



***Ugu District  
Municipality***

**UGU District Municipality**  
**Tel: 039 688 5700**  
**Fax: 039 682 1720**

**24 Hour Customer Care Centre**

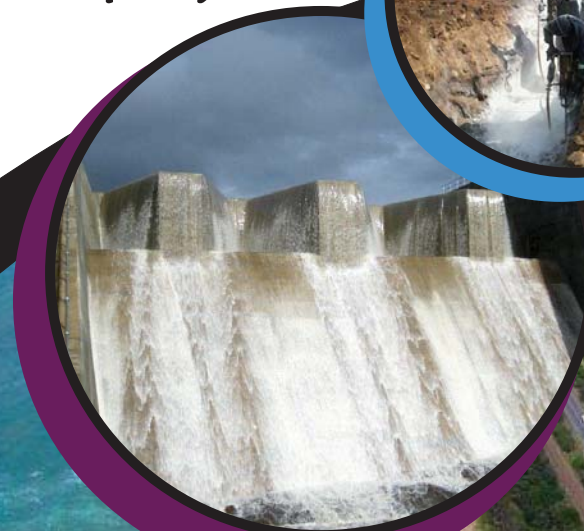
**Tel: 039 688 5830/6**  
**or Cell: 076 903 8771**  
**or Toll Free: 0800 092 837**

**[www.ugu.gov.za](http://www.ugu.gov.za)**



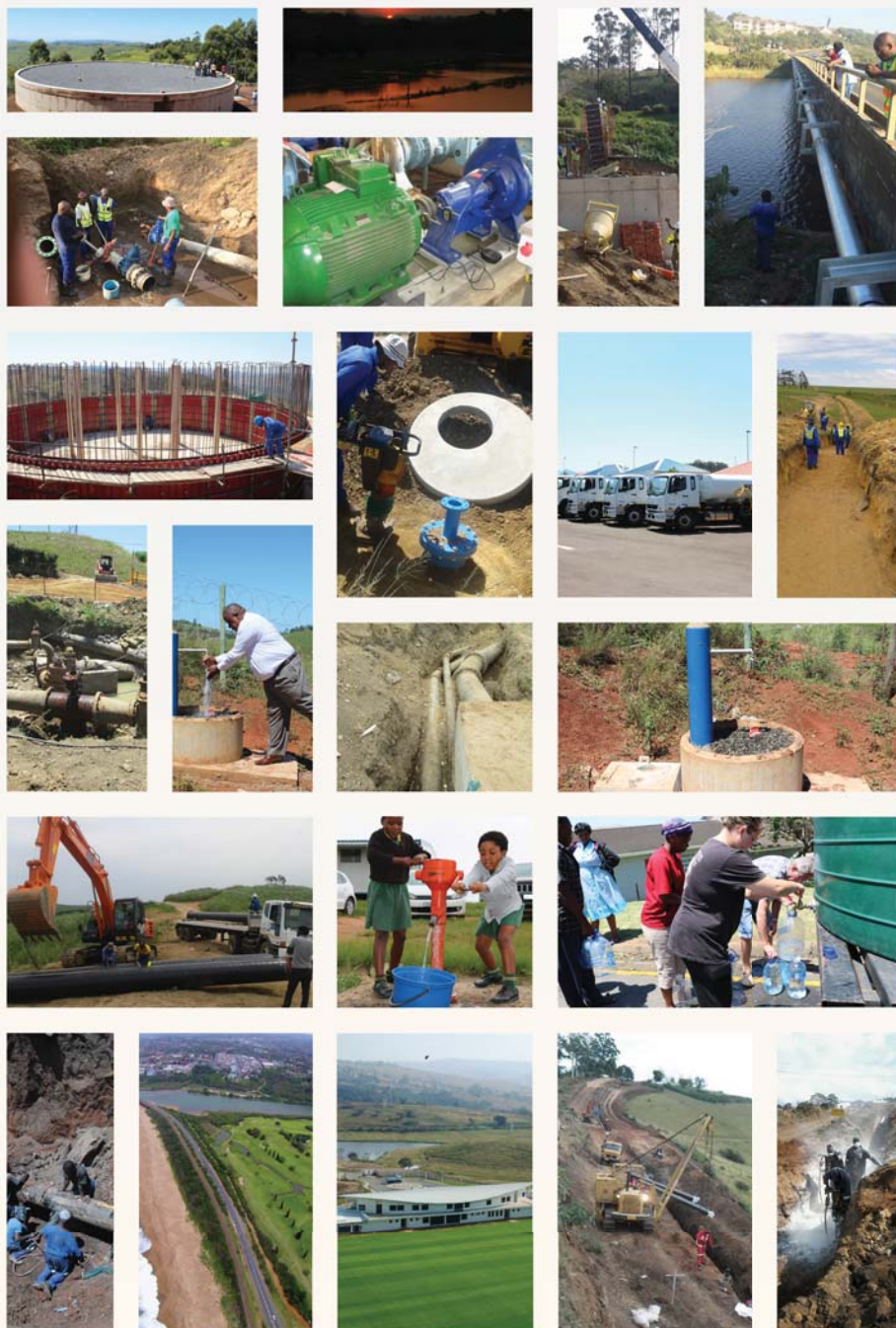
***Ugu District  
Municipality***

**Annual Report 2014/2015**



**Annual Report  
2014/2015**





# **CONTENTS**

<b>CHAPTER 1</b>	MAYOR'S FOREWORD AND EXECUTIVE SUMMARY	<b>3</b>
<b>CHAPTER 2</b>	GOVERNANCE	<b>15</b>
<b>CHAPTER 3</b>	SERVICE DELIVERY PERFORMANCE	<b>32</b>
<b>CHAPTER 4</b>	ORGANISATIONAL DEVELOPMENT PERFORMANCE	<b>112</b>
<b>CHAPTER 5</b>	FINANCIAL PERFORMANCE	<b>125</b>
<b>CHAPTER 6</b>	AUDITOR GENERAL AUDIT FINDINGS	<b>141</b>
<b>APPENDIX A</b>	COUNCILLORS, COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE	<b>146</b>
<b>APPENDIX B</b>	COMMITTEES AND COMMITTEE PURPOSES	<b>148</b>
<b>APPENDIX C</b>	THIRD TIER ADMINISTRATIVE STRUCTURE	<b>148</b>
<b>APPENDIX D</b>	FUNCTIONS OF MUNICIPALITY / ENTITY	<b>148</b>
<b>APPENDIX E</b>	WARD REPORTING	<b>149</b>
<b>APPENDIX F</b>	WARD INFORMATION	<b>149</b>
<b>APPENDIX G</b>	RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE 2014/15	<b>149</b>
<b>APPENDIX H</b>	LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS	<b>150</b>
<b>APPENDIX I</b>	MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE	<b>150</b>
<b>APPENDIX J</b>	DISCLOSURES OF FINANCIAL INTERESTS	<b>150</b>
<b>APPENDIX K</b>	REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE	<b>151</b>
<b>APPENDIX K (ii)</b>	REVENUE COLLECTION PERFORMANCE BY SOURCE	<b>151</b>
<b>APPENDIX L</b>	CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG	<b>152</b>
<b>APPENDIX M:-</b>	CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES	<b>152</b>
<b>APPENDIX M (ii):-</b>	CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME	<b>154</b>
<b>APPENDIX N</b>	CAPITAL PROGRAMME BY PROJECT 2014/2015	<b>155</b>
<b>APPENDIX O</b>	CAPITAL PROGRAMME BY PROJECT BY WARD 2014/2015	<b>156</b>
<b>APPENDIX P</b>	SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS	<b>156</b>
<b>APPENDIX Q</b>	SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION	<b>156</b>
<b>APPENDIX R</b>	DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY	<b>156</b>
<b>APPENDIX S</b>	NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT	<b>156</b>
<b>VOLUME II:-</b>	ANNUAL FINANCIAL STATEMENTS	<b>157</b>





## *Ugu District Municipality*

### **Vision**

A place where everyone benefits equally from socio-economic opportunities and services

### **Mission**

To provide quality drinking water and access to sanitation. Create an enabling environment for social and economic development. Ensure community participation and coordinate public private players.



## COMPONENT A: MAYOR'S FOREWORD

I have great pleasure in presenting the Ugu District Municipality's annual report covering the period 1 July 2014 to 30 June 2015. The report provides a measure of the progress made in line with the Growth and Development Strategy (GDS) and it also tracks operational performance in the context of the municipality's approved 2014/15 Integrated Development Plan (IDP) priorities. Accordingly, we share our successes and challenges during the year in the context of the strategic imperatives of our IDP thereby deepening our communication with stakeholders and setting the bar high for future performance reporting in all areas of the municipality's service, infrastructure and administrative delivery.

In line with the legislative framework, the municipality continues to adopt its Integrated Development Plan annually and the Budget allocation in responding to the provision of non- negotiable key priorities of our communities. The IDP serves as a blueprint for the future development trajectory of the municipality emanating from continued engagement with our communities.

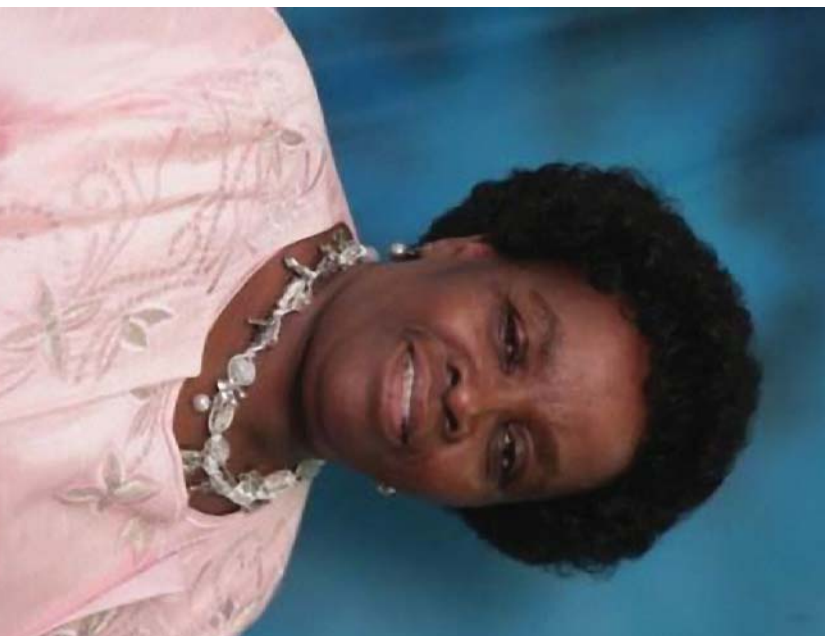
The year under review has been declared the year of the Freedom Charter; a historic document of the people which encompasses what the people require their government to achieve in improving their lives. We have as the municipality ensured that we live up to the expressions of the Freedom Charter during the course of our engagements with the communities.

I would like to take this opportunity to acknowledge efforts of the leadership and administration of the municipality in positively advancing the "Back to Basics" turnaround strategy which served a transformative agenda during the year, and to thank them for their perseverance and readiness in boldly implementing the service delivery objectives of the municipality towards improving the lives of our communities.

During the financial year 2014/15 we attained some notable achievements improving our financial stability which has been our critical focus area for the past years. We have also improved our ability to monitor and measure the implementation of our strategic priorities. This entailed further aligning key performance indicators with the strategic priorities that drive our implementation processes. Also, in an effort to fulfill our agenda of socio-economic transformation, we implemented a series of flagship programmes.

### Financial Sustainability

It gives me great pleasure to report that the municipality is firmly on course to becoming financially sustainable



and resilient. In 2014/15 our billed revenue collection has improved and we have concluded the year with a strong financial position. Our positive financial performance was further supported by the significant progress we have made towards eliminating some of the billing issues. The municipality is in an improved state of responsiveness to billing issues, as a result of continued customer relations outreach programmes and the improvement of our Call Centre systems.

### Good Governance

Enhancements in our governance processes have resulted in improved financial performance and an improved audit opinion, advancing us to an Unqualified Audit Opinion in 2014/15. We continue to be committed to fiscal responsibility and the highest standards of financial management. Notwithstanding our notable achievements, we recognise the magnitude of our task in addressing the enduring concerns raised by the audit and we have already put plans in place to eliminate same adequately. We are indeed on course towards our set target of achieving a clean audit in the financial year 2015/16.



## Service Delivery

During the 2014/15 financial year, Ugu District Municipality has made progress in key service delivery areas as aligned with the municipality's Integrated Development Plan (IDP) and Service Delivery Budget Implementation Plan (SDBIP) provision.

We have made positive progress in provision of water and sanitation services to most communities who never had access to these services. As much as there being progress made in this regard, water provision still remains a challenge in our district due to the mountainous terrain that poses difficulties in getting these services to every household. This has resulted in the municipality facing even tougher challenges in eradicating household water backlogs while concurrently ensuring that sufficient water is made available for expansion of economic activities.

Over and above these challenges, our district is currently being confronted by the drought situation and this limits our ability of extending water supply. We will therefore always make an appeal to our communities to heed our noble call of conserving water. This situation of drought requires all of us to work together in ensuring that we save water every day in every way possible as we are faced with this drought catastrophe which is in no way a creation of man.

## Building Sustainable Partnerships

We recognise the need to foster strong partnerships across all spheres of Government, and to nurture our partnerships with our stakeholders and communities so as to remain relevant and accessible to our stakeholders. The work we are doing to transform our district also requires a commitment of our communities. They are not static observers or passive recipients of Government services, but rather active partners in shaping our district's future.

The municipality has maintained fruitful partnerships with international stakeholders from the Scandinavian Municipality in Sweden offering us as a district a platform to improve on education, water and waste water services as well as non-revenue water management.

We continue to excel in the implementation of the Expanded Public Works Programme (EPWP). Various job opportunities have been created through our EPWP programme.

## Conclusion

We look back with pride as we approach the final phase of the current term of our political office. It is this achievement, coupled with our confidence, commitment and loyalty which will see us standing proud at the end of our political term.

Best wishes



CLLR N.H. GUMEDE  
**HER WORSHIP, THE MAYOR**





## COMPONENT B: EXECUTIVE SUMMARY

### 1.1 MUNICIPAL MANAGER'S OVERVIEW

As we approach the Local Government Elections scheduled to take place in May 2016, our ability to provide basic services to the citizens will come into sharp focus.

The militancy of Service Delivery Protests is indeed an indication of the reception that might well await those on the campaign trail.

As the administration of the District Municipality charged with implementing the core mandate of Water and Sanitation, we cannot be immune from this display of dissatisfaction by our communities. Failure to perform our tasks places the future of our leadership in a very precarious position.

It is therefore essential that Consequence Management becomes a feature of our administration. Every single employee must be skilled, loyal and committed to the task at hand for which they are appropriately remunerated. Those of us who for whatever reasons, cannot fulfil our contractual obligations must be held accountable for the consequences of our actions or inactions. We cannot turn a "blind eye" to poor / non-performance and in certain cases reward such actions.

Furthermore, there are instances wherein we continue through our careless and reckless actions to attract liabilities for the Municipality, which sometimes result in serious financial implications. These cases of fruitless and wasteful expenditure must be made good by those found guilty.

The Back to Basics (B2B) Programme launched by our President, Honourable J G Zuma seeks to respond to the state of Local Government to provide on its constitutional mandate of Service Delivery. The B2B approach must be an integral part of daily operations. The B2B philosophy advocates that we perform our tasks with due diligence.

B2B also places emphasis on the involvement of beneficiary communities in the affairs of the Municipality. A comprehensive and practical Communication and Public Participation Strategy is essential for seamless service delivery.

The Integrated Development Plan (IDP) must be a sincere and honest reflection of mutually agreed priorities. Our communities and all stakeholders must own the IDP and use it as a monitoring and evaluation tool. Our performance must be objective driven achieving desired outcomes that enhance the quality of life of our citizens.



Our ability or inability to deliver services is primarily defined by our financial status.

The Unqualified Audit Opinion received for the 2014/2015 financial year is an indication that we have implemented relevant and appropriate strategies to maintain our status as a "going concern". In the report, the Auditor General does raise issues, many of which relate to compliance which shall be attended to in the Corrective Measures Action Plan and Back to Basics (B2B) support plans.

Our core mandate and the nature of our business require that we pay special attention to Asset and Revenue Management.

We must continue to implement fiscal austerity measures within our Expenditure Management with specific attention to personnel costs.

The scarcity of water compels us to reduce our water loss.

A sustained maintenance programme must ensure seamless delivery of water and sanitation.



Our pre-determined objectives must be reflective of our core business. The anticipated outputs must translate to tangible outcomes wherein there is "value added" to all our communities.

As the fourth largest contributor to the GDP of the Province (KZN) we are a significant regional economy. The issue of unemployment and poverty alleviation can only be positively driven through a strong economy. Government has prioritised many initiatives to stimulate the economy and create space for SMEs and other aspirant entrepreneurs. Government must use its limited resources to leverage private sector funding and involvement to grow the economy. Our abundance of natural resources must be used for the benefit of our communities. It is hoped that our 112 kms of coastline will make us a serious player in the oceans economy, an initiative to use our marine resources to stimulate our economy.

Our LED initiatives must be used to co-ordinate and facilitate partnerships to create sustainable jobs.

The District Municipality as a co-ordinating structure is charged with the responsibility of being a conduit between National and Provincial spheres and local municipalities. Presently there are Shared Services agreements for Disaster Management, Audit Committee and G.I.S.

We have consolidated and institutionalised our Inter-

governmental Relations structures with satisfactory outcomes.

Post 2016 Local Government Elections, the District will have four Local Municipalities. The process to manage these demarcated changes (amalgamation / disestablishment) happens through the Change Management Committees (CMC). It is hoped that these changes will create institutions that will enhance Service Delivery.

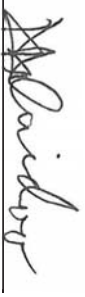
The positive outcome of the Audit and B2B evaluation are indicative of the progress being made by the UGU District Municipality. However, it must be borne in mind that to achieve our destination, the journey is long and arduous. We have been able to navigate through many obstacles and together with our partners we must be resilient and steadfast. The overwhelming support received from all spheres of government must be acknowledged with gratitude.

UGU District and its family of local municipalities must continue to seek to be defined by all that is appreciated by our communities.

We remain indebted to all our role players and stakeholders and will continue to seek your guidance and support as we continue our journey.

"WE CANNOT SOLVE OUR PROBLEMS WITH THE SAME THINKING WE USED WHEN WE CREATED THEM".

*Albert Einstein*



D.D. NAIDOO  
**MUNICIPAL MANAGER**

## 1.2 MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

The Municipal Structures Act of 1998 (amended) makes provision for the division of powers and functions between the district and local municipalities. The provincial MECs adjust these powers and functions according to the capacity of the municipalities to deliver services.

The Municipality's primary function is the provision of water and sanitation services, as well as the maintenance of water and sanitation infrastructure. Accordingly, the majority of the Municipality's resources should be directed in pursuit of this core mandate.

The achievement of universal access to water and sanitation must be drawing closer at a very progressive rate. The municipality has and is engaged in the following core functions:

- Provision of new water and sanitation infrastructure; and
- Maintenance, rehabilitation and replacement of ageing infrastructure.

The Municipality's IDP, SDBIP and Performance Management Systems reflect the implementation of this universal imperative.

The Municipality has an entity, Ugu South Coast Tourism

Company (USCT), which is mandated to identify market gaps and needs, develop new tourist products, attract new tourism (domestic and international) and strategically market the destination. Since its formal inception, there's been an improvement in the distribution of tourism spend in the entire district, and an improvement of the events that are hosted by the municipal areas outside the Municipality's tourism hub.

Challenges range from lack of skills, well-packaged tourism products, black economic empowerment transactions in the industry and failure to unlock public sector-owned land for the tourism industry. Key factors impacting on the development of tourism in underdeveloped areas of Ugu are poor road access, ownership of land, and environmental degradation across the District.

In terms of shared services, the Municipality provides local municipalities with the necessary capacity but its role should be streamlined to be more supportive and that of co-coordinating and facilitation.

Investment in water and sanitation infrastructure is yielding positive results as this translates to increased access.

Population Details					
	2011	2012	2013	2014	2015
Age: 0-17	291949	293993	296051	298123	300210
Age: 18-35	214527	216029	217541	219064	220597
Age: 36-50	100530	101234	101942	102656	103375
Age: 51-70	86081	86684	87290	87901	88517
Age: 71-90	28162	28359	28558	28758	28959
Age: 91-120	1236	1245	1253	1262	1271

Table 1.2.2



## Households

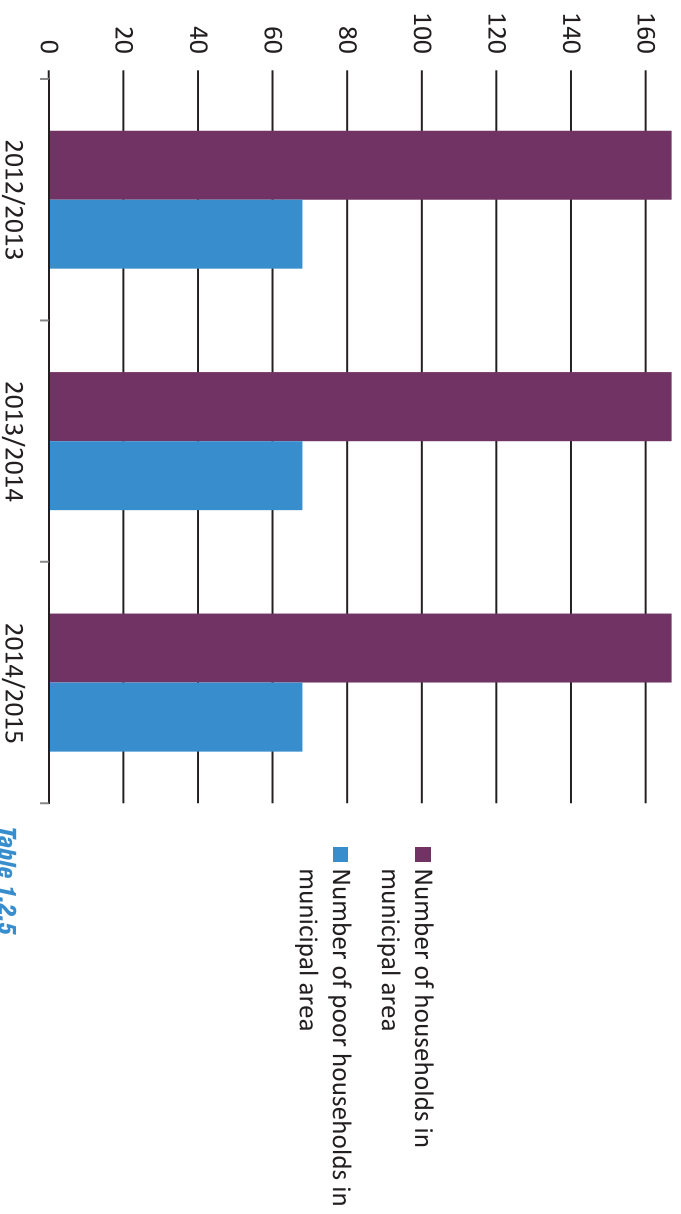


Table 1.2.5

Socio-economic Status					
Year	Unemployment Rate	Proportion of Households with no Income	Proportion of Population in employment (formal and informal)	HIV Prevalence	No. of illiterate people older than 20 years
2012/2013		28%	-	44%	15%
2013/2014		29%	14%	43%	15%
2014/2015		29%	14%	43%	15%

Table 1.2.4

## Socio-economic Status

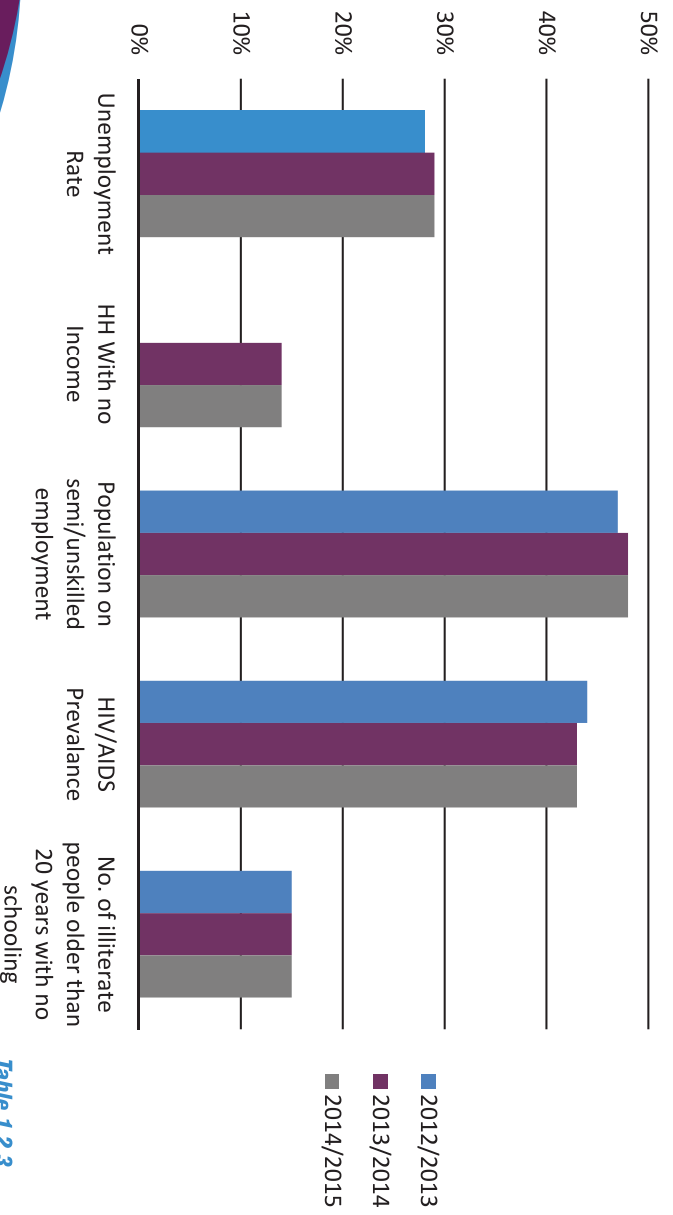


Table 1.2.3

# Chapter 1

## MAYOR'S FOREWORD AND EXECUTIVE SUMMARY



Unemployment in the District remains high with almost 30% of the working age population unemployed. The data shows that 14% of the Municipality's households have no income. The District's workforce is mostly semi-skilled/unskilled, which presents challenges. The prevalence of HIV and AIDS related deaths in the region is one of the highest in the province. There has however been a significant improvement in levels of literacy in the District over the years. Data shows that almost 13% of those over the age of 20 years have no level of schooling.

## 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

Table 1.2.6

## The Coast

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

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

## Water Resources

Water resources are used for domestic and industrial use, recreation, as a source of livelihood as well as for education and research.

## Land

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

Ugu District Municipality's core function is the delivery of water and sanitation to the community. It performs both the functions of being a Water Services Authority and Water Services Provider. In a committed endeavour to perform its core function to the satisfaction of the beneficiaries, the community, a number of achievements have been enjoyed the same way as a number of challenges have been experienced during the 2014/2015 financial year. Most of the achievements were based on service delivery successes with challenges on community impatience, existing infrastructure capacity and ageing infrastructure.

The biggest achievement for the previous year was the operation of the Mhlabatshane Dam which was projected to supply over 50,000 people with water. This financial year the municipality progressively implemented and commissioned with speed the Mhlabatshane Regional Water Supply Scheme. This scheme has ensured sustainable water supply to the areas of Gumatane, Nhlalwane, Nkwazi and Ncengesi to name a few.

The year under review has come with many achievements in terms of service delivery however we will have to note and pay specific attention to some key projects and performance targets which we could not reach. As we close the financial year, specific focus will be on the unachieved targets and projects that could not be completed as a way of improving service delivery to our people. We have seen our performance audits by the Auditor General improve from Disclaimer to Unqualified Outcome: an exceptional achievement if we look back to where we come from. The municipality has achieved access to basic water services to 3266 households; these including Mhlabatshane Regional Water Supply Scheme, Kwaxolo Bulk Water Supply Scheme, Maphumulo Water Supply Scheme, Mathulini Water Supply Phases 4 – 7 and Ezinqoleni Bulk Water Extensions.

The Municipality prides itself of the swift and effective manner in which it responded to the worst drought situation since 1992. With the Declaration issued in December 2014, the municipality was allocated R31, 913,122.20 which was used amongst other projects to refurbish and protect over 92 springs, provide interim mobile water supply through tankering and portable storage thereof. The municipality secured its standby power supply through the same budget through the procurement of six mobile generator trucks and 3 fixed standby generators for critical power usage installations.

### Proportion of households with access to basic services

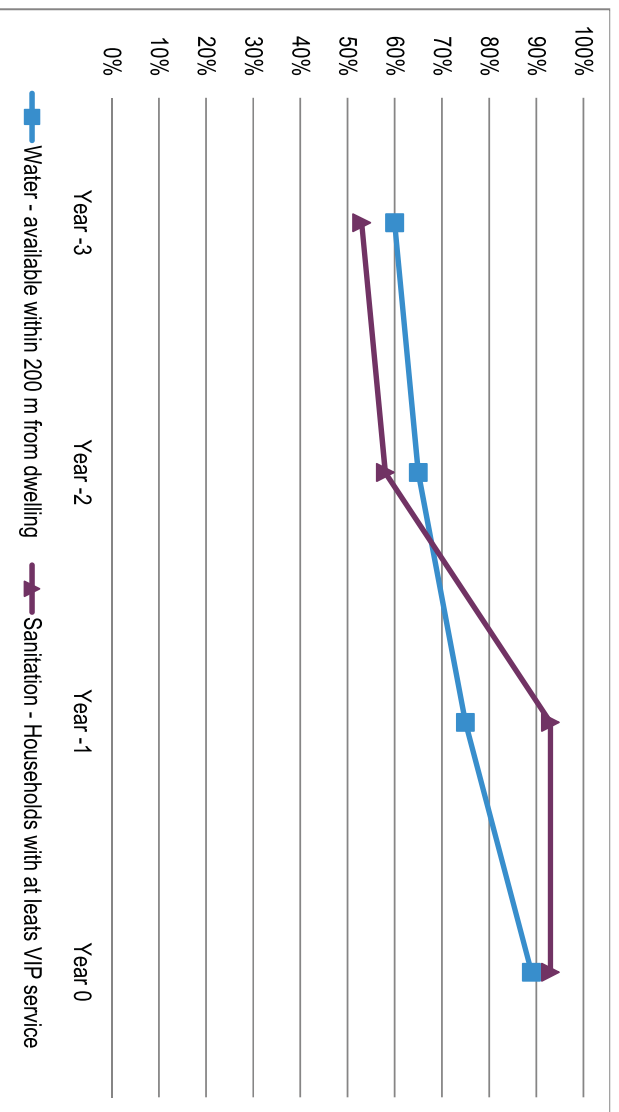


Table 1.3.2

# Chapter 1

## MAYOR'S FOREWORD AND EXECUTIVE SUMMARY

While access to sanitation provision may have had a steep incline in the prior years, for the current year not much construction work was done on the provision of this service as the municipality was in the process of acquiring funding through business plan applications. The provision of access to water services is notable albeit hampered by the lack of adequate bulk water services. As a projection for the current and upcoming years the municipality plans to unlock major infrastructure projects which are already at final feasibility study stages such as the Harding Weza Bulk Water Supply Scheme, the Vulamehlo Cross-Border Water Scheme and the Ncwabeni Dam Project.





## 1.4 FINANCIAL HEALTH OVERVIEW

Ugu District Municipality's Constitutional Mandate of ensuring the provision of services to communities in a sustainable manner requires long term financial sustainability to support the service delivery objectives.

Long term financial sustainability must be ensured by the application of sound financial principles, strengthening of Financial Management Systems and promotion of transparency. The multi-year budgeting method is currently being used to ensure stability. This method balances funding of capital expenditure with the impact on future operational budgets in the medium and long-term.

Sound financial principles must be addressed by ensuring that compliance to legislation is maintained and policies, delegations, roles and responsibilities are properly monitored.

The municipality is grant dependent and cannot internally fund capital projects in the short and medium term. The servicing of existing loan commitments from generated revenues has delayed the process of cash backing of the depleted reserves which had supplemented capital investment in prior years.

The municipality has developed the following turnaround plans in response to its cash crisis due to the decline in cash resources leading to a negative cash position for the past 3 years.

1. The 30 Point Plan
2. The 10 Point, Bail Out Plan
3. The Financial Recovery Plan
4. The MFMA Support Plan
5. The Financial Turnaround Plan

These plans targeted cost reduction in specific cost drivers and revenue opportunities in all functions of the Municipality. The results of these plans have been:

- An increase in cash held at the bank at the end of the financial year;
- An improvement in the liquidity ratio;
- Cash backing of conditional grants; and
- Increase in the operating surplus.

Financial Overview: 2014/2015			
Details	Original budget	Adjustment Budget	Actual
Income:			
Grants	340 769	343 448	321 618
Taxes, Levies and tariffs	378 551	393 801	320 234
Other	20 869	19 828	38 085
Sub Total	740 189	757 077	679 937
Less: Expenditure	726 387	749 143	929 199
<b>Net Total*</b>	<b>13 802</b>	<b>7 934</b>	<b>-249 262</b>

**Table 1.4.2**

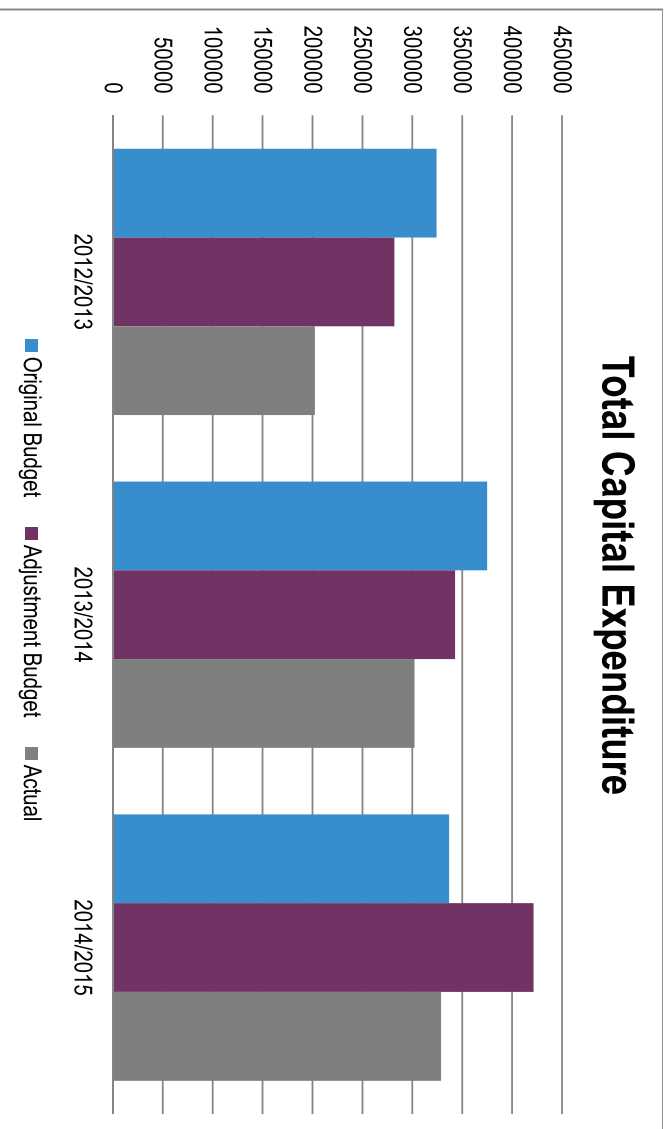
Operating Ratios 2014/2015	
Detail	%
Employment Cost	30%
Repairs & Maintenance	6%
Finance Charges & Impairment	19%

**Table 1.4.3**

The table 1.4.3 above illustrates the employment costs to be 30%, which is within the Treasury recommended threshold with repairs and maintenance sitting at 6%, which is far below the recommended threshold of 20%. Finance charges and Repairs have exceeded the recommended threshold of 10% by 9%, which was due to the ageing water and sanitation infrastructure. With the rollout of pipe replacement programme, this percentage is likely to decrease gradually in the following years.

Total Capital Expenditure: 2012/2013 to 2014/2015			
	R		
Detail	2012/2013	2013/2014	2014/2015
Original Budget	324 382	375 045	336 966
Adjustment Budget	282 068	342 943	421 545
Actual	202 359	302 251	328 882

**Table 1.4.4**



**Table 1.4.5**

## Comment on Capital Expenditure:

The municipality spent 28% less than the annual allocation on the capital budget. This was caused by the additional allocations of R30 200 000 and R8 340 000 on MWIG and Drought Relief Intervention Programme respectively, which was not included in the original capital programmes of the municipality. This additional funding was allocated towards the end of the financial year, hence a technical adjustments budget was made to appropriate these funds in the municipality's budget.

Another factor that caused the under-expenditure on the municipality's capital budget was the delays in awarding of capital contracts. The municipality also experienced some challenges relating to the ownership of land that was earmarked for the construction of capital projects. All these disputes took time to resolve and ultimately delayed the implementation of the capital projects.

## 1.5 ORGANISATIONAL DEVELOPMENT OVERVIEW

### Organisational Development Performance

The Human Resources Section renders a comprehensive integrated customer focused human resources, including the following:

#### Recruitment and Selection

The municipality reviewed its organisational structure during the year under review, however due to the shortage of funds, the municipality could not provide for all the new positions in the annual budget 2014/2015.

### Organisational Development

The municipality is currently rolling out the individual performance management system to the middle management that is reporting to the section 57 managers. The plan is to cascade the individual performance system down to all levels of the municipality.

The municipality implemented the policy on Incentives and Rewards during the year under review. The best performing employees were identified for each department and were rewarded for their hard work.



## 1.6 AUDITOR GENERAL REPORT 2014/15

The municipality received an unqualified audit report for the financial year 2014/2015 with matters of emphasis on the following areas:

1. Creditors management
  - Payment to creditors not made within 30 days.
2. Supply Chain Management
  - Municipal accounts not obtained from the suppliers
  - Bid results not published on the website
  - No proof that bids were advertised on CLBD
  - Contracts not signed by the accounting officer
  - Gifts register not properly maintained
  - Declaration of interest not completed the awarded bidders
3. Contracts Management
  - Service level agreement not signed with the South Coast Development Agency (municipal entity)
4. Asset Management
  - Servitudes on the fixed assets register not traced back to the register of servitudes that is held at registry

5. IT Governance
  - IT governance framework not approved
  - IT department not fully capacitated
  - SLA's not properly monitored
  - Access reviews not properly monitored
  - Regular backups not done
  - Change management processes not properly designed

Besides the matters that are identified above, the municipality has done a remarkable improvement in correcting the matters that were identified by AG in the previous year's audit reports, including the following areas;

- Leave management;
- Revenue management; and
- VAT.

A corrective action plan has been made to address all the issues that were identified in the AG management report and the implementation of the plan is closely monitored by management.

## 1.7 STATUTORY ANNUAL REPORT PROCESS 2014/2015

In February 2014, the Accounting Officer officially designated an Annual Report Co-ordinator and 5 champions. Each champion was a representative from a Department and had the responsibility of collecting and collating data from their respective departments for incorporation into the Annual report.

The key focus area was to ensure the development of a

credible and quality assured annual reports with accurate information.

The following is a summary of the process for the compilation of the 2014/2015 Annual Report. The process plan was developed in accordance with the relevant legislative framework prescriptions.

Description	Date
Annual Report Champions Monthly Meetings	
Submission of annual financial statements as per section 126(1) of the MFMA. (July 2015)	31-Jul-15
Annual Performance report needs to be included as per section 46 of the MSA. (July 2015)	
Municipal entities submit draft Annual Reports to MM. (July 2015)	
Annual Report Champions Task Team Editing meeting	14-Dec-15
Submit Annual Report including annual financial statements and Annual Performance Report to the Combined Audit/Performance Committee.	31-Aug-15
Combined Audit/Performance committee considers unaudited Annual Report of municipality and entities	31-Dec-15
Mayor tables the unaudited Annual Report in Council.	31-Jan-16
Annual Report Champions Task Team Editing meeting	15-Jan-16
Municipality submits Annual Report including final Annual Financial Statements and annual performance Report to Auditor-General for auditing purposes – due 31 August. Council to submit unaudited tabled annual report to MPAC for vetting and verification of Council's directive on service delivery & the committee to evaluate senior managers' performance against agreement entered into.	30-Oct-15
Oversight committee finalises assessment on Annual Report. This must be concluded within 7 days of receipt of AG's report.	28-Feb-16
Auditor-General audits the unaudited Annual Report and submits an audit report to the accounting officer for the municipality / municipal entity.	30-Nov-15
Council adoption of Annual Report (MFMA S127).	30-Mar-16
Audited Annual Report is made public, e.g. posted on municipality's website	15-Apr-16
Oversight report is submitted to Legislators. Treasuries and DCOG	15-Apr-16

## INTRODUCTION TO GOVERNANCE

The Municipality has a Council, which is the ultimate structure for decision making. The Executive Committee makes recommendations to Council on municipal matters, and has delegated powers to resolve where necessary. Other than the two structures, the municipality has Council Portfolio Committees, which have delegated powers in accordance with each

function and department of the municipality. The Municipality also has the Administrative governance, which is responsible for the implementation of Council, Executive Committee and Council Portfolio Committee decisions. The community further gives mandate of service delivery requirements to Councillors.

## COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

Ugu District Municipality has 35 Councillors and seven (7) Executive Committee members led by the Mayor and administrative staff of 811, headed by the Municipal Manager.

### 2.1 POLITICAL GOVERNANCE

The Council is a Legislative Political Structure which is entrusted with an oversight responsibility on matters pertaining to the developmental progress and implementation of service delivery projects. There are various Portfolio Committees that are presided over by the members of the Executive Committee who play a political oversight role on various activities that are implemented by the Municipal Administrative Departments. All these Committees report to the Executive Committee, which takes decisions and also resolves to recommend to Council for the implementation of service delivery decisions.

The Council is responsible for all the decisions of a Municipality but it may delegate specific functions to committees as provided for in Part 5: Section 79 of the Municipal Structures Act, 1998. The object of the Council Committee is to perform the following functions:

- Formulating and developing legislation and policies pertaining to the functions of the administration;
- Provision of oversight in the implementation and monitoring of the approved legislation, by-laws, policies, municipal budget as well as Council strategic plans
- Consider any report on legislation, policies (budget and integrated development planning included), and by-laws in regard to the administration;
- Ensure that the inputs from the communities and sector forums are given due consideration and are taken into account where applicable; and
- Obtain expert advice where deemed necessary.

## EXECUTIVE COMMITTEE



Mayor  
Cllr N.H. Gumede



Deputy Mayor  
Cllr M.A. Chiliza



Speaker  
Cllr S.B. Cele



Cllr I.M. Mavundla





Cllr N.F. Shusha



Cllr S.G. Nyawuza



Cllr S. Mahomed



Cllr J.S. Mbutuma

The following structures work under the Council to perform different functions to ensure the success of service delivery

## 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 resolved 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 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 / General Managers
- 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 failed to designate 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;

### 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 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

In line with S80 of the Municipal Structures Act, the Municipality currently has five multi-party Portfolio Committees, namely:

- Finance;
- Local Economic Development; and
- Sound Governance and Human Resources;
- Special Programmes;
- Water and Sanitation.

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.

## 1. 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:

1. Familiarise, interrogate and recommend to the Committee the budget and reports on economic issues, statistical information, agreements, financial reports and reports on economic and policy statements.
2. Sharpen public awareness of the budget and Government financial and economic policies, and encourage informed debate on the budget.
3. Advise the Executive Committee on the district municipality's domestic borrowing policies.
4. Study Government's policies as regards budgets and advise accordingly.
5. Seek advice from all three spheres of Government, on financial and other budget related matters.
6. Drive the entire budget process as alluded to by legislation, thus ensuring that budgets are based on priorities and realistic income and expenditure.
7. 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.
8. Advise on budget programmes that need to be given special treatment during budget implementation.
9. Ensure that the budget of the District Municipality is used as a primary tool for implementing National and Provincial Policies.
10. Review the relevant legislation and future legislation (bills) with financial and budget implications and advise the Executive Committee accordingly.
11. Deal with any other budget related matter referred to the Committee by the Executive Committee.
12. Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.

## 2. 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:

### Oversight Overt the Following Functional Areas:

- (i) 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
- (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.

## 3. 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

1. To develop and recommend the Good Governance and Human Resources Services portfolio policies;
2. To develop and recommend the Good Governance and Human Resources portfolio by-laws;
3. To consider and make recommendations in respect of the draft budget and IDP of the Human Resources & Sound Governance Portfolio;
4. To ensure public participation in the development of policy, legislation, IDP and budget of the Human Resources & Sound Governance Portfolio;
5. To monitor the implementation of Council policies in respect of the Human Resources & Sound Governance portfolio;

6. 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;
7. To oversee the delivery of support services to the council and community;
8. Exercise delegated authority after considering a report from the designated officials for the Human Resources & Sound Governance Portfolio;
9. Introduce to Exco the recommendations from the Human Resources & Sound Governance Portfolio Committee;
10. Introduce departmental reports on the functions of the relevant sections to Exco;
11. General administration inclusive council & committee secretariat, legal, council support, policies & procedures, facilities management, capacity building & training, human resources, including, Governance, democracy and Skills development.

### Functional Role of 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: Individual (and OPMS);
- Information Communications Technology;
- Facilities Management; and
- Enterprise Security

#### 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



### 4. 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:

1. 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.
2. Oversee all aspects, programmes and activities of local economic development.
3. Oversee all fiscal and other incentives designed to promote social and economic development.
4. Oversee environmental management and ensuring environmental planning, education, sustainable development management.
5. Oversee the provision of efficient environmental health services through continuous monitoring and enforcement.
6. Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives.

### 5. 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:

1. 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 Waste Water;

2. 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;

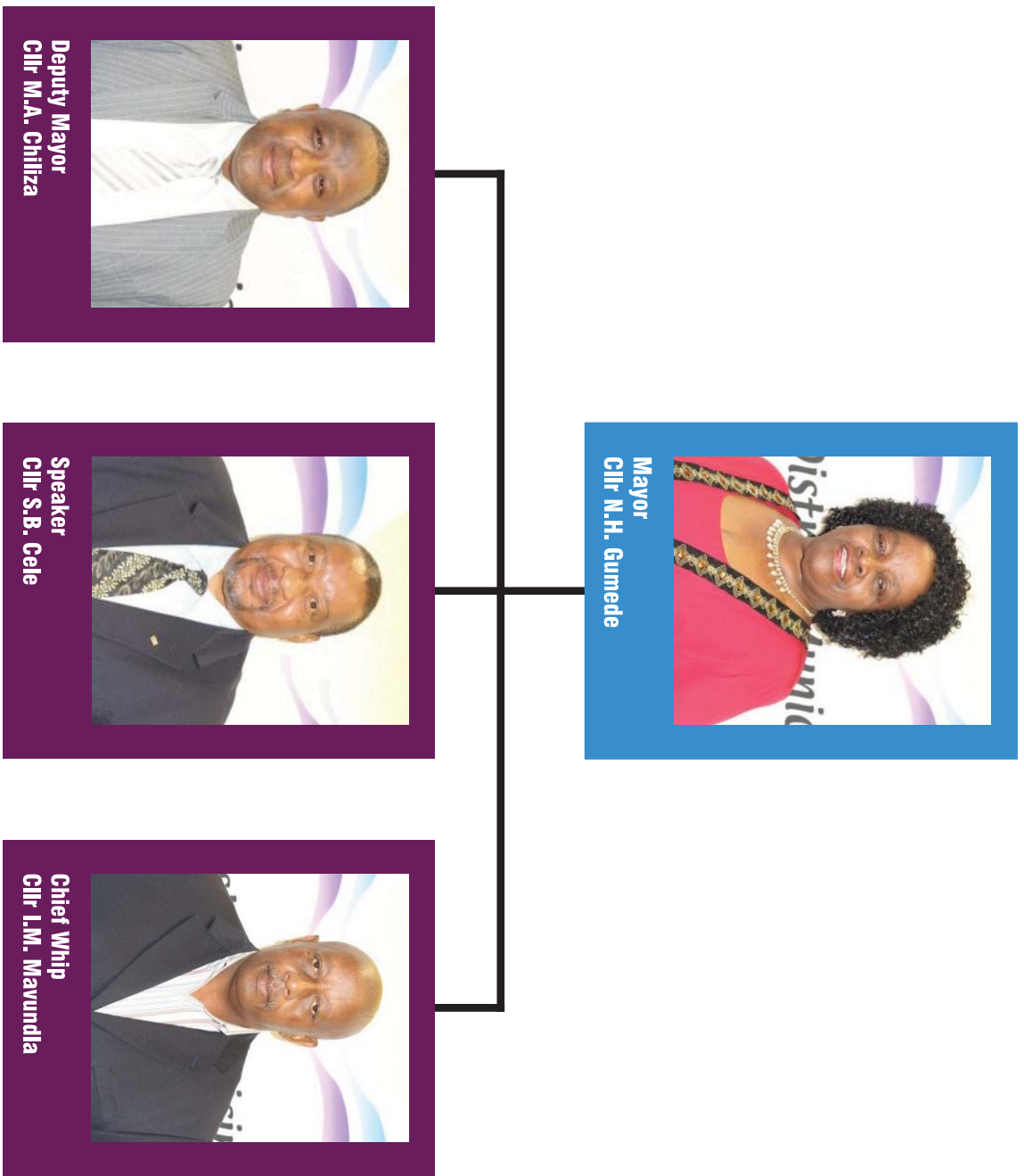
3. Oversee municipal infrastructure development and services to meet the needs of the Municipality in the discharge of its responsibilities.

4. 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.

5. Develop policy proposals on all the areas of responsibility with the intention of achieving municipal and/or general government objectives



## POLITICAL STRUCTURE



## EXECUTIVE AND COUNCIL

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

identified in legislation of the Councillors, political structures and officials in a municipality.

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. It is important to note that all resolutions taken by the Executive Committee as per delegations from the Council for the financial year 2013/2014 have been implemented.



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;
- To ensure that the inputs from the communities and sector forums are given due consideration and Councillor N.H. Gumede, Mayor/Chairperson of the Executive Committee, accounts where applicable; and
- To obtain expert advice where deemed necessary.

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

## UGU COUNCIL



**Mayor:**  
Cllr N.H. Gumede



**Deputy Mayor:**  
Cllr M.A. Chiliza



**Speaker:**  
Cllr S.B. Cele



Cllr I.M. Mavundla



Cllr S.T. Gumede



Cllr L. Zungu



Cllr V.L. Ntanza



Cllr N.F. Shusha



Cllr S. Mahomed



Cllr B.E. Machi



Cllr E. Moosa Bux



Cllr Y. Nair



Cllr M.G. Sonwabo



Cllr Mkhize



Cllr T.M. Cele



Cllr N Dzingwa



Cllr G.D. Henderson



Cllr M.B. Gavu



Cllr D Snashall



Cllr F.B. Shezi



Cllr J Van Vuuren



Cllr K.B.M. Mbhele  
(deceased)



Cllr Y.L. Duma



Cllr J.M. Ndlela



Cllr M.P. Mteshana



Cllr N.A. Madlala



Cllr N.P. Mpanza



Cllr S.A. Khawula



Cllr S.M. Zuma



Cllr D.H. Njoko



Cllr S.G. Nyawuza



Cllr Z.A. Mhlongo



Cllr L.N. Myende



Cllr N.Y. Mweshe



# POLITICAL LEADERSHIP STRUCTURE OF UGU DISTRICT MUNICIPALITY

## MUNICIPAL COUNCIL

**Speaker:** Cllr S B Cele

**MEMBERS:** Cllrs S B Cele (Speaker), N H Gumede (Mayor: EXCO Member), M A Chitiza (Deputy Mayor: EXCO Member), I M Mavundla (EXCO Member), J S Mbutuma (EXCO Member), Dr S G Nyawuza (EXCO Member), N F Shusha (EXCO Member), S Mahomed (EXCO Member), E Moosa Bux, T M Cele, N Y Mweshe, Y L Duma, T N Dzingwa, M B Gavu, S T Gumede, G D Henderson, S A Khawula, B E Machi, N A Madlala, KBM Mbhele, MJ Mkhize, VL Ntanza, Z A Mhlongo, N P Mpanza, M P Mteshane, L N Myende, Y Nair, J M Ndlela, D H Njoko, F B Shezi, D Snashall, M G Sonwabo, Jacobus van Vuuren, S M Zuma and M P L Zungu.

## EXECUTIVE COMMITTEE

**Chairperson:** N H Gumede (Mayor) - ANC

M A Chitiza (Deputy Mayor) - ANC, I M Mavundla - ANC, S Mahomed - ANC, J S Mbutuma (NFP), S G Nyawuza (IFP), N F Shusha (ANC) and S B Cele (Speaker: Ex-Officio) (ANC).



## POLITICAL DECISION MAKING

All municipal political decisions are made by Council, and the Executive Committee has delegated authority to decide on specific matters whereas the Council Portfolio Committees make recommendations to the EXCO.

## 2.2 ADMINISTRATIVE GOVERNANCE

### Introduction to Administrative Governance

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; Treasury and Budget; 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



**Municipal Manager**  
**D.D. Naidoo**

Male

- Overall Municipal Administration Management
- Performance Management System
- Legal Services • Special Programmes
- Internal Audit And Risk Management
- Community Participation
- Mayoralty And Communication
- Intergovernmental Relations
- Youth Development • HIV And AIDS
- Development, Statutory and Strategic Planning



**General Manager:**  
**Water Services**  
**Lungile Cele**

Female

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



**General Manager:**  
**Treasury And Budget**  
**Sibongile Mbili**

Female

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



**General Manager:**  
**Infrastructure And**  
**Economic**  
**Development**  
**Zakithi Mbonane**

Female

- Local Economic Development
- Environmental Management and Services



**General Manager:**  
**Corporate Services**  
**Vuyiwe Tsako**

Female

- 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

### 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 a number of intergovernmental structures, ranging from those that involve municipalities only, to the general ones that involve all sectors of the society i.e. IDP Representative Forum.

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

The main objectives of the Intergovernmental Relations Act (IGR) are:

- Coherent government;
- Effective service delivery;
- Monitoring of policies and legislation implementation; and
- Realisation of national priorities.

These objectives will be achieved through the intergovernmental system. Intergovernmental relations is an instrument for mobilising 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 municipalities to manage IGR is of vital importance. For this reason, the Ugu IGR District Framework has been developed as a specific strategy to strengthen the functioning of the IGR system in respect of Local Government within the Ugu District family of municipalities. This framework has advocated for the creation of IGR clusters to handle specific matters of service delivery.

## 2.3 INTERGOVERNMENTAL RELATIONS

Ugu District Municipality has established four (4) clusters as directed by its IGR Framework Plan. The aim of forming the clusters is to promote and facilitate intergovernmental relations and cooperative governance between the District Municipality, sector departments and the local municipalities, including:

- Seeking unity of purpose and coordination of effort around the District's development priorities;
- Ensuring effective and efficient service delivery unhampered by jurisdictional boundaries;
- Drafting national and provincial policy and legislation relating to matters affecting infrastructure and basic service delivery in the District; and
- The implementation of national and provincial policy and legislation with respect to such matters in the District.

Four clusters were created as follows and are chaired by the different municipal managers from across the family of municipalities.

- Infrastructure, Basic Facility and Service Delivery;
- Local Economic Development;

- Administration and governance; and
- Social transformation.

These clusters report to the IGR Technical Forum and service delivery matters emanating from clusters are further escalated to the District IGR (Mayors' Forum). Participation in these clusters is envisaged from Local Municipalities, Provincial and National Government as well as private sector.



## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

### 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.

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

## 2.4 PUBLIC MEETINGS COMMUNICATION, PARTICIPATION AND FORUMS

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 Councilors, media (print and electronic), loud hailing and other methods. 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 Councilors 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, according to 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.

## 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)	Manner of feedback given to community
Mayoral izimbizo	9/10/2014	10	7	200	Yes	IDP Roadshows
Mayoral izimbizo	12/10/2014	10	7	300	Yes	IDP Roadshows
Mayoral izimbizo	14/10/2014	15	7	200	Yes	IDP Roadshows
Mayoral izimbizo	15/10/2014	15	8	300	Yes	IDP Roadshows
Mayoral izimbizo	15/10/2014	10	7	350	Yes	IDP Roadshows
Mayoral izimbizo	16/10/2014	12	8	350	Yes	IDP Roadshows
Mayoral izimbizo	20/10/2014	12	7	200	Yes	IDP Roadshows
Mayoral izimbizo	21/10/2014	18	7	180	Yes	IDP Roadshows
Mayoral izimbizo	22/10/2014	15	7	210	Yes	IDP Roadshows
Mayoral izimbizo	22/10/2014	16	7	250	Yes	IDP Roadshows
Mayoral izimbizo	21/11/2014	16	7	300	Yes	IDP Roadshows
Mayoral izimbizo	3/11/2014	18	7	300	Yes	IDP Roadshows
Mayoral izimbizo	6/11/2014	15	7	150	Yes	IDP Roadshows
Mayoral izimbizo	9/11/2014	18	7	190	Yes	IDP Roadshows
Mayoral izimbizo	10/11/2014	15	7	200	Yes	IDP Roadshows
Mayoral izimbizo	11/11/2014	15	7	200	Yes	IDP Roadshows

Table 2.4.3

## EFFECTIVENESS OF THE PUBLIC MEETINGS HELD

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

- 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.
- Understanding of community development ideas and direction
  - Close relationship with community members
  - Effective implementation of participatory development

## 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

Table 2.5.1



## COMPONENT D: CORPORATE GOVERNANCE

### OVERVIEW OF CORPORATE GOVERNANCE

In a commitment to implement the principles of Corporate Governance, the Municipality ensured the deployment of more personnel to its accountability maintenance units and political structures such as the Internal Audit and Risk Management Unit and also developed policies to assist the functioning of the units i.e. Risk Management Policy; Anti-Fraud and Anti-Corruption Strategy.

## 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

- Every year a risk register is developed, implemented and monitored through the Risk Management Committee which sits on a quarterly basis.

- Risk Management Charter and Strategy are reviewed on an annual basis so as to ensure that there are no gaps.
- Monitoring of action plans is done on a quarterly basis by a Risk Management Officer in order to ensure that there is implementation and improvement in strengthening controls in place therefore ensuring the reduction of likelihood of the risks occurring.
- Management's buy-in on issues of risk and understanding has improved.

#### Challenges

- Risk Management has not been cascaded down to all employees within the municipality.



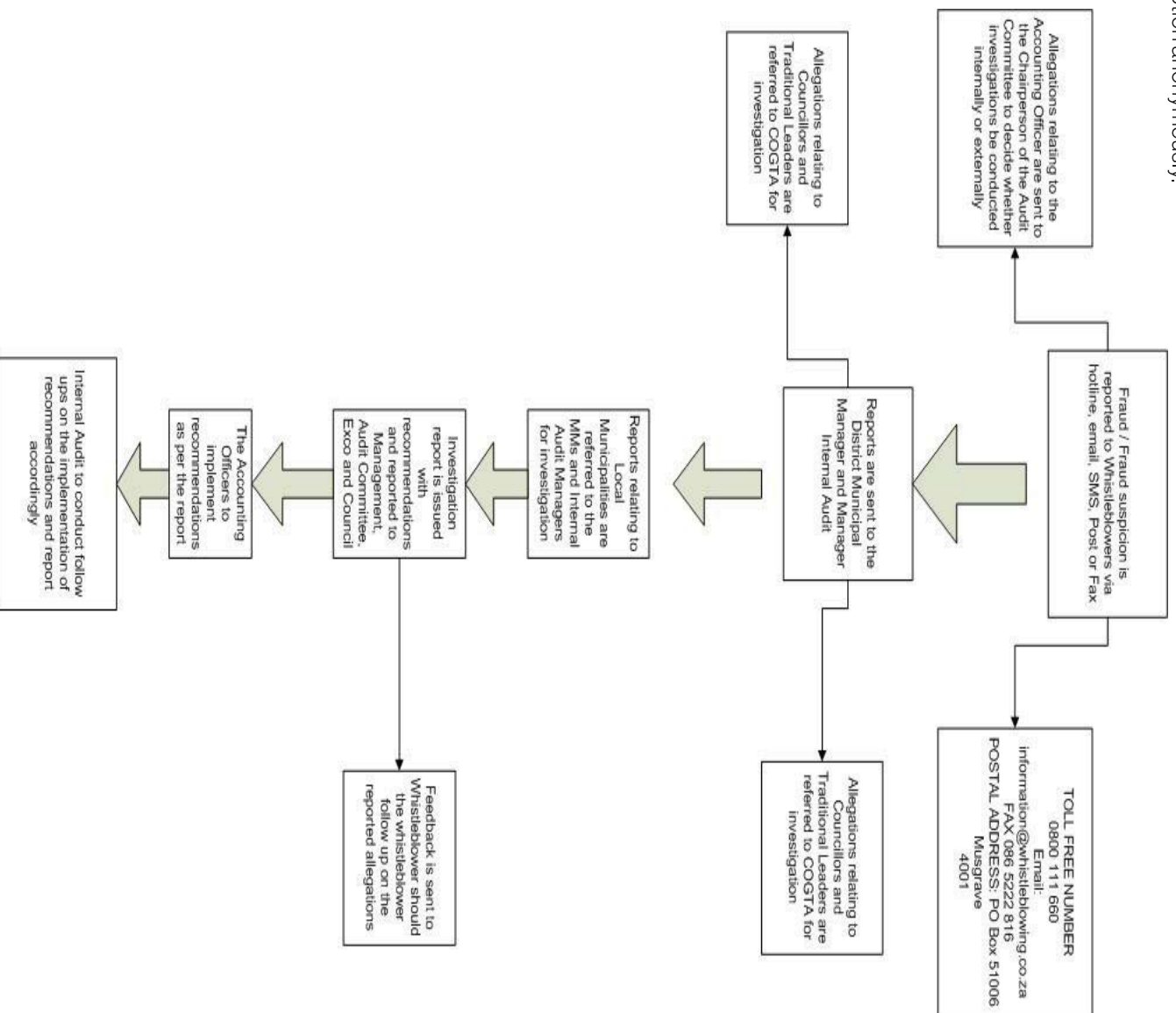
## 2.7 ANTI-CORRUPTION AND FRAUD

The Municipality is committed to preventing corruption, fraud and theft. The municipality has the ff policies in place:-

- Ethics Policy,
- Fraud Prevention Policy,
- Fraud Prevention Strategy,
- Fraud Prevention and Fraud Response Plan.

The Fraud Risk Assessments are conducted annually. Action plans are developed and monitored on a regular basis. Internal Audit review of processes is conducted. The Audit Committees exclude politicians and officials as voting members. The Mayor and the Municipal Manager condemn corrupt practices. All reported allegations are investigated.

Furthermore an Anti-Fraud and Corruption Hotline is in place, which encourages the public to report fraud and corruption anonymously.



## 2.8 SUPPLY CHAIN MANAGEMENT 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 committees.

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

### BY-LAWS INTRODUCED DURING YEAR 2014/2015

Newly Developed	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
Disaster Management Bylaw	yes	12-Dec-14	yes	21-Aug-15
Fire and Rescue Services Bylaw	yes	12-Dec-14	yes	9-Oct-15

*Table 2.9.1*

The Disaster Management as well as the Fire and Rescue Services by-laws were the by-laws developed during 2014/2015 financial year. Public participation on the by-laws was lobbied through community meetings engagements and publication of the by-laws on the print media and the municipal website. Inputs received were

considered and allowed to influence the by-laws content where necessary.

The enforcement of the by-laws will be through the Disaster Management Services personnel, volunteers and public participation.

## 2.10 WEBSITES

### UGU DISTRICT MUNICIPALITY, MUNICIPAL COMPLIANCE CHECKLIST 2014/15

Documents published on the Municipality's website	Yes/No	Publishing Date
Current annual and adjustments budgets and all budget-related documents, 2014/15 Budget	Yes	21/5/2014
All current budget-related policies	Yes	6/5/2014
The previous annual report (2013/14)	Yes	31/05/2015
All service delivery agreements 2014/15	No	N/A
All long-term borrowing contracts 2014/15	No	N/A
All supply chain management contracts above a prescribed value for 2014/15	Yes	NIL
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 2014/2015	No	NIL
Contracts were agreed upon in 2014/2015 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 2014/2015	No	(The Municipality does not have public-private partnerships)

The municipal website is updated through submission of content every day or whenever it is available from respective municipal departments. Every month a reminder is sent to each department on the legislative compliance content that should be submitted to the municipal Website Administrator. To ensure quality of information published on the municipal website, information is not accepted by the website administrator if it is not signed off by the relevant Head of Department.

Further to that, the municipality has a website publications policy, which the website content has to adhere to before being published. The municipal website is accessible on [www.ugu.gov.za](http://www.ugu.gov.za).

To ensure accessibility of the municipal website, the municipality creates an awareness of the availability of the website through every advert published in the print media. The municipality has also committed some



funds towards the establishment of school cybers in 5 schools within the district. The municipality has also proposed to the beneficiary schools that the homepage of each computer that will be used should be that of Ugu District Municipality website to ensure promotion of the website visit by the public.

### Content Shortfall

Regular meetings with Departmental Website Content Champions are being convened, and will continue to be convened to address the shortfall in content as per the ICT Steering Committee resolution. The Web Administrator has been given more responsibility and power to actively request the various departments to provide information and documentation whose publication on the website is regulated by the legislation.

## PUBLIC SATISFACTION ON MUNICIPAL SERVICES

### SATISFACTION LEVEL

Ugu District Municipality is both a Water and Sanitation Services Authority and Water and Sanitation Services Provider. In essence Ugu District Municipality's core-function is water and sanitation.

When the municipality is assessed in terms of public satisfaction with regards to service delivery provision, it would be assessed in terms of water and sanitation and additionally on Environmental Services. When the assessment is done it would feature the elements of quantity and quality of services provided.

There are various methods in which Ugu District Municipality conducted Public satisfaction in 2014/2015, which ranges from community surveys to complaints boxes and Call Centre. The centralised public hotline through which all service delivery concerns, complaints and questions are channelled for a speedy response and action (0800 092 837) is active

Providing Access to Public: The municipality has no immediate plans to place personal computers in locations accessible to the public to facilitate their access to the municipality's website. However, recommendations have been made at Management meetings and ICT instructed to research ways to improve public access to information published by the municipality with special emphasis on rural communities as they are the most affected by the digital divide. Financial constraints and lack of capacity with regards to staffing in the ICT section are the biggest obstacles in achieving this mandate

### Access Monitoring

The website has a counter to track the number of visitors and hits online.

and functional. This system is monitored by the Customer Care Manager with active input into its continued improvement.

Subsequent to a thorough analysis of information received from the community, a conclusion was drawn that the public is not happy with water provision and billing.

In resolving the challenges, the municipality embarked on a fact finding mission where an establishment was made that the water provision challenges emanated from a number of technical elements i.e. ageing infrastructure, pipe burst, irregular water cuts, and water quality and pumps breakdown. The municipality has since deployed resources towards the challenges, pipe replacement programme and water trucking, hence the resources are limited.

On billing, customers were not happy with the accuracy of the billing system, which was caused by the estimation process. The challenge has been resolved through meter audit and meter reading.

## SATISFACTION SURVEYS UNDERTAKEN DURING: 2013/2014 AND 2014/2015

Subject matter of survey	Survey method	Survey date	No. of people included in survey	Results indicating satisfaction or better (%)
<b>Overall satisfaction with:</b>				
(a) Municipality	Quantitative	April 2015	360	48%
(b) Municipal Service Delivery	Quantitative	April 2015	360	62%
(c) Mayor	NA	NA		
(d) Water Supply	Quantitative	April 2015	360	67%
(e) Information supplied by municipality to the public	Quantitative	April 2015	360	52%
(f) Opportunities for consultation on municipal affairs	Quantitative	April 2015	360	66%

Table 2.11.2

## COMPONENT A: BASIC SERVICES

### INTRODUCTION TO BASIC SERVICES

As an established Water Service Authority, Ugu District Municipality has in this financial responded adequately to the growing need for water supply by providing access to 3266 households across the district. The

municipality owns and operate 15 of its water treatment works and two other works which are operated by Umngeni Water.

### 3.1. WATER PROVISION

#### INTRODUCTION TO WATER PROVISION

The balance between supply and demand for the municipality is not minimal, as the municipality extended supply to over 3266 households in this year, the demand point keeps increasing requiring urgent focus on bulk infrastructure upgrades. The municipality prides itself in that while the capacity of most water treatments may be overstretched, we are still able to supply SANS 241 compliant water to our communities. The municipality complies with the requirement of the Blue Water Services Audit and has taken internal accountability towards the maintenance of the existing 92.2% Municipal Blue Drop Scorecard and increasing the number of water treatment works to achieve Blue Drop Status. The municipality introduced for the first time in the year under review a Key Performance Indicator titled "Management Accountability Checklist" which seeks to ensure that all requirements of the Blue Water and Green Water Services Audits are adhered to meticulously. The three major service delivery priorities in this year have mainly been to cover the backlog created in the last financial year where most targets on access to water supply were not met due to overcommitment of funding, this priority was achieved and exceeded.

multidisciplinary stakeholders to fast-track progress on key projects such as Mhlatabshane Bulk Water Project, Kwaxolo Water Project and the Optimization of the Weza Plant due to drought. A key priority for the municipality is to upgrade bulk water supply and the process towards achievement of this has been started and aligned to the Bhooboyi Water Treatment Plant Upgrade which will ensure sustainable water supply to over 180,000 people within the Hibiscus Coast Municipal area. The Weza Dam and Plant upgrade project is now at feasibility study stage while the Vulamehlo Water Scheme has also been unlocked for finalisation of planning processes in the next financial year. As the municipality extends supply, well over 29,000 people were still without access to piped water supply. The municipality recognised the basic need of water for these challenged communities and rolled out springs protection, borehole refurbishment. In its mandate to provide efficient water services, the municipality has for the past 12 years partnered with Umngeni Water for provision of bulk water supply to the northern areas from Scottburgh to Kelso, Umthwalume and surrounding areas.

The municipality managed to achieve on these targets through the introduction of an effective operational programme called Operation MBO which ensures that all bottlenecks in the management of projects were addressed by involving on a weekly basis,

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2013/2014	0	0	2 389 452	35 134 492	9 837 657
2014/2015	0	0	4 228 862	37 000 616	11 658 041

Table 3.1.2



# Chapter 3

## SERVICE DELIVERY PERFORMANCE

Council approved the second Non-Revenue Water Strategy Master Plan in this financial year which charted a progressive way forward towards more stringent water conservation and demand management. The financial year under review focused on a massive bulk meter replacement and installation for the various bulk distribution points from treatment works to reservoirs and zonal supply areas. Over 54 bulk meters were installed for these drinking water distribution points, allowing for a more accurate measurement for the year under review. While the implementation has yielded such good insight on the allocations of the distributed drinking water, the reduction of unaccountable water is high on the priority list for the municipality in the coming years. This will be done by accurate billing for the standpipes and fighting the war on leaks and illegal connections.

Water Service Delivery Levels						
Households						
Description	2011/2012	2012/2013	2013/2014	2014/2015		
	Actual	Actual	Actual	Actual	Actual	Actual
<u>Water:</u> (above min level)						
Piped water inside dwelling	45	45	46	30		
Piped water inside yard (but not in dwelling)	18	19	22	14		
Using public tap (within 200m from dwelling )	57	58	60	58		
Other water supply (within 200m)	26	26	26	28		
Minimum Service Level and Above sub-total	146	148	154	130		
Minimum Service Level and Above Percentage	82%	83%	83%	72%		
<u>Water:</u> (below min level)						
Using public tap (more than 200m from dwelling)	5	5	5	25		
Other water supply (more than 200m from dwelling)	26	26	26	26		
No water supply	-	-	-	-		
Below Minimum Service Level sub-total	31	31	31	51		
Below Minimum Service Level Percentage	18%	17%	17%	28%		
<b>Total number of households*</b>	<b>177</b>	<b>179</b>	<b>185</b>	<b>181</b>		

Table 3.1.3

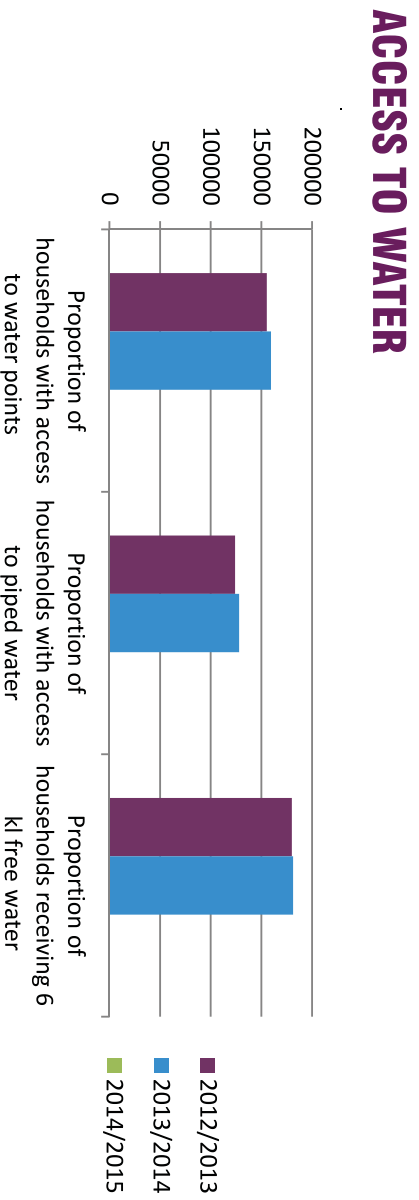
Households - Water Service Delivery Levels below the minimum						
Households						
Description	2010/11	2011/12	2012/13	2013/14		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
Formal Settlements						
Total households	176	179	180	181	181	181
Households below minimum service level	61	58	55	51	51	51
Proportion of households below minimum service level	35%	33%	31%	28%	28%	28%
Informal Settlements						
Total households	3	3	3	3	3	3
Households below minimum service level	3	3	3	3	3	3
Proportion of households below minimum service level	100%	100%	100%	100%	100%	100%

Table 3.1.4

Access to Water			
	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free
2012/2013	155 345	124 000	180 000
2013/2014	159 424	128 000	181 224
2014/2015			

Table 3.1.5





Water Service Policy Objectives Taken From IDP										
Service Objectives	Outline Service Targets	2013/2014		2014/2015		2015/2016		2016/2017		
		Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Service Indicators		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year	
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)	(x)	
Service Objective xxx										
Households without minimum water supply	Additional Households provided with minimum water supply during the year (Number of households (HHs) without supply at year end)	0 additional HHs (74 987 HHs remaining)	1000 additional HHs (73 987 remaining)	1000 additional HHs (73 987 remaining)	1 200 additional HHs (72 787 remaining)	1 200 additional HHs (71 587 remaining)	1 500 additional HHs (70 087 remaining)	1 500 additional HHs (69 587 remaining)	1 500 additional HHs (68 087 remaining)	
Improve reliability of water supply	Reduce the number of interruptions (Ints) in supply of one hour or more compared to the baseline of Year -1 (xxx interruptions of one hour or more during the year)	4 Hours	3 hours 40 minutes	4 Hours	4 Hours	3 hours	4 Hours	3 hours 35 minutes	4 hours	
Improve water conservation	Reduce unaccountable water levels compared to the baseline of Year -1 (xxx kilolitres (Kls) unaccounted for during the year)	11 904 604	12 602 817	12 602 817	11 658 041	11 658 041	10 579 750	10 130 826	9 664 086	

Table 3.1.6

## WATER SERVICES PERFORMANCE OVERALL

Performance has been measured against the 5 year targets set out in the council adopted IDP document for the provision of households with access to water, provision of households with access to sanitation, upgrade and repair of ageing infrastructure, reduction of non-revenue water and the treatment and production of blue drop compliant water supply. These targets, with emphasis on the provision with access to water and production of blue drop compliant water supply could not be attained due to limited budget. The municipality plans to review the targets within the affordable budget while meeting the required regulatory standards. The municipality prioritized the Mhlabatsane Bulk Scheme, the KwaXolo Water Supply, the Mathulini Water Supply, the Thoyane Water Supply and the uMzimkhulu Bulk Water Augmentation Scheme. This however has been rectified and the project is closely monitored to meet the revised targets.



# Chapter 3

## SERVICE DELIVERY PERFORMANCE

Employees: Water And Sanitation Services						
Job Level	2013/2014	2014/2015			Vacancies (as a % of total posts)	
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.		
0 - 3	8	9	8	1	11%	
4 - 6	23	23	23	0	0%	
7 - 9	99	115	99	16	14%	
10 - 12	55	58	55	3	5%	
13 - 15	138	148	138	10	7%	
16 - 18	283	332	283	49	15%	
<b>Total</b>	<b>606</b>	<b>685</b>	<b>606</b>	<b>79</b>	<b>12%</b>	

Table 3.1.7

Financial Performance 2014/2015: Water Services					
Details	Year -1	2014/2015			Variance to Budget
	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	411 377	495 017	608 783	440 310	-12%
Expenditure:					
Employees	130 378	130 596	131 783	143 508	9%
Repairs and Maintenance	12 592	27 939	27 939	45 635	39%
Other	271 592	273 544	280 119	344 799	21%
<b>Total Operational Expenditure</b>	414 562	432 079	439 841	533 942	19%
<b>Net Operational Expenditure</b>	3 185	(62 938)	(168 942)	93 632	167%

Table 3.1.8

Capital Expenditure 2014/2015: Water Services					
Capital Projects	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
<b>Total All</b>	266 944	360 872	283 328	6%	
Plant and Equipment	4 800	13 140	10 245	53%	280
Other Projects	4 999			0%	150
Water infrastructure	98 244	134 479	105 610	7%	320
Water infrastructure (MIG Funded)	158 901	213 253	167 473	5%	90

Table 3.1.9

## COMMENT ON WATER SERVICES PERFORMANCE OVERALL

Performance has been measured against the 5 year targets set out in the Council adopted IDP document for the provision of households with access to water, provision of households with access to sanitation, upgrade and repair of aging infrastructure, reduction of non-revenue water and the treatment and production of blue drop complaint water supply. These targets with emphasis on the provision with access to water and production of blue drop complaint water supply could not be attained due to limited budget. The municipality plans to review the targets within the affordable budget while meeting the required regulatory standards. The municipality prioritized the Mhlabatshane Bulk Scheme, the KwaXolo Water Supply, the Mathulini Water Supply, the Thoyane Water Supply and the uMzimkhulu Bulk Water Augmentation Scheme.





## 3.2 WASTE WATER (SANITATION) PROVISION

### INTRODUCTION TO SANITATION PROVISION

The municipality has over the past years been rolling out sanitation programmes through contracts of ventilated improved pits (VIP) and waterborne sanitation. The VIP programme has moved with speed and reached the poorest of our communities to bring about a better life. This has resulted in local municipalities such as uMzumbhe, Vulamhlo, uMuzwabantu and Ezingqeleni reaching close to 100% in terms of services as the overall municipal percentage sits at 93% as per study conducted by the Department of Cooperative Governance and Traditional Affairs. The trends in sanitation services provision indicate increased service delivery in terms of VIP provision while more work needs to be done on the waterborne sanitation provision.

Sanitation Service Delivery Levels *Households				
Description	2011/2012 Outcome No.	2012/2013 Outcome No.	2013/2014 Outcome No.	2014/2015 Actual No.
<b>Sanitation/sewage: (above minimum level)</b>				
Flush toilet (connected to sewerage)	33	34	34	35
Flush toilet (with septic tank)	13	14	14	15
Chemical toilet	15	15	15	15
Pit toilet (ventilated)	43	48	53	58
Other toilet provisions (above minimum service level)	-	-	-	-
Minimum Service Level and Above sub-total	105	110	117	126
Minimum Service Level and Above Percentage	58.20%	61.30%	64.30%	67.70%
<b>Sanitation/sewage: (below minimum level)</b>				
Bucket toilet	3	3	3	3
Other toilet provisions (below minimum service level)	64	59	54	49
No toilet provisions	8	8	8	8
Below Minimum Service Level sub-total	75	70	65	60
Below Minimum Service Level Percentage	41.80%	38.70%	35.70%	32.30%
<b>Total households</b>	<b>180</b>	<b>180</b>	<b>181</b>	<b>186</b>

Table 3.2.3





# Chapter 3

## SERVICE DELIVERY PERFORMANCE

Households - Sanitation Service Delivery Levels below the minimum						
Description	2011/2012		2012/2013		2013/2014	
	Actual No.		Actual No.		Actual No.	
<b>Formal Settlements</b>						
Total households	180		181		181	182
Households below minimum service level	75		70		65	60
Proportion of households below minimum service level	42%		39%		36%	33%
<b>Informal Settlements</b>						
Total households	3		3		3	3
Households below minimum service level	3		3		3	3
Proportion of households below minimum service level	100%		100%		100%	100%

Table 3.2.4

Access to Sanitation		Proportion of households with access to sanitation	
			'000
2012/2013			110
2013/2014			117
2014/2015			0

Table 3.2.5

Financial Performance 2014/2015: Sanitation Services						
R'000						
Details	2013/2014		2014/2015		Actual	Variance to Budget
	Actual	Original Budget	Adjustment Budget			
<b>Total Operational Revenue</b>	104 357	111 090	111 440		104 180	-7%
<b>Expenditure:</b>						
Employees	26 674	26 967	27 313		28 263	5%
Repairs and Maintenance	3 313	8 302	8 302		4 171	-99%
Other	12 774	41 011	44 799		54 081	24%
<b>Total Operational Expenditure</b>	42 761	76 280	80 414		86 515	12%
<b>Net Operational Expenditure</b>	-61 596	-34 810	-31 026		-17 665	-97%

Table 3.2.8

Capital Expenditure 2014/2015: Sanitation Services						
R'000						
Capital Projects	2014/2015		Actual Expenditure	Variance from original budget	Total Project Value	
	Budget	Adjustment Budget				
Total All	39 743	47 256	36 200	-23%		
Bhobhoyi / uMkholombe Sanitation	-	997	997	0%	7 987	
Harding Sanitation Scheme: P 3	4 827	10 250	9 525	-7%	48 764	
Malangeni Low Cost Housing	5 310	6 000	3 614	-40%	43 572	
Margate Sewer Pipeline Replace	6 616	1 072	99	-91%	24 562	
Masinenge / Uvongo Sanitation	4 873	1 000	729	-27%	169 343	
Sanitation Refurbishment Phase 1	6 384	19 155	14 068	-27%	59 000	
Umnzinto WWTW & Sewer Outfall	7 919	4 200	3 760	-10%	81 100	
Pennington Waterborne San Project	3 814	4 232	3 408	-19%	39 082	

Table 3.2.9

## OVERALL SANITATION SERVICES PERFORMANCE

Set out in the 5 year IDP under the provision of households with basic sanitation are the Umnzinto Slums Clearance, the Masinenge Sanitation Project, the Malangeni Sanitation Project and the Harding Sanitation Phase 3. These projects could not be completed in the current year by the very nature of their projections but are recognised as priority projects which the municipality will expedite and put more resources in for the following year to bring forward service delivery.

## 3.3 FREE BASIC SERVICES AND INDIGENT SUPPORT

### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

Ugu district municipality provides free basic services on water and sanitation. 6kl of water are distributed as free basic service to households every month while sanitation facilities are distributed to rural areas.

Free Basic Services to Low Income Households					
	Households earning less than R1,100 per month				
	Free Basic Water		Free Basic Sanitation		
	Total	Access	%	Access	%
2012/2013	6680	4000	60	2080	40
2013/2014	6706	4250	63	2406	37
2014/2015	6484	4100	63	2384	37

**Table 3.6.3**

Financial Performance 2014/2015: Cost to Municipality of Free Basic Services Delivered						
Services Delivered	2013/2014	2014/2015				
	Actual	Budget	Adjustment Budget	Actual	Variance to Budget	
Water	75834	77329	76830	45728	-69%	
Waste Water (Sanitation)	0	0	0	0	0	
Electricity	0	0	0	0	0	
Waste Management (Solid Waste)	0	0	0	0	0	
<b>Total</b>	<b>75834</b>	<b>77329</b>	<b>76830</b>	<b>45728</b>	<b>-69%</b>	

**Table 3.6.4**

### COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:

The municipality gives indigent support to households that, through verification, have been proven indigent according to the municipal indigent policy. These households receive free water connection on site and are subjected to verification every year to check if status has not changed.

### Level of Drought in the District

The Municipality is currently in the grips of a severe drought which has affected the water supply systems within its area of jurisdiction. The most crucial of these being the uMuziwabantu, Hibiscus Coast and Umdoni municipal areas, with severe emphasis on the town of Harding, Port Shepstone and Umzinto. The main supply dam to the Harding Town dried up resulting in severe stress being placed on the Weza river water supply system. The National Department of Water and Sanitation, together with the Ugu District Municipality's approved funding for emergency interventions to cope with the drought scenario. These interventions were in the form of the following projects:

- Purchase of 9 x electricity generators together with trucks for the immediate deployment to areas affected by constant power outages – Funding source Department Water and Sanitation (R8,340,000.00)

- Protection of springs within the district – Funding source Department of Water and Sanitation (R2 500 000.00)
- Fast track implementation to upgrade the Weza Water Treatment Works – Funding source Ugu District Municipality (R8 809 939.67)

For the Hibiscus Coast municipal area, the Hibberdene, Port Shepstone, Ramsgate, Gamalakhe Towns and surrounding areas were hit by salt water intrusion into the drinking water source due to reduced river flows as a result of the low rainfalls. The municipality immediately injected a R6,000,000 allocation to construct a sand berm in order to block the salt water.

For the Umdoni municipal areas, restrictions were imposed to ensure that the dams do not run dry. The Mpambanyoni Transfer System improved the supply to the EJ Smith dam.

# Chapter 3

## SERVICE DELIVERY PERFORMANCE

### 3.4 WASTE MANAGEMENT

#### INTRODUCTION TO WASTE MANAGEMENT

The Integrated Waste Management Plan (IWMP) is in its 2nd year of implementation since adopted in October 2012. One of the strategic focus areas was to render services to the unserved communities/municipalities. The Department of Environmental Affairs (DEA) has funded the initialisation of waste management services at Vulamehlo local municipality in pilot strategic wards, with the hope that the municipality will resume the project

in the subsequent financial year. DEA, through its Youth Jobs in Waste programme has rendered support to all 6 local municipalities by funding a Youth Jobs in Waste project in each, temporarily employing unemployed, post-matric youth for a period of 2 years. Skills development through training has been central to this project.





## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
OMM - 51	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 2	OPMS	Date 2014/2015 SDBIP approved by Mayor	30-Jun-14	26-Jun-14	N/A	N/A	30-Jun-15	11-Jun-15	ACHIEVED	N/A	Mayors approval	Municipal Manager
OMM - 52					MTID 2		Number of quarterly reviews conducted	4	4	N/A	N/A	4	4	ACHIEVED	N/A	Minutes & Attendance registers	Municipal Manager
OMM - 53					MTID 2		Date Section 72 report approved	31-Jan-14	25-Jan-14	N/A	N/A	31-Jan-15	31-Jan-15	ACHIEVED	N/A	Council resolution adopting the mid-year review report	Municipal Manager
OMM - 7					MTID 2		Date 2013/2014 Annual report Approved	30-Mar-14	27-Mar-14	N/A	N/A	30-Mar-15	28-Mar-15	ACHIEVED	N/A	Council resolutions and annual report	General Manager: Corporate Services
CS 1					MTID 3	Electronic Document Management System (Records management)	Date EDMS is available	N/A	N/A	N/A	N/A	1-Mar-15	23-Jan-15	Achieved	N/A	Usage report	General Manager: Corporate Services
CS 2	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 4	Operation and Maintenance of facilities	Date maintenance plan is developed	N/A	N/A	N/A	N/A	1-Sep-14	2-Jun-15	Achieved	N/A	Maintenance plan	General Manager: Corporate Services
CS 3					MTID 5	Property Transfers	Number of properties transferred	25	0	N/A	N/A	25	139	ACHIEVED	N/A	Progress report and title deeds	General Manager: Corporate Services
CS 4					MTID 6	Policy review and adoption	Date policies reviewed and adopted (records management; PAIA Manual; Facilities management; land; municipal housing; BTS and security policies)	N/A	N/A	N/A	N/A	1-Jan-15	27-Nov-14	Achieved	N/A	Council resolutions	General Manager: Corporate Services
CS 5					MTID 7	Implementation of resolutions	Date tracking and monitoring tool is implemented	N/A	N/A	N/A	N/A	31-Jul-14	31-Jul-14	Achieved	N/A	Resolution register	General Manager: Corporate Services
CS 6					MTID 9	Implementation of Rules And Orders for Council Committees	Date reporting on adherence to Rules and Order with regards to sitting of Council committees	N/A	N/A	N/A	N/A	31-Jul-14	31-Jul-14	ACHIEVED	N/A	Acknowledgement of receipt of report by Speaker	General Manager: Corporate Services
CS 7					MTID 12	Review of Job Descriptions	Date Job description reviewed	N/A	N/A	N/A	N/A	1-Sep-14	1-Sep-14	Achieved	N/A	Progress report to Manco	General Manager: Corporate Services

## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
CS 8	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 13	Management and Control of Labour turnover	Date report on labour turnover produced	N/A	N/A	N/A	N/A	1-Jul-14	1-Jul-14	Achieved	N/A	Good Governance portfolio committee minutes	General Manager: Corporate Services
CS 9					MTID 14	Staff retention strategy development	Date staff retention strategy developed	N/A	N/A	N/A	N/A	1-Dec-14	25-Sep-14	Achieved	N/A	Quarterly report noted by MANCO	General Manager: Corporate Services
CS 10					MTID 16	Human Resources Strategy development	Date Human Resources Strategy adopted	N/A	N/A	N/A	N/A	1-Dec-14	1-Dec-14	Achieved	N/A	Quarterly report noted by MANCO	General Manager: Corporate Services
CS 11					MTID 17	Individual Performance Management System	Number of Performance agreements for level 2 and 3 managers signed by 30 Sept 2013	10	10	N/A	N/A	1-Jul-14	1-Jul-14	Achieved	N/A	Quarterly report noted by MANCO	General Manager: Corporate Services
CS 12	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 18		Date workplans for level 4; 5 and 6 employees concluded	N/A	N/A	N/A	N/A	30-Jan-15	15-Sep-14	Achieved	N/A	Report noted by Manco	General Manager: Corporate Services
CS 13					MTID 19		Date performance appraisal and reward policy adopted	N/A	N/A	N/A	N/A	1-Sep-14	1-Sep-14	Achieved	N/A	Report noted by Manco	General Manager: Corporate Services
CS 14					MTID 20	Human Resources Systems	Percentage alignment of HR applications to HR Policies and Procedures	N/A	N/A	N/A	N/A	100%	100%	ACHIEVED	N/A	Payday report and alignment report	General Manager: Corporate Services
CS 15					MTID 21	Labour relations (Disciplinary cases)	Percentage reduction in disciplinary cases based on total cases reported	N/A	N/A	N/A	N/A	50%	97%	Achieved	N/A	3 monthly report	General Manager: Corporate Services
CS 16					MTID 21	Employee Grievance	Percentage reduction of employee grievances based on total number of grievances submitted	N/A	N/A	N/A	N/A	100%	100%	Achieved	N/A	3 monthly report noted by portfolio committee	General Manager: Corporate Services

## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
CS 17	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 21	Management Union Meetings	Number of Management Union meetings held across departments	N/A	N/A	N/A	N/A	11	12	Achieved	N/A	Attendance registers	General Manager: Corporate Services
CS 18					MTID 22	Training And Development	Date when accredited training providers are sourced	N/A	N/A	N/A	N/A	1-Sep-14	1-Jul-14	Achieved	N/A	List of approved Service Providers	General Manager: Corporate Services
CS 19					MTID 22		Date WSP and Annual Training Report developed and submitted to SETA	N/A	N/A	N/A	N/A	1-Jun-15	31-May-15	Achieved	N/A	WSP and annual training report	General Manager: Corporate Services
CS 20					MTID 22	Training And Development	Number of process controllers trained on water and waste water treatment works	40	20	N/A	N/A	20	20	Achieved	N/A	3 progress reports noted by HDR committee	General Manager: Corporate Services
CS 21					MTID 22		Percentage compliance with National Treasury Competencies and guidelines for Section 56/57 managers	N/A	N/A	N/A	N/A	100%	100%	Achieved	N/A	3 progress reports noted by HDR committee	General Manager: Corporate Services
CS 22					MTID 22	Training And Development	Number of artisans trained and trade tested	15	7	N/A	N/A	14	14	Achieved	N/A	2 reports noted by HDR committee	General Manager: Corporate Services
CS 23	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 22		Number of employees enrolled for Computer Training	50	20	N/A	N/A	20	20	Achieved	N/A	2 reports noted by HDR committee	General Manager: Corporate Services
CS 24					MTID 22		Number of employees enrolled for computerized ABET	20	17	N/A	N/A	20	20	Achieved	N/A	2 reports noted by HDR committee	General Manager: Corporate Services
CS 25					MTID 22		% implementation of WSP training programmes	100%	100%	N/A	N/A	60%	100%	Achieved	N/A	3 progress reports noted by HDR committee	General Manager: Corporate Services
CS 26					MTID 23	Employee Health, Safety and Wellness	Number of employee and Wellness Programmes implemented	N/A	N/A	N/A	N/A	4	5	Achieved	N/A	1 report to EAP Committee	General Manager: Corporate Services
CS 27					MTID 23		Percentage reduction of ill health cases	N/A	N/A	N/A	N/A	50%	94%	Achieved	N/A	1 report to EAP Committee	General Manager: Corporate Services



## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
CS 28	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 23		Percentage compliance with Health & Safety Legislation	N/A	N/A	N/A	N/A	75	100%	Achieved	N/A	Attendance registers and assessment report	General Manager: Corporate Services
CS 29					MTID 24	Employment Equity	Date when Employment Equity Plan reviewed	31-Dec-13	31-Dec-13	N/A	N/A	1-Sep-14	1-Sep-14	Achieved	N/A	1 Quarterly report to the HRD Committee	General Manager: Corporate Services
CS 30					MTID 24		Number of EE Programmes implemented	N/A	N/A	N/A	N/A	4	5	Achieved	N/A	Attendance Register	General Manager: Corporate Services
CS 31					MTID 25	Leave Management	Frequency of leave reconciliations done	N/A	N/A	N/A	N/A	Monthly	Monthly	Achieved	N/A	3 MANCO reports	General Manager: Corporate Services
CS 32					MTID 26	Overtime Management	Percentage compliance with 40 hours overtime policy provision	N/A	N/A	N/A	N/A	100%	100%	Achieved	N/A	3 MANCO overtime reports	General Manager: Corporate Services
CS 33	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 27	Fleet Management Service	Date when replacement plan is concluded and implemented	N/A	N/A	N/A	N/A	1-Jul-14	15-Sep-14	Achieved	N/A	Report to MANCO of fleet allocation	General Manager: Corporate Services
CS 34					MTID 28		Date when the fleet disposal plan is concluded and implemented	N/A	N/A	N/A	N/A	1-Jul-14	15-Sep-14	Achieved	N/A	Quarterly report	General Manager: Corporate Services
CS 35					MTID 30	Fleet Management Service	Date when license renewal plan is concluded and implemented	N/A	N/A	N/A	N/A	1-Jul-14	1-Jul-14	Achieved	N/A	Quarterly report	General Manager: Corporate Services
CS 36					MTID 31		Percentage reduction in fuel utilisation	N/A	N/A	N/A	N/A	5%	6.69% increase	Not Achieved	Departments will be requested to report on fuel consumption on monthly bases. Workshops on the management and usage of municipal	Invoices	General Manager: Corporate Services
CS 37					MTID 32	Fleet Management Service	Reports by accident committee	N/A	N/A	N/A	N/A	Monthly	Monthly	Achieved	N/A	Attendance Registers	General Manager: Corporate Services

## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
CS 38	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 33		Date when fleet management policy, procedures and delegations is made available and implemented	N/A	N/A	N/A	N/A	9/1/2014	9/1/2014	Achieved	N/A	quarterly report	General Manager: Corporate Services
CS 39					MTID 34	Fleet Management Service	Frequency of verification of drivers licences and PDP's per driver of Ugu vehicles	N/A	N/A	N/A	N/A	quarterly	quarterly	Achieved	N/A	Quarterly report	General Manager: Corporate Services
CS 40					MTID 34		Frequency of physical verification of Ugu vehicles	N/A	N/A	N/A	N/A	quarterly	quarterly	Achieved	N/A	Quarterly report	General Manager: Corporate Services
CS 41					MTID 34	Fleet Management Service	% implementation of driver competency testing	N/A	N/A	N/A	N/A	100%	100%	Achieved	N/A	Assessment report, quarterly	General Manager: Corporate Services
OMM 54					MTID 35	Legislative Awareness	Number of awareness workshop on Legislative environment conducted	N/A	N/A	N/A	N/A	8	5	NOT ACHIEVED	Manager: Legal services will develop a roster of workshops by 30 September 2015. She will then conduct workshops until 31 December 2015	Attendance Registers and workshops outcomes reports	Municipal Manager
OMM 55					MTID 35		Number of departmental Compliance checklists developed	N/A	N/A	N/A	N/A	5	0	NOT ACHIEVED	Manager: Legal Services will call meetings with each department to develop departmental checklists by 30 September 2015	MANCO Resolution Approving the compliance checklist	Municipal Manager

# Chapter 3

## SERVICE DELIVERY PERFORMANCE

UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
OMM 56	CAPACITY BUILDING	MUNICIPAL INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	To build and strengthen the administrative and institutional capacity of the municipality	Municipal Transformation and Institutional Development Strategy	MTID 35	Contracts and Litigations	Turnaround time taken for Contract Drafting & Vetting done after the award of contract	N/A	N/A	N/A	N/A	Within 30 days of award	148 within 30 days, out of 202 requests	Not ACHIEVED	Advert for additional staff capacity will be advertised by 30 November 2015. Employment of additional capacity is concluded by 31 January 2016. A register of contract drafting and vetting will be developed. Standard checklist for contract vetting will be developed by 31 December 2015	Updated contracts Register	Municipal Manager
OMM 57					MTID 35		Percentage Litigation Risk Strategy implemented	N/A	N/A	N/A	N/A	100%	100%	ACHIEVED	N/A	Resolution of MANCO receiving report	Municipal Manager
WS 1	BASIC SERVICES	Basic Service Delivery	To provide access to sustainable quality drinking water and sanitation services	Basic Service Delivery and Infrastructure Development Strategy	BSD 1	Households with access to water	Number of HH with access to basic water services	2400	1105	27628	29828	2200	2453	Achieved	N/A	Close out reports	General Manager: Water Services
WS 2					BSD 1	Kwaxolo Bulk Water Supply	Number of HH with access to Bulk Water Supply in KwaXolo	Business plan approved by 2014/06/30	Business Plan not approved	7636HH	1916HH	200 HH	200HH	Achieved	N/A	Completion certificate	General Manager: Water Services
WS 3					BSD 1	Kwaxolo Water Supply: Reticulation	Date by when Appointment of contractor is done	Power connection by 2014/06/30	Not achieved	Appointment of contractor for water reticulation power connection	Appointment of contractor for water reticulation power connection	Contractor appointed by 2014/06/30	Date and target not achieved	Not achieved	The manager: Water services will ensure advertisement by 30 September 2015 and the appointment of service provider by 31 December 2015	N/A	General Manager: Water Services



## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
WS 4	BASIC SERVICES	Basic Service Delivery	To provide access to sustainable quality drinking water and sanitation services	Basic Service Delivery and Infrastructure Development Strategy	BSD 1	Kwanyuswa Water Scheme - Phase 3 (AFA) MIS 194753	Number of HH with access to Water Connections in Kwanyuswa Ph 3	Pipeline laid =55 km	65km	Water connection to 814 HH	500 HH	500 HH with access to water in Kwanyuswa Ph 3	0 HH with access to water	Not achieved	The General Manager: Water Services will ensure appointment of Contractor by 30 August 2015, Constitution of Project steering Committee by 30 October 2015, Reports on progress of project every month submitted to portfolio committee, milestones measured and challenges attended in time and the project completed by 30 June 2016.	N/A	General Manager: Water Services
WS 5					BSD 1	Mathulini Water Supply Phases 4-7	Number of HH with access to Water Connections in Mathulini phase 4-7	Pipeline laid = 4km	4km	8334	2211	200 HH with access to water in Mathulini phase 4	234 hh	Achieved	N/A	Completion certificate and closeout report	General Manager: Water Services
WS 6					BSD 1	Mhlabatshane Regional Water Supply Scheme	Number of HH with access to Water Connections in Mhlabatshane	Pipeline laid 25 km and 1 X 1 ML Reservoir built	25km	1593	491	300 HH with access to water in Mhlabatshane	1078HH	Achieved	N/A	Completion certificate and closeout report	General Manager: Water Services
WS 7					BSD 1	Ezingoleni Bulk Water Extensions Phase 3	Number of HH with access to Ezingoleni bulk water supply	Pipeline laid = 800m	1.500 km	11473	5064	300 HH with access to water in Ezingoleni Ward 6	1020 HH	Achieved	N/A	Completion certificate and closeout report	General Manager: Water Services

## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT																	
IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
WS 8	BASIC SERVICES	Basic Service Delivery	To provide access to sustainable quality drinking water and sanitation services	Basic Service Delivery and Infrastructure Development Strategy	BSD 1	Umtamvuna Water Works Raw Water Upgrade	Percentage Completion of Umtavuna Water Works Raw Water Upgrade	25%	0%	Upgrade of Umtavuna water works	Upgrade of Umtavuna water works	25% completion of the Umtamvuna Water Works upgrade	0% achieved	Not achieved	The General Manager: water Services will ensure that the dispute on the appointment of contractor is resolved by 30 August 2015, work commences by 30 October 2015, Constitution of Project steering Committee by 30 October 2015, Reports on progress of project every month submitted to portfolio committee, milestones measured and challenges attended in time and the 25% achieved by 30 June 2016.	N/A	General Manager: Water Services
WS 9					BSD 1	Mabheleni East Water Project	Date by when Ground water feasibility study report will be finalised	30 June 2014	Feasibility study not complete	1560HH	1395HH	Water Feasibility study report completed by 2015/06/30	Investigation s on underground water feasibility completed in September 2014	Achieved	N/A	Water Services management approval of the report and feasibility study report signed by GM: WS	General Manager: Water Services
WS 10					BSD 1	Harding Weza Regional Bulk Water Supply	Date by when contractor is appointed	Pre-designed approved by 30 June	Not achieved	325HH	322HH	Contractor appointed by 2015/06/30	Date and target not achieved	Not Achieved	Water Services will advertise tender by 30 December 2015 and appoint contractor by	N/A	General Manager: Water Services
						Planning (AFA) MIS 207998											
WS 11					BSD 1	Thoyane Water Project Phases 4 & 7	Date by when contractor is appointed	18km pipeline laid and 200ML reservoir completed	18km and 200ML reservoir completed	1467HH	813HH	Contractor appointed by 2015/06/30	Date and target not achieved	Not achieved	No measures to improve performance will be applied since the project area falls under Ethekwini in terms of the new dermacations. The Municipality will engage Ethekwini to take over the implementation of the project	N/A	General Manager: Water Services

## UGU DISTRICT MUNICIPALITY 2014/2015 ANNUAL PERFORMANCE REPORT

IDP / SDBIP NO.	BACK TO BASICS	NATIONAL KEY PERFORMANCE AREAS	OBJECTIVE (AS PER IDP)	STRATEGIES (AS PER IDP)	IDP REF	PROJECT	INDICATORS	COMPARISON WITH PREVIOUS YEAR		CURRENT YEAR				Status (Achieved / Not Achieved)	Measures taken to improve performance	Portfolio of Evidence	Responsible Person
								2013/14 (TARGET)	2013/14 (ACTUAL)	DEMAND	BACKLOG	2014/15 (TARGET)	2014/15 (ACTUAL)				
WS 12	BASIC SERVICES	Basic Service Delivery	To provide access to sustainable quality drinking water and sanitation services	Basic Service Delivery and Infrastructure Development Strategy	BSD 1	Umzimkhulu Bulk Water Augmentation Scheme Stage	Percentage Completion of the Umzimkhulu Bulk Water Augmentation Scheme Stage	35%	Not achieved	100%	85%	35%	15%	Not Achieved	Water Services will ensure sitting of weekly site meetings to ensure that the implementation of the project is expedited and identification and resolution of arising challenges early	N/A	General Manager: Water Services
WS 13					BSD 1	Maphumulo Water Supply	Number of HH with access to water supply in Maphumulo	15 km pipeline laid and 500kl reservoir built	a) 32km completed b) reservoir not built	1305	593	300 HH with access to water in maphumulo	734 hh	Achieved	N/A	Completion certificate and closeout report	General Manager: Water Services
WS 14					BSD 1	Msikaba and Surrounds Water Supply Scheme	Number of HH with access to Msikaba water supply	a) 800 m pipeline laid b) 1 ML Concrete Reservoir built c) New pump station constructed	a) 9.902m pipeline laid b) reservoir complete c) 93% of pump station is complete	2020	550	100 HH with access to water in Msikaba	0HH access to water achieved	Not achieved	The completion of this project is dependent on the completion of the upgrade of Boboyi Plant, which will be completed by 30 March 2017. Water Services will then ensure appointment of contractor by 30 April 2017 and the target of 100HH with access to water be achieved by 30 December 2017	N/A	General Manager: Water Services
WS 15					BSD 1	Umzinto Slum Clearance: Farm Isonti Low cost Housing Water	Date by when the Bulk pipeline and reservoir will be completed at Farm Isonti	3km pipeline laid	2.2km	2211HH	360HH	30-Jun-15	Project not completed by 30 June 2015	Not achieved	Water Services will ensure the appointment of the Mechanical and Electrical Contractor by 30 September 2015. Ensure the completion of the project by 30 January 2016	N/A	General Manager: Water Services
WS 16					BSD 1	Gamalakhe Bulk Water Supply	Date bulk water pipeline completed at Gamalakhe	N/A	N/A	3411HH	266HH	Completion of the Gamalakhe Bulk Water supply by 2015/06/30	Project not completed by 30 June 2015 (95% of work done)	Not achieved	Water Services will ensure sitting of weekly site meetings to ensure identification and resolution of challenges that may deter project's completion	Project Progress report	General Manager: Water Services