Human Resources & Sound Governance Portfolio; ➤ to ensure public participation in the development of policy, legislation, IDP and budget of the Human Resources & Sound Governance Portfolio; ➤ to monitor the implementation of Council policies in respect of the Human Resources & Sound Governance portfolio;
Functional Role of the Human Resources & Sound Governance Portfolio Committee	<p>The objective of the Human Resources & Sound Governance Portfolio Committee is to assist the executive committee on the functions listed below:</p> <ol style="list-style-type: none"> 1. Administration and Operational Support <ul style="list-style-type: none"> ➤ Corporate strategies, systems and services ➤ Records Management and Registry Services ➤ Secretariat Support and Printing Services ➤ Occupational Health and Safety ➤ Employment Equity Planning ➤ Wellness: EAP ➤ Customer Relations ➤ Performance management: Individual (and OPMS) ➤ Information Communications Technology ➤ Facilities Management ➤ Enterprise Security 2. Legal Services <ul style="list-style-type: none"> ➤ Statutory Compliance Legislation, and ➤ Legal Research 3. Strategic Human Resources and Personnel Services <ul style="list-style-type: none"> ➤ Individual Performance Management ➤ Training and Development ➤ Labour Relations ➤ Personnel Management 4. To ensure the provision of efficient, economical and effective administration of the municipality, to co-ordinate secretarial services, to oversee the delivery of the human resource services, and to render management and transformation services; 5. To oversee the delivery of support services to the council and community; 6. Exercise delegated authority after considering a report from the designated officials for the Human Resources & Sound Governance Portfolio; 7. Introduce to Exco the recommendations from the Human Resources & Sound Governance Portfolio Committee; 8. Introduce departmental reports on the functions of the relevant sections to Exco;

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	9. General administration inclusive council & committee secretariat, legal, council support, policies & procedures, facilities management, capacity building & training, human resources, including, Governance, democracy and Skills development.
Portfolio Committee on Local Economic Development	<p>The Portfolio Committee on Local Economic Development is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon:</p> <ul style="list-style-type: none"> ➤ Oversee the implementation of all applicable legislation relating to social and economic development, national development programmes, provincial development programmes, trading regulations, investment opportunities, transport, land affairs, electrification, housing and public works. ➤ Oversee all aspects, programmes and activities of local economic development. ➤ Oversee all fiscal and other incentives designed to promote social and economic development. ➤ Oversee environmental management and ensuring environmental planning, education, sustainable development management ➤ Oversee the provision of efficient environmental health services through continuous monitoring and enforcement. ➤ Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.
Portfolio Committee on Water and Sanitation	<p>The Portfolio Committee on Water and Sanitation is a Section 80 Committee, responsible for the following functions, and making recommendations to the Executive Committee thereon:</p> <ul style="list-style-type: none"> ➤ Advise the Executive Committee on all legislation or prospective legislation relating to: - <ul style="list-style-type: none"> ➤ Water and sanitation reticulation; ➤ Water and Sanitation Treatment Works; ➤ Water and Sanitation Capital projects; ➤ Water and sanitation operations; ➤ Water and sanitation operational projects; ➤ Non-revenue water; ➤ Water restrictions; ➤ Water Services planning; ➤ Emergency water and drought relief; ➤ Ground water; ➤ Industrial effluent and recycling of wastewater; ➤ Oversee the following municipal services: <ul style="list-style-type: none"> ➤ Water and Sanitation reticulation; ➤ Water and sanitation purification; ➤ Water and Sanitation designs; ➤ Water and sanitation operations; ➤ Water and sanitation capital projects; ➤ Oversee municipal infrastructure development and services to meet the needs of the Municipality in the discharge of its responsibilities.

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	<ul style="list-style-type: none"> ➤ Oversee the commissioning of the best methods to deliver the aforementioned municipal services and facilities to the maximum benefit of the community of the municipality. ➤ Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.
Human Resources Development Committee	<p>The Human Resources Development Committee is established within the prescription of the main collective agreement to, in its preparatory consultation, report to the Local Labour Forum regarding issues concerning the development of human resources and other related activities within the Municipality.</p> <p>The Committee is established with a primary objective to exercise oversight over issues concerning the Workplace Skills Plan (WSP), education and training, employment equity and all such other related human resources issues.</p> <p>The Committee is responsible for the following functions, and making recommendations to the Local Labour Forum thereon:</p> <ul style="list-style-type: none"> ➤ Oversight over the following functional areas: - ➤ Human Resources Management; ➤ Skills Development; ➤ Performance Management; ➤ Organisational Development; ➤ Implementation of Employment Equity Plan and Affirmative Action; ➤ Councillor Support; ➤ Education and Training; ➤ Develop strategy and policy proposals on all the areas of responsibility with an intention of achieving municipal and/or general government objectives.
Employee Assistance Programme	<p>Ugu District Municipality, in recognizing the importance of its service delivery machinery or employees introduced Employee Assistance Programme (EAP), which is located in the Corporate Services Department within Human Resources Section to play an integral part in meeting the Municipal objective with a view to providing a satisfying, safe and healthy environment within which all employees are working. The EAP as a programme is dedicated to support and strengthen the workplace environment by providing assistance for employees whenever they need it. According to the Employee Assistance Professionals Association of South Africa (EAPA), <i>"Employee Assistance is the work organization's resource based on core technologies or functions to enhance employee and workplace effectiveness through prevention, identification, and resolution of personal and productivity issues."</i></p> <p>The EAP Committee in the Ugu District Municipality is established to ensure that it provides employee assistance programme to encourage and assist employees with personal and work related problems for them to take responsibility for their own health and wellness</p>
Municipal Public Accounts Committee (MPAC)	<p>The Municipal Finance Management Act (MFMA) creates a favourable environment for the establishment of municipal structures that can adequately deal with municipal financial accountability. Such a structure is mandated to deal with financial and related management aspects of municipalities.</p>

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	<p>The Municipal Public Accounts Committee (MPAC) is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between Council, the Executive (Executive Committee and Political Office Bearers) and administration. Good governance, effective accountability and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.</p> <p>The Municipal Council is required to maintain oversight on the performance of specific responsibilities and delegated powers to the Executive (Executive Committee & Political Office Bearers). In other words, in exchange for the powers in which Council has delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the municipality.</p> <p>The Committee is a Section 79 Committee, responsible for the following functions, and reporting back to Council for consideration of all matters and formal adoption:</p> <ul style="list-style-type: none"> • Examination of financial statements of the Municipality; • Examination of audit statements issued on the financial statements; • Examination of any reports issued by the Auditor-General on the affairs of the Municipality and any Municipal Entity; • Examination of quarterly and mid-year performance reports; • Examination of any other financial statements or reports referred to the Committee by the Council, and may report on any of those financial statements or reports to Council; • May recommend any investigation in its area of competence; • Must perform any other function assigned by resolution of Council; • To call any person, including Councillors to appear before the Committee to account or clarify on any matter the committee deems fit; and • Make recommendations to Council for corrective and / or disciplinary action that may be instituted in terms of the MFMA regarding mismanagement of funds, unauthorized, irregular, fruitless and wasteful expenditure.
Local Labour Forum	<p>In terms of the Labour Relations Act, 66 of 1995, Section 80 makes provision for the establishment of workplace forum in any workplace in which an employer employs more than 100 employees. In compliance with the Act, Municipalities have established workplace fora and are constituted as per the SALGBC main collective agreement clauses 2.8 to 2.8.4.5. In this regard, the composition of such forum shall be established with equal representation from the trade unions and the employer. Trade Unions' representation shall be divided in proportion to their respective membership in the employer. Likewise, employer representatives shall consist of Councillors and of Management. The workplace forum in the Local Government is referred to as the Local Labour Forum. Such Forum seeks to promote the interests of all employees in the workplace, irrespective of whether they belong to trade unions; enhance efficiency in the workplace; engage in consultation with the employer on a wide range of workplace related issues; and participate in joint decision-making.</p> <p>The Local Labour Forum shall have the powers and functions of negotiating and / or consulting on the following functions:</p> <ul style="list-style-type: none"> • On matters of mutual concern pertaining to the employer and which do not form the subject matter of negotiations at the council or its divisions;

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
	<ul style="list-style-type: none">• On such matters as may from time to time be referred to such forum by the council or its divisions;• Provided that it may not negotiate on any matter, which has been reserved for exclusive bargaining in the council or the divisions;• Concluding of minimum service agreements;• Disputes over what is negotiable, what are the matters that are for consultation and over whether a specific process constitutes sufficient consultation are to be resolved through the dispute resolution mechanism of the council.

APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE

Third Tier Structure	
Directorate	General Manager
Corporate Services	Mr Mazibuko
Budget and Treasury Office	Mr S M Dlamini
Water Services	Mr Mbewu
Environmental Health Management and Economic Planning & Development	Mr Mabece

APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

APPENDIX E – WARD REPORTING

APPENDIX F – WARD INFORMATION

UGU SHARED AUDIT SERVICES COMMITTEE

28 CONNOR STREET,

PO BOX 33, PORTSHEPSTONE

0396885700

UGU DISTRICT MUNICIPALITY

REPORT OF THE CHAIRPERSON: FINANCIAL YEAR 2018/2019

AUDIT & PERFORMANCE AUDIT COMMITTEE

EXTERNAL AUDIT SHARED SERVICES

11

Members of the Audit Committee:

Mrs. Chantel Elliott	–	Member
Mr. Bheki Dladla	–	Member until 31 October 2018
Mrs. Bongeka Jojo	–	Member
Mr. Paul Preston	–	Chairperson
Mr. Zweli Zulu	–	Member from 1 November 2018

Audit Committee meetings took place on the following dates:

27 August 2018

30 August 2018

26 September 2018

7 December 2018

25 March 2019

14 June 2019

28 June 2019

Performance Audit Committee meetings took place on the following dates:

9 April 2019

28 June 2019

_____ **2018**

1. INTRODUCTION

In terms of section 62(1)(c) of the Municipal Finance Management Act (MFMA), No.56 of 2003, the Municipal Manager is the Accounting Officer and is responsible for managing the financial administration of the Municipality. The Audit Committee is appointed in terms of Section 166 of the MFMA, to assist and to advise the Mayor, the Deputy Mayor, the Speaker and the Municipal Manager of the Municipality. It is a shared service Audit Committee appointed by the Ugu District. It is afforded wide powers and obligations, supplemented by the Council approved external Audit Committee Charter.

2. MEMBERS AND MEETINGS OF THE AUDIT COMMITTEE

2.1 In terms of the Ugu District Municipality's Audit Committee Charter, the Audit Committee as at the 30 June 2019 included four external independent members. One is a Performance Management Specialist. None of the members were Councillors or the Municipal Manager. The Audit Committee meets at least four (4) times per annum as per its approved Charter and sat several times as a Performance Audit Committee during the year, and on several other occasions to discharge its functions. The Chair tables reports to the Council of the Municipality when invited to do so but not as regularly as required.

Members of the Political Leadership were invited to and attended Audit Committee meetings from time to time; the Chair of MPAC and the Honourable Mayor attended regularly less formal meetings and very frequent telephone interactions took place with the Municipal Manager, The Honourable Mayor and Internal Audit.

2.2 Assessment of Statutory compliance, oversight with regard to the monthly financial and budget reports, the Auditor General's interim Reports and the Municipality's financial position, risk and compliance with its I.D.P, its assets and water revenue systems; and pre-determined objectives as well as Statutory Compliances were considered continuously by the Audit Committee.

2.3 The Audit Committee also sits as a Performance Audit Committee in respect of Section 40, 41, 43 and 46 of the Local Government: Municipal Systems Act read with the provisions of the Audit Committee Charter, and the Performance Regulations of 2001.

-
- 2.4 The Auditor General visited the Municipality and interacted purposefully with UGU in evaluating the performance of the Ugu District Municipality. An Audit Committee member is in attendance at the Auditor General's report back meetings to Councillors and Management with the Auditor General.
- 2.5 Apart from formal meetings; the Audit Committee members carefully reviewed and approved draft minutes of its own meetings. They met with one another and exchanged e-mails with the Municipal Manager: Internal Audit, between meetings as issues or concerns arose. An atmosphere of mutual trust and respect exists between the Audit Committee, Internal Audit and the Municipal Manager, who has called for a number of confidential meetings with the Audit Committee members. At times all parties maintain professional independence.
- 2.6 The Auditor General tests, in a wide range, certain compliances which is set out in its Management Report; and Audit Report. The AG is an independent Institution established in terms of Chapter 9 of the Constitution of South Africa. Concerning the District Municipality the AG in the prior year concentrated on:-
- 2.6.1 Compliance with Legislation concerning the Municipality.
 - 2.6.2 Possible material misstatements in the Draft Annual Financial Statements or in the consolidated Draft Annual Financial Statements.
 - 2.6.3 Compliance with Performance Indicators and the alignment of the I.D.P. with the SDBIP, with the Performance targets set by the Municipality.
 - 2.6.4 Performance in areas governed by Performance Regulations of 2001 and the Key Performance Indicators, by accessing portfolios of evidence (POE's).
 - 2.6.5 Considers Fraud and Risk and emerging risk.
 - 2.6.6 The financial viability of the Municipality as a going concern.
 - 2.6.7 Assets, and property, plant and equipment.
 - 2.6.8 Revenue.
 - 2.6.9 Water supply integrity and water losses.
 - 2.6.10 The effects of on-going labour unrest and sabotage of the Municipal water system by disgruntled employees.

This is read in conjunction with the Auditor General's Engagement Letter with the District prior to Audit.

3. AUDIT COMMITTEE'S RESPONSIBILITIES AND FINDINGS

In discharging its responsibilities for the year ended 30 June 2019 the Audit Committee complied with the following:-

3.1 Audit Committee Meetings

The Audit Committee:-

- Reviewed the quality of the financial information provided, financial reports and consolidated annual financial reports and other reporting which was tabled regularly before the Audit Committee, and reviewed the monthly financial information sent to Treasury when provided but on occasions the CFO did not provide the information;
- Reviewed the draft annual financial statements and draft consolidated annual statements and the draft Performance Audit and consolidated Performance Audit information prior to submission to Council and to the Auditor-General and made prior suggestions and recommendations on enhancing the quality of compliance and disclosure;
- Reviewed financial reports from time to time, and reviewed performance information to ensure they present a balanced credible and understandable assessment of the performance and going concern viability of the Municipality;
- Reviewed the Auditor General's draft management letter and final Audit report in relation to the year ended June 2019;
- Discussed issues, materiality of the findings and queries arising from the Auditor General's Audit of the Municipality in terms of Section 131 of the MFMA;
- Reviewed the management response with regard to the corrective action to be undertaken in response to any significant internal audit findings;
- Always dealt with matters arising from previous minutes;
- Reviewed the Performance Information Reports and has established that credible portfolios of evidence exist.
- Reviewed and recommended the Internal Audit Plan and Audit Committee Charters.
- Dealt with Risk and considered the Risk and Fraud Risk Register and considered emerging risk and risk committees;
- Dealt with the Asset Register and Property Plant and Equipment generally;
- Dealt with Revenue Management and water billing at every meeting;
- Dealt at every meeting with Legislative and Statutory compliances in the various Laws governing the Municipality;
- Considered possible misstatements in Annual Financial Statements;
- Participated in Performance Assessments for Senior Managers;
- Raised queries and concerns related to VAT, Water Billing, Property, Plant and Equipment and SARS VAT directives.
- Considered MSCOA compliance at every meeting.
- Expressed reservations concerning the proposed appointment of service provider to settle and complete the Assets Register.

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- Considered the performance of Service Providers and contract extensions and compliance with Section 116 of the MFMA.
 - Considered MPAC resolutions.
 - Attended performance evaluation meetings for Senior Managers.

3.2 Performance Management

The Audit Committee, sitting as a Performance Audit Committee, considered matters relating to performance management as prescribed in terms of the Regulations set out in the Local Government: Municipal Planning and Performance Management Regulations of 2001.

These responsibilities included:

- A review of the quarterly reports required to be submitted by internal audit and the mid-year Performance Review, and satisfied itself to alignment with the adjustment budget and adjusted performance targets.
- Reviewed the Performance Management System and the pre-determined objectives and tested the functionality and corresponding compliance with the Municipal Systems Act and the MFMA.
- Focused on the economy, effectiveness, efficiency, reliability and impact applicable to the Municipality's own key performance indicators and key performance areas and their alignment with the SDBIP and the relevant Portfolios of Evidence, and with Statutory Regulations.
- Considered the application of Sections 40, 41, 43 and 46 of the MSA, with reference to the Municipalities' I.D.P, the SDIP and Audit Charters and reviewed these, prior to submission to the Council and the Auditor General and the levels of compliance.

The I.D.P. and the SDBIP and the pre-determined objectives alignment to create service delivery was integrated. Facts and information based on empirical performance information must align with the Integrated Development Plan (I.D.P.), and the Key Performance areas and pre-determined objectives and the Budget of the Municipality.

If done properly, performance information and given qualitatively and quantitatively is a very good system, but its flaw is if the information provided is incorrect or incomplete, then this gives an incorrect overstated impression of performance to the Audit Committee, which is what occurred in the financial year.

This is the essence of good governance and represents proper compliance with Section 52 and Section 195 of the Constitution of South Africa.

3.4 Internal Control and Internal Audit

The External Audit Committee is responsible for the effective functioning of the Internal Audit activity, as provided for in Section 165 of the MFMA. Internal Audit reports functionally to the Audit Committee and administratively to the Accounting Officer. The Audit Committee:-

- has direct access to Internal Audit through a reporting relationship with Internal Audit. This underpins its independence from management;
- The Chairperson has conducted regular private telephone calls and exchanged e-mails, and had meetings with the Manager of Internal audit to allow for frank discussion of issues and concerns;
- evaluated the performance of internal audit by consideration of the relevant Internal Audit Plan and did so with reference to the Auditor General's Status of Records Reports, which reviewed internal audits' integrity;
- considered the scope of the internal auditor's review of internal control over financial reporting, and obtained reports on significant findings and recommendations, together with management's responses;
- evaluated controls over the overall operational and financial reporting environment and reviewed the effectiveness of the internal controls in conjunction with the Auditor General's interim Findings;
- assessed the adequacy of performance of the internal audit function, and available internal audit resources;
- reviewed the frequency of dealing with corrective action taken in response to significant Auditor General's findings raised in the prior year;
- reviewed and approved the Internal Audit Charter, Internal Audit Plans and Internal Audit's findings with regard to internal control and discussed compliance with Treasury Circulars;
- at all Audit meetings discussed matters with respect to risk assessment as it affects revenue impairment and asset management;
- discussed at length the challenges in water-billing and revenue management;
- discussed Property Plant and Equipment;
- discussed compliance with VAT and SARS directives;
- discussed GRAP;
- considered the valuation of, or of misstatements of the Municipality's Assets;
- considered internal audit reports at every Audit meeting;
- specific members attended meetings concerning Performance Evaluation of Senior Managers;
- Considered the Risk, risk committees and Fraud Risk register, and emerging risk.
- Expressed concerns at Managements disagreements with Internal Audit findings and the limitations of scope disclosed, and Managements slow and indifferent response to attend to corrective action to address Internal Audit findings.

The Audit Committee received highly satisfactory levels of support from the Internal Audit Unit and the Internal Audit Plan was satisfactory maintained. However, management did not follow up properly with remedial action concerning Internal Audit Findings and did not engage purposefully with the Auditor General during the Audit period. There were limitations of scope findings by the Internal Audit in materially important areas. These limitations were reported in writing to the District Council by the Chair, July 2019.

3.5 Compliance and Ethics

From a review of various reports and discussions held at Audit Committee meetings the Audit Committee noted that a Fraud Prevention Strategy is in place. The Statutory Code of Conduct for municipal staff and Councillors in terms of the Municipal Systems Act is applied by the municipality. Declarations of interest in respect of risk posed by attempts to by-pass the Supply Chain Management process have been obtained from all persons contracting with the Municipality stating on oath that they are not in the employ of the State. Employees are subject to the same scrutiny, but interference is difficult to detect, compounded by certain limitations of scope. The sudden resignation of the Internal Auditor, Ms. Zevile Dlamini at the end of the third quarter has created serious capacity constraints.

The Audit Committee has reviewed the effectiveness of mechanisms for the identification and reporting of compliance with Statutory laws and ethics as set out in the Internal Audit Plan and relevant Regulations; and the findings of regulatory bodies or audit observations. It has tried to eliminate material misstatements from Draft Annual Financial and Consolidated Financial Reports forwarded to the Auditor General. Fraud is very difficult to detect at every level. Political interference is very hard to detect at Audit Committee level.

3.6 Section 71 (of the MFMA) Management Report/ Budget

This is requested at each Audit Committee meeting. It is a report in a prescribed format due to be submitted to Treasury. It is most helpful in providing a contemporaneous indication of the financial health and economic state of the Municipality at any given time. Monthly Section 71 Management reports should be considered by the Council during the year, but were not always provided to the Audit Committee even though it is a standing item.

The Budget and adjustment Budgets were considered. Budgets were established to be unfunded, and Provincial Treasury had to intervene. Budgets were very poorly dealt with in the year. This was also reported in writing to the Council in July 2019 by the Chair.

3.7 The Consideration of the Auditor General's Report

The Auditor General has tabled its Final Management Report and Audit Finding in respect of the year under review. The Auditor General expressed a **Qualified Opinion**. The AG established that the financial management and the controls around property plant and equipment and Revenue and Water Services of the Municipality has not regressed from the previous financial year, and that there has been some improvement.

The attention to the corrective action in respect of the challenges at Ugu arising from the prior year has rendered disappointing outcomes. The information provided by the Municipality in respect of Revenue, Water Billing, Assets, its value of its assets, and with regard to Performance is regarded by the Auditor General, as not credible and not compliant with poor portfolios of evidence and this formed the basis of its Qualified Audit Report, and one of its findings was failure to attend to prior year corrective action.

3.8 In-year reports submitted in terms of the MFMA

The quarterly performance management reports, the Council's approved budget, and the SDBIP, Internal Audit reports and the Annual Performance Reports and evaluation of Service Providers have been called for by the Audit Committee. The Audit Committee reviewed these reports and notes the reluctance of some Managers to disclose information on service providers, particularly in respect of Water Services Capital Projects so the Audit Committee has not had the disclosure it wanted. The quarterly management reports and the minutes of the External Audit Committee reflects this. Performance Evaluation has regressed, and is not satisfactory for the year under review. The Chair reported to Council when requested, but the requests were not often made. A Report dated 10 June 2019 was also submitted to the Municipal Manager concerning the assessment of the BTO.

3.9 Internal and External Audit Function

During the year under review, an audit plan was prepared based on the Internal Audit Plan, and on Annual Risk Assessment. The following is a list of received Internal Audit and Management's high levels of attention:

- Ethics
- Asset Management Review and Restatement of Asset Values
- Bi-annual reviews of Performance Management
- Cash Flow oversight and going concern issues
- Financial Discipline Review
- Overtime
- Water Revenue
- Fleet Management
- Audit Committee Review
- Follow Up Review: Revenue Management
- Political Interference
- Information Technology
- Supply Chain Management discipline review
- Corrective Action Plans: A-G Management Report & Audit Reports
- Section 32, Section 36, Section 12 and 17(1)(c) of Supply Chain Management Regulations
- Annual Financial Statements
- Fraud Prevention
- Statutory Compliance
- Risk/Risk Register

-
- Performance Management and the SDBIP and Performance Regulations
 - The Internal Audit Plan
 - VAT
 - Property, Plant and Equipment and the inability of UGU to create an asset register
 - Valuation of Fixed and Movable Assets and Servitudes
 - GRAP
 - Compliance with Legislation and relevant Statutory Regulations and By-Laws
 - Unlawful strikes and possible unlawful damage to water infrastructure
 - Section 71 Management Reports
 - Reviewed the Budget and Adjustment Budget and the adjusted SDBIP
 - Requested to review service providers and performance in Capital Expenditure Projects

An annual assessment of the Internal Audit Function had been completed the Audit Committee. The External Audit Committee is satisfied with the performance of the Internal Audit function and reports that all projects in terms of the approved risk based annual audit plan had been adequately provided to the Audit Committee as required by Law.

The Auditor General has stated in its Management letter and Audit Report, that internal and external audit functions at the Municipality are conducted in a satisfactory manner.

Meetings took place between members of the Audit Committee and the Political Leadership took place when requested and the Chair met several times with the Honourable Mayor as well as the MPAC Chair and frank discussions took place.

3.10 Performance Audit Meetings

Such Performance Audit meeting was held to ensure Compliance with the following Sections of the Local Government: Municipal Systems Act:-

1. Section 40;
2. Section 41;
3. Section 42; and
4. Section 44.

And in terms of the Municipal Planning and Performance Management Regulations¹⁴ (2)(a)(iii) of 2001, and the Audit Charters. In such meetings:-

1. Close attention was given to Sections 9 and Section 10 of the Regulations. Percentages of households with access to basic levels of water, sanitation, electricity and solid waste removal were considered. Householders earning less than R1100.00 per month with access to free basic services was checked and cross-referenced with the SDBIP.

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2. The percentage of Municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the Municipality's IDP was considered.
 3. Job creation was considered.
 4. Employment equity targets were considered.
 5. Financial viability was considered.
 6. Key performance indicators were reviewed. These were considered in conjunction with the Municipalities Budget and the performance targets which had been set.
 7. Monitoring took place through the reports received concerning Quarter 1, Quarter 2 and Quarter 3 and Quarter 4 when due; of the relevant financial year. Such information was provided by the Internal Audit function of the Municipality.
 8. The Internal Audit Unit on a continuous basis, audited the performance measurements of the Municipality; and submitted quarterly reports on their Audits to the Audit Committee as provided for in Section 14(1)(c) of the Regulations.
 9. Proper measures are taken to ensure that a performance Audit Committee Meeting took place at least twice during the Financial Year and the Municipality was helpful concerning a Special Audit Committee Meetings if requested by the Audit Committee.
 10. It is submitted by the External Audit Committee that there has been acceptable compliance by the Municipality with the Regulations as set out above.
 11. The External Audit Committee has sat regularly throughout the Financial Year.
 12. The Audit Committee also provided a Member to Performance Evaluation meetings for Municipal Managers and Section 56 Managers during the year.

3.11 Financial Risks

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1. The Audit Committee has standing agenda items of the Section 32 contracts as well as the Section 36 deviations and irregular and unauthorised and fruitless and wasteful expenditure, in terms of Treasury Circular Number 68. The Audit Committee was not provided with these for certain meetings, creating a limitation of its scope.
 2. Important information with regard to the percentage of Opex expenditure against budget and Capex spent against budget; and creditors paid within 30 days; were considered, but only based on information provided.
 3. Errors have occurred in material important aspects of financial reporting. These issues were; of course picked up when the Auditor General conducted later on in its audit which then informed the Management Report, and the Qualified Audit Outcome.
 4. In particular, the Asset Register had not in fact, been completed as undertaken by Ugu, because we have no evidence of this, but there is, for the first time in many years, some material progress.

Reference is made to the following to highlight non-compliance concerning Ugu's financial risk:-

No. 56 of 2003: Local Government: Municipal Finance Management Act, 2003.

Section 70 - Impending shortfalls, overspending and overdrafts

- (1) The Accounting Officer of a municipality must report in writing to the municipal council-
 - (a) any impending-
 - (i) shortfalls in budgeted revenue; and
 - (ii) overspending of the municipality's budget; and
 - (b) any steps taken to prevent or rectify such shortfalls or overspending.

Section 166 - Audit committees duties set out at Section 166(1), 166(2) and 166(3) of the MFMA.

With reference to the above legislation the Audit Committee is compelled to deal with Cost Containment Measures because of the risk that it discloses to the operational functional of the Municipality. The Audit Committee proposed taking the following steps:-

-
1. Recommend that Ugu's Management make a full disclosure to the Ugu Municipal Council the concerns as set out by the CFO with regard to the necessary cost containment measures and the concerns that are necessary.
 2. Drawing the item to the attention of the Auditor General which we are compelled to do in terms of Section 166 of the MFMA, and which we did.
 3. Advising the Municipal Manager and/or the Mayor to urgently contact the MEC at COGTA and Treasury to disclose the contents of the CFO's Reports.

Section 6.2 of the Audit Committee Charter, which has been approved by Council does in fact deal with the statutory responsibilities of the Audit Committee in terms of Section 166(2) of the MFMA. That includes advising the Council, Political Office Bearers and the Accounting Management and the Management staff of the Municipalities on matters relating to:-

“(a)

- *Internal financial control and internal audits;*
- *Risk management;*
- *Accounting policies;*
- *The adequacy, reliability and accuracy of financial reporting and information*
- *Performance management;*
- *Effective governance;*
- *Compliance with the MFMA, the annual Division of Revenue Act and any other applicable legislation;*
- *Performance evaluation; and*
- *Any other issues referred to it by the municipality or municipal entity:*

(e) *Perform such other functions as may be prescribed. “*

With this in mind, and at the request of the Auditor General; the Audit Committee engaged with Treasury to try to provide a level of skills transfer to Ugu's Treasury department, and assess the Budget and Treasury Unit. A constructive meeting was held, and feedback was given to Management and Council.

3.16 Revenue, Water Revenue, Water Supply Integrity

3.16.1 Water Billing, the billing of undeveloped property, and Consumer Debt have received Audit Committee's attention. A minimum monthly remittance by water

users is required to sustain water revenue income. A revenue shortfall impacts on Ugu's viability as a going concern, and poses a pervasive risk.

3.16.2 Cash flow continues to be of material concern. The under-recovery in respect of water revenue and the anomalies in the billing system underpin this difficulty which therefore poses significant risk.

3.16.2.1 Water breaks and call outs and the urgency and overtime have been considered at meetings and this is an area of material concern.

3.16.2.2 The Audit Committee dealt extensively with the asset valuation of both immovable and movable assets as well as servitudes.

3.16.2.3 Unavailability of water to parts of the community is also a material concern and a serious reputational and operational risk.

3.16.2.4 The integrity of the water system; unlawful strikes and allegations of willful tampering with the system, together with a failure to secure reservoirs are material and unresolved billing issues placed material limitations on revenue.

3.16.2.5 The Municipality has however, improved slightly in its Compliance obligations concerning revenue and property plant and equipment compared to last Financial year.

3.13 The Current Urgent Financial Risk Read with the Legislation

1. The assets referred to as PPE (Property Plant and Equipment) still do not properly reflect the assets owned by Ugu and this has a knock on effect on the accuracy of the financial statements of the Municipality.
2. Ugu has no credible water billing system. For that reason it is impossible to budget on income generated from water usage because the accounts which go out are not credible.
3. One of the aspects that arises is that Ugu can't issue legal Summons for unpaid water bills because it cannot prove how much water has gone through a particular meter.
4. Thus, Ugu is completely dependent on voluntary payments by water users rather than being able to send out accounts to consumers and, if they go out at all, are not credible accounts. What is concerning, is that this problem has existed for many years in this regard and yet the Audit Committee see no changes.
5. There are still many large organisations such as Hospitals, Shopping Centres and Government Departments which in fact do not even have water meters or are not connected to the billing system.
6. Not enough remedial work is being done to properly align the buildings that do not have water meters; there are examples of Municipalities and other Government Institutions stating that they will not prejudice their own audit outcomes by paying accounts which are

not credible and auditable. This is completely understandable, but the loss of revenue to Ugu is vast and runs to tens of millions of Rands in lost revenue.

7. There are also massive water losses in the system. Ugu buys water and then it is lost without any tabulation of the amount lost. More than one-third of all billable water is lost.
8. There were material limitations and scope of the Audit Committees function during the year. Financial documentation was withheld from the Internal Audit Unit, this was raised by the Chair in a Report to Council. No feedback was received by the Audit Committee about this.

3.14 Creditors and Financial Planning

1. It is quite apparent from the information provided from the CFO to the Audit Committee that there is a monthly budget shortfall of several millions of Rands a month. The CFO provided a written document to the Audit Committee as proof of this.
2. Because of the drop in revenue; Ugu is unable to pay its creditors and for many months could only cover salaries from its DORA grant.
3. It has to use Equitable Share from the current financial year to settle historical debt, capital expenditure and operational loss will suffer. In other words the money that was received from Treasury in 2020 will have to pay debt from the prior year which seriously impacts on Ugu's financial viability.
4. The issues of unsustainable water losses, assets, free water to indigent people and the inability send out credible water accounts which has been exacerbated by the unnecessary, in the view of the Audit Committee, implementation of the mSCOA billing system has made it very difficult to run a District Municipality. The reservoirs and pipelines are in a very poor state, and no funds exist to repair them; and huge unbudgeted expenditure occurred during the several strike periods in the year.
5. Consequently, it is possibly unfair to make wide and generalised comments against Ugu as well as the Management of the Municipality; because most of the tasks are extremely difficult to deal with and the Municipal Manager has to attend to never ending crisis management for much of the year.
6. However, the Audit Committee's observation is that the Municipality finds itself in a little better position than it was at the same time last year. The going concern issue (the concern that the Municipality might well completely run out of money) as well as the failure to institute a proper revenue collection system so that water can be properly billed and that an income from water, sewage and sanitation can play its vital role of funding Ugu's budget; simply does not seem to improve.
7. No consequences threaten for those staff members who do not perform their duties. That is unique in the Ugu family. The Local Municipalities institute consequence management.
8. There is nothing that the Audit Committee knows of concerning any remedial action at the moment which gives any indication to improve the situation in the next financial year. The

Council was requested when the Chair addressed it to intervene through its own committees and through its MPAC and play a more purposeful and outcomes driven role in trying to address the problems within the Ugu structures.

9. The Audit Committee is available to attend the MPAC meetings on request and to provide guidance and skills transfer.

3.15 Meeting with The Political Leadership

The Audit Committee held private meetings with the Political Leadership to draw the concerns of the Audit Committee to the attention of the Political Leadership. Robust and frank discussion took place as between the parties concerned and the Audit Committee shared their views with the Political Leadership concerning:-

1. The precarious state of the Ugu finances.
2. The inability to provide a credible billing system.
3. The failure to deal with property, plant and equipment to the extent that it does not allow for a credible set of financial statements to be produced.
4. Performance Management.
5. Consequence Management.
6. The indifferent attitude of some Senior Managers.
7. The “going concern” risk.
8. The need to get better information about this evaluation of Service Providers and contract management in terms of Section 116 the MFMA.
9. The sudden resignation of the Internal Auditor.

The Political Leadership was frank and sincere, and the Honourable Acting Mayor set up meetings with the Finance Department the following day in order to try and address these issues. However, the CFO resigned at the Financial Year end.

It must be stated, and is evident from the significant number of meetings that the Political Leadership, the MPAC Chair and the Honourable Mayor have had with the Audit Committee and attended our Audit meetings. They have showed some concern in our view, but Ugu’s operational managers do not heed them or take guidance from them and there is still no consequence management.

4. EVALUATION OF ANNUAL FINANCIAL STATEMENTS

The Audit Committee reviewed the credibility of the draft annual financial statements and consolidated Annual Financial Statements and the Municipalities Performance Management for the year ended 30 June 2019 prior to submission to the Auditor General on the 31 August 2019. The Committee reviewed the accounting policies and practices and evaluated the draft annual

financial statements and the draft Consolidated Annual Financial Statements (consolidated with the Entities Statements).

This is based on the information provided to the Audit Committee and considered the integrity of the said statements complying in all material respects with the requirements of the MFMA and Treasury Regulations as well as the requirements of Generally Recognised Accounting Practice (GRAP) and SARS VAT directives. The quality of the draft statements prior to submission to the Auditor General was only satisfactory, and the disclosure notes were incomplete.

5. RESOLUTIONS

With reference to Treasury Circulars, the Audit Committee Resolved as follows, at its Audit Committee meetings for the year in question:-

1. To deal with necessary Auditor General Corrective Action in terms of Section 131 of the MFMA at every meeting.
2. To deal with water billing and water revenue accounts at every meeting.
3. To monitor Performance Management at every meeting.
4. To follow up with regard to the updating of an asset register, valuation of assets and Property Plant and Equipment generally.
5. To consider Ugu's viability as a going concern at each meeting.
6. To consideration of Section 71 Management Reports.
7. To consider VAT.
8. To interrogate supply chain management.
9. To comply with relevant Treasury Circulars.
10. To consider risk, fraud risk and emerging risk and fraud.
11. To consider the performance of Service Providers.
12. To consider the adequacy of the funding of the Budget.
13. To evaluate the Budget and Treasury Unit at Ugu.
14. To evaluate service providers.
15. To consider MPAC and Council Resolutions.
16. Further Resolutions are captured in the Resolution Register which is an Annexure to this Report.

6. AUDIT OUTCOME

The Auditor General awarded the District Municipality a **Qualified Audit Opinion** as the finding; which was an improvement for the District from the prior year.

Audit Committee Meetings are attended, for the most part, by Members of the Auditor General's staff. They are careful not to become operationally involved, but are helpful when questions of interpretation are put to them.

This is supplemented by the relatively new Status of Records provisions, which the Auditor General should present to the Entity from time to time, in place of its previous Dashboard Report.

The Auditor General's Engagement Letter, prior to year-end, expressly set-out the focal points of the Audit, for a specific year, and they also set the fees which they are going to charge for the Audit work. These fees are paid for from the Municipality's Equitable Share.

The Audit Committee references its own agenda, and tests compliance with reference to the status of records, the Engagement Letter as well as the Auditor General's Corrective Action in terms of Section 131 of the MFMA. The Audit Committee audits in careful consideration with these aspects highlighted by the Auditor General. It notes the Auditor General's areas of emphasis in its engagement letter

Routine topics raised by the Audit Committee are fruitless and wasteful expenditure, limitations of scope in SCM, Section 32 and 36 of the SCM Regulations; Auditor General's Corrective Action, irregular expenditure; and MPAC's duties to deal with it; fraud; political interference, service delivery, Batho Pele, fiscal management; the Section 71 Reports, budgets, performance of service providers; quarterly reviews and Statutory compliance.

It also carefully considered financial integrity, treasury expenditure, compliance with legislation, and alignment with the Performance Regulations of 2010, and the Municipality's IDP, SDBIP, KPIs and KPAs.

The Auditor General's audit in the year under review; focused in all Municipalities and Entities within the District on the Bid Adjudication Committee's prior year compliance, which is very open to interpretation, and made findings which it determined was non-compliance, which went past the prior year's Auditor General's Audit.

The Audit Committee is, however satisfied that it properly complied with its Charters and with Sections 165 and 166 of the MFMA in the reported year.

7. CONCLUSION

I would like to thank Mr. Dladla, Mr. Zulu, Mrs. Jojo and Mrs. Elliott for making themselves available to serve on this Committee and the significant contribution in their interrogation and consideration of draft financial statements and the draft Performance Reports, is helpful to all concerned. As an Audit Committee, we rely to a great extent on the Manager: Internal Audit and his staff in the Internal Audit Department for their support and assistance and, in particular, for the role they continue to play in improving the accounting and internal auditing systems and controls at Ugu District Municipality. We are indebted to them. The work under very difficult circumstances, and are forced into position of limitations in their scope.

The Auditor General has given on-going guidance and been genuinely helpful, COGTA and Treasury are invitees to our meetings, but their attendance at meetings is haphazard and they provide little, if any, guidance or input when it is much needed.

The Political Leadership have tried very hard to ameliorate the issues. They have been available on request to the Audit Committee and the Chair and many meetings took place. The Honourable Acting Mayor and the Municipal Manager made some harsh and robust speeches to Management, but Management have a unique and disappointing attitude compared to the rest of the Municipalities in the Ugu District.

There has been robust discussion with the Internal Auditor and the Municipal Manager, the MPAC Chair, the Honourable Speaker and the Honourable Mayor. As the outgoing Chair who has had the privilege of serving the Ugu District since July 2020; I remain grateful to the helpful and very honest input of the Municipal Manager and the MPAC Chair, and their advice and direct dealings with us in all matters.

Mr Paul Preston

Chairperson: Ugu District Municipality

Shared Services Audit Committee

Date: 17 January 2020

APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of 2018/2019		
Position	Name	Description of Financial interests* (Nil / Or details)
Mayor	MA Chiliza	Taxi Owner
	PH Mthiyane	Taxi owner
	NT Dlamini	None
Councillors	MA Manyoni	None
	SN Caluza	None
	ZR Gwabe	None
	PT Naude	Hibiscus hospital
	LMR Ngcobo	Millennium Construction
	SP Mthethwa	Stomp Dayard (pty) Ltd, taxi owner
	BE Machi	None
	NH Gumede	None
	WT Dube	Taxi owner, Kusabelele Investment
	DMM Hlengwa	None
	JJ East	None
	SR Ngcobo	Sizwe Ngcobo Foundation
	ZE Ngcobo	None
	MPL Zungu	None
	N Mweshe	None
	ZZ Msani	None
	D Nciki	None
	HJ Ngubelanga	None
	TA Disane	None
	DA Ngubo	None
	NCP Mqwebu	Stain LIB
	HP Mbatha	None

	GS Mngomezulu	None
	BT Cele	None
	R Nair	None
	GD Henderson	Property company, Anglo American, Anglo Platinum, Aspen, Billiton, Discovery, DRD Gold, Kumbha, Netcare, Old Mutual, Sanlam, Steinhoff, Vodacom, Better Bond.
	A Rajaram	None
	S Chetty	None
	MW Xolo	None
	MT Lubanyana	None
	ZD Cele	None
	TB Cele	None
	BS Nzimakwe	None
	ZR Qwabe	None
	ZGB Msomi	None
	RS Shinga	None
	B Ntusi	Enduneni Projects, Taxi owner
	SE Khawula	None
	LM Mzimela	Sanlam, Southern Ambition 1036cc, IPM Plants hire, Vuyie Xolie Contractions
	M Gcwabe	None
	ZK Dladla	Sbanisempilo Trading, Ibhodwe lase Africa, Zibusele Holdings.
	MN Machi	None
Municipal Manager	DD Naidoo	Business Partner – Sak Investments, GC Reddy Via Super Auto Midas, Picorite Investments.
Deputy MM	N/A	
Other S57 Officials		
GM: Corporate Services	Vela Mazibuko	None
GM: Budget and Treasury Office	Mkhululeni Dlamini	Ibungweti Accounting & Administrations Services cc, Masandie Financial Services (Pty) Ltd, Umthelelo Enterprises
GM: IED	Mandla Mabece	None
GM: Water Services	Sivuyile Mbewu	None

APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 2017/2018

APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY