



ANNUAL REPORT 2005/2006



“DELIVERY THROUGH SOUND CORPORATE GOVERNANCE”

Chapter One



INTRODUCTION AND OVERVIEW

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Overview of the Municipality

Governance



Mayor S. B. Cele

MAYOR'S FOREWORD

I present this Annual Report for the 2005/2006 financial year comfortable in the knowledge that this report does indeed reflect that "today is better than yesterday and tomorrow will be better than today."

We will be the first to acknowledge that we still fall far short of the standards that we have set for ourselves. But we are driven by a commitment to the principle of ever improving practice. We were honest and brave enough to put ourselves forward to be assessed and measured against our peers and we were humbled to again win the Vuna Award for the best District Municipality in the Province.

It is also a matter of much satisfaction that we have received an unqualified Audit Report. I commend the Chief Financial Officer for meeting this challenge against the backdrop of stringent new reporting requirements.

The delivery of basic services (water and sanitation) and aggressively tackling the historic backlogs remain our core business. We will now take bold new steps to accelerate delivery and meet the national targets.

Local economic development has been, quite correctly, elevated to the status of a key performance area. We will need to develop very serious capacity to do justice to the challenges in this important aspect of our work.

I will be bold and say that the annual report 2005/2006 is a pleasing one. However our horizons for the future are set much further.

I must place on record my sincere appreciation to my fellow councillors, our management and staff, our NGO and private sector stakeholders and of course our community as a whole, for their co-operation and participation to achieve what has been done.

**S. B. Cele
Mayor**



MUNICIPAL MANAGER'S STATEMENT



Khayo E Mpungose
Municipal Manager

It gives me great pleasure to present this 2005/2006 annual report in view of the successes and highlights achieved by the municipality during the period under review. As I write this overview, I am filled with an immense sense of humility especially when I reflect on the decade-long service I have given to the municipality. As this could be my last annual report, I am humbled by the fact that God has been good to me over the last ten years of service. Ugu District Municipality has grown from strength to strength.

The transformation agenda of our young democracy as well articulated on behalf of our people by our legislators in the Constitution of the Republic of South Africa, 1996 and various pieces of legislation has been firmly rooted in the Ugu District Municipality. That is why the municipality has received a significant number of accolades such as winning the Vuna Awards (KZN) in 2004 and in 2006, the Local Government SETA (KZN)'s 2006 Best Skills Development Facilitator and recently receiving recognition in terms of the National Benchmarking exercise as the Best Water Services Authority (District Municipality Category) in South Africa. Such accolades are a recognition of visionary political leadership and dedicated administration that the people of Ugu are blessed with.

I am in no way trying to claim that the municipality's leadership and administration are perfect. Nevertheless, it is noteworthy that, as a collective, we painstakingly continue to seek developmental solutions that will improve the quality of life of the district as a whole. We are acutely aware of the challenges and shortcomings facing the municipality hence we are committed to continuous improvement.

As the municipality's accounting officer and head of administration, I am pleased to present an annual report which incorporates an unqualified Auditor-General's Report on the municipality's annual financial statements. Receiving a clean financial bill of health makes Ugu District Municipality an envy of many. I wish to thank our political leadership

especially the Mayor and his Executive Committee for their good policy-making and political oversight role which enable the administration to be focused and committed to service delivery and development facilitation. By the same token, I need to commend my management team and staff for a sterling job well done. The Chief Financial Officer's dedication and expert skills enabled the municipality to manage the financial reporting conversion to international standards in a competent manner. Even though the odds and currents were often against us as a high capacity municipality we managed to sail through and arrived ashore safe and sound.

Quite often, people ask me as to how come am I one of the few longest serving Municipal Managers that are successful in terms of managing their municipalities well. I consistently tell them that I am blessed with a good team, both politically and administratively. I am a mere steward whose role is to ensure that state resources at our disposal are utilised to the benefit of the people we serve. As we reflect, I wish to commend the Audit Committee for their meticulous attention to detail which enabled them to keep management alert to risks and inherent operational inefficiencies which needed to be mitigated during the financial year under review and beyond. The Committee's role was fulfilled through the support of our able Internal Audit Section. As a shared service, internal audit has made Ugu and its family of municipalities to be trendsetters in our beloved country in the area of shared municipal services.

It is noteworthy that in the year under review we made representations to relevant national and provincial departments, with a view to proposing some innovations that will accelerate our water and sanitation infrastructure rollout, thereby strategically positioning the municipality to meet the national targets and the Millennium Development Goals in this regard. Such representations constituted follow-up to the suggestions we made at the KZN Water Summit. The innovations are backed up by a

compelling assertion that we can leverage more funding for infrastructure both from the public and private sectors. To this end, we are also in the process of beefing up our institutional capacity by making the Project Management Unit a robust team of delivery agents.

Our unequivocal commitment to the fight against the HIV and AIDS pandemic was manifest in the work of the Ugu District Interim AIDS Council whose coordinating role has begun to mainstream the strategy to combat the pandemic into various activities and programmes that are community focused. As an internal approach to fight the scourge of HIV and AIDS, the role played by our management team in actively and publicly participating in the voluntary counseling and testing for HIV encouraged many staff members to also take part in the exercise which enabled them to know their HIV status and has given the municipality accurate data in this regard. Furthermore, this initiative which was covered in the local press did contribute towards de-stigmatising the HIV and AIDS pandemic. The support role of our Employee Assistance Programme has also been enhanced through peer counseling and the referral system utilized by our staff and management.

In conclusion and most importantly, I wish to thank God Almighty for His unfailing love, wisdom and strength that enabled us to serve the people of Ugu in the year under review and in the past decade.

I wish all our readers all the best!

KHAYO E MPUNGOSE
MUNICIPAL MANAGER

REPORT OF THE AUDIT COMMITTEE CHAIRPERSON



**Anil Ramnath
Chairperson**

We are pleased to present our report for the financial year ended 30 June 2006.

1 Audit Committee Members and Attendance

In terms of the Municipal Finance Management Act (MFMA) and the Ugu District Municipality's Audit Charter, the Audit Committee must consist of five members; three of whom must be external independent members. None of the members may be councillors.

The Audit Committee consists of the members listed hereunder and meets at least four times per annum as per its approved Charter. During the year under review the mandatory quarterly meetings, and two special meetings were held.

Name of Member	Number of Meetings attended
Mr Anil Ramnath (External member & Chairperson)	6/6
Mr Neil Read (External member)	6/6
Mr David Parry (External member)	6/6
Mr Khayo Mpungose (Municipal Manager)	1/6
Mr Nathi Ndeu (Deputy Municipal Manager)	6/6

2 Audit Committee's Responsibilities

The Audit Committee's responsibilities are outlined in Section 166(2)(b) of the Municipal Finance Management Act (No 56 of 2003). The Audit Committee also reports that it has adopted the Audit Committee Charter which also emphasizes the Audit Committee's responsibilities.

A summary of the Audit Committee's responsibilities in terms of the above Acts and its Charter is that it is responsible for, among other things, the following:

Auditors and external audit

Discuss and review with external auditors, *inter alia*,

- the nature and scope of the audit function;
- agreeing to the timing and nature of reports from the external auditors;
- considering any problems identified in going concern of the municipality;
- review the Auditor-General's management letter and management response; and
- meeting the Auditor-General at least annually to ensure that there are no unresolved issues of concern.



Annual Financial Statements

- review and discuss with the Auditor-General and the Accounting Officer, the audited Annual Financial Statement to be included in the Annual Report;
- review significant adjustments resulting from the audit;
- review effectiveness of the internal audit;
- review risk areas of the operations to be covered in the scope of the internal and external audits; and
- review the adequacy, reliability and accuracy of the financial information provided to management and other users of such information.

Internal control and Internal audit

The monitoring and supervising of the effective function of the internal audit including;

- evaluating performance, independence and effectiveness of internal audit and external service providers through internal audit;
- review the effectiveness of the internal controls and to consider the most appropriate system for the effective operation of its business; and
- initiating investigations within its scope, e.g. employee fraud, misconduct or conflict of interest.

Ethics

Reviewing the effectiveness of mechanisms for the identification and reporting of:

- any material violations of ethical conduct of councillors and municipal staff;
- compliance with laws and regulations; and
- environmental and social issues.

Compliance

- carrying out investigations into financial matters as Council may request;
- reviewing the effectiveness of mechanisms for the identification and reporting of:
- compliance with laws and regulations; and
- the findings of regulatory bodies or audit observations.

The Audit Committee is satisfied that it has complied with its responsibilities and has discharged them properly and efficiently.



3 The Effectiveness of Internal Controls

The system of controls is designed to provide cost effective assurance that assets are safeguarded and that liabilities and working capital are efficiently managed. In line with the MFMA and the King II Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions and suggested enhancements to the controls and processes. From the various reports of the Internal Auditors, the Audit Report on the Annual Financial Statements, the matters of emphasis and management letter of the Auditor-General, it was noted that no significant or material non compliance with prescribed policies and procedures have been reported. Accordingly, we can report that the system of internal control for the period under review was effective.

A number of "health" checks have been approved by the Audit Committee, and performed by Internal Audit with the assistance of external service providers. These measures have enhanced the internal control function.

A new measure was introduced by the Audit Committee in that follow up checks on management responses are reviewed soon after the asserted implementation date. This will ensure that the recommendations have, in fact, been implemented.

The Audit Committee is satisfied with the internal controls in place and overall adherence to those controls.

4 The Quality In Year Management And Monthly/Quarterly Report Submitted In Terms Of The MFMA

The Audit Committee has not received and reviewed certain performance management reports and is unable to comment on the content and quality of these monthly and quarterly reports. This matter will receive urgent attention in the forthcoming meetings.

Except for the abovementioned reports, the Audit Committee is satisfied with the content and quality of monthly and quarterly reports prepared and issued by the Accounting Officer and management during the year under review.

5 Internal Audit Function

The Audit Committee is satisfied with the performance of the Internal Audit Function



6 Evaluation of Annual Financial Statements

The Audit Committee has:

- reviewed and discussed with the Auditor-General and the Accounting Officer the audited Annual Financial Statements to be included in the annual report;
- reviewed the Auditor-General's management letter and management responses;
- reviewed the accounting policies and practices; and
- evaluated the audited Annual Financial Statements to be included in the Annual Report and, based on the information provided to the Audit Committee, considered that the said statements comply in all material respects with the requirements of the MFMA and Treasury Regulations as well as South African Statements of Generally Accepted Accounting Practice (GAAP) and certain statements of Generally Recognised Accounting Practice (GRAP) and statements of Generally Accepted Municipal Accounting Practice (GAMAP).

The Committee concurs and accepts the conclusions of the Auditor-General on the Annual Financial Statements and is of the opinion that the audited Annual Financial Statements be accepted and read together with the report of the Auditor-General.

This report is not intended to be a roll of honour, but it would be remiss of us not to mention the efforts of management and Council in taking all necessary measures to furnish the Auditor-General with all information, explanations and the performing of additional procedures that he required in order to procure an unqualified Audit Report. The task was especially onerous, considering that Ugu District Municipality is a high capacity municipality and the Annual Financial Statements had to change its accounting framework from IMFO (Institute Of Municipal Finance Officers) to the more comprehensive and demanding accounting standards of GRAP and GAMAP.

7 Shared Services

7.1 Umuzwabantu Municipality

The Audit Committee has noted with concern that Umuzwabantu Municipality was in disarray following the suspension of the municipal manager, and was not functioning properly. We note (and strongly support) the assistance that Ugu District Municipality has given to Umuzwabantu Municipality without compromising the municipality's independence. We are assured that a new municipal manager has been appointed and Umuzwabantu Municipality's rehabilitation has begun.

In truth, the Audit Committee is of the view that Umuzwabantu Municipality's independence is of secondary importance to continuity of operations and service delivery. Priority must be given to continuity of business and service delivery.



7.2 Umzumbe Municipality

This municipality was also faced with a similar situation. Fortunately, the reaction from Ugu was swift and the damage was controlled and minimised.

We believe that Ugu District, as a high capacity municipality, should assist – within the framework of co-operative governance – in such instances, sooner rather than later, especially where the Shared Service is in place. We envisage a meeting amongst the representatives of the District, the Province and the MEC to implement interim measures; to ensure the continuity of operations and the maintaining morale of any affected municipality. Political and high level negotiations should be expedited until the matter is resolved.

8. Conclusion

I would like to thank my colleagues for making themselves available to serve on this Committee and for the significant contribution that they have made.

As an Audit Committee, we rely heavily on the Manager: Internal Audit and his staff in the Internal Audit Department for their support and assistance and, in particular, for the role they continue to play in improving the accounting and internal auditing systems and controls at Ugu. We are indebted to them for their friendly and efficient service and assistance.

We are also grateful to the Chief Financial Officer, the Auditor-General; both of whom were always on hand to provide advice and guidance, and all other invitees to our meetings, including the external service providers.

Mr Anil Ramnath
Chairperson: Ugu District Municipality Audit Committee



Vision

By 2009 Ugu will have developed sustainable agriculture, tourism, and commerce with balanced infrastructure and social amenities. Its people will be empowered through education, skills development, good health and safety. There will be sufficient water services and land for development, investors and settlement. The imbalances of the past, gender equity, and the needs of the youth, the elderly and people with disabilities will have been seriously addressed.

Mission

Ugu District Municipality, a local authority founded on the cherished tenets of democracy, is fully committed to the attainment of the district's vision by the year 2009. To this end, we will enhance our performance and work ethic to reach world-class standards, by always placing emphasis on customer satisfaction and total quality management of all resources at our disposal.

Values



- T**houghtfulness
- H**olism
- I**ntegrity
- N**on-partisanship
- K**nowledgeability



OVERVIEW OF THE MUNICIPALITY

The Ugu District Municipality is one of the districts of KwaZulu-Natal. The isiZulu word "Ugu" means "coast". The area is bordered on the north by the eThekweni Municipality and on the western side by the uMgungundlovu and Sisonke District Municipalities and the Eastern Cape Province. The eastern boundary is the Indian Ocean. The district consists of six local municipalities namely: Hibiscus Coast, Umzambe, Vulamehlo, Ezinqoleni, Umdoni and Umuziwabantu.

Population

Based on the 2001 national census, Ugu District municipality has a total population of approximately 704 028 people and 150 600 households. The extent of the district is 5866 km². The statistics show that Ugu is a female dominated municipality with 54% being females and 46% males. This demographic profile calls for initiatives targeting women headed households in the district. The statistics shows that only 16% of the population is urban and 84% is rural with most of the land falling under traditional authority administration. The rural-urban split clearly illustrates the extent of development challenges that the district is facing. The total number of traditional authorities within the whole district amounts to 54 with 3450 km² of land falling within traditional authority compared to 2415 km² in private and state land.

Table 1: Total number of voters

Municipality	No of Voters
Ugu	168, 906
Umdoni	14, 270
Ezinqoleni	11, 454
HCM	54,122
Umuziwabantu	18, 918
Umzambe	34, 987
Vulamehlo	34, 906

- Age breakdown**
 It is only 43 270 elderly people aged above 65 years. While only 158775 have the ages between 35 and 64 years, 240285 aged between 15 and 34 years. In addition to that only 261 699 people in the district as a whole are younger than 14 years.
- Household Income**
 The information extracted from census 2001 statistics show that 532251 people have no income as compared to 18236 that earn over R3, 201 per month. Additionally there is only 16142 people that earn between R1, 601 and R3, 200 per month, 20265 people earn between R801 and R1, 600 per month and 117142 people earn under R800 per month.



GOVERNANCE

The Council is the legislative body, which is empowered to take decisions inter-alia regarding by-laws, IDP and the budget. The Council consists of 34 Councillors, 7 of which are full-time.

Meetings of the Council are open to the public. The schedule of meetings is advertised in local newspapers to encourage attendance.

The Speaker

The Speaker is the Chairperson of Council elected in terms of Section 36 of the Municipal Structures Act 117 of 1998.

The functions of the Speaker as assigned by section 37 of the Municipal structures Act are:

- Presiding at meetings of the Council
- Performing the duties and exercise any powers delegated to the Speaker in terms of Section 32 of the Structures Act
- Ensuring that Council meets at least once every month unless otherwise resolved by Council
- Maintaining order during meetings
- Ensuring compliance in the Council and Council Committees with the Code of Conduct set out in schedule 1 of the Systems Act [Schedule 5 of the Rules]
- Ensuring that council meetings are conducted in accordance with the Rules of the Council

Committees of Council

The Council of Ugu District Municipality is supported by a Committee System, with Portfolio Committees.

The Municipality currently has four multi-party Portfolio Committees, being, the Water and Sanitation Committee; Finance, Budget Control and Monitoring Committee; the Planning, Tourism and Economic Development Committee and the Corporate Services, Human Resources, Health and Safety Committee. The aforementioned committees assist the Executive Committee in policy development and monitoring to accelerate service delivery, as well as the oversight of strategic programmes and projects.



COUNCILLOR ATTENDANCE AT PORTFOLIO COMMITTEE AND COUNCIL MEETINGS

Note: In light of the Local Government Elections, no portfolio committee or Council meetings were held from 27 January 2006 to 22 March 2006.

Portfolio Committee	Meetings Scheduled	Meetings Held	% Attendance
Corporate Services, Human Resources, Health & Safety	9	6	74%
Planning, Economic Development and Tourism	10	7	54%
Finance, Budget Control & Monitoring	8	5	72%
Water and Sanitation	10	6	62%

Council Meetings			
Meetings	Present	Absent	% Attendance
1	25	9	91%
2	23	11	89%
3	28	6	94%
4	28	6	94%
5	20	14	86%
6	33	1	99%
7	25	9	91%
8	26	8	92%
9	28	6	94%
10	30	4	96%
11	25	9	91%

COUNCIL & EXECUTIVE STRUCTURE



Mayor
Cllr. Sithembiso B Cele



Speaker
Cllr. Ravi R Pillay

Executive Committee



Cllr. N R Bhengu
Deputy Mayor & Chair:
Planning, Economic
Development & Tourism

Cllr. Y Nair
Chair: Water & Sanitation

Cllr. M B Khawula
Exco Member

Cllr. Dr SG Nyawuza
Chair: Finance, Budget
Control & Monitoring

Cllr. V L Ntanza
Chair: Corporate Services,
Human Resources,
Health & Safety

Cllr N R Bhengu; Cllr S B Cele; Cllr T Cele; Cllr B R Duma; Cllr C A Gamble; Cllr N H Gumede; Cllr A C Human; Cllr M B Khawula; Cllr M Krtek; Cllr B T Lubanyana; Cllr M A Lushaba; Cllr N F Maphumulo; Cllr M G Mchunu; Cllr W M Memela; Cllr N A Mhlongo; Cllr S Mohammed; Cllr E Moosa Bux; Cllr Y Nair; Cllr B O Ngcobo; Cllr M R Ngcobo; Cllr S O Njongo; Cllr V L Ntanza; Cllr Dr S G Nyawuza; Cllr M Pillay; Cllr R R Pillay; Cllr R M Ramdial; Cllr F B Shezi; Cllr B N Shoji; Cllr N F Shusha; Cllr D Snashall; Cllr M G Sonwabo; Cllr L Steyn; Cllr S M Zuma and Cllr J Zwane.

Chapter Two



HIGHLIGHTS AND CHALLENGES

Water and Sanitation Services
Local Economic Development
Building Strong Communities
Key Performance Indicators

HIGHLIGHTS AND CHALLENGES

This chapter deals with services provided by the municipality and reports on progress made. A narrative report together with a detailed table on the key performance indicators and progress in achieving those.

Backlogs in terms of service delivery are also highlighted.

Water and sanitation

Performance highlights

- Increase in water connections, in excess of 1000
- Increase in f/w standpipes from 2000 to 3000
- Indigent register increased from 900-2000
- Debt was reduced by 10%
- Collection level was 95%

Progress in eliminating backlogs

The backlog in water and sanitation continued to receive priority and a total of 5000 VIP toilets were constructed, against a target figure of 4000, while a total of 73 000 people received access to free basic water .

Level and standard of service

Water

In relation to the provision of water, the policy provides for 6kl.household as free basic water. A higher service is provided in urban areas and lower service as per RDP standard is provided in rural and peri urban areas.

In the urban coastal strip, the standard of service is as promulgated in the by-laws and standards required by legislation and those have been met as per requirements. To improve water quality, restructuring had to be done and this involved recruitment of additional staff for treatment plant. As part of the restructuring, (i) 40 % of the Sand filters for Bhobhoyi water works were replaced, (ii) a water quality monitoring strategy was implemented for all the plants, (iii) water shortage area was declared during the drought periods and relief

was provided to affected consumers using grant funding for drought, (iv) water restrictions were applied successfully in these areas. The long term solution to recurrent water shortages is to secure reliable bulk water supplies. The construction of the R120 million South Coast bulk pipeline by Umgeni Water was approved by council, and was at tender stage by the end of the year under review..

Rural areas were provided with free basic water through communal standpipes. The RDP standard was not always met due to the terrain and sparse development patterns in rural areas. Where infrastructure is not available, springs and boreholes were developed to provide access to water.



Sanitation

The rural areas were provided with a free basic sanitation service in the form of VIP toilets.

Refurbishment of sanitation on the south coast is ongoing against the R25m DBSA loan provided in the adjustment budget in the year under review. This would reduce pollution and operational costs on the infrastructure. Low cost housing with on site toilet facilities inherited from local municipalities had proved problematic as technology used had failed. Over 500 housing units were affected. Processes were put in motion to source rescue funding to correct the situation from the provincial government.



LOCAL ECONOMIC DEVELOPMENT

Ugu Agricultural Market

Ugu Agricultural Market aims at ensuring that emerging farmers within the district are capacitated and that the benefits envisaged in the Ugu Market Business Plan accrue to the people. Its ultimate objective is to ensure that local participation materializes not only in primary agriculture but through the entire value chain. Accordingly its intervention seeks to equip the target group with technical farming related skill as well as business related skills.

SMME Development

Ugu is also experiencing the challenge of high unemployment and its attendant socio-economic ills. The municipality is also cognizant of the fact that the formal employment sector has limitation in its ability to absorb the labour force. Accordingly, the District Municipality entered into a partnership with the Local Business Services Center (LBSC) through which the cost of business registration and business planning is subsidized. This is part of ongoing efforts to promote entrepreneurship and to provide alternative employment opportunities.



Mayor, Cllr S B Cele, Dr Zwell Mkhize MEC Economic Development & Finance and Dr S Cwele, MP

Emerging Contractors Capacity Building Program

This project is one of the by products of the Ugu LED & Tourism Summit which was hosted by the District Municipality on 31 May - 1 June 2006. The idea of the summit was to bring all district stakeholders made up of private sector, local government and civil society to discuss in depth challenges and impediments to local development and to derive a multi-pronged approach towards greater synergies.

The program as such identifies problems that impede growth of the Emerging Contractor and to develop

programmes aimed at addressing the shortcomings that have been identified. During the period under review, workshops were held to benefit emerging contractors within the district and through these workshop contractors were exposed to institutions that have an important role within the construction industry such as financiers, Construction Industry Board (CIBB), SARS, Construction SETA and the Department of Labour. These workshops were hosted in partnership with the Provincial Department of Economic Development & Finance.

Ugu District Municipality views this program as an ongoing process towards improving the skills level and promoting the spirit of entrepreneurship within the district.





BUILDING STRONG COMMUNITIES

HIV, AIDS and vulnerable groups

The district has played an instrumental role in mainstreaming programmes for HIV, AIDS and vulnerable groups. The key highlights in this are were:

- District Interim HIV and AIDS Council in place
- Interim Council in place at Hibiscus Coast Municipality with a full forum and a dedicated coordinator
- The District Youth Unit launched on 25/09/05
- District Youth summit convened on 27-29/11/05
- District Women Council launched on 09/10/05
- District Women Council Workshop held on 11-12/11/05
- Local Interim HIV and AIDS Councils launched at Umuziwabantu, Eziqoleni, Umdoni and Vulamehlo Municipalities
- Signed a Memorandum of Understanding with UNFPA
- Good partnership/ networking with all government departments and parastatals
- Handover of Mayor's Golf day proceeds (R123,373-12) on 24 February 2006
- Establishment of HIV and AIDS ward councils
- Convened the District Disability Summit
- Local Youth Units launched in 5 municipalities except Eziqoleni
- 2 day youth winter sports games
- Training workshops convened



Members of the Ugu District Disability Forum

Sitting in front:

Phillip Gamede(Chair Ugu District Diability Forum)

2nd Row Left to Right:

Sibongile Biyela, Doreen Ngcobo, Thomas Cele

Back Row Left to Right:

Doreen Nyawose, Templeton Xolo, Sdu Blose and France Mbothuma.



GRANTS EXPENDITURE

GRANT	BUDGET	INCOME	EXPENDITURE	GRANT CONDITIONS MET	FINANCIAL YEAR	
					2004/2005	2005/2006
Municipal Infrastructure Grant	-	92,283,226.89	92,283,226.89	Yes	1 July 2004 to 30 June 2005	1 July 2005 to 30 June 2006
	-	95,091,011.33	95,091,011.33	Yes		
Water Services Operating & Transfers	534,000.00	534,000.00	58,148.40	Yes		1 July 2005 to 30 June 2006
WSP Facilitate Water Delivery Planning	431,000.00	431,000.00	204,182.52	Yes		1 July 2005 to 30 June 2006
WDM Facilitate Water Delivery Mechanism	835,000.00	835,000.00	423,001.03	Yes		1 July 2005 to 30 June 2006



ANNUAL PERFORMANCE

KPA: INFRASTRUCTURE AND SERVICE DELIVERY			
KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
% of water loss reduction.	3.5 % annually until 15% level is reached: Baseline 35%	<ul style="list-style-type: none"> • Work in progress. • 156 Km's of pipelines patrolled. • 9 Bulk meters calibrated. • Organograms reviewed. • Monthly water balance in planning phase. • Mains replacement programme underway. 	<p>A reduction of 5% was achieved due to calibration of meters and utilizing contractors to repair leaks.</p> <p>A targeted approach to focus on the worst areas is underway. A 3 year strategy is being discussed with DWAF.</p>
% of households receiving 6kl free water.	66% by 06/2006	Backlog study completed 100 %.	N/A
% compliance of water quality with standards prescribed by the Water Act.	100% at all times	Award 25 Jan 06- R570 000- 3 filters were completed on time. Water quality in Harding has improved and is still monitored.	<p>Water quality from Bhoibhoyi Water Works has improved. Turbidity as high as 1500 Ntu is reduced to less than 1.0 Ntu.</p> <p>Harding water – the whole treatment works shall be overhauled as well as scouring done.</p>
Length of water pipeline to be replaced.	12.5km pipeline by 31 May 2005	11.5 Km complete. Harding - Work to complete 06/07 Financial Year.	Ongoing programme that forms part of our asset renewal programme. .

KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
		<p>Shelly Beach-Work Complete.</p> <p>Uvongo - Alpine Road- Complete.</p> <p>Marburg - Sastri Road-complete</p> <p>Scottburgh- Bahama Road-Complete</p> <p>Oslo Beach - Skokheim Road- 50% Complete</p>	
% completion of pump stations refurbishments.	100% by 31/03/2006	The refurbishment programme is 80 % complete.	The work is done against a R25 M loan which covers 2 financial years. Balance to be done in 2006/2007.
Number of stations with telemetry systems to be upgraded.	5 by 31/12/2005	13 completed.	Scottburgh Sanitation Treatment Works extension and refurbishing completed
% completion of the sanitation infrastructural program.	100% by 30/06/2006	Pump Stations 100% complete. (Connection of pipeline pending)	N/A
% completion of the sports complex.	2009	The land transfer is underway.	The appointment of the professional design team to do final designs is currently with the office of the municipal manager for a decision. The project has been put on hold until certain key stakeholders have been consulted and other gaps in the feasibility study have been addressed.
% completion of the signage project.	100% by 30/06/2006	The consultant signage proposed designs were adopted by UTMA Executive In the 2 nd Quarter.	Applications have been lodge with the Department of Transport to erect the signage In the strategic areas (entrances) of Ugu District Municipal area.



KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIANCE AND PLANS TO IMPROVE PERFORMANCE
A reviewed water and sanitation policy.	31/03/2006	100 % completed.	N/A
A reviewed Water Services Development Plan.	30/08/2005	100 % completed.	N/A
% completion of the transport plan.	100% by 30/06/2007	Achieved	The service provider was behind schedule but the plan has since been adopted by Council though outside the 2005/06 financial year i.e. 07 December 2006
% completion of the LUM framework	100% by 30/06/2007	Achieved	The report was completed and served to the portfolio committee (by default to EXCO and Council).
% completion of a district wide land reform strategy.	100% by 30/06/2007	Not Achieved	This target was meant for Land Reform Screening Committee. After the Land Summit DLA changed the approach into preparing Land Reform Area Based Plans which meant doing away with the screening committees hence the target couldn't be achieved.
No of Households which will gain access (200m or less from the stand pipe) to clean water.		Close out reports will identify number of people that have access during quarter 2 of the 2006/2007 financial year.	Backlog study survey was incorporated into WSDP and adopted in May 2006. Schemes built in the 2005/2006 financial year are currently being commissioned. Once complete the close out reports will be submitted to water services to be included in the consumer base.
Number of toilets built.	4000	5000 units complete.	Target surpassed but still behind national target. Additional funding was allocated to projects in KwaXolo and Ohabeni during the course of the financial year this resulted in additional units being constructed.
% implementation of municipal infrastructural program.	100% of all funded projects.	R95 000 000.00 spent as at 31 March 2006 R17 237 777.00 spent April to June 2006.	The 2005/2006 financial year saw the implementation of a three year capital development program for the MIG funded projects. Although it was planned to have all projects approved by 30 June 2006, this target date was extended due to capacity problems at a national and provincial level.
% completion of the revitalisation of underutilized project.	100% by 30/06/2007	Work in Progress	Review of program underway to assess projects.



KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
% of geo-coded rural and informal households.	25% per annum (completed by 2007)	Only 25% was covered as regards this project and the other areas are still outstanding.	This project was initiated by Water Services Implementation section to gather data for supply of free water. This project did not continue due to funds not being available. A plan is in progress to determine the outstanding areas and to source funding or assistance from DTLGA.
% capturing and conversion of water & sanitation infrastructure.	25% per annum (completed by 2007)	Achieved	The cadastral conversion has been completed. 40% of the capturing and conversion of the water pipes and Sanitation infrastructure has been completed.
% completion of a disaster management plan.	30/06/2006	Completed and included in IDP	Phase 2 of the Disaster Management Plan. Completed & incorporated into IDP. Awaiting approval at portfolio committee.
An approved LED Strategy.	30/12/2006	In Progress	Consultants were appointed in March 2006. The Project Steering Committee and Project Technical Committee has been identified and met. The PSC Inception Meeting was on the 20 th of June 2006. The 3 rd PTC meeting was on the 15 th of June 2006. IDT has appointed the same consortium to do a value adding process for our LED Strategy. Sub-consultants on the process to be appointed. Process of identifying areas for the study tours both domestic and international is underway.
An approved LED annual program.	30/08/2005	Completed	The annual LED plan was approved and there was progress in the implementation of the LED program for the financial year under review. The following projects and programmes were undertaken during the 4 th Quarter: 1. 29 SMMEs were supported by Ugu to register their businesses and to do business plans. 2. The handover of soccer kits, balls and boots was done to four teams under Hibiscus Coast Municipality during the launch of Winter Sports Games. Also two vouchers for kits were given to Albersville Sports Association as prizes in the School Sports Soccer Tournament wherein 34 primary schools participated.



KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
			<p>3. Vulamehlo Pottery Project: four members attended a two week training programme in Durban, for the use of equipments and quality control.</p> <p>4. KwaDweshuia Forestry Project: consultants were appointed to do a business plan. A draft business plan was completed and different stakeholders made input.</p> <p>5. SEDA Roll-out plan was underway with Ugu DM's input and HBSC. A branch manager was appointed, and filling of additional four positions was underway.</p> <p>6. IDT Poverty alleviation projects- response awaited.</p> <p>7. NGO's were identified for the has been identified ASGISA Jobs for Growth Programme Colloquium.</p> <p>8. Cabinet Legkotla Report for July had been submitted to IDT and DPLG.</p>
An approved Tourism Master Plan.	30/09/2005	The Tourism Master Plan was reviewed for incorporation into the LED Strategy – Tourism Sector Plan.	The final draft which incorporates the input from the stakeholders, which was solicited during the Tourism Road shows in all six municipalities, was received by the District during the month of February 2006.
Number of flagship projects launched every two years.	One in two years	Umdoni Municipality identified Umzinto Precinct Regeneration Plan, and Scottburg Beachfront Development and Park Rynie Industrial Area Regeneration as their flagship projects. Umzinto Precinct Plan – the funding was sourced from DBSA and the District. Consultants have been appointed	The project was underway and a project steering committee was operational. had been formed and met twice. One community meeting was held at Umzinto.
The number of jobs created through LED initiatives and capital projects.	Phase 2 Completed by 30/06/2006.	In the 4th quarter the LED Unit supported the establishment of 29 SMMEs. The PMU continued using labour intensive methods in projects which also contribute in job creation. The District economy grew and a lot of jobs were created in the following sectors: construction, tourism and hospitality, retail and services. There was a to develop a job creation and economic growth measuring tool.	All relevant projects were labour intensive and contract documentation had been revised according to the relevant legislation. All monthly reporting mechanisms were being revised to allow capture of employment figures.



KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIANCE AND PLANS TO IMPROVE PERFORMANCE
% completion of Agricultural Market.	Phase 2 Completed by 30/06/2006.	<ul style="list-style-type: none"> • Banana Ripening Centre 100% complete. • Fencing 90% complete, • Wholesale outlets 98% complete, • Retail Outlets 95% complete. • Public parking 100% complete. <p>Companies visited: SAB, Idwala, Shelly Centre Management, Kulu Crete.</p>	<p>Adverts for Dry Goods Wholesaler done and issued. Adjudication was done and negotiations with the preferred bidder were underway. Wholesalers were appointed. Supply base mobilization would be on-going. Agreements with MBB were signed.</p>
Ensure that Regional Management concept is implemented.	On-going	<p>Companies visited: SAB, Idwala, Shelly Centre Management, Kulu Crete.</p>	<p>The Regional Management business plan was scheduled for completion outside the 2005/06 financial year. The final draft was received from consultants in November 2006 and its being routed for approval. Some companies were also visited by the MM during the financial year.</p>
Disability Forums and programs established in Umdoni, Vulamehlo and Umzumbe local municipalities.	30/06/06	<ul style="list-style-type: none"> • District Disability Forum in place, all municipalities and government departments participating • Interim Forum in place at Umdoni and Vulamehlo-to be launched by 30 September 2006 • Umzumbe Municipality -consultations in progress. • District Youth Unit in place launched October 2005 • Local Municipality Youth Units launched in Umdoni, Vulamehlo, Umzumbe, HCM and Umuziwabantu. • Capacity Building workshop convened for district and local municipalities. 	



KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
Functional youth units at district and local municipalities.		<ul style="list-style-type: none"> • District Youth Unit in place launched October 2005 • Local Municipality Youth Units launched in Umdoni, Vulamehlo, Umzumbe, HCM and Umuziwabantu. • Capacity Building workshop convened for district and local municipalities. 	
		<ul style="list-style-type: none"> • District Women Council in place, and launched in November 2005 • 4 meetings convened • District Programme of Action in place. 	
		<ul style="list-style-type: none"> • Interim HIV and AIDS Council in place. • HIV and AIDS Interim Councils in place in Umdoni, Ezinqoleni, Vulamehlo, Umuziwabantu Municipalities • HIV and AIDS Council in Hibiscus Coast municipality • Coordinated response, Government Departments and Civil Society participating in Interim Councils. • Meetings convened every second month-six meetings held in 2005/2006 • Activities shared and cosponsored with other role players 	



KPA: INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
Ensuring the existence of a Marketing and Promotion programme.	30 June 2006	Adopted by Top management	
% reduction of injuries on duty.	20% by 30/06/2005	Since July 2004 to date there have been 5 injuries. In relation to last year July to October 2003, there were 10 injuries which show a 50% decrease.	
Completed EAP and HIV/AIDS policies.	30/09/2004	EAP and HIV/AIDS Policy is complete.	
A reviewed IDP.	31/05/2005	Achieved	The Reviewed IDP's was adopted by Council on 29 June 2006.
% completion of a disaster management centre.	31/05/2006	Completed	Occupation was taken of the centre at the beginning of Feb. 2006.

KPA: DEMOCRACY AND GOVENANCE

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
Conduct water-wise awareness campaigns.	6 per annum per 1 per local municipality	6 Road shows conducted (13 schools)	N/A
Number of by-law reviews conducted per annum.	One by 30/06/2006	Still to be done.	

KPA: FINANCIAL MANAGEMENT

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
An approved debt reduction plan.	30/09/2005	Hand-overs by Attorneys in progress. Indigent Register complete. PSU Data Cleansing assignment completed mid March 2006 Sisonke-draft agreement complete Debtpack employed to recover debt in Harding and Gamalakhe and to also evaluate indigent applications	Debt has been contained. Focus will be to reduce Government debt.
An amount to be collected through levies.	R33,075,086 by 30/06/2006	Adverse variance for twelve months, from July '05 to June '06 is R 6 873 847.44.	
Levy income strategy.	31/10/2005	Levies were abolished on 30/06/2006.	
% debt reduction excluding write offs.	20% by 30/06/2006.	Debt at 30 June 2006 amounted to R44 287 637. This represents an 8,51% decrease on last years debt. The stratification of debt had yielded benefits albeit slow.	
Outstanding Service Debtors to revenue as defined in the Municipal Planning and Performance management Regulations 2001.	TBA	Awaiting targets	
Cost Coverage as defined in the Municipal Planning and Performance management Regulations 2001.	TBA	Awaiting targets	
Turnover rate percentage. (calculated as = actual debtors/budgeted income).	At most, 20% by 30/06/06.	% as at 30 June 2006 was 23,48% (2006:26,89)	Government Debt remained high and needed to be reduced further. National Treasury informed as per MFMA.
An Adopted Multi year budget.	31/05/2006.	Approved by EXCO on 24 August 2005	
A reviewed credit control and debt collection policy.	30/09/2005	100 % complete.	
A revised Supply Chain Management Policy.	100% by 30/09/2005	Policy was adopted by EXCO on the 27/09/05 as a working document.	



KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
An approved preferential procurement policy, complying with National Treasury Regulations.	31/07/2005	Workshops had been conducted.	
Investment management system and approved policy in place.	30/09/2005	Policy had not been revised.	<p>A new policy document was in the process of being drafted for submission to Management and the portfolio committee.</p> <p>The policy in operation was to invest in the four major banks and to ensure that the total amount invested in any one institution did not exceed 30% of total investments.</p>
Rationalisation of the municipality's financial by-laws completed.	30/06/2006	Not achieved.	It is being considered during ERP implementation together with financial policies & procedure formulation.
Borrowing Policy adopted in terms of MFMA..	31/12/2005	Not achieved.	It will be finalised by 31 August 2006.
A fully fledged Cash Management System.	31/12/2005	This was work in progress and a requirement of the new IT System.	
Adjudication on Banking services finalized.	30/11/2005	A tender for banking services for the period 1 July 2006 to 30 June 2011 was finalised by the Bid Evaluation Committee on 30/06/2006. This tender was awarded to ABSA.	
% of database linked to the billing system.	100% by 2007.	PSU was doing the user analysis and the scoping of the new financial system. PSU was not provide the plan of action. UGU GIS Information was ready to be linked to the system.	


BACKLOGS TO MUNICIPAL SPENDING ON SERVICE DELIVERY INFRASTRUCTURE: SERVICE DELIVERY BACKLOGS:

Water Backlogs (GKL per month)	30 June 2005		30 June 2006	
	Budgeted	Actual	Budgeted	Actual
Backlogs to be eliminated (No. of households not receiving minimum standard of service)	44 726 h/h	44 726 h/h	63 355 h/h	63 355 h/h
Backlogs to be eliminated (Percentage. HH identified as backlogs/ total HH in municipality)	40.0 %	40.0 %	43.3%	43.3%
Spending on new infrastructure to eliminate backlogs (Rand 000)	R 50 516 580.00	R 50 516 580.00	R 62 895 975	R 62 895 975
Spending on renewal of existing infrastructure to eliminate backlogs (Rand 000) Function not performed at this stage.	R0.00	R0.00	R0.00	R0.00
Total spending to eliminate backlogs (Rand 000)	R 50 516 580.00	R 50 516 580.00	R 62 895 975	R 62 895 975
Spending on maintenance to ensure no new backlogs are created (Rand 000)	R 5 846 020.00	R 5 846 020.00	R 2 343 273.00	R 2 343 273.00



KPA: INFRASTRUCTURE AND SERVICE DELIVERY

KEY PERFORMANCE INDICATOR	TARGET	PERFORMANCE ACHIEVED	EXPLANATION ON VARIENCE AND PLANS TO IMPROVE PERFORMANCE
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Spending on maintenance to ensure no new backlogs are created (Rand 000)	R 5 846 020.00	R 5 846 020.00	R 2 343 273.00	R 2 343 273.00



Sanitation Backlogs	30 June 2005		30 June 2006	
	Budgeted	Actual	Budgeted	Actual
Backlogs to be eliminated (No households not receiving minimum standard of service)	67 599 h/h	67 599h/h	81 869 h/h	81 869 h/h
Backlogs to be eliminated (percentage .HH identified as backlogs/ total HH)	60.0 %	60.0 %	55.9%	55.9%
Spending on new infrastructure to eliminate backlogs (Rand 000)	R12 869 853.00	R12 869 853.00	R 20 065 560.00	R 20 065 560.00
Spending on renewal of existing infrastructure to eliminate backlogs (Rand 000) Function not performed at this stage.	R 0.00	R 0.00	R 0.00	R 0.00
Total spending to eliminate backlogs (Rand 000)	R12 869 853.00	R12 869 853.00	R 20 065 560.00	R 20 065 560.00
Spending on maintenance to ensure no new backlogs created (Rand 000)	R 3 729 000.0	R 3 729 000.0	R 2 609 027.00	R 2 609 027.00
Spending on maintenance to ensure no new backlogs created (Rand 000)	R 72 961 453.00	R 72 961 453.00	R 87 913 835.00	R 87 913 835.00

Chapter Three



HUMAN RESOURCES AND OTHER ORGANISATION MANAGEMENT

Organisational Structure
Staffing Information
Human Resource Governance
Employee Assistance Programme



ORGANISATIONAL STRUCTURE



Khayo E Mpungose
Municipal Manager



Nathi T Ndelu
Deputy Municipal Manager



Mdu Mnyandu
GM Planning & Environment

Project Management
Infrastructural Development
Tourism & Economic Dev.
IDP



Maxwell Pawandiwa
GM Water Services

Water Distribution
Maintenance of Water Network
Water treatment
Pump Stations & Workshops
Meter Reading
Billing & Credit Control
Customer Care Services



Ved Hukum
GM Treasury

Revenue
Budgets Supply Chain Man
Grants & Expenditure
Payroll Asset Management
Annual Financial Statements
Investments & Loans



Nathi T Ndelu
Acting GM Corporate Services

Human Resources Skills dev.
Secretariat
Records Man Auxiliary Services
Legal Services
GIS
IT Services



STAFFING INFORMATION

The municipality has a staff complement of 673.

The following table illustrates information regarding the staff complement of the municipality:

Function	No. of Staff	No. of Vacancies
Office of the Municipal Manager	14	1
Corporate Services Department	36	3
Treasury Department	45	5
Planning & Environment Department	13	3
Water Services Department	546	50
Contract employees	19	-
Total	673	62

The following policies were developed during the 2005/2006 financial year:

- Acting allowance
- Leave regulation
- Hours of work

The following table illustrates information on the medical aid schemes in operation in the municipality:

Fund	Number	Council Contribution %
Global health	155	60
Bonitas	32	60
Hosmed	6	60
LA Health	36	60
Munimed	3	60
Samwumed	4	60

The following table illustrates information on the pension funds in existence in the municipality:

Fund	Contribution rate	
	Council	Member
Natal Joint Municipal Pension/ Provident Fund	2x member contribution	5% 7% 9.25%
Municipal Councillors Pension Fund	15%	13.75%



HUMAN RESOURCE GOVERNANCE

The following table provides staffing information:

Number of all municipal staff employed:	Male	Female	Number of staff
Professional (Managerial/Specialist)	37	35	72
Field (Supervisory/Foremen)	143	5	148
Office (Clerical/Administrative)	103	19	122
Non-professional (blue collar, outside workforce)	320	11	331

A total of 215 employees received training in the 2005/2006 financial year at cost of R534,106.14

The following table provides a breakdown of training beneficiaries:

Occupational Category	Male	Female	Total
Senior Officials/Managers	16	6	22
Professionals	3	5	8
Technicians/Associated Professionals	17	7	24
Clerks	13	31	44
Service Workers	4		4
Craft & Related Trade Workers	20		20
Plant & Machine Operators	25	5	30
Elementary Occupations	45	18	63
TOTAL	143	72	215

Below are the performance targets of the Human Resources function as per set priorities:

Key Performance Area	Performance Targets	Current	Target	Actual
Municipal Transformation & Institutional Development	Relocation of water Services Authority from corporate Services to Water Services, in an effort to integrate and align core functions of Municipality	Consultancy driven planning of projects	Planning of projects and programmes to be driven from this unit in an effort to increase ownership	WSA Unit relocated. Unit 100% capacitated. Staff undergoing training in order to equip for management of projects



Performance targets (continued)

Key Performance Area	Performance Targets	Current	Target	Actual
Municipal Transformation & Institutional Development	Relocation of Internal Audit unit from Corporate Services to the Municipal Manager's Office so that accountability is ensured	Internal Audit unit located within a Department which it is also meant to audit and report on	Audits to be conducted in a transparent and independent manner	Internal Audit Unit relocated with the unit reporting directly to the Municipal Manager.
	Inclusion of Legal Compliance office to the Corporate Services Department	Extensive consultation with external legal experts	In-house legal advice, resulting in a reduction of costs, as well as preservation of the municipality's interests	Legal Compliance Co-ordinator, providing advisory legal service to the Municipality.
	Inclusion of Special Advisor: Office of the Municipal Manager	Ineffective executive management advisory support to local municipalities	Cohesive and efficient management support service to local municipalities within the jurisdiction of the District Municipality	Special Advisor appointed. Accessibility of management support to local municipalities.
	Review of Recruitment & Selection Policy	Employment Equity not considered during selection procedure	Objective preference points to be allocated to job applicants in line with the Municipality's EE Plan	Recruitment and Selection Policy amended. Preference points for employment equity considered during shortlisting and interviewing processes.



EMPLOYEE ASSISTANCE PROGRAMME

HIV and AIDS Workplace Programme

This is a holistic management programme, which provides care and support activities that are broad enough to ensure that the needs of the employees and their immediate families are addressed. The management of HIV and AIDS infected and affected employees encompasses a spectrum of intervention aimed at mitigating the impact of the pandemic on the individual employee and the community in which he or she resides.

The HIV and AIDS workplace programme is aimed at getting employees to know their status at an early stage so that they can get help to develop a plan to live a long and healthy life, whether they test HIV negative or positive. This programme takes the form of reasonable accommodation for employees whose personal health and social or economic challenges affect their productivity at work such as stress management, trauma, substance abuse, disability and HIV and AIDS and any other related matters that may hinder an employees' work performance.

Care, Support and Treatment elements are:

- Wellness programmes aimed at ensuring that HIV positive employees remain healthy and fit to work for as long as possible by being referred to relevant resources for treatment of opportunistic infections and diseases.
- Support for employees to cope with psychological and emotional aspects of being HIV positive or affected by the pandemic. Ongoing counseling is provided and affected employees are linked with community based resources.
- Employees are educated on how the ARV treatment work and its limitations. Positive employees are encouraged to practice healthy life style in order to prolong their lives before taking treatment.

Achievements

Policies in place:

- Employee Assistance Programme (EAP) Policy
- HIV and AIDS Workplace Policy

Training conducted:

- EAP Counsellors
- HIV and AIDS Peer Educators

Annual events coordinated:

- Wellness awareness campaigns according to the Dept. of Health Calendar
- HIV and AIDS Workshops and Awareness Campaigns
- Voluntary Counselling and Testing (VCT)
- Induction of new employees on EAP

Voluntary Counselling and Testing (VCT)

Ugu arranged for the voluntary counselling and testing (VCT) for its employees.



Voluntary Counselling and Testing in Action

Chapter Five



SERVICE DELIVERY REPORTING

Planning and Environment

Treasury

Water and Sanitation



SERVICE DELIVERY REPORTING

FUNCTIONAL AREAS

PLANNING AND ENVIRONMENT: LOCAL ECONOMIC DEVELOPMENT

FUNCTION: PLANNING AND ENVIRONMENT	
SUB FUNCTION: ECONOMIC DEVELOPMENT	
REPORTING LEVEL	DETAIL
OVERVIEW	The Local Economic Development and Tourism Unit is responsible for the following key functions: (i) District Economic Planning (ii) SMME Development and Support (iii) Resource Mobilization (iv) Economic Sector Development (v) Investment Promotion (vi) Tourism Marketing (vii) Tourism Product Development with a bias towards hinterland products (viii) Rural Development and Poverty Eradication and (ix) Promotion of Private-Public Partnerships (PPP) .
PERFORMANCE HIGHLIGHTS FOR THE PERIOD	During the 2005/2006 Financial year, the LED & Tourism Unit was engaged in and supported the following projects: (i)Ugu Agricultural Market LED Program-supply base mobilization focusing on the emerging farmers, (ii)Emerging Contractor Development Program. (iii)Supporting the successful implementation of the Gijima-KZN LED Program (iv)Hosting District LED and BEE Summits, (v)Marketing the South Coast as the best tourist destination, (vi) Funded successful tourism events i.e Sardine Run Festival, South Coast Music Festival and Loerie Awards and (vii) Supported SMME Development jointly with the Hibiscus Coast Municipality.



REPORTING LEVEL	DETAIL	TOTAL	COST
ANNUAL PRIORITIES OF THE FUNCTION	The key issues for 2005/06 are:		
	1. To mitigate drought through tankers		
	2. To reduce Water Loss		
	3. To start the South Coast Bulk pipeline through Umngeni water, mitigating water shortage in Umdoni Municipality area.		
	4. Restructuring to include additional Technical staff.		
	5. Development of Water Master Plan and Backlog Survey.		
	6. Development of Indigent Register		
	7. Reduction of backlog through 100% expenditure of allocated funds.		

ANALYSIS OF THE WATER PURCHASE AND DISTRIBUTION FUNCTION

THE FOLLOWING TABLE ILLUSTRATES INFORMATION REGARDING THE STAFF WITHIN THE FUNCTION:

NUMBER AND COST TO EMPLOYER OF ALL PERSONNEL ASSOCIATED WITH THE WATER DISTRIBUTION FUNCTION	CATEGORY	TOTAL	COST R
	- Professional (Engineers/Consultants)	2	706 356
	- Field (Supervisors/Foremen)	47	7 673 792
	- Office (Clerical/Administration)	208	24 656 226
	- Non-professional (blue collar, outside workforce)	154	8 344 615
	- Temporary	None	-
	- Contract	8	2 427 217
	Total	419	43 808 206



**THE FOLLOWING TABLE ILLUSTRATES INFORMATION REGARDING MONTHLY WATER USAGE
(TOTAL WATER STOCK USED PER MONTH):**

AREA	TOTAL VOLUME	DOMESTIC USAGE in kl units				COMMERCIAL USAGE in kl units	
		WITHIN QUOTA	9kl >QUOTA	>39kl<51kl	>51kl	WITHIN QUOTA	EXCESSIVE USE
URBAN SOUTH							
Hibberdene	117,685.9	56,143.2	15,916.6	3,674.9	7,031.2	34,920.0	6,698.0
Umzumbe	34,240.0	17,216.5	4,648.4	2,532.8	3,962.3	5,880.0	1,292.0
Pumula	31,846.9	18,686.3	5,919.7	1,500.7	3,977.2	1,763.0	310.0
Melville	46,427.0	25,036.7	7,242.6	1,628.7	5,156.0	7,363.0	2,419.0
Sunwich Port	38,905.5	21,246.9	2,809.4	729.9	1,146.3	12,973.0	4,756.0
Anerley	35,837.9	18,496.8	6,982.9	989.9	1,024.3	8,344.0	2,660.0
Southport	100,667.1	64,903.9	17,643.9	4,178.3	7,767.0	6,174.0	2,168.0
Sea Park	41,567.0	24,671.4	6,236.2	1,390.5	3,634.9	5,634.0	1,061.0
Umtentweni	212,561.1	119,476.7	47,087.1	11,833.8	17,496.5	16,667.0	3,468.0
Port Shepstone	657,541.1	127,548.0	49,988.5	17,747.8	38,329.8	423,927.0	124,320.0
Marburg	563,328.6	264,719.5	90,658.7	20,911.8	41,574.6	145,464.0	40,198.0
Oslo Beach	63,092.0	36,785.0	15,409.0	3,694.5	5,951.5	1,252.0	155.0
Shelly Beach	237,845.3	116,583.8	35,784.8	10,786.0	20,984.7	53,706.0	12,023.0
Uvongo	475,867.3	279,316.7	84,291.8	19,095.3	34,140.5	59,023.0	13,977.0
Margate	656,016.8	332,254.3	106,504.0	25,451.6	58,966.9	132,840.0	41,794.0
Ramsgate	286,728.9	135,784.4	53,856.9	14,771.3	54,239.3	28,077.0	13,563.0
Southbroom	127,973.4	56,788.7	33,974.4	8,568.5	19,795.8	8,846.0	2,025.0



AREA	TOTAL VOLUME	DOMESTIC USAGE in kl units				COMMERCIAL USAGE in kl units	
		WITHIN QUOTA	9kl >QUOTA	>39kl<51kl	>51kl	WITHIN QUOTA	EXCESSIVE USE
URBAN SOUTH (continued)							
Marina Beach	47,480.3	21,790.8	6,591.5	1,785.4	5,381.6	11,931.0	4,007.0
San Lameer	59,892.8	41,875.4	8,413.9	1,695.5	4,094.0	3,814.0	30.0
Trafalgar	44,599.8	26,417.4	7,502.5	2,185.8	5,509.1	2,985.0	668.0
Glenmore	79,120.6	43,282.7	13,173.6	3,268.8	7,452.5	11,943.0	3,869.0
Leisure Bay	87,364.2	44,615.1	11,251.4	2,651.0	15,265.7	13,581.0	2,759.0
Port Edward	230,876.0	101,568.8	39,277.1	7,849.3	18,303.8	63,877.0	16,761.0
Palm Beach	50,956.9	21,381.0	10,832.5	1,837.6	6,409.8	10,496.0	(1,188.0)
Gamalakhe Township	251,377.4	144,169.7	28,681.1	8,360.5	62,015.2	8,151.0	4,164.0
Harding	69,440.4	5,400.1	1,592.7	1,353.7	4,619.8	56,474.0	35,103.0
URBAN NORTH							
Asoka Heights	5,747.0	3,585.7	1,711.0	334.0	116.4	-	-
Development Area Park Rynie	69,508.4	23,575.2	12,518.1	3,305.2	12,737.9	17,372.0	10,525.4
Savillethorpe	4,543.6	2,255.8	1,115.5	303.2	318.1	551.0	410.7
Development Area of Umzinto	62,694.0	19,870.8	15,036.5	6,364.9	7,770.8	13,651.0	15,543.4
Esperanza	7,854.0	3,657.5	1,537.1	419.5	2,239.9	-	-
Freeland Park	32,189.6	16,487.8	10,867.4	2,360.4	2,402.0	72.0	91.4
GHANDINAGAR	41,853.0	39,314.3	2,234.4	240.7	63.6	-	-



AREA	TOTAL VOLUME	DOMESTIC USAGE in kl units				COMMERCIAL USAGE in kl units	
		WITHIN QUOTA	9kl >QUOTA	>39kl<51kl	>51kl	WITHIN QUOTA	EXCESSIVE USE
URBAN SOUTH (continued)							
Kadville	5,640.0	3,129.6	1,800.8	438.1	271.5	-	-
Kadiva Heights	2,689.0	1,649.8	772.4	185.0	81.8	-	-
Kelso Junction	5,804.0	1,032.4	490.2	218.9	708.5	3,354.0	1,603.7
Oceanview	5,575.0	2,411.7	1,311.0	890.6	961.7	-	1,374.0
Pennington	134,872.3	77,955.3	19,785.1	5,002.8	10,986.1	21,143.0	6,735.2
Roshen Heights	5,171.0	5,051.8	111.9	6.2	1.2	-	-
Riverside Park	16,176.0	12,062.7	708.1	148.7	2,973.6	283.0	25.8
Roseville	6,207.0	4,150.2	1,365.7	341.7	349.4	-	-
Scottburgh South	58,584.5	34,085.2	15,993.2	3,003.2	3,347.0	2,156.0	454.3
Shayamoya	9,313.0	7,085.1	458.3	72.7	154.9	1,542.0	-
Scottburgh Central	151,896.4	59,323.4	33,378.8	7,232.7	12,463.5	39,498.0	15,439.5
Hazelwood	18,019.0	9,284.7	5,921.7	1,608.2	1,204.4	-	3.0
Umzinto North Area of Park Ryn	41,335.9	18,461.2	10,928.8	2,703.3	5,041.6	4,201.0	3,066.4
TRICHERA PARK	4,338.2	1,327.6	1,165.0	333.3	791.3	721.0	899.3
Umzinto	131,476.4	54,551.1	18,147.1	5,368.6	10,818.6	42,591.0	4,502.7
Bazley	18,366.0	7,645.7	2,688.6	841.1	2,049.6	5,141.0	2,985.2
Darlington	21.0	9.0	-	-	-	12.0	-
Southern Home Elysium	2,115.0	154.4	18.0	19.2	119.4	1,804.0	1,197.1



AREA	TOTAL VOLUME	DOMESTIC USAGE in kl units				COMMERCIAL USAGE in kl units	
		WITHIN QUOTA	9kl >QUOTA	>39kl<51kl	>51kl	WITHIN QUOTA	EXCESSIVE USE
URBAN SOUTH (continued)							
Elysium	16,526.0	6,925.0	2,841.5	1,009.2	1,716.2	4,034.0	1,443.4
Ifafa	18,635.4	4,967.1	2,150.1	510.2	4,370.1	6,638.0	4,090.7
Greenwich Ifafa	-	-	-	-	-	-	-
Koelwaters	5,413.0	2,245.0	20.7	4.3	-	3,143.0	65.5
NEWTONWOLD	1,988.0	157.5	73.6	71.1	823.7	862.0	697.0
MTWALUME	15,583.0	7,410.3	2,229.3	551.9	1,700.6	3,691.0	1,585.5
Sezela	137,055.3	34,874.5	8,744.1	1,961.8	2,237.9	89,237.0	31,928.2
URBAN NORTH							
AMANDAWE	19,621.1	13,301.9	1,868.5	624.7	3,726.0	100.0	25.6
AMAHLONGWA	16,936.7	10,354.5	1,782.2	531.1	4,268.8	-	-
BRAEMAR	3,405.6	2,336.9	418.9	59.3	61.6	529.0	3.0
IMFUME	17,307.9	10,827.7	2,131.6	684.2	3,664.4	-	-
MATHULINI 2	30,151.0	15,204.2	3,146.7	1,040.8	10,068.3	691.0	103.7
MALANGENI	16,781.0	10,695.9	2,175.4	650.3	2,739.4	520.0	250.0
MATHULINI 1	54,142.0	26,749.6	6,474.6	2,230.7	18,656.0	31.0	-
PHUNGASHE	6,143.9	3,314.8	830.7	237.8	1,758.7	2.0	-
VULAMEHLO	7,479.7	2,422.9	458.1	388.6	4,210.1	-	-



AREA	TOTAL VOLUME	DOMESTIC USAGE in kl units				COMMERCIAL USAGE in kl units	
		WITHIN QUOTA	9kl >QUOTA	>39kl<51kl	>51kl	WITHIN QUOTA	EXCESSIVE USE
RURAL SOUTH							
BHOBOYI	23,208.2	14,678.2	2,395.3	947.9	5,012.8	174.0	60.5
KWA FODO	226.0	226.0	-	-	-	-	-
FAIR VIEW MISSION	10,144.2	7,307.5	1,175.2	364.9	1,291.6	5.0	-
IZINGOLWENI	35,071.0	8,638.3	2,758.9	1,104.2	18,753.6	3,816.0	1,639.0
IZOTSHA	17,680.0	13,366.3	1,732.2	500.5	1,990.0	91.0	17.0
KWA MADLALA	4,438.0	2,491.9	325.6	169.5	688.0	763.0	186.0
KWA MAVUNDLA	8,498.0	6,318.7	349.6	114.7	358.0	1,357.0	41.0
KWA MBOTHO	1,206.3	1,100.0	98.0	8.3	-	-	-
MURCHISON	28,067.1	24,935.8	1,298.1	439.1	1,384.1	10.0	-
KWA NYUSWA	1,525.0	1,394.0	80.0	24.0	27.0	-	-
KWANZIMAKWE	19,498.0	9,989.6	2,295.4	845.2	5,548.8	819.0	500.0
WEZA	357.0	322.0	34.8	0.2	-	-	-
KWA XOLO	5,100.0	2,680.9	908.5	313.4	1,197.2	-	-
MISCELLANEOUS							
TANKERS	57.0					57.0	
	6,013,474.9	2,819,514.5	921,133.5	237,603.9	628,456.0	1,406,767.0	446,553.1
		5.31	5.31	8.49	9.55	5.31	5.31
		14,971,622.2	4,891,218.6	2,017,257.1	6,001,755.1	7,469,932.8	2,371,196.8



WATER AUDIT: 2004/2005 AND 2005/2006 FINANCIAL YEARS

	WATER PRODUCTION	WATER SALES	UNACCOUNTED FOR WATER
2004/2005			
July- Sept 04	5,342,022.00	3,372,712.00	36.9
Oct -Dec 04	5,661,067.00	3,755,690.00	33.7
Jan- Mar 05	5,551,292.00	3,561,697.00	35.8
April- June 05	5,396,298.00	3,526,772.00	34.6
	21,950,679.00	14,216,871.00	
2005/2006			
July-Sept 05	5,839,505.00	3,617,501.00	38.1
Oct - Dec 05	5,734,432.00	3,683,022.00	35.8
Jan - Mar 06	5,468,564.00	3,695,468.00	32.4
April - June 06	5,331,666.00	3,757,073.00	29.5
	22,374,167.00	14,753,064.00	34.1



REPORTING LEVEL	DETAIL	TOTAL	COST R
NUMBER OF HOUSEHOLDS WITH WATER SERVICE, AND TYPE AND COST OF SERVICE	Piped water inside dwelling	39 146	5,64/kl
	Piped water on community stand: distance < 200m from dwelling	3 000	free
	Borehole	78	2 381 873.52
	Spring	133	
NUMBER AND COST OF NEW CONNECTIONS	15mm dia		2 545.69
	15mm dia(Rural)		1 233.38
	20mm dia		2 856.40
	25mm dia		3 704.30
	40mm dia		5 794.05
	50mm dia - 100mm dia		connection cost +10%
TOTAL		39 146	
NUMBER AND TOTAL VALUE OF WATER PROJECTS PLANNED AND CURRENT	Current (financial year after year reported on)	45	85 654 991.0
	Planned (future years) 5 year plan	68	509 299 399
ESTIMATED BACKLOG IN NUMBER (AND COST TO PROVIDE) WATER CONNECTION		63 359 h/h	760 270 000
ANTICIPATED EXPANSION OF WATER SERVICE		26147 h/h	258 463 500
ESTIMATED BACKLOG IN NUMBER (AND COST TO PROVIDE) WATER CONNECTION		63 359 h/h	R 760 270 000
FREE BASIC SERVICE PROVISION	Quantity (number of households affected)	39 146	
	Quantum (value to each household)	6kl/household	
TOTAL OPERATING COST OF WATER DISTRIBUTION FUNCTION			138 005 214



PERFORMANCE IN THE WATER SERVICES FUNCTION:

KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
FINANCIAL MANAGEMENT	FINANCIAL PERSPECTIVE					
	1. To reduce costs.	a. % of water loss reduction	3.5 % annually until 15% level is reached Baseline 35%	1. Impliment water loss management system work plan of Jan 05 2. A reviewed water loss management system	-Pipeline patrols Jan –June - 300km -calibration of 6 bulk meters -calibration and adjustments to PRV,S-NO -Monthly water balance -establishment of section for leakage Mngt	Work in progress. 156 Kms of pipelines patrolled. - 9 Bulk meters calibrated. -Organograms reviewed. -Monthly water balance in planning phase. -Mains replacement programme underway.
				Complete water audits	01/08/2006 (annually) To produce four reports	June 05 – 34.6 Sept 05 – 38.01 Dec 05 – 35.8 March 06 – 32.42 June 06 – TBA
				Conduct water-wise awareness campaigns	6 per annum per	6 Road shows completed (13 schools)



KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
FINANCIAL MANAGEMENT					1 per local municipality	
		b. % breakages attended within 24 hrs	95% ongoing 04/05 87% ongoing 05/06	1. Restructuring of maintenance teams. 2. working team meeting with call centre and plumbers 3. rationalisation of duties	1.To have 5 zones operational 2.procedures under development	-5 zones established. Rural Schemes still problematic in receiving complaints. Restructuring expected to improve response time.
		c. % of reduction of repairs and maintenance costs.	Review	Implementation of the preventative maintenance plan	Ongoing	Planned Maintenance will be undertaken when staff compliment is increased. 90% complete – ongoing
	Revise the preventative maintenance plan to include reticulation.			Restructuring of sections Beefing up of section-	Restructuring complete. Shortlisting in progress	
		d. % reduction of overtime hrs per person.	25% per annum until 06/2006	Monitor the overtime sheet Baseline- 03/04 R9.4M 04/05-R9.5M 05/06 R10.4 M	As at 31 March -7.9m To implement policy with restructuring	Sanitation d) increase in VTS draws as a result of increased developments caused an increase in overtime for this section Tremendously with the result that most of the VTS draws took in excess of the specified 48 hours also resulting in spillages. e) Regarding reticulation blockages we only had three teams available



KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
						<p>instead of the required six teams with the result that overtime also increased marginally in this section.</p> <p>Water Reticulation Only emergency work undertaken after hours. Prior approval of overtime is proving successful. Will be looking at overtime to catch up on outstanding water connections.</p> <p>Mechanical Electrical Slight increase in March to May due to Eskom power outages. Overall downward tendency</p>
				<p>1.Fill vacancies 2.Review overtime/capacity in selected areas(work study) 3.Establish satellite workshops</p>	<p>2mnths turnaround Work study repot</p>	<p>Appointments-90% Turn-around not achieved.</p>
	2. To increase Municipal revenue in accordance with	a. Debt Collection ratio.	95% of what is billed per annum	<p>1.Returned mail report analysis-reduce 2.Link unbilled consumer</p>	<p>1.returned mail ongoing 2.collection ratio 101%</p>	<p>1. Winsearch program now in place. 2. Information for the urban strip sources from local municipalities 3. Rural areas still a challenge as we only rely on the information given on the application form.</p>



KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
	infrastructure and developmental mandate.				Dec 06 87% Jan 133% February 115% March Cumulative 94.38%- 95.19%	4. Rural private connections still outstanding-need to devise a system of tracing.
	3. To ensure that debt is managed effectively; efficiently and economically	a. An approved debt reduction plan.	30/09/2005	Stratification of debt and implementation plan on each stratified level of debtors	30/09/2005	Hand-overs by Attorneys in progress. Indigent Register complete. PSU Data Cleansing assignment completed mid March 2006 Sisonke-draft agreement complete Debt pack employed to recover debt in Harding and Gamalakhe and to also evaluate indigent applications
	4.To ensure that the departmental budget is	a. Number of sectional budgets submitted to the GM	5 by set date	Preparation of sectional budgets	November 2005 Revised to Jan 06	Draft completed 28 Jan 2005
				Submission of departmental	Date from	



KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
	submitted in time.			budget to Treasury.	Treasury 27 Jan 2006	100%
INTERNAL PROCESSES						
INSTITUTIONAL DEVELOPMENT AND TRANSFORMATION	1. To ensure that the	a. % claims confirmed by	5 %	Spot checks	Monthly	Done – Mech. Elect
	2. municipality has good management systems.	b. the vehicle tracking system.				Done – Sanitation Sect However there is a problem in the GIS Section to obtain exception report-to be developed with Fleet Officer
		c. % of accounts handed over in terms of the credit control and debt collection policy.	100% monthly	Procurement of attorneys Agreement with local Municipalities	August 2005 December 2005	(1) Debtpack commenced assignment to recover debt in Harding and Gamalakhe in January 2006 and to also evaluate all indigent applications – Ongoing assignment in evaluation of consumers in Gamalakhe (2) R139 outstanding debts handed to attorneys on a ongoing basis during the quarter under review. (3) LM agreement pending
	d. Stock levels kept at acceptable levels at all		Ongoing	Quarterly report on municipal stores	Quarterly	Ongoing – Quarterly



KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
		times				
		e. % compliance with the credit control and debt collection policy.	100% ongoing	Develop a checklist	1 August 2005	Check list in place-utilization-minimal staffing to be reviewed and implement use of checklist in 3 rd quarter. In progress. New technician appointed.
				Compliance Report	Monthly	100%
COMMUNITY PERSPECTIVE						
INFRASTRUCTURE AND SERVICES	To ensure the provision of affordable and sustainable basic services to communities to acceptable standards (RDP)	a. % of households receiving 6kl free water	66% by 06/2006	Quarterly report to WSA by PMU	Quarterly	Backlog study completed 100 %.
				Update WSDP	annually	100%
	b. % compliance of water quality with standards prescribed by the Water Act	100% at all times	Media renewals Harding water system Water quality reporting-monthly	To refurbish 3 filters at Bhothoyi water works. Replace pipes in Harding and upgrade plant	Award 25 Jan 06- R570 000- 3 filters were completed on time. Water quality in Harding has improved and is still monitored	
			Upgrade chlorination	30/06/2006	1. Rural plants complete. 2. Harding-outstanding	
			Reservoir/scour cleaning programme	Target 12	15-completed on time	
			Develop a checklist	30/09/2005	Development checklist in progress.	
			Compliance report	Report submitted to DWAF	Development checklist in progress. Water Quality, Drought and WSDP reports submitted.	



KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
		a. Length of water pipeline to be replaced	12.5km pipeline by 31 May 2005	R5.5 million budget for	Harding Shelly Beach Bridge crossings	11.5 Km complete. Harding – Work to complete 06/07 Financial Year. Shelly Beach-Work Complete. Uvongo Alpine Road- Complete. Marburg Sastri Road-complete Scottburgh Bahama Road-Complete Oslo Beach Skokheim Road- 50% Complete
		b. Number of stations with telemetry systems to be upgraded	5 by 31/12/2005	Upgrading	31/12/2005	13 completed.
		c. % completion of pump stations refurbishments.	100% by 31/03/2006	Development of a refurbishment program	15/07/2005	The refurbishment programme is 80 % complete.
				Implementation of the plan (R 2,300 000)	31/03/2006	To install & commission
		d. % completion of the sanitation infrastructural program.	100% by 30/06/2006	Margate pump station (R5.3m)	Phase 2 complete by 31/01/2006	Pump Stations 100% complete. (Connection of pipeline pending)



KPA	OBJECTIVES	KEY PERFORMANCE INDICATORS	TARGETS	ACTIVITIES	TARGETS	REMARKS/PROGRESS
				Extension of Scottburgh sewage purification plant (R3,550 000)	30/06/2006	Scottburgh Pumpstation Award 90 % completed by 30 June 2006 - balance on DBSA loan programme.
		g. Response time to sewer overflows.	24 hours	Monitoring register for overflows.	Ongoing	Regular monitoring is indicating that targets are still being achieved
		h. Time taken to empty conservancy tanks after payment has been made	Within 48 hours	Monitoring register for response time.	Ongoing	-Regular monitoring is indicating that targets are once again being achieved. -operations between 0600hrs to 2200 under review-increase in overtime -weekend operations-increased again due to spillages and pollution
DEMOCRACY AND GOVERNANCE	1. To ensure the development and implementation of effective policies and by-laws.	b. A reviewed water and sanitation policy.	31/03/2006	Revision of the policy and adoption.	31/03/2006	100 % completed.
		c. Number of by-law reviews conducted per annum.	One by 30/06/2006	Review of by-laws	31/03/2006	Still to be done.
		d. A reviewed Water Services Development Plan.	30/08/2005	Revision of the plan and adoption.	30/08/2005	100 % completed.
	2. To ensure an effective reporting system	e. A reviewed credit control and debt collection policy.	30/09/2005	Revamped strategy.	30/09/2005	100 % completed.
		a. Number of departmental reports submitted to the DMM.	12 monthly reports	Section managers submit monthly reports to GM	Monthly	12 completed.



		b.	Number of by-laws compliance reports.	2 per annum	Prepare a checklist	1 August 2005	Will be finalized in November 05- checklist complete Usage-minimal-staffing-appointed 2 Technicians – Inspector short listed.
					Report – Bi annually	Bi annually	Pending
3.	To ensure effective and informative public participation process.	a.	Number of road shows conducted.	6 per annum	Consultative road-shows focusing on: • Water policy • By-laws • Customer care • Tariffs	One per municipality.	100 %.
4.	To improve customer care management	a.	% of letters acknowledging receipt of written query sent to customers within 2 days.	100%.	Acknowledgement letters sent within 2 days for all ecorded letter	Ongoing	
					Monitor register vs. letters sent out	Ongoing	
					Report on outstanding items in department's bi-weekly meetings	Ongoing	
		b.	% of feedback given to customers within 14 days.	100%	Monitor register of incoming mail	Ongoing	
					Report in WS Department's bi-weekly meetings	Bi-weekly	
		c.	% of queries logged and a reference number issued to the customer.	100% ongoing	Monitor register of incoming mail.	Ongoing	
					Report in WS Department's bi-weekly meetings	Bi-weekly	

