

**DRAFT**

**UThukela  
District  
Municipality  
2013/2014  
Annual  
Report**



# Volume 1

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**VOLUME 11: ANNUAL FINANCIAL STATEMENTS**

**Attached as separate document**

**VOLUME III: ANNUAL PERFORMANCE REPORT**

**Attached as separate document**

**Revised Annual Report Template**

The purpose of this revised Annual Report template, developed by National Treasury, is to address the need expressed by a number of municipalities for assistance in the preparation and development of improved content and quality of Municipal Annual Reports. This template provides an update to the MFMA Circular No. 11, issued in January 2005.

This template gives effect to the legal framework requirement, concepts and principals espoused in the White Paper on Local Government and Improving Government Performance. It reflects the ethos of public accountability. The content gives effect to information required for better monitoring and evaluation of government programmes in support of policy decision making. The template provides an improved overview of municipal affairs by combining the performance report data required under Municipal Systems Act Section 46 with annual report data referred to in that Act and in the MFMA.

The revised template makes its contribution by forging linkages with the Integrated Development Plan, Service Delivery and Budget Implementation Plan, Budget Reforms, In-year Reports, Annual Financial Statements and Performance Management information in municipalities. This coverage and coherence is achieved by the use of interlocking processes and formats.

The revised template relates to the Medium Term Strategic Framework particularly through the IDP strategic objectives; cross cutting nature of services offered by different spheres of government, municipal service outcome indicators; and the contextual material as set out in Chapters 3, 4 & 5. It also provides information on good management practice in Chapter 4; risk management in Chapter 2; and Supply Chain Management in Chapter 5; and addresses the Auditor-General's Report, dealing with Financial and Performance

Management arrangements in Chapter 6. This opens up greater possibilities for financial and non-financial comparisons between municipalities and improved value for money.

The revised template provides information on probity, including: anti-corruption strategies; disclosure of financial interests by officials and councillors; disclosure of grants by external parties, disclosure of loans and grants by municipalities. The appendices talk to greater detail including disaggregated information on municipal wards, among others.

The financial years contained in this template are explained as follows:

- Year -1: The previous financial year;
- Year 0: The financial year of reporting;
- Year 1: The following year, mostly requires future targets; and
- The other financial years will follow a similar sequence as explained above.

MFMA Implementation Unit, National Treasury, July 2012-template

## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

Table 1.0.1

<b>MAYOR’S FOREWORD</b>	
<b>a. Vision:</b>	<p>The vision of the uThukela District Municipality is:</p> <p style="text-align: center;"><i>“A stable, sustainable and prosperous district with committed servants who serve with excellence in governance, service delivery and economic development.”</i></p> <p>Our vision speaks to creating a stable District where people can create a life that is flourishing and maintainable. It calls for municipal servants to do their part in creating a District of excellence, where service delivery and development is a priority in creating a health society.</p>
<b>b. Key Policy Developments:</b>	<p>Reviewed policies and By-laws:</p> <ul style="list-style-type: none"><li>• HR related policies</li><li>• Amendment to the Water Services Bylaws</li></ul>
<b>c. Key Service Delivery Improvements:</b>	<p>Twelve new 16 kilolitre water tankers were purchased during 2013/2014 financial year and 500 plastic water tanks (JoJo)</p>

tanks to supply water to isolated rural areas and reduce the cost of the outsourced water tanker service.

The following were achievements during the 2013/2014 financial year:

- Closing of pipe leaks on the Ezakheni main line
- Sixteen production boreholes repaired
- 226 Hand pump boreholes repaired
- Umhlumayo water scheme reinstated
- Two service providers was appointed on an annual contract
  - The first service provider was appointed to do test pumping, service, and repair production and hand pump boreholes
  - The second one was appointed to do maintenance of the water and wastewater systems

**d. Public Participation:**

The uThukela IDP and Budget was presented to the public through a series of public meetings. These were used to present the 2013/2014 IDP and Budget to communities as well as to gather inputs into the documents. Public meetings were held at the following venues:

<b>Date</b>	<b>Venue</b>	<b>Municipality</b>	<b>Activity</b>
25/04/2013	Agra Crescent – Civic Hall	All	Invited Stakeholder Forum
30/04/2013	Rookdale Community Hall	Okhahlamba	Community Meeting
02/05/2013	Indoor Sport Centre	Emnambithi	Cadre’s Forum Meeting (CWDs, Youth Ambassadors, Community Care Givers and Ward Committee)
07/05/2013	Fitty Park (tent)	Indaka	Community Meeting
07/05/2013	Agra Crescent – Civic Hall	Emnambithi	Community Meeting

08/05/2013	Wembezi Stadium	Umtshezi	Community Meeting
08/05/2013	Emhubheni Community Hall	Imbabazane	Community Meeting
12/05/2013	Ezakheni Sport Fields	All	Imbizo

**e. Future Actions:**

The future actions of the uThukela District Municipality includes the filling of the vacant positions, striving towards obtaining a clean audit and addressing the difficulties in delivering clean and sustainable water and sanitation services in a cost effective, efficient and sustainable manner to all people within the District.

**f. Agreements/Partnerships:**

Service delivery improvement agreements have been entered into between uThukela District Municipality and EThekweni Metro and Rand Water. The aim is to improve service delivery, transfer skills and build capacity of uThukela staff.

**g. Conclusion:**

The year 2013/2014 was a difficult year, but also the year where substantial progress was made in turning the situation of the uThukela District Municipality around. The highlight was the filling of all General Manager's positions and the adoption of our reviewed organogram. During the next financial year we, as people of uThukela, will strive to improve service delivery and root out corruption. Together we can succeed in achieving the vision of the Municipality.

**Signature:**

**Mayor**



## COMPONENT B: EXECUTIVE SUMMARY

### 1.1 Municipal Manager's Overview

Table 1.1.1

#### MUNICIPAL MANAGER'S OVERVIEW

In my brief period with uThukela, I have come to realize that uThukela is a place with many problems and challenges, but I earnestly feel that progress has been made towards creating a situation of normality. Highlights include the appointment of Heads of Departments and the review of the long awaited and much debated organogram. The lows were the suspension of a great number of staff and the continuing investigation into alleged fraudulent activities.

During the 2013/2014 financial year, two very important partnerships have been entered into, both of which relates to water and sanitation matters, the core function of the uThukela District Municipality. The one is with the EThekweni Metro and the other with Rand Water. The partnership with EThekweni Metro has resulted in assistance in other areas, such as the establishment of a call centre. The contract of the Development Planning Shared Services has come to an end and a new business plan was formulated and adopted, awaiting implementation.

The financial and employment ratios are well within acceptable norms. Financial Charges are below 1%, which indicates a low dependency on external loans and an improved cash flow situation. In terms of the Impairment norm, the uThukela ratio of -48.26% is far below the norm of 0%. Council appointed TransUnion to do a full analysis of the debtor's book and based on the report submitted, the status of a mayor part of the debtor's book changed, therefore increasing the possibility of recovery, which meant that the provision for Impairment had to be reduced.

Supplying clean water to all that live within the District will once again be one of our top priorities. This will be achieved with assistance from EThekweni, our mentor and partner in excellence, as well as continued support from the Department of Water Affairs and other role-players. Refurbishment of our plants and continued maintenance and capacity building will also be a priority as well as the 100% utilisation of all grants received.

As systems are improved and positions are filled on the newly adopted organogram, the officials of the uThukela District Municipality is sure to pick up the challenge to make uThukela a thriving area, where our vision could be realized. Much work still remains to be done and I call on officials to pick up the challenge and perform as best they can to normalise and improve the Municipality and District where we live in.

## **1.2 Municipal Foundations, population and environmental overview**

**Table 1.2.1**

### **INTRODUCTION TO BACKGROUND DATA**

The uThukela District Municipality is characterised by high levels of unemployment and frequent disruptions in the water supply due to dilapidated infrastructure. The population of the District in terms of the 2011 Census is 668 848 people, down from the 2007 Community Survey of 714 909 people. UThukela is made up of 147 286 households, with an average household size of above 4 people. Africans make up over 95% of the population, with 36.8% of the population being below 15 years of age. The population growth is 0.17% per annum, with an unemployment rate of 39.6% and 14% of adults not having received any schooling. Services are delivered as follows:

- Flush Toilet Connected To Sewerage: 31.90%
- Weekly Refuse Removal: 33.10%

- Piped Water Inside Dwelling: 28.70%
- Electricity For Lighting: 74.50%

The main focus of the uThukela District Municipality is water and sanitation provision, which is challenging due to old infrastructure, a lack of skills and finances. The organogram has been reviewed during the 2013/2014 financial year and is awaiting implementation. This will hopefully see an improvement in service delivery supported by a mentoring agreement with EThekweni.

**Table 1.2.2**

<b>Population Details</b>			
<b>Population '000</b>			
<b>Age</b>	<b>STATS SA 2011</b>		
	<b>Male</b>	<b>Female</b>	<b>Total</b>
Age: 0 - 4	45179	44430	89609
Age: 5 - 9	39894	39495	79389
Age: 10 - 19	77670	76341	154011
Age: 20 - 29	55652	64125	119777
Age: 30 - 39	35202	41659	76861
Age: 40 - 49	23573	32679	56252
Age: 50 - 59	17603	26291	43894
Age: 60 - 69	10390	17953	28343
Age: 70+	6020	14691	20711
<b>Total</b>	<b>311183</b>	<b>357664</b>	<b>668847</b>
		<b>Households</b>	<b>147 286</b>
<i>Source: Statistics SA</i>			
<i>T 1.2.2</i>			

**Table 1.2.4**

<b>Socio Economic Status</b>						
<b>Year</b>	<b>Housing Backlog as proportion of current demand</b>	<b>Unemployment Rate</b>	<b>Proportion of Households with no Income</b>	<b>Proportion of Population in Low-skilled Employment</b>	<b>HIV/AIDS Prevalence</b>	<b>Illiterate people older than 14 years</b>
2011	Local Function	30.95%	22 150	23 782	36.7% - 2010	54 503
<i>Note: Low skilled Employment was calculated using figures from the informal sector, private household and "do no know"</i>						<i>T 1.2.4</i>

**Table 1.2.6**

<b>Overview of Neighbourhoods within uThukela District Municipality</b>		
<b>Settlement Type</b>	<b>Households</b>	<b>Population</b>
<b>Towns</b>		
Ladysmith	9787	39241
Colenso	1647	6388
Weenen	721	3126
Estcourt	6277	22071
Winterton	108	276
Sub-Total	18824	45629
<b>Townships</b>		
Steadville	8158	27519
Ezakheni	18222	70809
Ekuvkheni	2606	11018
Wembezi	5257	20815
Geluksburg	55	171
Khethwani	1,703	5754
Sub-Total	36101	109346
<b>Rural settlements</b>		
Glencoe	84	573
Mqedandaba	873	4,136
Maqabaqabeni	862	4,649

Mfolozi	273	1,426
Engonyameni	1,142	6,064
Etatane	887	4,944
Bhekuzulu	1,565	7,922
Empangweni	518	2,774
Imbabazane NU	549	2,275
Nkomokazini	244	1,183
Emoyeni	1,079	6,161
Mbelekwane	434	2,084
Emandabeni	846	4,174
Emnyangweni	520	2,933
Emakhekheni	607	3,324
Emadolobwe	481	2,669
Southworld	36	190
Zwelisha	989	5,085
Wembesi A	219	1,268
KwaSobabili	629	2,958
Lochsloy A	195	1,085
Engodini	276	1,645
Good Home	1,051	5,133
Edashi	747	3,477
Emhubeni	524	2,515
Emdwebu	742	3,672
Mhlungwini	178	799
Shayamoya	1,123	5,326
Boschi	307	1,484
Bekabhezayo	211	1,010
Mnungwini	172	908
EzInyosini	519	2,436
Manjokweni	270	1,155
KwaNdaba	337	1,582
Edodoci	191	834
Emawuza	410	1,959
Emahlutshini	378	1,913
Ezidongeni	262	1,186
KwaMkhize	562	2,670
Emhlabathini	668	3,277
Enyokeni	229	1,485

Ruins	55	354
Emahendeni	99	510
Eyosini	105	439
Wittekop	114	510
Howe	146	559
Okhahlamba NU	3,031	16,887
Nqula	77	254
Green Point	417	1,902
Malottas Kraal	199	943
Rooihoek	118	598
Drakensberg	110	247
Langkloof	362	1,437
Hambrook	367	2,152
Acton Homes	365	2,135
Grootgluk	283	1,378
Ekombe	151	529
Mkukwini	1,140	5,528
Zwelisha	786	3,369
Mazizini	645	2,792
Bethany	1,388	6,481
Woodford	863	3,631
The Downs	261	1,300
Oliviershoek	353	1,447
Bhalekisi	638	2,913
Moyeni	551	2,421
Rookdale	1,098	4,644
Indanyana	279	1,308
Kwamiya	305	1,326
Busingatha B	183	855
Bonjaneni	271	1,351
Nyusana	828	3,490
Busingatha A	401	1,765
Okhombe A	120	519
Olivia	114	509
Mfunzini	51	256
Ngubela	43	192
Qolweni	127	475
Seqomeni	281	1,218

Ogade	355	1,589
Dukuza	458	1,778
Esibomvu	373	1,732
Gangadweni	111	534
Emakhosaneni	380	1,938
Nkomanzana	329	1,720
KwaNkosana	166	813
Amanzana	43	770
Gosheni	182	927
Sibotsheni	98	504
Makhwelela A	172	840
Maswazini	138	743
Mabhulesini A	101	622
Mpontsheni	143	806
Kwanokopela	361	2,094
Enyonyane	255	1,098
Bukweni	434	2,428
Mangwaneni	156	879
Makhwelela B	114	691
Kokwane	215	1,320
Isandlwana	212	1,093
Oqhumo	144	755
Mabhulesini B	149	892
Ngoba	157	759
Emmaus	234	1,238
Malefetheni	997	5,232
Empimbe	266	1,511
Situlwane	439	2,620
Ethunzini	87	526
Makanda	246	1,410
Maganganguzi	454	2,510
uMhlwanzini	263	1,258
Siqalabeni	412	2,282
Amangwane	214	1,153
Mabaso	855	5,007
Doornkraal	151	948
Pearl	101	575
Ecancane	169	986

Kliprivier	340	1,514
Zondagsrivierspoort	198	1,205
Impembeni	131	754
Ezitendeni	726	3,704
uMtshezi NU	3,884	21,639
CornFields	693	3,757
Mbondwana	132	793
Thembalihle	205	996
Frere	239	1,215
Rensburgsdrift	769	3,164
Campsie Glen	212	1,102
Moor Park	6	17
Mhlwazi	251	1,415
Mjinti	354	1,864
Mhlumlayo	245	1,386
Vreemdeburg	110	601
Umhlumayo	23	157
Zamokuhle	79	395
Mziyanke	32	168
Gominakadani	61	306
Tenten's Kraal	34	159
Ndaka	125	650
Oqungweni	381	2,194
Nkangala	36	186
Niekerskraal	97	745
Uitvlugt	222	1,221
Mchunu	2,755	13,430
Madlala	271	1,375
Vaalkop	1,724	8,390
Entabeni	819	4,112
Sgweje	1,141	5,926
Ezihlabathini	320	1,471
Indaka NU	48	249
Dival	301	1,608
Namakazi	552	2,695
Imbangi	115	678
Nxumalo	26	146
Dalakosi	121	691



Mthembu	2,524	14,154
Waayhoek	331	1,623
Ingwe	986	5,511
Hwebede	301	1,633
Indaka	1,045	5,683
Ingedlengedle	101	465
Lusitania	145	535
Emnambithi/Ladysmith NU	1,644	10,451
Watershed	221	1,072
Driefontein	1,454	6,774
Randjieslaagte	196	958
Kleifontein	707	3,595
Nkunzi	408	2,132
Doornhoek	878	4,456
Watersmeet	2,935	14,461
Kirkintulloch	602	3,554
PeaceTown	1,060	5,468
Burford	1,188	6,020
Hobsland	381	2,259
Matiwane	2,019	10,075
Klipfontein	114	729
Bester	64	369
Blue Bank	154	571
Doornkloof	615	3,895
Brakfontein	575	3,353
Graythorne	39	115
Roosboom	2,462	12,637
	Sub-Total	89975
	<b>Total</b>	<b>144900</b>
		<i>T 1.2.6</i>

**Table 1.2.7**

Natural Resources	
Major Natural Resource	Relevance to Community
UKhahlamba Drakensberg World Heritage Park	Tourism and conservation

Tugela River	Irrigation and consumption
Spioenkop Dam	Conservation Area, camping and fishing
Wagendrift Dam	Conservation Area, camping and fishing
High valued agricultural land	Commercial Agricultural
<i>T 1.2.7</i>	

**Table 1.2.8**

**COMMENT ON BACKGROUND DATA:**

The key challenges for uThukela is the provision of safe and sustainable water and safe sewage services to all the people of uThukela. The uThukela has a vast rural population with 35% of land classified as tribal or peri-urban, with 40% of land ownership being vested in tribal lands and land reform areas.

Natural Resources are exploited through tourism as in the case with the UKhahlamba Drakensberg World Heritage Park and uThukela played its role in the establishment of a buffer around the world heritage site. In terms of utilizing the agricultural resource for poverty alleviation and community development, the position of Rural Development Officer was created to facilitate the establishment of rural commercial and subsistence farmers in previously disadvantaged communities.

The water resource of uThukela will be protected for the exploitation of future generations by improving our green drop scoring, thereby ensuring the untreated waste water is not allowed back into the river system. The struggles of the vulnerable groups in the District population is taken up in the Department of Social and Economic Services in the form of participation in health structures, such as the HIV/AIDS Council and various District wide structures dealing with gender issues, the aged and people living with disability.

### 1.3 Service Delivery Overview

**Table 1.3.1**

#### **SERVICE DELIVERY INTRODUCTION**

Local Government has a mandate to provide access to basic infrastructure to all residents. Most municipalities have therefore established Project Management Units to full-fill this objective. In line with this, uThukela has established a fully functioning Project Management Unit to implement water and sanitation projects.

UThukela has been making steady progress towards addressing the backlogs created by the previous dispensation. According to the 2011 Census information 28.7% of the District have access to piped water inside their dwellings and 32.9% to flush toilets connected to a sewer system. The uThukela District Municipality has about 1 550 people on its indigent register.

Twelve new 16 kilolitre water tankers were purchased during 2013/2014 financial year and 500 plastic water tanks (JoJo) tanks to supply water to isolated rural areas and reduce the cost of the outsourced water tanker service.

The District is troubled by illegal water connections and this results in high water losses which is amplified by ageing and failing infrastructure. Most of the treatment works are under staffed and all 38 waste water treatment plants within the district are underperforming owing to the fact that it has outgrown its design capacity. The reticulation systems are old and in need of an upgrade from AC pipes to uPVC or plastic pipes. Most of our water treatment plants and waste water treatment plants have old equipment and machinery and needs to be replaced in order for the plants to operate effectively. Most of our plant are not meeting the water demand, and are operating above design capacity.

**Table 1.3.2**

**Water and Sanitation 2013/2014 Status Quo**

Municipality	No of households	Piped (tap) water inside dwelling unit or yard or on community standpipe			households unserved	Universal access cost @	Pit latrine or higher LoS (pit, flush or chemical)			households unserved	Universal access cost @
		households served	% served	% unserved		R 61 700	households served	% served	% unserved		R 10 290
						p.u.					p.u.
Emnambithi	58 058	53 116	91.5	8.5	4 942	304 921 400	55 237	95.1	4.9	2 821	29 028 090
Indaka	20 035	13 625	68.0	32.0	6 410	395 497 000	15 183	75.8	24.2	4 852	49 927 080
Umtshezi	19 252	15 371	79.8	20.2	3 881	239 457 700	14 937	77.6	22.4	4 315	44 401 350
Okhahlamba	27 576	18 510	67.1	32.9	9 066	559 372 200	24 504	88.9	11.1	3 072	31 610 880
Imbabazane	22 365	16 656	74.5	25.5	5 709	352 245 300	20 973	93.8	6.2	1 392	14 323 680
<b>UThukela</b>	<b>147 286</b>	<b>117 278</b>	<b>79.6</b>	<b>20.4%</b>	<b>30 008</b>	<b>1 851 493 600</b>	<b>130 834</b>	<b>88.8</b>	<b>11.2%</b>	<b>16 452</b>	<b>169 291 080</b>

**Table 1.3.3**

**COMMENT ON ACCESS TO BASIC SERVICES**

The overall water backlog was estimated to be 20.4% for water and 11.2% for sanitation as at June 2014. This is a huge drop from the 52% and 60% respectively experienced in 2001. We are however not resting until all households have received the basic standard of services and are committed to addressing backlogs across all areas of service delivery.

**1.4 Financial Health Overview**

**Table 1.4.1**

**FINANCIAL OVERVIEW**

Some of the achievements obtained in 2013/2014 are as follows:

- The CFO position was filled in January 2014, following a vacancy for the first half of the financial year
- Our cash flow has improved to such an extent that uThukela ended the year with a positive bank balance
- Investments to back up unspent grants received are kept in separate accounts

Continuing challenges experienced are as follows:

- Some of the audit queries still remain a challenge, but an action plan was developed and progress is reported to Council on a regular basis
- The asset register remains a challenge due to the lack of reticulation infrastructure data. Two consultants were appointed that were involved in the installation of the reticulation network and who provided uThukela with vital information.
- Bonakude Consultants were appointed to compile the asset register and their target was 30 June 2014 for completion. However at the time of reporting the asset register is still to be completed

**Table 1.4.2**

<b>Financial Overview: Year 0</b>				<b>R' 000</b>
<b>Details</b>	<b>Original budget</b>	<b>Adjustment Budget</b>	<b>Actual</b>	
Income:				
Grants	471,591	609,626	601,798,983	
Taxes, Levies and tariffs	138,888	139,040	132,770,897	
Other	27,174	45,733	45,954,508	
Sub Total	637,653	794,399	780,524,188	
Less: Expenditure	379,042	449,042	225,583,774	
Net Total*	258,611	345,357	554,940,414	
<i>* Note: surplus/(defecit)</i>				<i>T 1.4.2</i>

**Table 1.4.3**

<b>Operating Ratios</b>	
<b>Detail</b>	<b>%</b>
Employee Cost	30.82%
Repairs & Maintenance	5.06%
Finance Charges	0.58%
Impairment	-48.26%
<i>T 1.4.3</i>	

**Table 1.4.3.1**

**COMMENT ON OPERATING RATIOS:**

The norms for Employee Costs is expected to be approximately 30% to total operating cost; Repairs and Maintenance 20% and Finance Charges and Impairment 10%. With the Employment Cost Ratio of 30.82%, uThukela is in line with the norm. The variances in terms of Repairs and Maintenance (5.06%) is due to a budget based upon previous year's expenditure, however Council has appointed an Asset and Maintenance Manager and is in the process of developing an Operational and Maintenance (O&M) Plan which will assist the Council to budget more realistically in the future.

Financial Charges are below 1%, which indicates a low dependency on external loans and an improved cash flow situation. In terms of the Impairment norm, the uThukela ratio of -48.26% is far below the norm of 0%. Council appointed TransUnion to do a full analysis of the debtor's book and based on the report submitted, the status of a mayor part of the debtor's book changed, therefore increasing the possibility of recovery, which meant that the provision for Impairment had to be reduced.

**Table 1.4.4**

<b>Total Capital Expenditure: Year -2 to Year 0</b>			
			<b>R'000</b>
<b>Detail</b>	<b>Year -2</b>	<b>Year -1</b>	<b>Year 0</b>
Original Budget	171,697	210,208	196,037
Adjustment Budget	151,631	221,198	344,960
Actual	38,107	101,466	306,238
			<i>T 1.4.4</i>

**Table 1.4.5.1**

<b>COMMENT ON CAPITAL EXPENDITURE:</b>
<p>The variation between the original and adjustment budget was the result of the following:</p> <ul style="list-style-type: none"><li>• The Capital Budget was increased to R344 960 000. This was due to the purchase of new water tankers as Council wanted to reduce the operating expenditure for the hiring of water tankers for service delivery. Management noted that purchasing water tankers would be more cost effective than outsourcing the service.</li><li>• Included in the Capital Budget is R81.3 million, which is a rollover of the Municipal Infrastructure Grant (MIG)</li><li>• An amount of R56 735 289 for Regional Bulk Infrastructure from the Department of Water Affairs was also included in the adjustment budget as reflected on the Division of Revenue Act (DORA) as an in-kind grant.</li></ul>

## 1.5 ORGANIZATIONAL DEVELOPMENT OVERVIEW

**Table 1.5.1**

### **ORGANISATIONAL DEVELOPMENT PERFORMANCE**

Following the appointment of General Managers to head up various departments towards the latter part of 2013 and the review of the organogram, the development of an organizational performance was made top priority in 2013/2014. Unfortunately the process was started late as a result and with no performance management staff, some challenges remain. An SDBIP was developed and performance information derived and reported upon. A midyear report was prepared and tabled to the respective committees in January 2014.

## 1.6 Auditor General Report

**Table 1.6.1**

### **AUDITOR GENERAL REPORT: YEAR 0 (CURRENT YEAR)**

#### **Awaiting AG Report**

*State the type of opinion given (disclaimer; adverse opinion; qualified opinion; unqualified opinion with 'other matters'; and an unqualified opinion) and briefly explain the issues leading to that opinion. In terms of a disclaimer you must state that 'the accounts of this municipality were too deficient in essential detail for the Auditor General to form an opinion as the financial viability or rectitude of this municipality'. If opinion is unqualified, briefly explain the key steps taken to accomplish and maintain (where appropriate) this important achievement. Note that the full audit report should be contained in chapter 6 of the Annual Report.*



## 1.7 Statutory Annual Report Process

Table 1.7.1

No.	Activity	Timeframe
1	Consideration of next financial year's Budget and IDP process plan. Except for the legislative content, the process plan should confirm in-year reporting formats to ensure that reporting and monitoring feeds seamlessly into the Annual Report process at the end of the Budget/IDP implementation period	July
2	Implementation and monitoring of approved Budget and IDP commences (In-year financial reporting).	
3	Finalize the 4th quarter Report for previous financial year	
4	Submit draft year 0 Annual Report to Internal Audit and Auditor-General	
5	Municipal entities submit draft annual reports to MM	
6	Audit/Performance committee considers draft Annual Report of municipality and entities (where relevant)	August
8	Mayor tables the unaudited Annual Report	
9	Municipality submits draft Annual Report including consolidated annual financial statements and performance report to Auditor General	
10	Annual Performance Report as submitted to Auditor General to be provided as input to the IDP Analysis Phase	
11	Auditor General audits Annual Report including consolidated Annual Financial Statements and Performance data	September - October
12	Municipalities receive and start to address the Auditor General's comments	November
13	Mayor tables Annual Report and audited Financial Statements to Council complete with the Auditor- General's Report	
14	Audited Annual Report is made public and representation is invited	
15	Oversight Committee assesses Annual Report	
16	Council adopts Oversight report	December
17	Oversight report is made public	
18	Oversight report is submitted to relevant provincial councils	
19	Commencement of draft Budget/ IDP finalisation for next financial year. Annual Report and Oversight Reports to be used as input	January

T 1.7.1

**Table 1.7.1.1**

**COMMENT ON THE ANNUAL REPORT PROCESS:**

Despite a lack of staff to deal with the 2013/2014 Annual Report, all effort has been made to meet the deadline set out in the table above. The annual report is an important document to reflect on the achievements made during the financial year and on the implementation of the IDP and performance in terms of the SDBIP and overall performance. Staff constraints are a serious challenge in meeting the deadlines required by this report, but a steady pace in turning the organization around is in progress and bearing fruit.

## CHAPTER 2 - GOVERNANCE

**Table 2.0.1**

### INTRODUCTION TO GOVERNANCE

The uThukela District Municipality is made up of five local municipalities, which are Emnambithi/Ladysmith Municipality, Umtshezi, Imbabazane, Okhahlamba and Indaka local municipalities. Directly elected councillors on the District Municipality are councillors who represent local municipalities. The establishment of the uThukela District Municipality is done in terms of the Constitution of South Africa, the Structures Act, the Municipal Systems Act and other related and relevant legislation. The breakdown of Council members in terms of the party representatives from 2011 to date is as follows:

<b>Party Members</b>	<b>Number of Councillors</b>	<b>Part Time Councillors</b>	<b>Full Time Councillors</b>	<b>Female Councillors</b>
	31	27	4	10
ANC	16	13	3	4
NFP	5	4	1	3
IFP	8	8	0	3
DA	2	2	0	0

It is common knowledge that a Municipal Council is made of a Political and Administrative wing. The Political wing is made of elected Councillors and the Administrative wing is made of the appointed staff or commonly known as technocrats. All these bodies mentioned above have respective terms of reference approved by Council. Political office bearers are responsible for taking political decision on matters put before them while the administration is responsible for implementing the decisions taken by the political office bearers within the framework of the law. In terms of political management of the institution, the following offices have been established in terms of the Structures Act, to direct the institution politically. The municipality has developed the following portfolios to ensure effective oversight:

1. Water Sanitation Infrastructure and Technical Committee
2. Strategic, Planning, Economic Development and Tourism Committee
3. Corporate, Disaster, Health and Environment Committee
4. Youth, Gender, Sport and Recreation Committee
5. Finance and Budgeting Committee
6. Municipal Public Accounts Committee (MPAC)

## **COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE**

**Table 2.1.0**

### **INTRODUCTION TO POLITICAL AND ADMINISTRATIVE GOVERNANCE**

#### **POLITICAL GOVERNANCE**

The municipality has an unequal, highly politicized and economically divided society. Political idealism and power competition have to be constructively balanced by sound economic judgment and experience if the municipality is to prosper. The new political system led to the development of a number of portfolio committees to address the service delivery backlog created by the old political system. These committees play direct oversight roles over the administrative structure of the municipality.

The recommendations are made from these committees and sub-delegates, directed to the Executive Committee and thereafter to the Council. These committees of the municipality have, existed as a series of interlocking devices, pervasive throughout the municipality, and all aimed at achieving the national development and poverty alleviation policy.

The Mayor, Speaker and the Whip provides an oversight role to critical committees like MPAC and the Audit Committee. This

augments commitment towards the achievement of a clean audit by the Municipality.

## ADMINISTRATIVE ARRANGEMENTS

The institutional arrangements of the District is made of the five (5) departments which are headed by respective Heads of Departments (General Managers). All the managers have been appointed in terms of section 54 and 56 of the Local Government Municipal Systems Act. The sixth department is the office of the Municipal Manager with components that play a monitoring role over the operations and oversees the functioning of the Office of the Mayor. The other five departments are:

- Corporate Service
- Water Service Provision
- Technical and Infrastructure
- Finance
- Social Services and Economic Development.

## SECTION 79 AND 80 COMMITTEES

Section 80 committees are usually headed by Executive Committee members to assist the Executive Mayor in executing his/her duties. UThukela District Municipality has five section 80 committees which are:

- Finance and Budgeting Committee
- Cooperate, Disaster, Health and Environment Committee
- Water Sanitation Infrastructure & Technical Committee
- Strategic Planning, Economic Development and Tourism Committee

- Youth, Gender, Sport and Recreation Committee

These committees meet regularly to consider items submitted to their portfolios and recommend to the Executive Committee and Council. It is imperative to note that all the work done by these committees feed into the duties performed by Council.

## 2.1 POLITICAL GOVERNANCE

**Table 2.1.1**

### INTRODUCTION TO POLITICAL GOVERNANCE

#### COMMITTEES OF COUNCIL

#### BACKGROUND

In term of Section 79 of the Municipal Structures Act, Act 117 of 1998, a municipality is required to establish one or more committees necessary for 'the effective and efficient performance of any of its functions or the exercise of any of its powers.' Council then appoints councillors to these committees. The oversight role of Council is an important component of the financial reforms and it is achieved through the separation of roles and responsibilities between council, the executive (Mayor and Executive Committee) and administration. Good governance, effective accountability and oversight can only be achieved if there is a clear distinction between the functions performed by the different role players.

Non-executive Councillors are required to maintain oversight on the performance of specific responsibilities and delegated powers that they have given to the (Mayor). In other words, in exchange for the powers which Council have delegated to the Executive, Council retains a monitoring and oversight role ensuring that there is accountability for the performance or non-performance of the

municipality.

The council has developed the following committees for the purpose of effective operation:

- Finance and Budgeting Committee
- Cooperate, Disaster, Health and Environment Committee
- Water Sanitation Infrastructure & Technical Committee
- Strategic Planning, Economic Development and Tourism Committee
- Youth, Gender, Sport and Recreation Committee

These committees are established in terms of Municipal Structures Act , in terms of Section 80, Committees are established by Council and members are appointed by Council, but do not report to Council. Portfolio Committees report to the Executive Mayor or Executive Committee. Section 80 committees receives items from specific departments and make recommendations to the Executive Committee (EXCO) who deliberates on such matters and make recommendations to Council. The MPAC and Audit and Performance Committee play over sight roles. The Executive Committee receives reports from other committees, and then forward those with its recommendations to Council.

#### FUNCTIONS OF THE OVERSIGHT COMMITTEE

- Undertake a review and analysis of the Annual Report
- Invite, receive and consider inputs from Councillors and Portfolio Committees, on the Annual Report.
- Consider written comments received on the Annual Report from the public consultation Process.
- Conduct Public Hearing(s) to allow the local community or any organs of state to make representations on the Annual Report
- Receive and consider the report of the Audit Committee and comments received on the annual financial statement and the

performance report.

- Preparation of the draft Oversight Report, taking into consideration the views and inputs of the public, representative(s) of the Auditor General, organ of states, the audit committee and Councillors.

<b>No.</b>	<b>Committee</b>	<b>No. of meetings</b>
1.	Council	11
2.	Executive Committee	11
3.	Finance and Budget	12
4.	Corporate, Disaster, Health and Environment	12
5.	Water Sanitation Infrastructure & Technical Committee	12
6.	Strategic Planning, Economic Development and Tourism Committee	12
7.	Youth, Gender, Sport and Recreation Committee	12
8.	Municipal Public Accounts Committee	4
9.	Audit and Performance Committee	4
	<b>TOTAL</b>	<b>90</b>



**Table 2.1.1.1**

**POLITICAL STRUCTURE**

**MAYOR**



**Councillor DCP Mazibuko**



**SPEAKER**

**Councillor TJMB Jeebodh**

**EXECUTIVE COMMITTEE**

	<b>Councillor</b>	<b>Political Party</b>
<b>1.</b>	Cllr DCP Mazibuko	ANC
<b>2.</b>	Cllr AS Mazibuko	ANC
<b>3.</b>	Cllr N. Sibiya	ANC
<b>4.</b>	Cllr M.L. Shelember	NFP
<b>5.</b>	Cllr Ntshaba	IFP

**Table 2.1.2**

<b>COUNCILLORS</b>
--------------------

The total representation is 31 of which 13 are proportionally elected with 18 councillors being representatives from local municipalities, refer to the table below for details:

<b>Proportional Elected</b>	<b>Representatives from Local Municipalities</b>	
Mazibuko D C P (Ms.) Hlubi M G Sibiya N W(Ms) Mazibuko A S Mkhize M A Banda D (Deceased December' 13) Jeebodh T J M B Hadebe N M Sibisi S B Ntshaba M J Shelembe M L Mlotshwa V R Sibisi Z J Shabalala T P (Replaced D Banda On 28 /03/14)	Emnambithi L M	Hlomuka N M Mlotshwa M L Zwane M L Mazibuko B C Cele T M Madonsela B R (Ms.) Xaba T (Ms)
	Okhahlamba Lm	Mabizela B C Sikhakhane S G Hadebe M W
	Umtshezi L M	Magubane S D Vilakazi Ka
	Imbabazane Lm	Shelembe T (Ms.) Sithole S J Ngubuka Ty (Ms)
	Indaka L M	Mbatha M E Zikalala N L Ngubane M

**Table 2.1.3**

### **POLITICAL DECISION-TAKING**

Recommendation are initiated from Section 80 committees and recommended to EXCO which ultimately makes a recommendation to Council. All the resolutions (100%) taken by Council are implemented. The Council secretariat maintains a Resolution Register and distribute it to all the departments for implementation. Reports from the relevant department are submitted indicating the implementation of resolutions.

## 2.2 ADMINISTRATIVE GOVERNANCE

**Table 2.2.1**

### **INTRODUCTION TO ADMINISTRATIVE GOVERNANCE**

The year 2013/2014 was started with the majority of the positions for heads of departments being vacant. The situation was normalised towards the middle of the financial year, when appointments were made to all the vacant head of department positions. Following the appointments of heads of department, a process commences to adjust the organogram in line with the needs of the administration. This process was completed before the end of the 2013/2014 financial year and the process of placements and filling of vacant positions will commence in 2013/2014.

**Table 2.2.1.1**

### **TOP ADMINISTRATIVE STRUCTURE**

#### **MUNICIPAL MANAGER**

**Mr SN Kunene**

#### **GENERAL MANAGER: BUDGET AND TREASURY**

**Ms PHZ Kubheka**

#### **GENERAL MANAGER: CORPORATE SERVICES**

**Mr MF Hadebe**

#### **GENERAL MANAGER: TECHNICAL SERVICES**

**Mr MV Radebe**

**GENERAL MANAGER: SOCIAL AND ECONOMIC SERVICES**

**Mr NZ Khuzwayo**

**GENERAL MANAGER: WATER SERVICES**

**Mr S Shange**

## **COMPONENT B: INTERGOVERNMENTAL RELATIONS**

**Table 2.3.0**

### **INTRODUCTION TO CO-OPERATIVE GOVERNANCE AND INTERGOVERNMENTAL RELATIONS**

The following Inter-Governmental relations structures were constituted to give effect to the Intergovernmental Relations Framework Act (Act 13 of 2005):

- District Area of Finance Forum
- Corporate Services and Communication Forum
- General and Social Service Forum
- Infrastructure Forum
- Planning and Development Forum
- Speakers Forum
- Technical Support Forum

- District Intergovernmental Forum

Meetings with the above forums took place in September/October 2013, February/March 2014 and June 2014.

## 2.3 INTERGOVERNMENTAL RELATIONS

**Table 2.3.1**

### **NATIONAL INTERGOVERNMENTAL STRUCTURES**

The South African Constitution (1996) states that 'government is constituted as national, provincial and local spheres of government which are distinctive, interdependent and interrelated. The 'distinctive' element refers to the autonomy enjoyed by the spheres; that is, the degree to which each sphere is the final decision-maker on a particular matter that falls within its area of competence. The creation by the Constitution of this decentralized governance system, which comprised the three distinct but inter-related spheres of government, also gave rise to the need for a systematic system of IGR to give effect to the principles of cooperative government.

To realize these principles, the IGRF Act was promulgated on 15 August 2005. The Act provides for an institutional framework for the three spheres of government to facilitate coherent government, effective provision of service, monitoring implementation of policy and legislation, and realization of developmental goals of government as a whole. In spelling out the principles of cooperative government and IGR, the Constitution binds all spheres of government and organs of state in each sphere of government to three basic principles:

- A common loyalty to the Republic as a whole
- The distinctiveness of the spheres should be respected
- The spheres of government must take concrete steps to realize cooperative government

**Table 2.3.2**

**PROVINCIAL INTERGOVERNMENTAL STRUCTURE**

It is imperative to note that the national government sphere is thinking to review and collapse the IGRFA with other legislation:

*“Whilst the IGFR Act lays out the formal consultative structures required at each sphere of government and provides a way for all three spheres to work together to interpret national priorities, it does not stipulate how intergovernmental planning specifically is to be managed. This is one of the reasons why the IGRF Act may need to be revised, or absorbed into a broader Act on Cooperative Governance, that provides the scope for a more regulatory environment for planning. Such a revision would support the regulated involvement of national and provincial sector departments in the implementation of the IDP.”*

The above introduction is derived from the IGR Report (2007). It is against this background that the Office of the Premier officially launched the Premier’s Intergovernmental Forum (PIF) in April 2005 at the KwaZulu-Natal Local Government Summit. One of the commitments made at the launch of the PIF was that the District Mayors would undertake to establish District Mayors Intergovernmental Forums (DIFs) before the legislated deadline of 31 August 2006. At the Provincial level, the uThukela District Municipality participate in the Premiers Coordinating Forum and Min-Mec Forum for Municipal Managers.

**Table 2.3.4**

**DISTRICT INTERGOVERNMENTAL STRUCTURES**

The UDM the uThukela family of municipalities have established IGR Structures particularly the District Intergovernmental Forum (DIF) or the Mayors Forum as it is commonly known and the District Technical Support Forum (DTSF) or the Municipal Manager’s Forum. The present administration was one of the first municipalities to sign the implementation protocol after the local government

of 2011. This means that the UDM and constituent municipalities have complied with requirements of section 24 of the Intergovernmental Relations Framework Act, 2005 (Act 13 of 2005). The following forums have been established and are in operation:

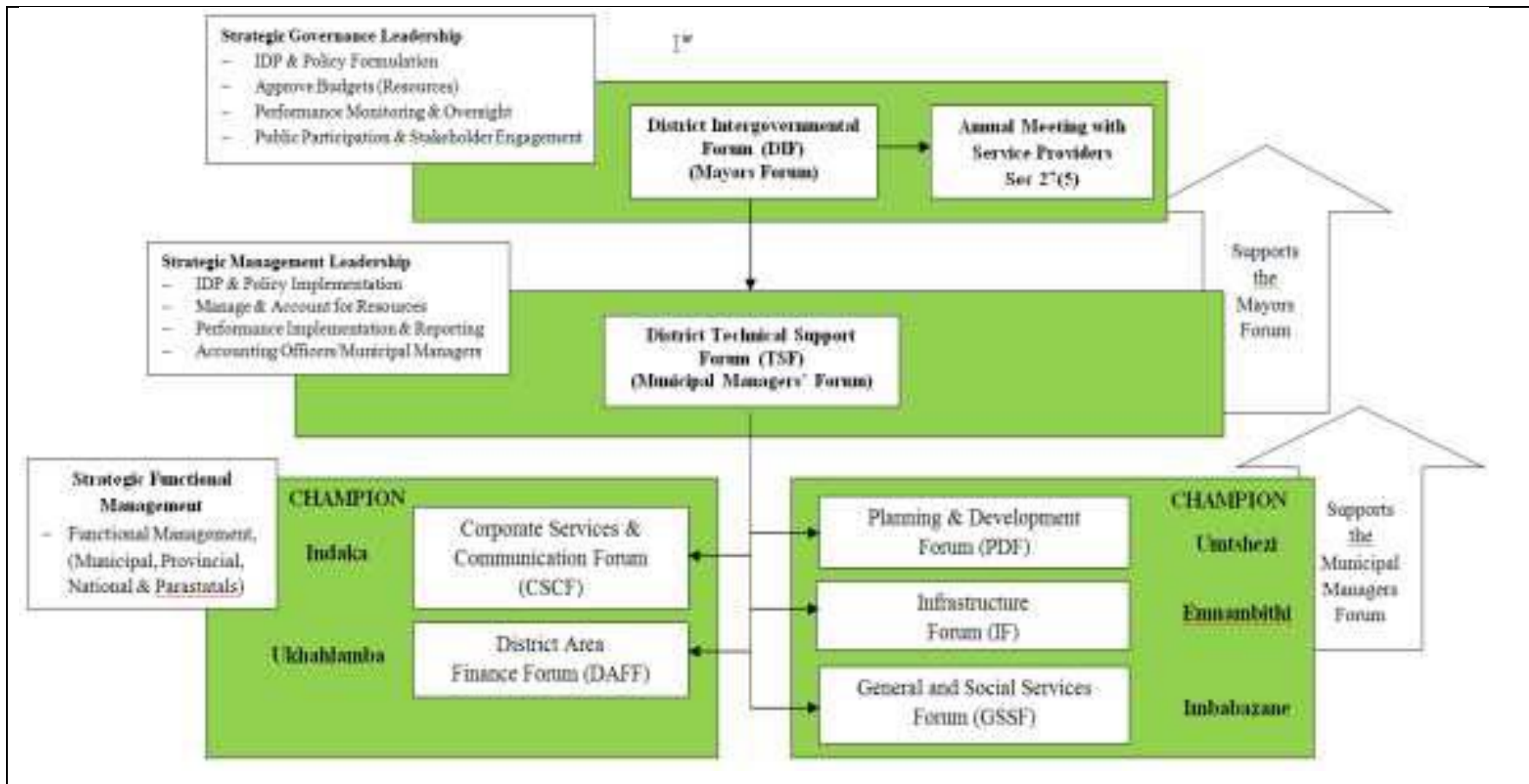
- District Area of Finance Forum
- Corporate Services and Communication Forum
- General and Social Service Forum
- Infrastructure Forum
- Planning and Development Forum
- Speakers Forum
- Technical Support Forum
- District Intergovernmental Forum

The uThukela District Municipality and its constituent municipalities established IGR structures particularly the District Intergovernmental Forum (DIF) or the Mayors Forum as it is commonly known and the District Technical Support Forum (DTSF) or the Municipal Manager's Forum. This means that uThukela and family of municipalities complied with requirements of Section 24 of the Intergovernmental Relations Act, 2005(Act 13 of 2005). All the Mayors in the family of municipalities have signed the IGR protocols to strengthen intergovernmental relations.

There are number of sub committees that were formed by the municipality in making sure that all the three spheres of government talk to each other e.g. District Area Finance, Infrastructure Forum, Planning & development Forum, Corporate Services & communication Forum and General & Social Services Forum. All the Forums have terms of references.

The following structure illustrates the context of uThukela IGR:





**COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION**

**Table 2.4.0**

## OVERVIEW OF PUBLIC ACCOUNTABILITY AND PARTICIPATION

Local Government has moved away from an autonomous style of government to a more inclusive system, resulting a public participation being a main driver of decision making. The uThukela IDP and Budget was presented to the public through a series of public meetings. The municipality doesn't deal directly with wards, which makes consultation across a broad spectrum very challenging, particularly in light of the municipality having 73 wards.

The uThukela District Municipality utilized the following mechanisms to consult and inform the public:

- IDP Representative Forum (IDP RF)
- Media
- Radio slot
- IDP/Budget Road Shows
- uThukela Website

### 2.4 Public Meetings

Table 2.4.1

#### COMMUNICATION, PARTICIPATION AND FORUMS

These were used to present the 2013/2014 IDP and Budget to communities as well as to gather inputs into the documents. Public meetings were held at the following venues:

Date	Venue	Municipality	Activity
25/04/2013	Agra Crescent – Civic Hall	All	Invited Stakeholder Forum
30/04/2013	Rookdale Community Hall	Okhahlamba	Community Meeting

02/05/2013	Indoor Sport Centre	Emnambithi	Cadre's Forum Meeting (CWDs, Youth Ambassadors, Community Care Givers and Ward Committee)
07/05/2013	Fitty Park (tent)	Indaka	Community Meeting
07/05/2013	Agra Crescent – Civic Hall	Emnambithi	Community Meeting
08/05/2013	Wembezi Stadium	Umtshezi	Community Meeting
08/05/2013	Emhubheni Community Hall	Imbabazane	Community Meeting
12/05/2013	Ezakheni Sport Fields	All	Imbizo

Public participation is vital to determine the needs that exist within the communities in relation to the developmental priorities and this is communicated during the public meetings and information gathering process. The uThukela District Municipality was utilizing the following mechanisms for public participation when developing its IDP.

**IDP Representative Forum (IDP RF):** This forum represents all stakeholders and key interested and affected parties. This includes the Ward Committee members from the local municipalities, AmaKhosi, Non-Governmental Organizations (NGOs), Community Based Organizations (CBOs) and Organized Business.

**Media:** Local newspapers was used to inform the community on the progress made with the uThukela IDP and further meetings included the IDP RF and community road shows.

**Radio slot:** The uKhozi radio station was utilized to make public announcements when the need arises.

**IDP/ Budget Road Shows:** The uThukela District Municipality held community road shows in the whole of the district to publicize the draft IDP and Budget during April and May 2014. The venues for these meetings was publicized at the IDP RF, public places and through the media.

**UThukela Website:** Copies of the uThukela District Municipality IDP and Budget was placed on the website for communities,

stakeholders and service providers to view or download it.

**Table 2.4.2**

### **WARD COMMITTEES**

Ward Committees are an exciting route of achieving one of the aims of the developmental local government mentioned in the Constitution of the Republic of South Africa. Ward Committees are where communities and community organizations are able to participate on issues of improving service delivery and strengthening local government. The uThukela District Municipality is relying on utilizing the local municipality's ward committees that are functional within the district in dealing with the issues of service delivery, public participation, IDP and Budget.

The challenge is that some of the ward committees are not functional and that makes it difficult for the Ward Committee system to operate. Some wards are also large in size and that makes it expensive for members to attend Ward Committees meetings.

**Table 2.4.3**

### **PUBLIC MEETINGS**

Public meetings were used to present the 2013/2014 IDP and Budget to communities as well as to gather inputs into the documents. Public meetings were held at the following venues:

<b>Public Meetings</b>			
<b>Date</b>	<b>Venue</b>	<b>Municipality</b>	<b>Activity</b>
25/04/2013	Agra Crescent – Civic Hall	All	Invited Stakeholder Forum
30/04/2013	Rookdale Community Hall	Okhahlamba	Community Meeting

02/05/2013	Indoor Sport Centre	Emnambithi	Cadre's Forum Meeting (CWDs, Youth Ambassadors, Community Care Givers and Ward Committee)
07/05/2013	Fitty Park (tent)	Indaka	Community Meeting
07/05/2013	Agra Crescent – Civic Hall	Emnambithi	Community Meeting
08/05/2013	Wembezi Stadium	Umtshezi	Community Meeting
08/05/2013	Emhubheni Community Hall	Imbabazane	Community Meeting
12/05/2013	Ezakheni Sport Fields	All	Imbizo

**Table2.4.3.1**

**COMMENT ON THE EFFECTIVENESS OF THE PUBLIC MEETINGS HELD:**

The public meetings were very effective and contributed to publicising the Municipal IDP and Budget. Through the process a variety of stakeholders were engaged and the round of meetings were concluded with a Mayoral Imbizo held in May 2013.

**2.5 IDP PARTICIPATION AND ALIGNMENT**

**Table 2.5.1**

<b>IDP Participation and Alignment Criteria*</b>	<b>Yes/No</b>
Does the municipality have impact, outcome, input, output indicators?	No
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	No
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	No - Finance Viability/CFO's don't align

Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	No - Finance Viability/CFO's don't align
Were the indicators communicated to the public?	No
Were the four quarter aligned reports submitted within stipulated time frames?	2 <sup>nd</sup> & 3 <sup>rd</sup> Quarter reports compiled and submitted
<i>* Section 26 of Municipal Systems Act 2000</i>	
<i>T 2.5.1</i>	

## COMPONENT D: CORPORATE GOVERNANCE

**Table 2.6.0**

<b>OVERVIEW OF CORPORATE GOVERNANCE</b>
<p>Corporate governance at the uThukela District municipality included the following:</p> <ul style="list-style-type: none"> <li>• Administration</li> <li>• Human Resource Management</li> <li>• Risk Management</li> <li>• Fraud Prevention</li> <li>• Website development</li> <li>• Information and Communication Technology</li> <li>• Facilitation</li> </ul>

## 2.6 RISK MANAGEMENT

**Table 2.6.1**

**RISK MANAGEMENT**

A Risk Management Committee was established in July 2014, made up of representatives of all Departments, who also act as Risk Champions within that Department. The first meeting was held on 8 October 2014, where that Risk Management Committee Charter and Risk Management Framework and Policy was presented. The first risk of each department are as follows:

- Failure to provide cost effective water and sanitation
- Inability to continue to operate as a going concern
- Abuse of Municipal vehicles
- Ineffective implementation of Performance Management System
- Ineffective Call Centre Management

**2.7 ANTI-CORRUPTION AND FRAUD**

**Table 2.7.1**

**FRAUD AND ANTI-CORRUPTION STRATEGY**

A Risk Management Committee was established in July 2014, made up of representatives of all Departments. As the members were the same as the Fraud and Anti-corruption Committee, the two committees were combined. The first meeting was held on 8 October 2014, where that Risk Management Committee Charter and Risk Management Framework and Policy was presented. These two documents included the necessary Fraud and Anti-corruption aspects as well. The Fraud and Anti-corruption Strategy is outdated and needs to be revived as a matter of urgency.

## 2.8 SUPPLY CHAIN MANAGEMENT

Table 2.8.1

### OVERVIEW SUPPLY CHAIN MANAGEMENT

The supply chain management policy has been review and changes made to meet the operating needs of the municipality and issues which may have delayed service delivery in the procurement process have been changed. The policy aims to guide the municipality in its procurement process in a way which provides appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption. There are also other policies which go along with the supply chain management policy. These are procedure manuals and delegations which ensure that supply chain practitioners comply with supply chain regulations when conducting their duties and that end-user departments are familiar with supply chain processes and regulations.

#### **Challenges experienced to attain the standards set out in Section 112 of the MFMA (see SCM Implementation checklist MFMA Circular 40):**

The supply chain management section was faced with the issue of ensuring that suppliers which the municipality does business with are not blacklisted and that the information they provide is valid. This was corrected through inviting suppliers to be registered on our supplier database and developing a new and credible supplier database where suppliers are screened to ensure they have valid information and their affairs are in order with SARS.

Another challenge is that procurement that did not follow process was not reported, which resulted in irregular expenditure which is not properly accounted for. The supply chain policy has since been reviewed and the procurement process is as per the supply chain management policy and all deviations are reported on a monthly basis. However the municipality does not have a Council approved procurement plan and end-user departments do not have monthly projections of what they will procure.



Another issue is that there is no competent bids section within supply chain management so there are gaps in the tender process. But our bid committees which are responsible for the municipality's tender process have received introductory training provided by a Provincial Treasury consultant and later in the year received bid committee training from Provincial Treasury. Contracts which the municipality enters into are supported by relevant paperwork and authorized by the accounting officer or delegated authority. Contracts awarded are made public via the municipal website and the value of the contract disclosed.

## 2.9 BY-LAWS

**Table 2.9.1**

By-laws Introduced during Year 0					
Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
No New By-laws Introduced	Water By-laws reviewed	Yes	9 April 2013	No	Pending
<i>*Note: See MSA section 13.</i>					<i>T 2.9.1</i>

**Table 2.9.1.1**

### COMMENT ON BY-LAWS

No new by-laws were introduced with only minor amendments being made to the Water By-laws, which has been in existence since the water function was transferred to uThukela. The amended Water By-laws were advertised on 9 April 2013 and is awaiting publication in the Government Gazette, due to some difficulties experienced in the printing process.

## 2.10 WEBSITES

**Table 2.10.1**

<b>Municipal Website: Content and Currency of Material</b>		
<b>Documents published on the Municipality's / Entity's Website</b>	<b>Yes / No</b>	<b>Publishing Date</b>
Current annual and adjustments budgets and all budget-related documents	YES	10-Jun-14
All current budget-related policies	YES	8-Jul-10
The previous annual report (Year -1)	YES	31-Jan-14
The annual report (Year 0) published/to be published	YES	
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 0) and resulting scorecards	PA Yes / SC NO	12-Apr-13
All service delivery agreements (Year 0)	YES	Continuous
All long-term borrowing contracts (Year 0)	NO	
All supply chain management contracts above a prescribed value (give value) for Year 0	YES	25-Feb-14
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 Year 1	NO	
Contracts agreed in Year 0 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	NO	
Public-private partnership agreements referred to in section 120 made in Year 0	NO	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 0	Yes	1-Aug-14
<i>T 2.10.1</i>		

**Table 2.10.1.1**

<b>COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:</b>
<p>The uThukela District Municipality website is administered internally. It is available to the public and is updated as information is provided by sector departments to the website administrator. On average, the website is visited by over 400 000 people per year, which indicates the potential for using the web as a tool for information sharing, marketing and promotion of the District as a tourism destination. Greater effort will be placed on making the website legally compliant in the 2014/2015 financial year and more regularly</p>

information updates is envisaged.

## **2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES**

**Table 2.11.1**

### **PUBLIC SATISFCATION LEVELS**

No survey was conducted in 2013/2014, funding has been secured to perform a Public Satisfaction Survey on Municipal Services in the 2014/2015 financial year.

## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (Performance Report Part I)

**Table 3.0.1**

### INTRODUCTION

The people of uThukela is reliant on the functionality of water and waste water plants for clean water. This means that these infrastructure are maintained on an ongoing basis. Pumps and motors are repaired when reported. In order to assist with maintenance, two service providers have been appointed on an annual contract. The first service provider was appointed to do test pumping, and to service and repair production and hand pump boreholes. The second was appointed to do the maintenance of the water and waste water systems in the region.

A service provider was also appointed for the supply and installation of bulk meters to all plants through Department of Water Affairs (DWA) funding. Archie Rodel Water Treatment Works in Estcourt was refurbished by a National Transfer (R6-million) grant from DWA. Five hundred plastic water tanks were purchased and were allocated to specific wards within uThukela District Municipality, but is only meant to be a short term solution of providing water to the communities. Twelve new 16 kilolitre water tankers were purchased during 2013/2014 financial year and sixteen production boreholes repaired. In addition 226 hand pump boreholes have been repaired.

### COMPONENT A: BASIC SERVICES

**This component includes: water; waste water (sanitation); and a summary of free basic services.**

**Table 3.1.0**

**INTRODUCTION TO BASIC SERVICES**

Free basic services are provided in the form of 6 kilolitre of free water and VIP latrines. Rural communities are provided water through standpipes and these are also provided free of charge.

**3.1 WATER PROVISION**

**Table 3.1.1**

**INTRODUCTION TO WATER PROVISION**

All the Water Treatment Works (WTW) and pump stations require major refurbishment work in order to remain operational. To undertake refurbishment of these plants requires a large amount of financial support.

Areas of major concern and requiring urgent intervention are the following:

- Upgrading of the Eskom electricity line to Ezakheni Water Treatment Works, Spioenkop Dam Raw Water Pump Station, which supplies raw water to the Ladysmith Water Treatment Works and Wagendrift Dam Raw Water Pump Station, which supplies raw water to George Cross Water Treatment Works.
- The Olifantskop Dam is very heavily silted and only holding about 20% of its capacity and this is having a serious impact on the quality of water and the ability to supply the community with water during dry periods.
- The Tugela Estate water treatment works is under performing and the storage is not sufficient.
- The abstraction points at Winterton, Loskop, Langkloof and Obanjaneni have had numerous blockages because of poor design.
- Archie Rodell water works has undergone major refurbishment because it has had water quality problems.

- George Cross water works is running at maximum capacity, but cannot keep up with the demand of Wembezi. Weneen WTW is not meeting its water demand.
- Zwelisha water treatment system is under performing due to the Eskom upgrade not been completed inside the works and on the pump stations

Most of our Water Treatment Works are producing water in excess of their design capacities. The reason for this is that the demand for water has increased due to increases in consumers and there are huge losses in water due to pipe bursts, leaks and unaccounted water losses. The excessive demand for water is compromising the quality of water produced because there is less retention time on the plants. The operation of the reticulation systems continue to be plagued with burst pipes due to the age of the infrastructure in urban areas. Many of the pipes are in excess of 50 years old and major funding is required to replace them.

The following solutions are suggested:

- Apply for funding for refurbishment. In this regards a business plan has been approved by DWA for refurbishment of Ezakheni raw water pump stations to the amount of R6-million.
- Implement a Preventative Maintenance Programme. A service provider was appointed on an annual contract to do the maintenance of the water systems in the region. R13-million budget was approved for relaying old pipes with new uPVC pipes.
- Implement a Water Conservation Water Demand Management Programme (WCWDM). Two water conservation awareness campaigns have been conducted, mainly targeting schools. A WCWDM project was undertaken in Ezakheni and Pressure Reduction Valves (PRV's) were installed in various zones, controlling the pressures of the water system. The service provider was appointed for the supply and installation of bulk water meters to all plants through DWA funding.
- Repair all leaking pipes. This initiative resulted in nine major leaks being repaired in Ezakheni.
- If plants are still operating in excess of design capacity, upgrading of the plants will be considered through the sourcing of funding from DWA and other sources.

- The business plan for refurbishment of the Ladysmith and Ezakheni water and waste water treatment works was approved by DWA to the amount of R10-million.

**Table 3.1.2**

<b>Total Use of Water by Sector (cubic meters)</b>			
	<b>Industrial</b>	<b>Domestic</b>	<b>Unaccountable water losses</b>
Year -1	No data available	No data available	No data available
Year 0	7 117 500	11 862 500	24 870 000

Note:  
 Estimated daily demand = 130MI/day  
 Assumed 15% Industrial, 25% Domestic and 60% Unaccountable losses T 3.1.2

**Table 3.1.2.2**

**COMMENT ON WATER USE BY SECTOR:**

The unaccountable water losses of 60% is unacceptable and needs to be addressed. Water conservation awareness campaigns should be extended to cover all focus areas within uThukela. The focus to address unaccountable water losses is to target the water leaks located inside dwellings. UThukela intends to employ walking plumbers to go from houses to house and assess the extent of the problem and then repair them accordingly. The project to install bulk meters at all plants through DWA funding should be extended to include zonal meters on the reticulation network.

**Table 3.1.3**

Water Service Delivery Levels				
Description	Year -3	Year -2	Year -1	Households
	Actual	Actual	Actual	Year 0
	No.	No.	No.	Actual No.
<b><u>Water: (above min level)</u></b>				
Piped water inside dwelling				42 221
Piped water inside yard (but not in dwelling)	No data available	No data available	No data available	31 659
Using public tap (within 200m from dwelling )				26 656
Other water supply (within 200m)				
<i>Minimum Service Level and Above sub-total</i>				100 536
<i>Minimum Service Level and Above Percentage</i>				68%
<b><u>Water: (below min level)</u></b>				
Using public tap (more than 200m from dwelling)				16 965
Other water supply (more than 200m from dwelling)				
No water supply				29 785
<i>Below Minimum Service Level sub-total</i>				46 750
<i>Below Minimum Service Level Percentage</i>				32%
<b>Total number of households*</b>				<b>147 286</b>
* - To include informal settlements				T 3.1.3

**Table 3.1.4**

Households - Water Service Delivery Levels below the minimum						
Description	Year -3	Year -2	Year -1	Households		
	Actual	Actual	Actual	Year 0		
				Original Budget	Adjusted Budget	Actual



	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						<b>59 001</b>
Total households						56 153
Households below minimum service level	No data available	No data available	No data available	No data available	No data available	2 848
Proportion of households below minimum service level						5%
<b>Informal Settlements</b>						<b>152 221</b>
Total households						91 133
Households below minimum service level						61 088
Proportion of households below minimum service level						67%
<i>T 3.1.4</i>						

**Table 3.1.6**

<b>Water Service Policy Objectives Taken From IDP</b>						
<b>Service Objectives</b>	<b>Outline Service Targets</b>	<b>Year 0</b>		<b>Year 1</b>		
		<b>Target</b>	<b>Actual</b>	<b>Objective</b>	<b>Strategy</b>	<b>Annual Target</b>
<b>Service Objective</b>						
To reduce water losses to 40% by June 2014 as per DWA regulation To develop a water and sanitation O&M plan by 31 Dec 2013	All schemes to be equipped with bulk meters by 30 June 2014	100%	Service Provider appointed and will commence in August 2014.	To provide cost effective water and sanitation	Review of WSDP	Reviewed and approved WSDP
	All schemes to have pressure zones	20%	Service Provider appointed and will commence in August 2014 for zonal pressure schemes		To provide for the Operations and Maintenance of water and sanitation projects	water and Sanitation O&M Plan
	All leaks repaired over one month old	100%	100%		Develop a district Master Plan	100% uptime at all plants Reviewed and adopted Master Plan
	All communities reached by 30	3	2 awareness campaigns conducted	To reduce Water Loss	Implement Water Loss Strategy	23 schemes equipped with bulk meters

	June 2014					15 pressure zones created per scheme	
						100% of reported leaks repaired	
						8 ageing water pipes replaced	
To develop a water and sanitation O&M plan by 31 Dec 2013	100% uptime at all plants	100%	100%	To improve on the quality of water delivered	Implement water quality strategy	Approved water quality strategy	
						Water Quality Monitoring	448 water samples taken
							100% of water samples analysed every quarter
						55% Blue Drop score and green drop	
Ongoing refurbishment of the existing water and sanitation infrastructure	Approved Infrastructure Refurbishment plan by end June 2014	Approved Infrastructure Refurbishment plan by end June 2014	Draft ops and maintenance plan compiled and circulated for comments	To effectively utilize grant allocation for water and sanitation	Effective Utilization of grant funding	100% of Infrastructure Grants spend	
						To align Capital Programme and IDP	Review and implement the current financial plan
<i>T 3.1.6</i>							

**Table 3.1.7**

<b>Employees: Water Services</b>				
<b>Job Level</b>	<b>Year 0</b>			
	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
Water	509	293	216	42%
<i>T3.1.7</i>				

**Table 3.1.8**

<b>Financial Performance Year 0: Water &amp; Sanitation Services</b>					
<b>R'000</b>					
<b>Details</b>	<b>Year -1</b>	<b>Year 0</b>			
	<b>Actual</b>	<b>Original Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance to Budget</b>
<b>Total Operational Revenue</b>	242,798	178,886	180,925	171,465	-4.33%
Expenditure:					
Employees (including S&T)	74,691	86,409	76,205	75,281	-14.78%
Repairs and Maintenance	15,322	13,492	15,978	20,957	35.62%
Other (including projects and bad debt)	380,723	161,847	253,168	-88,900	82.00%
<b>Total Operational Expenditure</b>	470,736	261,748	345,351	7,338	-3 467.02%
<b>Net Operational Expenditure</b>	(227,938)	(82,862)	(164,426)	164,127	150.49%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
<i>T 3.1.8</i>					

**Table 3.1.9**

<b>Capital Expenditure Year 0: Water and Sanitation Services</b>					
<b>R' 000</b>					
<b>Capital Projects</b>	<b>Year 0</b>				
	<b>Budget Original</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
Total All	14,525	14,525	6,528	-122.5%	/
Municipal Water Infrastructure Grant	14,525	14,525	6,528	-122.5%	14,525

(MWIG)					
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					<i>T 3.1.9</i>

**Table 3.1.10**

**COMMENT ON WATER SERVICES PERFORMANCE OVERALL:**

The huge variance concerning the “Other” category is as a result of an amount of R210 428 160 adjustment in bad debt provision.

A R13-million budget was approved for relaying old pipes with new uPVC pipes. This amount is however not enough and there will therefore be a need to source more funding in future. The refurbishment of the Ladysmith and Ezakheni water and wastewater treatment works was approved by DWA to the extent of R10-million, but more funding is required to do the same activities on other plants. A business plan of R9-million was approved by DWA for the refurbishment of the Ezakheni raw water pump stations, however more funds are required to emulate this project.

The Archie Rodell WTW was refurbished with a National Transfer Grant of R6-million and has resulted in improved water quality. The uThukela District Municipality was offered support funding by Rand Water to identify and implement interim water supply projects in areas subserved in the Okhahlamba Local Municipality. The total funding made available by Rand Water for this initiative is up to R3-million. UThukela identified seven water projects to be initiated in the Okhahlamba Local Municipality.

### 3.2 WASTE WATER (SANITATION) PROVISION

**Table3.2.1**

<b>INTRODUCTION TO SANITATION PROVISION</b>
<p>All of the uThukela waste water treatment works and pump stations require major refurbishment work. To undertake refurbishment of these plants requires a large amount of financial support. Thirty-eight sewer pump stations are situated at low points, resulting in raw water sewage flowing into the river when a problem is experienced. Pumps, motors and electrical panels need to be upgraded and refurbished, requiring a great deal of money to be provided for the repair of pump stations.</p>

**Table 3.2.3**

<b>Sanitation Service Delivery Levels</b>				
<b>Description</b>	<b>Year -3</b>	<b>Year -2</b>	<b>Year -1</b>	<b>*Households Year 0</b>
	<b>Outcome No.</b>	<b>Outcome No.</b>	<b>Outcome No.</b>	<b>Actual No.</b>
	<b><u>Sanitation/sewerage: (above minimum level)</u></b>			
Flush toilet (connected to sewerage)				47 001
Flush toilet (with septic tank)	No data available	No data available	No data available	2 933
Chemical toilet				7 291
Pit toilet (ventilated)				33 514
Other toilet provisions (above min. service level)				39 002
<i>Minimum Service Level and Above sub-total</i>				129 741
<i>Minimum Service Level and Above Percentage</i>				88.1%
<b><u>Sanitation/sewerage: (below minimum level)</u></b>				
Bucket toilet				1 551

Other toilet provisions (below min. service level)				3 597
No toilet provisions				12 398
<i>Below Minimum Service Level sub-total</i>				17 546
<i>Below Minimum Service Level Percentage</i>				11.9%
<b>Total households</b>				<b>147 287</b>
<b>*Total number of households including informal settlements</b>				<i>T 3.2.3</i>

**Table 3.2.4**

<b>Households - Sanitation Service Delivery Levels below the minimum</b>				
<b>Description</b>	<b>Year -3</b>	<b>Year -2</b>	<b>Year -1</b>	<b>Households</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>
<b>Formal Settlements</b>				
Total households				56 153
Households below minimum service level	No data available	No data available	No data available	2 313
Proportion of households below minimum service level				4%
<b>Informal Settlements</b>				
Total households				91 133
Households ts below minimum service level				15 231
Proportion of households ts below minimum service level				17%
				<i>T 3.2.4</i>

**Table 3.2.6**

Waste Water (Sanitation) Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1	Year 3		
		Target	Actual	Target		Actual	Target		
		Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
<b>Service Objective</b>									
To develop a water and sanitation O&M plan by 31 Dec 2013	Effective Water and sanitation operation and maintenance				100% uptime at all plants	100%			
									<i>T 3.2.6</i>

**Table 3.2.7**

Employees: Sanitation Services				
Job Level	Year 0			
	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	%
Sanitation	283	71	212	75%
				<i>T 3.2.7</i>

**Table 3.2.10**

<b>COMMENT ON SANITATION SERVICES PERFORMANCE OVERALL:</b>
A business plan for the refurbishment of 38 waste water pump stations and bulk sewer line upgrades within the uThukela District Municipality at the cost of R138 078 146 was submitted to DWA but was not approved. The refurbishment of the Ladysmith and

Ezakheni water and waste water treatment works was approved by DWA to the amount of R10-million, but more funding is required to extend the initiative to other plants.

### 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

**Table 3.6.1**

#### INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

During the latter part of 2013/2014 financial year, the District obtained copies of the indigent register from the local municipalities and compiled a consolidated indigent register. This register however still needs to be verified before the free basic policy can be implemented and indigent consumers be fitted with water flow restrictors accordingly. Rural populations obtaining water from standpipes are not charged and are classified as receiving free basic services. Currently the indigent register reflects 1,551 indigent consumers.

**Table 3.6.4**

Financial Performance Year 0: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	Variance to Budget
Water	24,638	19,289	23,901	23,873	19.20%
Waste Water (Sanitation)	-	-	-	-	-
Total	24,638	19,289	23,901	23,873	19.20%
					<i>T 3.6.4</i>



**Table 3.6.5**

Free Basic Service Policy Objectives Taken From IDP									
Service Objectives  (i)	Outline Service Targets  (ii)	Year -1		Year 0			Year 1	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
Service Objective									
To provide sustainable sanitation services to all residents	Number of households with sanitation provision				6500	2000			
	Number of households with sanitation provision in Emnambithi				2850	2043			
	Number of households with sanitation provision in uMtshezi				1700	450			
	Number of households with sanitation provision in Indaka				500	0			
	% of progress per quarter				70%	15%			
	Implementation of Capital projects				100%	83%			
<i>T 3.6.5</i>									

**Table 3.6.6**

<b>COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT:</b>
The continued updating of the indigent register is a priority for the 2014/2015 financial year.

## **COMPONENT C: PLANNING AND DEVELOPMENT**

**This component includes: planning; and local economic development.**

**Table 3.10**

### **INTRODUCTION TO PLANNING AND DEVELOPMENT**

#### **Planning**

This year saw the introduction of the new national Spatial Planning and Land Use Management Act (SPLUMA) (Act 16 of 2013), which will have consequences on the KwaZulu-Natal Planning and Development Act (PDA) (Act 6 of 2008). The Development Planning Shares Services (DPSS) have ceased to function for various reasons and during the review of the business plan, many local municipalities have indicated that capacitating internal staff is the preferred option for responding to the PDA. The local municipalities that are not in a position to capacitate internal staff will be assisted by uThukela in the interim.

Planning projects that have been initiated during the 2013/2014 financial year include the following:

- District Growth and Development Plan (DGDP), funded by COGTA, to support the Provincial Growth and Development Strategy
- Integrated Public Transport Network Plan, funded by Department of Transport
- Spatial Development Framework (SDF), funded internally, to be completed in December 2014.

#### **Economic Development**

The unit has been without a tourism person and only one Local Economic Development (LED) Officer, which has made implementation extremely difficult. A District Growth and Development Summit was held in September 2013 and the LED and Tourism Forum was revived and one meeting held in March 2014. After two failed tender attempts to appoint a service provider for the COGTA funded Masibumbaneni Poultry project, a service provider was appointed using Section 32 of the Supply Chain Management Regulations. Through COGTA funding the LED Strategy for the uThukela family of municipalities was developed and

concluded in June 2013. Extensive progress was made in the establishment of an uThukela Development Agency and a Feasibility Study was completed and presented to stakeholders in June 2013.

The opportunities in economic development include the establishment of the uThukela Development Agency and the hosting of an uThukela Carnival in partnership with the Okhahlamba Local Municipality. The appointment of staff will receive urgent attention and will result in the expenditure of the LED budget as contained in the IDP. It is also envisaged that the Masibumbaneni poultry project will be concluded and implemented during the upcoming year.

### 3.10 PLANNING

**Table 3.10.1**

#### INTRODUCTION TO PLANNING

Planning strategy include the revival of the Development Planning Shared Services (DPSS) to facilitate the rollout of SPLUMA and facilitate the requirements of the KZN PDA. The SDF and DGDP is to be completed by the end of 2014. Until such time as the DPSS is operational, support services will be rendered by the uThukela Town and Regional Planner and GIS Specialist.

**Table 3.10.2**

Applications for Land Use Development				
Detail	Rezoning		Built Environment	
	Year -1	Year 0	Year -1	Year 0
Planning application received	7	8	2	2
Applications withdrawn	0	0	0	0
				<i>T 3.10.2</i>

**Table 3.10.4**

Employees: Planning Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
	2	2	1	1	50%
					T 3.10.4

**Table 3.10.5**

Financial Performance Year 0: Planning Services						R'000
Details	Year -1	Year 0				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>						
Expenditure:						
Employees	5,713	8,950	6,654	6,597	-35.67%	
Repairs and Maintenance						
Other	3,978	12,009	7,826	2,380	-404.58%	
<b>Total Operational Expenditure</b>	9,691	20,959	14,480	8,977	-133.47%	
<b>Net Operational Expenditure</b>	9,691	20,959	14,480	8,977	-133.47%	
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5.</i>						
<i>Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					T 3.10.5	

**Table 3.10.6**

Capital Expenditure Year 0: Planning Services						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Development Planning Shared Services	500 000	0	0	0%	0	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					<i>T 3.10.6</i>	

**Table 3.10.7**

<b>COMMENT ON THE PERFORMANCE OF PHYSICAL PLANNING OVERALL:</b>
<p>The only planning related capital project was the Development Planning Shared Services (DPSS) initiative. It was anticipated that the DPSS will continue following the review of the business plan. However it was discovered that the partnering local municipalities had a mix response regarding this. Through the assistance from COGTA, the business plan was reviewed and discussions held with local municipalities. As most municipalities decided not to participate at this stage, it was resolved that support will be rendered through uThukela’s internal staff. This has resulted in the budget not being utilized and was removed during the mid-year review of the 2013/2014 budget.</p>

**3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)**

**Table 3.11.1**

<b>INTRODUCTION TO ECONOMIC DEVELOPMENT</b>

A grant of R1 000 000 was received from COGTA to benefit the best poultry performing co-operative in the Indaka Local Municipality. The implementation thereof has been very problematic as a responsive service provider could not be appointed following two tender processes. This resulted in a service provider being appointed through Section 32 of the Supply Chain Management Regulations.

Staff constraints played a huge part in the under expenditure of the uThukela LED budget, which has resulted in most of the LED budget not being utilized.

**Table 3.11.2**

<b>Economic Activity by Sector</b>			
	<b>R '000 000</b>		
<b>Sector</b>	<b>2001</b>	<b>2006</b>	<b>2011</b>
Agriculture, forestry and fishing	425	619	946
Mining and quarrying	90	75	76
Manufacturing	1 917	2 389	2 857
Electricity, gas and water	333	378	402
Construction	184	249	394
Wholesale and retail trade, catering and accommodation	1 116	1 688	2 342
Transport, storage and communication	806	1 326	1 873
Finance, insurance, real estate and business services	833	1 433	2 069
Community, social and personal services	475	617	730
General Government	1 116	1 334	1 784
<b>Total</b>	<b>7 295</b>	<b>10 108</b>	<b>13 473</b>
			<i>T 3.11.2</i>

**Table 3.11.4****COMMENT ON LOCAL JOB OPPORTUNITIES:**

The uThukela District municipality is not always directly involved in job creation. As a district municipality we are involved in coordination and facilitation, however, some job opportunities are created through the Extended Public Works Programme and projects funded internally and externally.

**Table 3.11.5****Jobs Created during Year 0 by LED Initiatives (Excluding EPWP projects)**

<b>Total Jobs created / Top 3 initiatives</b>	<b>Jobs created No.</b>	<b>Jobs lost/displaced by other initiatives No.</b>	<b>Net total jobs created in year No.</b>	<b>Method of validating jobs created/lost</b>
Masibumbaneni Poultry Project	18	0	18	Part of a Co-operation
<i>T 3.11.5</i>				

**Table 3.11.6****Job creation through EPWP\* projects**

<b>Details</b>	<b>EPWP Projects No.</b>	<b>Jobs created through EPWP projects No.</b>
2011/2012	14	529
2012/2013	16	1 257
2013/2014	21	1 533
<i>* - Extended Public Works Programme</i>	<i>T 3.11.6</i>	

**Table 3.11.7**

Local Economic Development Policy Objectives Taken From IDP							
Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1	Year 2
		Target	Actual	Target	Actual	Target	
Service Objective							
Develop LED Strategy	To develop and implement LED Strategy	Develop Strategy	Strategy Review underway	Complete reviewed Strategy	Strategy reviewed	Implement strategy	Implement strategy
Indaka Poultry Project	To complete the project	To complete project	Project Completed				
Masibumbaneni Poultry Project	To start implementation of the project	To appoint SP	Fencing Completed	To complete project	SP appointed	To complete project	
LED Forum	To revive the Forum	To guide Strategy review process	Meetings held with consultant	2 Forum meetings	1 Meeting held	4 meetings per year	4 meetings per year
<i>T 3.11.7</i>							

**Table 3.11.8**

Employees: Local Economic Development Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Deputy Director	1	1	1	0	0%
Assistant Director		1		1	33%
LED Officer	1	1	1	0	0%
<i>T 3.11.8</i>					



**Table 3.11.10**

<b>Capital Expenditure Year 0: Economic Development Services</b>					
<b>R' 000</b>					
<b>Capital Projects</b>	<b>Year 0</b>				
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>
Masibumbaneni Poultry Project (COGTA Grant)	1 000	1 000	694	0%	1 000
					<i>T 3.11.10</i>

**Table 3.11.11**

<b>COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL:</b>
<p>The only capital project that the uThukela LED Unit was involved in was the Masibumaneni poultry project, funded by COGTA to the amount of R1 000 000. The project had a troubled start as it was put out on tender twice and failed to make an appointment due to tenders not meeting the functionality criteria. In order to progress a Section 32 appointment was made. To date progress is slow and the scope of the project has been changed from layers to broilers.</p> <p>Many vacancies exists within the department, include a Manger Planning and LED and Tourism Officer. This has made implementation and involvement in local economic development very challenging. The expectation for the next financial year is to address the situation and to urgently appointment middle and junior staff. Projects for 2014/2015 include the development of an uThukela Manufacturing and Agricultural Sector Strategy, to host an uThukela Carnival, to host community workshops on LED awareness and training and to establish a District Development Agency.</p>

**COMPONENT D: COMMUNITY AND SOCIAL SERVICES**

This component includes: libraries and archives; museums arts and galleries; community halls; cemeteries and crematoria; child care; aged care; social programmes, theatres.

**Table 3.5.2**

**INTRODUCTION TO COMMUNITY AND SOCIAL SERVICES**

The uThukela District Municipality is involved with the following:

- Gender Issues
- The aged
- People with disabilities
- Youth

Committees are established to address the issues highlighted by the groups above and meet regularly. Several programmes are also completed during the year, but budget and staff constraints make it difficult to perform in all areas.

**3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES**

**Table 3.14.1**

**INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES**

The social priorities are distributed across Gender Issues, the aged, people living with disabilities and youth. The following programs have been completed during the 2012/2013 financial year:

- Child protection week at Slokoza Primary School
- Dialogue between parents and learners at Imbabazane Local Municipality

- Closure of Women's day at Caravan Park Ladysmith
- Awareness on schools on Teenage Pregnancy
- Integrated School Health Program
- Awareness Campaign conducted on harmful cultural practices. Such as virginity testing, early marriage and female genital cutting
- Closure of Women celebration at Wimpy park (Umnambithi Local Municipality)
- Visits to children's home to educate adults about adoption and to experience the environment of the abandoned children
- Parental Responsibilities
- Counselling coverage for the prevention of HIV/AIDS
- Reclaiming the night event
- Program on women about savings plan
- Valentine day event for the Widows
- HPV – (Human Papilloma Virus) immunization on 9-year old children.
- Meeting with Women from Etholeni and street vendors to discuss savings tips
- Meeting all the chairperson of women's organizations across the district
- Baseline study on special school and develop an intervention plan
- Provision of learners assistive devices
- Awareness on Autism
- Rolling out of inclusive education in ECD officials and grade R teachers
- Conduct a program to identify learners with Autism at schools
- Community awareness for parents to come out with their disabled children
- Awareness campaign on grants

New section has been established under the directorate Social and Economic Services, named the Special Programs unit and will comprise officers for the following:

- Gender, Disabilities and Aged
- Sports
- HIV/AIDS Programs
- Youth Development

This will enhance the capacity of the two people currently involved in this unit.

**Table 3.14.4**

<b>Employees: Child Care; Aged Care; Social Programmes</b>					
<b>Job Level</b>	<b>Year -1</b>	<b>Year 0</b>			
	<b>Employees</b>	<b>Posts</b>	<b>Employees</b>	<b>Vacancies (fulltime equivalents)</b>	<b>Vacancies (as a % of total posts)</b>
	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>No.</b>	<b>%</b>
Social Officer	1	5	1	4	80%
<i>T 3.14.4</i>					

**Table 3.14.7**

**COMMENT ON THE PERFORMANCE OF CHILD CARE; AGED CARE; SOCIAL PROGRAMMES OVERALL:**

Given the fact that only one person is responsible for Gender Issues, the aged, people living with disabilities and youth, the section has performed exceptionally well given the amount of work that was achieved. The expansion of the section under the Special Programs unit will double the capacity of the unit and is expected to improve performance even further.

**COMPONENT E: ENVIRONMENTAL PROTECTION**

This component includes: pollution control; biodiversity and landscape; and costal protection.

**Table 3.15**

**INTRODUCTION TO ENVIRONMENTAL PROTECTION**

Environmental protection includes practices of protecting our natural environment on individual, organizational or governmental levels for both the natural environment and humans. This includes protection of water, wetlands, flora and fauna species, catchments, river streams as well as ecosystem services. In order to protect this the following measures should be taken into consideration:

- Prevention of pollution and environmental degradation
- Promotion of biodiversity conservation on environment through environmental best practices
- Securing ecologically sustainable development and better use of our natural resources while promoting justifiable economic and social development.

It should be indicated that during this financial year there was no budget allocated by the municipality on environmental protection programs as it was not prioritized. However funding was made available from Department of Environment Affairs to develop and Environmental Management Framework (EMF) which has a major role in environmental protection. This framework incorporates the completed Natural Resources Management Plan (NRMP). The EMF project is currently at the final phase of its development.

**Environmental Protection and Infrastructure Projects:**

The following projects were funded by Department of Environmental Affairs through the Local Government Support official seconded by DEA at uThukela DM:

- Zithande Wimpy Park (Open Space Management focus area) completed allocation of R5.1 million (Ladysmith LM)
- Mazibuyele Emasisweni (Working for Land focus area) still under planning (EIA process) with an allocation of R 13 million (Imbabazane LM)

**Environmental Protection and Infrastructure Projects to be implemented 2014-2015:**

- Umtshezi Street Cleaning (Umtshezi LM) with allocation of R 5 million
- Rehabilitation of Existing Park (at Umtshezi LM) with an allocation of R 5.5 million
- Okhahlamba Landfill site (Okhahlamba LM) with an allocation of R17 million
- Basingatha Lodge (Okhahlamba LM) with an allocation of R15.5 million
- Mnambithi Goes Green (Emnambithi LM) with an allocation of R 6 million
- Youth Jobs on Waste project in all local municipalities within uThukela DM

The above mentioned projects funded by DEA are meant for the following:

- Poverty Eradication
- Skills Development
- Best Environmental Management Practices
- Development of SMMEs

Due to a lack of human and financial capacity the municipality failed to carry out all its planned and intended environmental programs in this financial year. Some outstanding projects include the intensifying of environmental management education and awareness campaigns and the development of environmental management tools.

### 3.15 POLLUTION CONTROL

**Table 3.15.1**

<b>INTRODUCTION TO POLLUTION CONTROL</b>
<p>The main drive for pollution control is the sampling of waste water to ensure that the water that are reintroduced into the environment after being treated at our waste water treatment plants are no damaging to the environment and downstream users. To this end frequent water samples are taken from our waste water treatment plants and send to our laboratory for testing. Should a problem be identified, the matter is reported to the Water Services Provider, located in the Water Services Department.</p>

**Table 3.15.2**

<b>SERVICE STATISTICS FOR POLLUTION CONTROL</b>	
<p><b>Water Quality Monitoring:</b></p> <p>We have developed a sampling programme and staff have ensured adherence by monitoring all the plants within the District. We are in a process of opening and account with National Health Laboratory to be able to analyze Moore pads for monitoring cholera in rivers. Please find here attached with a sampling monitoring plan. All health failure results were referred to WSP for their intervention however health education was conducted with the affected communities. Training is required for staff in Water Plants and refurbishment of old structures is also recommended.</p>	
<p><b>Sampling Programme – Waste Water</b></p>	
<b>Plant</b>	<b>Frequency</b>
Ezakheni WWTP - Outflow	Twice a month

	- Upstream - Downstream	
Ladysmith WWTP	- Outflow - Upstream - Downstream	Twice a month
Winterton WWTP	- Outflow - Upstream - Downstream	Once a month
Bergville WWTP	- Outflow - Upstream - Downstream	Once a month
Ekuvukeni WWTP	- Outflow - Upstream - Downstream	Twice a month
Wembezi Ponds	- Outflow - Upstream - Downstream	Twice a month
Estcourt WWTP	- Outflow - Upstream - Downstream	Twice a month
Colenso WWTP	- Outflow - Upstream - Downstream	Once a month
Winterton WWTW	- Outflow - Upstream - Downstream	Once a month
Weenen Ponds		Once a month

**Table 3.15.3**

Pollution Control Policy Objectives Taken From IDP					
Service Objectives	Outline Service	Year 0	Year 1	Year 2	Year 3



	Targets	Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
<b>Service Objective: To promote a safe and healthy environment for the communities of the district</b>									
Regular sampling of potable water	Routine Sampling - 1792 samples taken.	N/A	465		Routine Sampling - 1792 samples taken.				
Regular sampling of potable water	All water samples analysed	N/A	100		All water samples analysed				
Operational monitoring of the quality of water (blue drop)	55%	N/A	50.75		55%				
									<i>T 3.15.3</i>

**Table 3.15.4**

<b>Employees: Pollution Control</b>					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Various		27	25	2	7.4%
Total		27	25	2	7.4%
<i>T 3.15.4</i>					

**Table 3.15.7**

<b>COMMENT ON THE PERFORMANCE OF POLLUTION CONTROL OVERALL:</b>
-----------------------------------------------------------------

The staff from the Provincial Government have been integrated into the Environment Health section of the uThukela District Municipality and the organogram reviewed to gear the section towards service delivery. We acknowledge that much more needs to be done to ensure a safe environment for all to enjoy now and for future generations, but the progress made during this financial year to establish a unit that can address the needs of the environment are encouraging.

### **3.19 HEALTH INSPECTION; FOOD AND ABATTOIR LICENSING AND INSPECTION; ETC.**

**Table 3.19.1**

#### **INTRODUCTION TO HEALTH INSPECTIONS; FOOD AND ABATTOIR LICENCING AND INSPECTIONS, ETC**

The components of Municipal Health Services are as follows and the 3 top priority indicators was on water quality monitoring, food safety and surveillance of premises as it cuts across all competencies through inspections.

- Water quality monitoring
- Food control
- Waste management
- Health surveillance of premises
- Surveillance and prevention of communicable diseases excluding immunisation
- Vector control
- Environmental pollution control
- Disposal of the dead
- Chemical safety

#### **Drinking Water Quality Monitoring Program**

Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Emnambithi/Ladysmith Ladysmith Town</b>	Treatment works	final	1 x week	KZUTEM 001
	Cove Crescent Reservoir	storage	1 x week	KZUTEM 020
	Observation Hill Reservoir	storage	1 x week	KZUTEM 015
	Cannon Road Reticulation	point of use	1 x week	KZUTEM 004
	Lynwood Reticulation	point of use	1 x week	KZUTEM 011
	Modelkloof Reticulation	point of use	1 x week	KZUTEM 021
	NN Alarms Reticulation	point of use	1 x week	KZUTEM 014
	Provincial Hospital Reticulation	point of use	1 x week	KZUTEM 019
	St Chads (Linda's Tavern) Reticulation	point of use	1 x week	KZUTEM 022
	Steadville Clinic Reticulation	point of use	1 x week	KZUTEM 023
Van Riebeeck Park Reticulation	point of use	1 x week	KZUTEM 025	
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Emnambithi/Ladysmith Ezakeni</b>	Treatment Works	final	1 x week	KZUTEM 002
	Maidens Castle Reservoir	storage	1 x week	KZUTEM 012
	Rosehill Reservoir	storage	1 x week	KZUTEM 006
	Weltevrede Reservoir	storage	1 x week	KZUTEM 018
	E Section reticulation	point of use	1 x week	KZUTEM 007
	Ithala Dev Corporation reticulation	point of use	1 x week	KZUTEM 010
	Police Station reticulation	point of use	1 x week	KZUTEM 016
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Emnambithi/Ladysmith Colenso</b>	Treatment Works	final	2 x month	KZUTEM 005
	Berea Towers Reservoir	storage	2 x month	KZUTEM 003
	Extension 3 Reticulation	point of use	2 x month	KZUTEM 008
	Inkanyezi Reticulation	point of use	2 x month	KZUTEM 009
	Tugela Vale Reticulation	point of use	2 x month	KZUTEM 024
	UDM Office Reticulation	point of use	2 x month	KZUTEM 017
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Umtshezi Archie Rodel</b>	Treatment works	final	3 x month	KZUTUM 002
	Bacon Factory reservoir	storage	3 x month	KZUTRE 001
	Forderville reservoir	storage	3 x month	KZUTRE 002
	Papkuil reservoir	storage	3 x month	KZUTUM 005
	Forderville reticulation	point of use	3 x month	KZUTUM 003
	Municipal Buildings reticulation	point of use	3 x month	KZUTUM 013
	Papkuil reticulation	point of use	3 x month	KZUTUM 006
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Umtshezi</b>	Treatment works	final	3 x month	KZUTUM 001

<b>George Cross</b>	Wembezi reservoir	storage	3 x month	KZUTUM 010
	Drakensview Primary reticulation	point of use	3 x month	KZUTUM 027
	Gerrys Motors reticulation	point of use	3 x month	KZUTUM 004
	Wembezi Clinic reticulation	point of use	3 x month	KZUTUM 011
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Umtshezi Weenen Town</b>	Treatment works	final	1 x month	KZUTUM 009
	Municipal Building reticulation	point of use	1 x month	KZUTUM 017
	UDM Office reticulation	point of use	1 x month	KZUTUM 018
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Okhahlamba Bergville Town &amp; Surround</b>	Treatment works	final	2 x week	KZUTOK 003
	Hambrook	final	1 x week	KZUTOK 015
	Rookdale reservoir	storage	2 x week	KZUTRE 003
	Woodford reservoir	storage	2 x week	KZUTRE 008
	Hambrook reticulation	point of use	1 x week	KZUTOK 016
	Okhahlamba Mun Off reticulation	point of use	2 x week	
	Rookdale reticulation	point of use	2 x week	KZUTOK 011
	Woodford reticulation	point of use	2 x week	KZUTOK 014
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Okhahlamba Langkloof</b>	Treatment works	final	1 x month	KZUTOK 007
	General Dealer reticulation	point of use	1 x month	KZUTOK 005
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Okhahlamba Moyeni / Zwelisha</b>	Treatment works	final	2 x month	KZUTOK 009
	A reservoir	storage	2 x month	KZUTOK 001
	B reservoir	storage	2 x month	KZUTOK 002
	C reservoir	storage	2 x month	KZUTOK 018
	Car Wash reticulation	point of use	2 x month	KZUTOK 004
	Masizini Clinic reticulation	point of use	2 x month	KZUTOK 019
	Supply System	Sample Site	Type	Frequency
<b>Okhahlamba Winterton Town, Khetani</b>	Treatment works	final	2 x month	KZUTOK 013
	Khetani Bulk reservoir	storage	2 x month	KZUTOK 017
	Khetani reticulation	point of use	2 x month	KZUTOK 006
	Library reticulation	point of use	2 x month	KZUTOK 008
Supply System	Sample Site	Type	Frequency	Sample Point ID
<b>Indaka Ekuvukeni Township</b>	Treatment works	final	2 x month	KZUTIN 005
	Limehill reservoir	storage	2 x month	KZUTRE 004
	Mbulwane reservoir	storage	2 x month	KZUTIN 003

	Petronella reservoir	storage	2 x month	KZUTIN 010
	Rockcliff reservoir	storage	2 x month	KZUTRE 005
	Zandbult reservoir	storage	2 x month	KZUTIN 008
	Limehill reticulation	point of use	2 x month	KZUTIN 002
	Mbulwane reticulation	point of use	2 x month	KZUTIN 004
	Rockcliff reticulation	point of use	2 x month	KZUTIN 006
	Zandbult reticulation	point of use	2 x month	KZUTIN 009
<b>Supply System</b>	<b>Sample Site</b>	<b>Type</b>	<b>Frequency</b>	<b>Sample Point ID</b>
<b>Indaka Tugela Estate</b>	Treatment works	final	1 x month	KZUTUM 015
	Tugela Estate reservoir	storage	1 x month	KZUTUM 016
	Sahlumbe reticulation	point of use	1 x month	KZUTUM 014
<b>Supply System</b>	<b>Sample Site</b>	<b>Type</b>	<b>Frequency</b>	<b>Sample Point ID</b>
<b>Imbabazane Loskop</b>	Treatment works 1	final	2 x month	KZUTIM 004
	Treatment works 2	final	2 x month	KZUTIM 009
	Ezakhiweni reservoir	storage	2 x month	KZUTIM 007
	Opposite Bata reservoir	storage	2 x month	KZUTIM 006
	Nkomazini reticulation	point of use	2 x month	KZUTIM 005
	Shoe Factory	point of use	2 x month	KZUTIM 001
	Thalimpilo Centre	point of use	2 x month	
<b>Supply System</b>	<b>Sample Site</b>	<b>Type</b>	<b>Frequency</b>	<b>Sample Point ID</b>
<b>Imbabazane Loskop Rural</b>	Emanjokweni 1 (abstraction)	point of use	quarterly	KZUTIM 019
	Emanjokweni 2 (abstraction)	point of use	quarterly	KZUTIM 020
	Emanjokweni 3 (abstraction)	point of use	quarterly	KZUTIM 021
	KwaMkhize (abstraction)	point of use	quarterly	KZUTIM 022
	Ntsonga 1 (abstraction)	point of use	quarterly	KZUTIM 023
	Ntsonga 2 (abstraction)	point of use	quarterly	KZUTIM 024
	Ntsonga 3 (abstraction)	point of use	quarterly	KZUTIM 025
	Engodini	point of use	1 x month	KZUTIM 001
	KwaVala	point of use	1 x month	KZUTIM 003

### Food Quality Monitoring:

As per statistical report 648 premises had been issued with a COA. Ongoing training and education of food safety were done and still to be conducted as per identified problem/s. We are half way in completing a database for all food premises within the District. We have forged partnership with the Emnambithi LED section as there is a greater linkage in functions around compliance. We are in a process of involving other local municipalities.

**Challenge:**

One of the biggest obstacles is that all EHP's does not have peace officer's course and Environmental Management inspection course that will grant them more powers to prosecute. This will also help in revenue generation for the organization. These two courses are compulsory and should be done by an accredited service provider.

**Table 3.19.2**

<b>SERVICE STATISTICS FOR HEALTH INSPECTION, Et</b>					
<b>MUNICIPAL HEALTH SERVICES ANNUAL STATISTICAL REPORT</b>					
<b>TYPE OF MEETINGS</b>		<b>NO. OF MEETINGS</b>			
Management meetings		35			
Staff meetings		12			
Community meetings		3			
Provincial meetings		12			
National meetings		0			
<b>MEETINGS</b>					
<b>SKILLS DEVELOPMENTS</b>					
<b>TYPE OF TRAINING RECEIVED</b>		<b>NO.</b>	<b>NO. OF STAFF</b>		
Workshops		6	12		
Conferences		0			
Courses		6	12		
<b>COMPLAINTS</b>					
<b>NATURE OF COMPLAINT</b>		<b>NO.</b>	<b>NO. INVESTIGATED</b>	<b>NO. SATIS</b>	<b>NO. UNS</b>
Sewer overflow		84	84	64	20

Water Leakage	36	36	28	8
Littering	28	28	20	8
Vegetation overgrowth	32	32	20	12
Water pollution	24	24	20	4
Air pollution	8	8	8	0
Other				
<b>Total</b>	<b>212</b>	<b>212</b>	<b>160</b>	<b>52</b>

### FOOD PREMISES INSPECTION

DESCRIPTION	NO.OF INSPECTIONS	NO.SATIS	NO. UNSATIS
General dealer	176	152	24
Take away	100	84	16
Restaurant	168	140	28
Supermarket	64	48	16
Dairies	48	36	12
Butcheries	60	52	8
<b>INFORMAL</b>			
Spaza shops	32	16	16
Street vendors	144	120	24
<b>Total</b>	<b>792</b>	<b>648</b>	<b>184</b>
<b>FOOD CONDEMNATION</b>	<b>48</b>	<b>16 800KG</b>	

### COMMERCIAL PREMISES

DESCRIPTION	NO	NO. SATIS	NO. UNSATIS
Funeral undertakers	56	40	16
Private general practitioners premises	104	96	8
Pharmacies	36	36	0
Hazardous substances premises	12	12	0
Crematoria	4	4	0
Dry cleaners/laundry	12	8	4
Scrapyard	12	8	4
Sand winning	12	12	0
Hotels/motels	28	20	8
Bed & breakfast	112	108	4
<b>Total</b>	<b>388</b>	<b>344</b>	<b>44</b>

**INDUSTRIAL PREMISES INSPECTION**

DESCRIPTION	NO.	NO. SATIS	NO. UNSATIS
Asphalt works	4	4	0
Gas works	8	8	0
Metal products	8	8	0
Paint or surface coating	4	4	0
Spray painting	24	20	4
Welding	8	8	0
Clothing manufacture	16	16	0
Footwear manufacture	8	8	0
Milling	12	8	4
Quarry	4	4	4
Rubber moulding	4	4	0
Timber manufacturing	8	8	0
Textile works	12	12	0
Waste collection	20	16	4
Petro chemical installation	16	16	4
<b>Total</b>	<b>156</b>	<b>144</b>	<b>12</b>

**INSTITUTIONAL PREMISES INSPECTION**

DESCRIPTION	NO.	NO. SATIS	NO. UNSATIS
Clinics	48	44	4
Hospitals	16	12	4
Crèches	72	56	16
Schools	232	200	32
Children's homes	8	8	0
Place of safety	-	-	-
Rehabilitation centres	-	-	-
Old age homes	12	8	4
Police stations	16	16	0
Prisons	12	12	0
Magistrate courts	12	12	0
Churches	32	32	0
Town/community halls	24	24	0
<b>Total</b>	<b>484</b>	<b>424</b>	<b>60</b>



**RESIDENTIAL PREMISES INSPECTION**

DESCRIPTION	NO.	NO. SATIS	NO. UNSATIS
Formal dwelling units	376	356	20
Informal dwelling units	96	80	20
Other specify			
<b>Total</b>	<b>472</b>	<b>436</b>	<b>36</b>

**OTHER PREMISES**

DESCRIPTION	NO.	NO. SATIS	NO. UNSATIS
Abattoirs	4	4	0
Cemeteries	16	16	0
Kennels	4	4	0
Stables	4	4	0
Piggeries	-	-	-
Poultres	-	-	-
Swimming pools	20	20	0
Farms/small holdings	12	12	0
Other specify			
<b>Total</b>	<b>60</b>	<b>60</b>	<b>0</b>

**SURVEILLANCE AND CONTROL OF COMMUNICABLES DISEASES**

DESCRIPTION	NO OF NOTIFICATIONS RECEIVED	NO. INVESTIGATED	NO. OF PERSONS AFFECTED
Cholera	-	-	-
Typhoid	-	-	-
Diarrhoea	-	-	-
Malaria	-	-	-
Paraffin poisoning	-	-	-
Chemical poisoning	-	-	-
Pesticide poisoning	-	-	-
Rabies/dog bite investigation	8	8	8
Tuberculosis	-	-	-
Other specify			
<b>Total</b>	<b>8</b>	<b>8</b>	<b>8</b>

TOPIC/THEME/NAME OF EVENT	AREA/PLACE HELD	NO. OF AUDIENCE
World AIDS Day	Wembezi	±5000
National Water Week	Ezakheni	±3000

#### HEALTH EDUCATION/ PROMOTION ACTIVITIES/EVENTS

DESCRIPTION	NO.
Imported consignments	0
License applications comments	68
Scrutinising of Plans	248
Prosecutions	0
Development applications (PTB) HEALTH CERTIFICATES	20
<b>OTHER</b>	
<b>TOTAL</b>	<b>336</b>

#### OTHER ACTIVITIES

#### FOOD SAMPLING REPORT – JANUARY 2014 – MARCH 2014

FOOD SAMPLE	NUMBER	ANALYSIS	NO. COMPLETED	NO. DID NOT COMPLY
Milk	84	Bacto	52	32

#### Comments:

The 32 milk samples that did not comply are raw milk which will be further processed by the larger dairies and will then be sold for human consumption.

Table 3.19.3

Health Inspection and Etc Policy Objectives Taken From IDP					
Service Objectives	Outline Service	Year 0	Year 1	Year 2	Year 3

<i>Service Indicators</i> (i)	Targets (ii)	Target	Actual	Target		Actual	Target		
		*Previous Year (iii)	(iv)	*Previous Year (v)	*Current Year (vi)	(vii)	*Current Year (viii)	*Current Year (ix)	*Following Year (x)
<b>Service Objective</b>									
To promote a safe and healthy environment for the communities of the district	Number of premises inspected				600 premises inspected.	210			
	Number of food stuffs sampled (Milk Products)				40 food samples sampled.	10			
	Number of promotional events and community awareness events held				3 Promotional Events	No events held			
<i>T 3.19.3</i>									

**Table 3.19.4**

Employees: Health Inspection and Etc					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Total	21	35	31	4	11.4%
					<i>T 3.19.4</i>

**Table 3.19.5**

Financial Performance Year 0: Health Inspection and Etc					
					R'000
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	0	0	0	0	0%
Expenditure:					
Employees	4,987	9,461	9,104	8,990	-5.24%
Repairs and Maintenance	0	25	25	4	-525.0%
Other	272	1,236	1,329	2,276	45.69%
<b>Total Operational Expenditure</b>	5,259	10,722	10,458	11,270	4.86%
<b>Net Operational Expenditure</b>	5,259	10,722	10,458	11,270	4.86%
Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.					<i>T 3.19.5</i>

**Table 3.19.6**

Capital Expenditure Year 0: Health Inspection and Etc						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	200	0	0			
Waste Disposal Site – Feasibility Study	100	0	0			
Implement Health & Safety Program	100	0	0			
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						

T 3.19.6

**Table 3.19.7**

**COMMENT ON THE PERFORMANCE OF HEALTH INSPECTIONS, Etc OVERALL:**

The staff from the Provincial Government was successfully integrated into uThukela and will go a long way to address the previous lack of staff. The work of this section is acknowledged will go a long way to meet the targets set out in the IDP and SDBIP. Target were met for each quarter as captured in the 2013/2014 SDBIP.

### 3.22 OTHER (DISASTER MANAGEMENT)

**Table 3.22.1**

<b>INTRODUCTION TO DISASTER MANAGEMENT</b>
<p><b>Disaster Management</b></p> <p>The Disaster Management Section has been without staff for the majority of 2013/2014, which has made the response to disaster very problematic. COGTA has however stepped in and assisted and seconded of two personnel to assist. The newly approved organogram has made provision for 8 disaster management staff and the construction of a new disaster management centre is well underway.</p>

**Table 3.22.2**

<b>SERVICE STATISTICS FOR DISASTER MANAGEMENT</b>
<p><b>Disaster Management</b></p> <p>Types of incidents experienced:</p> <ul style="list-style-type: none"><li>• Heavy rains</li><li>• Lightning</li><li>• Strong winds</li><li>• Fires</li></ul> <p>Number of incidents experienced: 229</p> <p>Households affected: 856</p> <p>People affected: 5 247</p> <p>Fatalities: 6</p>

Injuries: 25

Workshops held: 7 and 8 November 2013

**Table 3.22.3**

Disaster Management Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
<b>Service Objective: To establish a functional Disaster Management Centre</b>									
Review of the disaster management plan	Reviewed Disaster management plan	Approved Disaster Management Plan	No progress – insufficient funds		Review and Implement the disaster management plan				
Establishment of the disaster management centre	Established disaster management centre	Disaster Management Centre Constructed	Construction in progress		Established disaster management centre				
	100% response to all reported incidents	100% responses to incidents	100% achieved		100 % response to all reported incidents				
Recruitment of staff	All staff recruited	All vacancies filled	Not achieved						
<i>T 3.22.3</i>									

**Table 3.22.4**

Employees: Disaster Management		
Job Level	Year -1	Year 0

	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %
Disaster	0	8	0	8	100%
<i>T 3.22.4</i>					

**Table 3.22.6**

<b>Capital Expenditure Year 0: Disaster Management</b>						<b>R' 000</b>
<b>Capital Projects</b>	<b>Year 0</b>					
	<b>Budget</b>	<b>Adjustment Budget</b>	<b>Actual Expenditure</b>	<b>Variance from original budget</b>	<b>Total Project Value</b>	
Total All	3,000	1,400	352	-752.27%	/	
Emergency Disaster Provision Expenditure	3,000	1,400	352	-752.27%	/	
District Disaster Centre	6,400	6,400	1,485	-330.98%	/	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						
<i>T 3.22.6</i>						

**Table 3.22.7**

<b>COMMENT ON THE PERFORMANCE OF DISASTER MANAGEMENT:</b>
<p><b>Disaster Management</b></p> <p>The Disaster Management Section has been without staff for the majority of 2013/2014, which has made the response to disaster</p>



very problematic. COGTA has however stepped in and assisted and seconded of two personnel to assist. The newly approved organogram has made provision for 8 disaster management staff and the construction of a new disaster management centre is well underway.

## **COMPONENT H: SPORT AND RECREATION**

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

**Table 3.23**

### **INTRODUCTION TO SPORT AND RECREATION**

The uThukela Sport and Recreation section is manned by a Sport and Youth Officer. His duties include mostly sport promotion and development and as such is responsible for the Mayoral Cup and the SALGA Games, both annual events. Apart from the two mayor events, general promotion and organization of various sporting federation takes up a lot of this individual' time. Budgets not utilized for the main events, are used to support underprivileged sporting codes. In the upcoming financial year, an assistant director will head up Special Programs and this section will be reporting to this section head.

## **3.23 SPORT AND RECREATION**

**Table 3.23.1**

### **SERVICE STATISTICS FOR SPORT AND RECREATION**

In the 2013/2014 financial year R2 000 000 was budgeted for Sports Programs and R2 500 000 for the SALGA Games. In the adjustment budget, the Sports Programme budget was increased to R2 500 000.

**Table 3.23.2**

Sport and Recreation Policy Objectives Taken From IDP						
Service Objectives	Outline Service Targets	Year 0		Year 1	Year 2	Year 3
		Target	Actual	Target	Target	Target
<b>Service Objective</b>						
SALGA Games	Hosting of event	1	1	1	1	1
Mayoral Cup	Hosting of event	1	1	1	1	1
						<i>T 3.23.2</i>

**Table 3.23.3**

Employees: Sport and Recreation					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Sports Officer	1	1	1	0	0%
<i>T 3.23.3</i>					

**Table 3.23.6**

<b>COMMENT ON THE PERFORMANCE OF SPORT AND RECREATION OVERALL:</b>
<p>The Sports budget is used mainly on the SALGA Games and Mayoral Cup, two annual events, and none is allocated towards sports promotion and development. Please note that the funds set aside for Sports Programmers are used to host the Mayoral Cup and that the lack of budget to develop sports is largely due to budget constraints. This situation cannot be addressed unless more funding is made available to uplift struggling sporting federations.</p>

**COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES**

This component includes: corporate policy offices, financial services, human resource services, ICT services and property services.

**Table 3.24.2**

<b>SERVICE STATISTICS FOR THE EXECUTIVE AND COUNCIL</b>							
<b>Councillors, Committees Allocated and Council Attendance</b>							
<b>Council Members</b>	<b>Party Represented</b>	<b>Full Time / Part Time</b>	<b>Committees Allocated</b>	<b>Attendance</b>	<b>Apologies</b>	<b>Non-Attendance</b>	<b>No. of meetings called</b>
Mazibuko DCP (Ms)	ANC	Full Time	Council; EXCO; Finance and Budgeting Committee	27	6	3	36
Hlubi MG	ANC	Part Time	Council; Fin and Budget, Corp Dis, Health & Environment. Committees	24	4	3	31
Sibiya NW	ANC	Part Time	Council; EXCO; Youth Gender Sport & Recreation; LLF	23	3	1	27
Mazibuko AS	ANC	Full Time	Council; EXCO; Water, Sanitation & Infrastructure; LLF	33	2	0	35
Mkhize MA	ANC	Part Time	Council; Corporate Dis, Health and Environmental Serv.	19	0	0	19
Banda D	ANC	Part Time	Council; Corporate Disaster Health and Env Serv.	2	0	13	15
Jeebodht JMB	ANC	Full Time	Council;	12	0	0	12
Hadebe NM	IFP	Part Time	Council; Water, Sanitation & Infrastructure	12	0	0	12
Sibisi SB	IFP	Part Time	Council; Finance & Budgeting; MPAC	13	2	6	21
Ntshaba MJ	IFP	Part Time	Council; EXCO; Strat, Plan, Econ Dev & Tourism	31	0	1	32
Shelembe ML	NFP	Full Time	Council; EXCO; Corp, Dis, Health & Env	7	14	6	27
Mlotshwa VR	NFP	Part Time	Council; Water, Sanitation & Infrastructure; LLF	4	0	14	18
Sibisi ZJ	DA	Part Time	Council	11	1	1	13
Shabalala TP	ANC	Part Time	Council	3	0	9	12
Hlomuka NM	ANC	Part Time	Council; Water, Sanitation &	19	1	0	20

			Infrastructure; MPAC				
Mlotshwa ML	ANC	Part Time	Council; Finance & Budgeting	22	0	0	22
Zwane ML	ANC	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism	18	1	0	19
Mazibuko BC	ANC	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism; LLF	16	0	4	20
Cele TM	DA	Part Time	Council; MPAC	10	1	1	12
Madonsela BR	IFP	Part Time	Council; Corp. Dis. Health and Env. Services	16	1	2	19
Xaba T	NFP	Part Time	Council, Youth, Gender, Sport and Recreation	19	0	0	19
Mbatha ME	ANC	Part Time	Council, Youth, Gender, Sport and Recreation	14	4	2	20
Zikalala NL	ANC	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism; LLF	17	3	0	20
Ngubane M	IFP	Part Time	Council, Youth, Gender, Sport and Recreation	7	3	10	20
Magubane SD	ANC	Part Time	Council, Youth, Gender, Sport and Recreation; Finance & Budget	14	5	10	29
Vilakazi KV	IFP	Part Time	Council	5	1	6	12
Mabizela BC	ANC	Part Time	Council; Water, Sanitation & Infrastructure;	14	0	6	20
Sikhakhane SG	IFP	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism; LLF	9	3	7	19
Hadebe MW	NFP	Part Time	Council	8	1	3	12
Sithole SJ	ANC	Part Time	Council; Water, Sanitation & Infrastructure; MPAC	15	1	4	20
Nqubuka TY	IFP	Part Time	Council	4	3	2	9
Shelember T	NFP	Part Time	Council, Youth, Gender, Sport and Recreation	7	4	3	14
<i>Note: * Councillors appointed on a proportional basis do not have wards allocated to them</i>							

**Table 3.24.5**

Financial Performance Year 0: The Executive and Council						R'000
Details	Year -1	Year 0				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	164,741	37,743	37,743	37,743	0.00%	
Expenditure:						
Employees	4,520	5,094	5,011	4,354	-20.00%	
Repairs and Maintenance	28	50	50	39	-28.21%	
Other	3,845	26	44,817	45,586	9.94%	
<b>Total Operational Expenditure</b>	8,393	5,170	49,878	49,979	89.66%	
<b>Net Operational Expenditure</b>						
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>						T 3.24.5

**Table 3.24.6**

Capital Expenditure Year 0: The Executive and Council						R' 000
Capital Projects	Year 0					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All (Mayoral Vehicle, office furniture and extended cab LDV)	800	611	339			
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T 3.24.6

**3.25 FINANCIAL SERVICES**

**Table 3.25.1****INTRODUCTION FINANCIAL SERVICES**

The Financial Services Department operated without a CFO for the first half of the financial year. The Senior Manager for Finance was only appointed in March 2014. The following objectives were detailed in the 2013/2014 uThukela IDP:

- To ensure effective management of budgeting process (realistic & credible)
- Advance and maintain the financial viability of the municipality
- Improve the financial performance of the municipality
- Optimise budget implementation in the municipality

Measured introduced to increase performance is the introduction of Middle management performance agreements and performance scorecards, monthly reporting of activities and improved credit control strategies. An action plan was developed to address prior year Auditor-General queries. One of the main efficiencies achieved was a draft set of financial statements, which was produced by the end of April 2014. Another was the submission budget and adjustment budget within the prescribed period.

**Table 3.25.2**

<b>Debt Recovery</b>								<b>R' 000</b>
<b>Details of the types of account raised and recovered</b>	<b>Year -1</b>		<b>Year 0</b>			<b>Year 1</b>		
	<b>Actual for accounts billed in year</b>	<b>Proportion of accounts value billed that were collected in the year %</b>	<b>Billed in Year</b>	<b>Actual for accounts billed in year</b>	<b>Proportion of accounts value billed that were collected %</b>	<b>Estimated outturn for accounts billed in year</b>	<b>Estimated Proportion of accounts billed that were collected %</b>	
Property Rates	-	-	-	-	-	-	-	
Electricity - B	-	-	-	-	-	-	-	
Electricity - C	-	-	-	-	-	-	-	

Water - B			171,717	68,561	39.93%		
Water - C	Included above	Included above	Included above	Included above	Included above	Included above	Included above
Sanitation	Included above	Included above	Included above	Included above	Included above	Included above	Included above
Refuse	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-

*B- Basic; C= Consumption. See chapter 6 for the Auditor General's rating of the quality of the financial Accounts and the systems behind them.*

*T 3.25.2*

**Table 3.25.3**

Financial Service Policy Objectives Taken From IDP									
Service Objectives	Outline Service Targets	Year 0		Year 1			Year 2	Year 3	
		Target	Actual	Target		Actual	Target		
				Previous Year	Current Year		Current Year	Current Year	Following Year
To ensure effective management of budgeting process (realistic & credible)	Compliance with MFMA circular 42	Full compliance	Full compliance						
Advance and maintain the financial viability of the municipality	Approved fully funded Operating & Capital Budget for 2014/2015 by deadline	Prepare 2014/2015 final budget & submit for approval	Annual Budget adopted by 28 May 2014						
	Amount of revenue collected	60%	36%						
	Percentage of annual collectors rate/debt coverage (Reg 10(g)(i))	45%	33.37%						
	Ratio of cash/cost coverage of monthly fixed operating commitments (Reg 10(g)(iii))	3	Still to Determine %						

	Amount value of invoices billed(Percentage of consumption billed )	100%	100%						
	Percentage of creditors paid on time	95%	98%						
Improve the financial performance of the municipality	Reduction in the amount of irregular, fruitless and wasteful expenditure	10%	10%						
	Approved fraud prevention plan	N/A	Submitted for approval but council required workshop						
	Approved SCM Policy	n/a	SCM Policy adopted in fourth quarter						
	Monthly SCM reports	3	3						
	Approved Investment Policy	n/a	Completed in Q1						
	Approved budget policy	n/a	Completed in Q1						
Optimise budget implementation in the municipality	Percentage of total municipal operating budget spent	25%	18%						
	Percentage of total municipal capital budget spent	25%	40%						
	Approved Indigent Policy	Approved Policy in place by 30 June 2014	Completed in Q1						
	Submission of quarterly Budget Implementation Reports	1	1						
T 3.25.3									

**Table 3.25.4**



Employees: Financial Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Various		91	52	39	43%
Total					
T 3.25.4					

**Table 3.25.5**

Financial Performance Year 0: Financial Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	649,229	241,407	242,554	233,322	-3.47%
Expenditure:					
Employees	7,498	21,668	15,275	13,966	-55.15%
Repairs and Maintenance					
Other	1,147	4,697	8,294	8,431	44.29%
<b>Total Operational Expenditure</b>	8,645	26,365	23,569	22,397	-17.72%
<b>Net Operational Expenditure</b>	8,645	(215,042)	(218,985)	(210,925)	-1.95%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
T 3.25.5					

**Table 3.25.6**

Capital Expenditure Year 0: Financial Services					
R' 000					

Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	160	75	58	-175.86%	
Laptop Interns	75	47	47	-59.57%	
Office Furniture	75	11	6	-1 150.00%	
Office Equipment	10	16	5	-100.00%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.25.6</i>

### 3.26 HUMAN RESOURCE SERVICES

Table 3.26.1

#### INTRODUCTION TO HUMAN RESOURCE SERVICES

##### Employment equity:

The workforce representation at uThukela District Municipality is as follows:-

Target Group	Levels of Representation	% total workforce
Africans	576	94.58 %
Coloureds	2	0.328 %
Indians	17	2.791 %
Whites	14	2.298 %
<b>TOTALS</b>	<b>609</b>	<b>100%</b>

The racial representation of the workforce is in line with the racial demographics in the District, although it leaves a lot to be desired in as far as gender balance is concerned.

All senior management positions have been filled, and one of the newly appointed senior managers, the Chief Financial Officer, is a female.

##### Skills Development and Training:

Staff that received training in the year 13/14 equal to 65 with a total cost of R 564 951.00.

The Municipality also offers bursaries to the community for matriculated students.

The Municipality has trained 35 employees in plumbing using the local Emnambithi FET College; 58 employees in Senior Management and the Financial Services department have been enrolled for the Compliance Municipal Finance Management Programme. Sixteen have already completed, while 35 are still in pursuit of the qualification.

Eight municipal employees have enrolled in distance learning using the Municipality's Study Grant Scheme.

**Staff Structure:**

<b>Total Number of Staff Per Department</b>	
Municipal Manager	20
Financial Services	77
Corporate Services	30
Strategic Planning And Economic Services	51
Water And Sanitation Services Department	301
Infrastructural Development	7

**Skills Level of Education:**

<b>NQF1</b>	<b>NQF2</b>	<b>NQF3</b>	<b>NQF4</b>	<b>NQF5</b>	<b>NQF6</b>	<b>NQF7</b>	<b>NQF8</b>	<b>NQF9</b>	<b>NQF10</b>
58	72	57	242	65	57	12	1	2	10

**Number of Employees Belonging to Pension Funds:**

Natal Joint Municipal Pension Fund	463
Government Pension Fund	70
Sala	1

**Number of Employees on Medical Aid Schemes:**

Global Health	41
La Health	43
Bonitas	63
Hosmed	2
Samwumed	11

**Table 3.26.3**

**Human Resource Services Policy Objectives Taken From IDP**

Service Objectives	Outline Service Targets	Year -1		Year 0		Year 1	Year 3		
		Target	Actual	Target		Actual	Target		
		*Previous Year		*Previous Year	*Current Year		*Current Year	*Current Year	*Following Year
<b>Service Objective</b>									
To improve service delivery and the image of the DM	7 vacant and budgeted positions filled				7	None			
	6 performance agreements signed for filled S54/56 posts				6	6			
	5 of critical posts filled				5	5			
To embark on skills development and capacity building	Adopted training program by 30 September 2013				Training Program	Implementation in pursuit			
	Adopted skills development plan by end of march 2014				Skills Development Plan	WSP submitted to the department of labour			
	100% of budget spent on implementation of WSP				100%	Budgeted employees trained			
Strengthen and improve employment equity in the municipality	10 people from employment equity target groups employed in the three highest levels of management in compliance with approved equity plan				10	5			
	1 women appointed in S54/56 posts				1	1			
									T 3.25.3

**Table 3.26.4**

<b>Employees: Human Resource Services</b>					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime)	Vacancies (as a % of total)

	No.	No.	No.	equivalents) No.	posts) %
Various		7	3	4	57%
Managers	22	42	22	20	47%
Professionals	46	76	46	30	39%
Technicians	40	154	40	114	74%
Clerical and Admin Workers	71	141	71	70	61%
Machinery Operators/Drivers	43	71	43	28	39%
Elementary Workers	385	400	385	15	3%
					T3.26.4

**Table 3.26.5**

Financial Performance Year 0: Human Resource Services					
R'000					
Details	Year -1	Year 0			
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	-	-	-	-	0%
Expenditure:					
Employees	20,800	15,292	17,917	17,336	11.79%
Repairs and Maintenance	739	1,016	466	181	-461.33%
Other	(24,135)	5,667	10,332	8,745	352.17%
<b>Total Operational Expenditure</b>	(2,596)	21,975	28,715	26,262	16.32%
<b>Net Operational Expenditure</b>	(2,596)	21,975	28,715	26,262	16.32%
<i>Net expenditure to be consistent with summary T 5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Actual and Original Budget by the Actual.</i>					
					T 3.26.5

**Table 3.26.6**

Capital Expenditure Year 0: Human Resource Services
-----------------------------------------------------

R' 000					
Capital Projects	Year 0				
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All					
Furniture Board Room	150	150	0		
Office Furniture and Equipment	10	23	7	-42.86%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.26.6</i>

### 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

**Table 3.27.1**

<b>INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES</b>
<p>The ITC section is responsible for the security of information, municipal communication, data storage and addressing end user needs such as desktop support, hardware maintenance and ensuring software functionality.</p> <p>During the 2013/2014 financial year, the section managed to identify key areas that needed attention and will be eliminating these threats and issues in the 2014/2015 financial year. We currently have a user base of over 200 users and are gearing towards the future growth of the municipality.</p> <p>We have identified key areas of concern and have corrected, or are in the progress of implementing corrective measures. Key issues include the Microsoft licensing, our outdated windows AD server that was not capable of handling the work load and the need for the installation of a firewall to ensure a secure environment safe from unwanted outside connections by unauthorized personnel and outside sources.</p>

Backup of our AD server was not taking place due to hardware constraints, but has now been addressed together with our financial data backup on an offsite backup system. Our current staff capacity consists of 2 members and an IT intern.

**Table 3.27.2**

**SERVICE STATISTICS FOR ICT SERVICES**

- 1) 80% completion of current IT upgrades to the AD server and firewall
- 2) 30% reduction in login violations
- 3) The response time for IT support is between 2-4 hours depending on the urgency and severity of the issue at hand
- 4) Network down time has decreased from 3-4 hours to 30min – 1hour

**Table 3.27.4**

Employees: ICT Services					
Job Level	Year -1	Year 0			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
Total	1	3	2	1	33%
<i>T3.27.4</i>					

**Table 3.27.6**

Capital Expenditure Year 0: ICT Services		R' 000
Capital Projects	Year 0	

	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value
Total All	3,000	3,000	264	-1,136.36%	
IT Maintenance Program (405 406 680)	3,000	3,000	264	-1,136.36%	
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					<i>T 3.27.6</i>

**Table 3.27.7**

**COMMENT ON THE PERFORMANCE OF ICT SERVICES OVERALL:**

The ITC section's progress over the last year was not as fast as we have hoped but we are on a steady path to reach our desired goals. We have achieved tasks such as having our municipality's information backed up resulting in our information being secure in case of any disaster or should an unexpected incident take place.

We are in the process of setting up new file servers and equipment that will further enhance IT security and diminish our IT risk and will result in a more secure and streamlined IT environment in the future. We are planning to expand our network and virtualize our systems in the upcoming year with an additional floor being utilized for more office space.

We are also planning to widen our network ranges to accommodate for growth and to offer internet hotspots with in the municipality to the public and for visitor on its own secured network range separate from the municipal network.



## COMPONENT K: ORGANIZATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the current year.

**Table 3.30**

Objectives (municipal)	Strategies	Key Performance Indicators	Unit of Measure	Targets					Q1 Actual	Q2 Actual	Q3 Actuals	Q4 Actuals
				Annual	Q1	Q2	Q3	Q4				
<b>KPA 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT</b>												
1.1 To ensure effective integrated development planning and performance management	1.1.1 Develop/review PMS policy framework	PMS Framework/Policy reviewed and adopted	Date	adopted PMS policy framework	PMS Policy Reviewed and Adopted	n/a	n/a	n/a	Policy 100% complete	Policy 100% complete	Policy 100% complete	Reviewed and adopted in previous financial year
	1.1.2 Submit quarterly performance reports to Internal audit	Number of PMS reports submitted	Number of Reports	4	1	1	1	1	no reports submitted	no reports submitted	1	3rd Quarter submitted. In process of compiling 4th quarter report.
	1.1.3 Hold quarterly Performance Audit Committee meetings	Number of PAC meetings held	Number of meetings	4	1	1	1	1	2	2	1 meeting	1 meeting
	1.1.4 Submission of annual report to AG	Annual report submitted	Date	Annual Report submitted to AG	Annual Report submitted to AG	n/a	n/a	n/a	Annual Report submitted to AG	Annual Report submitted to AG	Annual Report submitted to AG	N/a
1.2 To ensure efficient and effective internal and external communication	1.2.1 Develop/review communication framework/strategy	Adopted communication framework/strategy	Date	Communication Strategy adopted			Communication Strategy adopted by end March 2014			draft compiled	Draft compile	Document still in draft format
1.3 To improve service delivery and the image of the DM	1.3.1 Filling of vacant positions as per the revised organogram	Number of vacant and budgeted positions filled	Number	7	4	1	0	2	4	1	12	No posts filled
	1.3.2 Filling of identified critical posts	No. of performance agreements signed for filled S54/56 posts	Number	6	6	n/a	n/a	n/a	4		6 Signed agreements	6 Signed agreements in Q3
		No. of critical posts filled	Number	5	4	1	n/a	n/a	4	1	all posts filled	N/a in this quarter
1.4 To embark on skills development and capacity	1.4.1 Development of a training program	Developed training program by deadline	Date	Adopted Training programme	30 Sept 2013	Implementation of Plan	Implementation of Plan	Implementation of Plan	developed in June 2013	Implementation of Plan	Implementation in pursuit	Implementation in pursuit

building	1.4.2 Skills development plan adopted	Adopted skills development plan by Deadline	Date	Adopted skills development Plan	Developed	reviewed	adopted	100% develop and submitted	developed in June 2013	Reviewed WSP	Submitted to committees	WSP submitted to the department of labour
	1.4.3 Implementation of Skills Development Plan	% of budget spent on implementation of WSP	Percentage	100%	0%	0%	50%	50%	0.37%	8.16%	21.17%	23.28%
1.5 Strengthen and improve employment equity in the municipality	1.5.1 Employment equity plan adopted and implementation	No. of people form employment equity target groups employed in the three highest levels of management in compliance with approved equity plan	Number	10	4	1	3	2	4	1	no appointments	No individuals employed
		Number of women appointed in S54/56 posts	Number	1	n/a	1	n/a	n/a		1	no appointments	n/a - no appointments
1.6 To improve Municipal processes and systems	1.6.1 Develop and adopt I.T. Governance Framework	Developed & adopted I.T. Security Policy by Deadline	Date	Adopted IT Security Policy	n/a	31-Dec-13	n/a	n/a		~90%	100% Completed, guidelines followed.	IT Framework implemented and monitored
	1.6.2 Administer council portfolio committee meetings	Number of portfolio committee meetings held	Number of Meetings	100	25	25	25	25	25	25	17	17 meetings held
<b>KPA 2: LOCAL ECONOMIC DEVELOPMENT</b>												
2.1 To establish Led and Tourism Forums	2.1.1 To ensure that Forums are established and properly constituted with Terms of reference	Quarterly LED Forum Meetings held	Minutes of Meeting	LED forum in place	Forum Meeting	Forum Meeting	Forum Meeting	Forum Meeting	Meeting held on 29 Aug 2013.	no meeting held	Combined LED and tourism meeting held on 25 March 2014	No meeting held
		Established Tourism Forum	TOR, Minutes of Meeting	Tourism forum in place	n/a	n/a	Combined TOR for LED and Tourism	Forum Meeting	n/a	n/a	Combined LED and tourism meeting held on 25 March 2014	No meeting held
2.2 To host an annual District Growth and Development Summit with focus on LED	2.2.1 To host one DGDS per annum and compile strategies to be monitored by the LED and Tourism	Hosted DGDS	Date	Hosted DGDS		2013/12/01 R200000	n/a	n/a	Summit held on 10th and 11th Sept 2013	completed R200 000	n/a	Hosted in 2nd quarter. Currently monitoring implementation as per

and Tourism	Forums											resolutions
	2.2.2 Implement the DGDS resolutions	Progress report on resolutions/projects implemented	Number of progress reports submitted	DGGS implement	n/a	n/a	1	1	No resolutions	No resolutions	1 Report Submitted	1 Report Submitted. Three resolutions implemented
2.3 Coordination of local economic development and tourism	2.3.1 Develop/review LED Strategy	Adopted LED strategy	Date	Adopted LED strategy	30-Sep-13				100 % complete	Completed in Q1	Completed in Q1	Completed in Q1
	2.3.2 Implement LED Strategy	Number of projects implemented	Number	LED Project implemented				June 2014 - uThukela carnival R1 000 000	n/a	n/a	n/a	n/a in this quarter
	2.3.3 Implement Tourism Strategy	Number of projects	Number	Tourism Projects Implemented				June 2014 - uThukela carnival R 1 000 000	n/a	n/a	n/a	n/a in this quarter
2.4 To support and develop businesses in the District	2.4.1 Establish a District Development Agency	Established agency and MOU compiled.	Date	District Development Agency compiled.	n/a	Meeting with Stakeholders. Appointment of Service Provider	Meeting with Okhahlamba Development Agency and COGTA legal support team	Consultations with Labour and Public held	none	Meeting with stakeholders conducted. Appointment of service provider to facilitate development	Meeting with Okhahlamba Agency and COGTA held	Consultations with Labour and Public held
<b>KPA 3: BASIC SERVICE DELIVERY</b>												
3.1 To provide free basic services to all indigent households	3.1.1 Update indigent register	Approved Indigent Register	Date	Register approved by 30 June 2014	n/a	n/a	n/a	Approved register	0%	0%	Indigent register is being updated and write off process has commenced for already identified indigent consumers	Indigent register is being updated and write off process has commenced for already identified indigent consumers
	3.1.2 Provide free basic services to all indigent households	Number of existing households with access to free basic services in terms of the indigent register	Number								At the moment 6kl is provided to all households, as soon as the indigent registration is finalised free basic services will only be provided to	At the moment 6kl is provided to only individuals identified as indigents.

											registered indigents.	
3.2 To promote a safe and healthy environment for the communities of the district	3.2.1 Regular sampling of potable water	Number of water samples taken	Number	Routine Sampling - 1792 samples taken.	448	448	448	448	388	312	442	465
	3.2.2 Regular sampling of potable water	% of water samples analysed every quarter	Percentage	All water samples analysed	100	100	100	100	100	100	100	100
	3.2.3 Operational monitoring of the quality of water (blue drop)	Percentage Blue Drop score	Activities completed	55%	Revised Incident Management Report - R0	Revised Summary Water Quality Report - R0	Water Safety Planning - Business Planned compiled. Water Safety Task team in place R1 100 000	Water Treat logbook in Place. Process control compliance. - R1 400 000	Incident Management Report Revised - R0	Summary Water Quality Report Revised - R0	Consultant appointed for water safety plan. Process Audit done. Initiation of accreditation of the Lab - R1 100 000	50.75
3.3 To provide sustainable water services to all residents	3.3.1 To ensure provision of potable water to residents of district	Number of households with potable water provision	Number of households	15000	2500	5000	4000	4500	2500	5000	5000	4500
		% of progress per quarter - Emnambithi - Driefontein Burford	Percentage	100	20	35	25	100	45	50	100	100%
		% of progress per quarter - Imbabazane - Bekuzulu/Ephangiwini	Percentage	75	25	20	15	15	25	27,2	20	15%
		% of progress per quarter - Imbabazane - Ntabamhlophe	Percentage	100	30	25	20	25	30	45	20	25%
		% of progress per quarter	Percentage	100	10	25	40	30	0	25	25	20%
		% of progress per quarter	Percentage	100	15	25	30	30	18	15	30	35%

3.4 To provide sustainable sanitation services to all residents	3.4.1 to ensure effective expenditure of infrastructure grants (100%)	% of Infrastructure Grants spend	Percentage	100%	20%	40%	70%	100%			70%	83%
3.5 To provide sustainable sanitation services to all residents	3.5.1 Provide acceptable sanitation to residents of district	Number of households with sanitation provision	Number of households	6500	1620	1500	1500	1880	2100	1200	5500	2000
		Number of households with sanitation provision in Emnambithi	Number of households	2850	700	700	700	726	720	700	1289	2043
		Number of households with sanitation provision in uMtshezi	Number of households	1700	600	400	250	450	480	470	188	450
		Number of households with sanitation provision in Indaka	Number of households	500	220	280	0	0	220	280	0	0
		% of progress per quarter	Percentage	70%	15%	15%	25%	15%	15%	15%	15%	15%
	3.5.2 Effective expenditure of infrastructure grants (100%)	% of Infrastructure Grants spend	Percentage	100%	19%	41%	66%	100%	28	41	70	83%
3.6 Coordination of rural roads management system	3.6.1 Through monitoring of implementation of the RRAMS	Number of Km completed	Number of KMs	6700 km	1675	1675	1675	1675	1675	1750	1750 Kms	1700 Kms of road covered
3.7 To reduce water losses to 40% by June 2014 as per DWA regulation	3.7.1 To ensure water conservation and water demand management	Percentage of schemes equipped with bulk metres	Percentage of schemes	All schemes to be equipped with bulk metres by 30 June 2014	SCM processes to appoint Service Provider	25%	50%	100%	Contacted Autento to quote for supply and installation of bulk meters to all plants	Submitted quotation for bulk meters to all plants to management on 06 Nov 2013	The Bulk meters will be installed as part of the Ladysmith/Ezakheni Bulk water metering and Abattoir rising main refurbishment MIG Project Contract No. 142/2014	Service Provider appointed and will commence in August 2014.

		Percentage of pressure zones created per scheme	Percentage of schemes	All schemes to have pressure zones	n/a	n/a	SCM processes to appoint Service Provider	20%	Nothing done yet	Nothing done yet	JOAT has been appointed to do pressure management assessment for Ezakheni	Service Provider appointed and will commence in August 2014 for zonal pressure schemes
		Percentage of reported leaks repaired	Percentage	All leaks repaired over one month old	100%	100%	100%	100%	The Call Centre is dysfunctional. The introduction of job cards for record keeping will assist the superintendents with compilation of weekly / monthly reports of bursts and blockages	The Call Centre is dysfunctional. The introduction of job cards for record keeping will assist the superintendents with compilation of weekly / monthly reports of bursts and blockages	The Call Centre is dysfunctional. The introduction of job cards for record keeping will assist the superintendents with compilation of weekly / monthly reports of bursts and blockages	100%
		Number of communities where awareness campaigns conducted	Number of Communities covered	All communities reached by 30 June 2014	N/A	N/A	2	3	None done yet	None done yet	None done yet	2 awareness campaigns conducted
3.8 To develop a water and sanitation O&M plan by 31 Dec 2013	3.8.1 Effective Water and sanitation operation and maintenance	Percentage of plants with 24/day uptime/operational	Percentage	100% uptime at all plants	100%	100%	100%	100%	Plants are maintained on an ongoing basis; pumps and motors are repaired when reported	Plants are maintained on an ongoing basis; pumps and motors are repaired when reported	Plants are maintained on an ongoing basis; pumps and motors are repaired when reported	100%
3.9 Ongoing refurbishment of the existing water and sanitation infrastructure	3.9.1 Through the development and implementation of an infrastructure refurbishment plan	Completed/approved infrastructure refurbishment plan	Date	Approved Infrastructure Refurbishment plan by end June 2014	n/a	n/a	n/a	Approved Infrastructure Refurbishment plan by end June 2014	Not done yet	Not done yet	Not done yet	Draft ops and maintenance plan compiled and circulated for comments

	3.9.2 Through the sourcing of funding to implement the infrastructure refurbishment	Developed business plan	Date	Business Plan developed by end March 2014	n/a	n/a	Business Plan developed by end March 2014	n/a	Archie Rodel WTW Refurbishment	Archie Rodel WTW Refurbishment	Archie Rodel WTW Refurbishment is going on as planned	Archie Rodel WTW Refurbishment completed in June 2014
		Amount of funding sourced	Amount of funding sourced	R10m by 30 June 2014	n/a	R6,0m	n/a	R10,0m	None	R6,0m	R6,0m	R6,0m
<b>KPA 4: GOOD GOVERNANCE</b>												
4.1 Enhance community participation in governance	4.1.1 Establishment of functional ward committees	Number of Sakume Sakhe war rooms established	Number						Unable to report due to lack of information from Local Municipalities	Unable to report due to lack of information from Local Municipalities	Unable to report due to lack of information from Local Municipalities	6 War Rooms in operation
4.2 Improve the Municipal Audit opinion and Accountability	4.2.1 Develop/review Audit Plan	Adopted Audit Plan	Date	Adopted Audit Plan	n/a	n/a	Audit Plan Adopted by end March 2014		n/a	N/a	Audit plan adopted 29 Jan 2014	Adopted in 3rd Quarter
	4.2.2 Hold quarterly Audit Committee meetings	Number of Audit Committee meetings held	Number of Meetings	4	1	1	1	1	1	1	1	1 meeting - 26 May 2014
4.3 Improved quality of live through the implementation of special programs	4.3.1 Participation of people living with Disabilities in municipal processes	No. of meetings held	Number of Meetings	4	1	1	1	1	1	2	2	1 meeting held
	4.3.2 Enable Participation and create awareness of council youth and gender programmes	No. Youth and Gender Council meetings held	Number of Meetings	8	2	2	2	2	2	2	2	2
	4.3.3 Develop and Implement a program aimed at assisting senior citizen in our Municipality	% Implementation of Senior Citizen Development program	Implemented senior citizen programme							No Information available to Report of Progress	No Information available to Report of Progress	No Information available to Report of Progress

												citizens
4.4 To promote a safe and healthy environment for the communities of the district	4.4.1 Inspection of food premises	Number of premises inspected	Number	600 premises inspected.	150	150	150	150	181	190	194	210
	4.4.2 Regular sampling of food stuffs	Number of food stuffs sampled (Milk Products)	number	40 food samples sampled.	10	10	10	10	13	21	14	10
	4.4.3 Surveillance and prevention of communicable diseases	Number of promotional events and community awareness events held	Number	3 Promotional Events	n/a	1- World Aids Day R 665 000	1- National Water week R 500 000	1-Man Indaba	n/a	1-world Aids days event	1- National Water week	No events held
4.5 To participate in all district-wide structures	4.5.1 To participate in district-wide health structures	Number of reports to standing committee	Number	12 reports submitted	3	3	3	3	3	3	3	3
	4.5.2 effective functioning of district HIV/AIDS council	Number of meetings held	Number	4 meetings held	1	1	1	1			1-Mar-14	1
4.6 Improve intergovernmental relation with external stakeholders	4.6.1 Hold quarterly IGR forums	Number of Mayors Forum meetings	Number of meetings	4	1	1	1	1	1	1	1	1 meeting held
4.7 Improve intergovernmental relation with external stakeholders	4.7.1 Develop and ensure signing of the MOU with EThekweni Municipality	Signed MOU and implemented MOU by deadline	Date	Signed and Implemented MOU	N/A	31-Dec-13	Implementation of the MOU	Implementation of the MOU		100%	Implementation of the MOU	Implementation of the MOU in progress
4.8 Decrease municipal risks through risk management	4.8.1 Development/revision of risk management plan	Approved risk management plan	Date	Risk Management plan in Place	N/A	31-Dec-13	Implementation of Plan	Implementation of Plan		100% developed. To workshop to council	implementation of risk policy and reduction of risks	Risk management policy implemented
<b>KPA 5: FINANCIAL VIABILITY AND FINANCIAL MANAGEMENT</b>												
5.1 Minimise risk factors in the municipality	5.1.1 Risk assessment Framework development/revision	Adopted Risk Assessment Framework	Date	Adopted Risk assessment Framework	n/a	Risk assessment adopted by end Dec 2013	n/a	n/a	n/a	Adopted 31 OCT 2014	N/a	complete in 2nd Quarter - Oct 2013
5.2 To ensure effective management of budgeting process (realistic & credible)	5.2.1 Credible budget with identifiable revenue sources	Compliance with MFMA circular 42	Compliance	Full compliance	Full compliance	Full compliance	Full compliance	Full compliance			Full compliance	Full compliance



5.3 Advance and maintain the financial viability of the municipality	5.3.1 Ensure adequate financial management.	Approved fully funded Operating & Capital Budget for 2014/2015 by deadline	Date	30-Jun-13	Submit budget programme to the Mayor	Continue with Budget process	Prepare 2013/2014 adjustment budget.2014/2015 draft budget	Prepare 2014/2015 final budget & submit for approval				Annual Budget adopted by 28 May 2014
	5.3.2 Through enhancing revenue collection	Amount of revenue collected	Percentage	% of amount billed -80%	60%	60%	60%	60%	40%	42%	42%	36%
	Improve debt management	Percentage of annual collectors rate/debt coverage (Reg 10(g)(i))	debt ratio	45%	45%	45%	45%	45%	44.93%	41.60%	43.18%	33.37%
	5.3.3 Maintain acceptable norm of municipal liquidity management	Ratio of cash/cost coverage of monthly fixed operating commitments (Reg 10(g)(iii))	cost ratio	3	3	3	3	3	3.6	2.4	3.0	
	5.3.4 Raise the amount of invoices billed to customers	Amount value of invoices billed(Percentage of consumption billed )	Percentage	100%	100%	100%	100%	100%	22.18%	28.86%	26.33%	26.24%
	5.3.5 Ensure payments of creditors on time in terms of Section 65 of MFMA	Percentage of creditors paid on time	Percentage	95%	95%	95%	95%	95%	92%	94%	96%	98%
5.4 Improve the financial performance of the municipality	5.4.1 To decrease wasteful expenditure	Reduction in the amount of irregular, fruitless and wasteful expenditure	Percentage reduction	10 % reduction	10%	10%	10%	10%			50%	10%
	5.4.2 Develop/update fraud prevention plan	Approved fraud prevention plan	Date	Approved Fraud prevention Plan	Review Fraud Prevention Plan	Submit for approval	Approved Fraud Prevention Plan	N/A	Plan Reviewed	No progress	Plan still needs to be submitted for approval	Submitted for approval but council required workshop
	5.4.3 Develop/update SCM Policy	Approved SCM Policy	Date	Approved SCM Policy	SCM Policy approved by end Sept 2013	n/a	n/a	n/a	100%	completed in Q1	completed in Q1	SCM Policy adopted in fourth quarter
	5.4.4 SCM reports in accordance with regulations, policy and procedures	Monthly SCM reports	Number of Reports	12 SCM reports	3	3	3	3	KPI introduced in Q3	KPI introduced in Q3	3	3

	5.4.5 Develop/update Investment Policy	Approved Investment Policy	Date	Approved Investment Policy	Approved Investment Policy end Sept 2013	n/a	n/a	n/a	100%	completed in Q1	completed in Q1	completed in Q1
	5.4.6 Develop/update Budget Policy	Approved budget policy	Date	Approved Budget Policy	Approved Budget Policy end Sept 2013	n/a	n/a	n/a	100%	completed in Q1	completed in Q1	completed in Q1
5.5 Optimise budget implementation in the municipality	5.5.1 Increase/maximise the budget amount spent in the municipality	Percentage of total municipal operating budget spent	Percentage	100 % spending	25%	25%	25%	25%	18%	25%	25%	18%
	5.5.2 Increase/maximise the capital budget amount spent in the municipality (asset management)	Percentage of total municipal capital budget spent	Percentage	100 % spending	25%	25%	25%	25%	30	1.6	15.80%	40%
	5.5.3 Develop/update Indigent Policy	Approved Indigent Policy	Date	Approved Indigent Policy	n/a	n/a	n/a	Approved Policy in place by 30 June 2014	100%	completed in Q1	completed in Q1	completed in Q1
	5.5.4 Regular Budget reporting	Submission of quarterly Budget Implementation Reports	Number of Reports	4	1	1	1	1	KPI introduced in Q3	KPI introduced in Q3	1	1
<b>KPA 6: CROSS-CUTTING INTERVENTIONS</b>												
6.1 To establish a functional Disaster Management Centre	6.1.1 Through the review of the disaster management plan	Reviewed Disaster management plan	Activities completed	Approved Disaster Management Plan	Appoint SP	Risk Assessment by SP - R150 000	Stakeholder engagement	Approved Management Plan	SP appointed - R0	SP terminate his contract. Re-start SCM process. Risk assessment done internally - R12 000	no progress - R0	no progress - R0
	6.1.2 Through the establishment of the disaster management centre	Established disaster management centre	Activities completed	Disaster Management Centre Constructed	Appoint Project Manager	Approval on building plans	Construction of Building	Final report	Project Manager Appointed	Plans Submitted for Approval	Finalised appointment of the service provider. Construction to commence	Construction in progress.
		% response to all reported	Percentage	100% responses	100%	100%	100%	100%	100%	100%	100%	100%

		incidents		to incidents								
	6.1.3 Through the Recruitment of staff	Number of staff recruited	Number	All vacancies filled	Ensure all vacancies filled	Conducted training for recruited staff	n/a	n/a	No achievement	No achievement	No achievement	No achievement
6.2 To improve supplier/Vendor management	6.2.1 Site visits to assess compliance on contract conditions.	Quarterly site assessment reports	number of visits	4	1		1	1	Site visits and Developed report	Site visits and Developed report	Site visited and reports compiled	Site visited and reports compiled
6.3 To improve supplier/Vendor management	6.3.1 Progress reports on projects from project managers.	Quarterly progress reports.	Number of Reports	12	4	4	4	4	4 reports compiled	4 reports compiled	4 reports compiled	4 reports compiled
6.4 Improve the conditions of municipal vehicles	6.4.1 Develop report on conditions of municipal vehicles.	Submit quarterly fleet report.	Number of Reports	4	1	1	1	1	Review report	Review report	Review report	Report submitted monthly

**CHAPTER 4 – ORGANIZATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)**

**COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL**

**4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES**

**Table 4.1.2**

<b>Vacancy Rate: Year 0</b>			
<b>Designations</b>	<b>*Total Approved Posts</b>	<b>*Vacancies (Total time that vacancies exist using fulltime equivalents)</b>	<b>*Vacancies (as a proportion of total posts in each category)</b>
	<b>No.</b>	<b>No.</b>	<b>%</b>
Municipal Manager	1	0	
CFO	1	0	
Other S57 Managers (excluding Finance Posts)	4	0	
Other S57 Managers (Finance posts)	0	0	
Police officers	0	0	
Fire fighters	0	0	
Senior management: Levels 13-15 (excluding Finance Posts)	4	0	
Senior management: Levels 13-15 (Finance posts)	5	1	
Highly skilled supervision: levels 9-12 (excluding Finance posts)	12	0	
Highly skilled supervision: levels 9-12 (Finance posts)	5	10	
<b>Total</b>			

*T 4.1.2*

Table 4.1.3

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
Year -2	9	7	0.78
Year -1	15	48	3.2
Year 0	32	31	0.97

*\* Divide the number of employees who have left the organisation within a year, by total number of employees who occupied posts at the beginning of the year*

*T 4.1.3*

Table 4.1.4

#### COMMENT ON VACANCIES AND TURNOVER:

The uThukela District Municipality has inherited a lot of staff from the previous water authorities and has had to incorporate them into its approved organisational structure. This has led to a lengthy process of reviewing the structure to cater for present employees as well as the short and long term objectives of the municipality.

One of the challenges in filling vacant positions has been attracting suitably qualified candidates in our mainly rural municipality accompanied with desirable salary packages. Changes in the political leadership in the district has also contributed in the need to review the mission and vision of the municipality as a whole and subsequently the organisational structure.

The organogram has been approved by the Council and all the Top Management positions have been filled. The Council has also reviewed its Scarce Skills Policy in an attempt to attract and retain scarce skills.

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

Table 4.2

<b>INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT</b>
<p>The municipality has a staff compliment of 385 current employees, including 303 job creation contracts. The uThukela District Municipality has five departments in line with its powers and functions according to the Municipal Structures Act. The Council has filled all the top management positions in the approved organisational structure, which has improved workforce management in many areas including work attendance, monitoring and supervision.</p>

### 4.2 POLICIES

Table 4.2.1

<b>HR Policies and Plans</b>				
	<b>Name of Policy</b>	<b>Completed</b>	<b>Reviewed</b>	<b>Date adopted by council or comment on failure to adopt</b>
		<b>%</b>	<b>%</b>	
1	Affirmative Action	100	100	
2	Attraction and Retention	100	100	
3	Code of Conduct for employees	100	100	
4	Delegations, Authorisation & Responsibility	100	100	
5	Disciplinary Code and Procedures	100	100	
6	Essential Services			
7	Employee Assistance / Wellness	100	100	
8	Employment Equity	100	100	
9	Exit Management	100	100	

10	Grievance Procedures	100	100
11	HIV/Aids	100	100
12	Human Resource and Development	100	100
13	Information Technology	100	100
14	Job Evaluation	100	100
15	Leave	100	100
16	Occupational Health and Safety	100	100
17	Official Housing	100	100
18	Official Journeys	100	100
19	Official transport to attend Funerals	100	100
20	Official Working Hours and Overtime	100	100
21	Organisational Rights	100	100
22	Payroll Deductions	100	100
23	Performance Management and Development	100	100
24	Recruitment, Selection and Appointments	100	100
25	Remuneration Scales and Allowances	100	100
26	Resettlement		
27	Sexual Harassment	100	100
28	Skills Development	100	100
29	Smoking	100	100
30	Special Skills	100	100
31	Work Organisation		
32	Uniforms and Protective Clothing	100	100
33	Other:		
<i>Use name of local policies if different from above and at any other HR policies not listed.</i>			
<i>T 4.2.1</i>			

**Table 4.2.1.1**

**COMMENT ON WORKFORCE POLICY DEVELOPMENT:**

In terms of Section 67 of the Municipal Systems Act, municipalities must develop a Human Resource Policy Manual to ensure fair and efficient administration of the workforce. The Human Resource Policy have been developed, reviewed and updated to ensure compliance with all legislations that impact on Local Government, and to accommodate operational requirements. These policies are

meant to ensure that the employer gets maximum performance from the workforce in a healthy and professional environment, while the employer is achieving its strategic objectives

### 4.3 INJURIES, SICKNESS AND SUSPENSIONS

**Table 4.3.1**

<b>Number and Cost of Injuries on Duty</b>					
<b>Type of injury</b>	<b>Injury Leave Taken</b>	<b>Employees using injury leave</b>	<b>Proportion employees using sick leave</b>	<b>Average Injury Leave per employee</b>	<b>Total Estimated Cost</b>
	<b>Days</b>	<b>No.</b>	<b>%</b>	<b>Days</b>	<b>R'000</b>
Required basic medical attention only			4%	10	
Temporary total disablement					
Permanent disablement					
Fatal					
<b>Total</b>					

*T 4.3.1*

**Table 4.3.4**

<b>COMMENT ON INJURY AND SICK LEAVE:</b>
A leger of staff getting injured at work has been maintained at a very minimal level. More efforts are being employed to ensure that injuries at work are being reduced to a minimal including plans to employ someone responsible for Occupational Health and Safety in the municipality.



**Table 4.3.6**

<b>Disciplinary Action Taken on Cases of Financial Misconduct</b>			
<b>Position</b>	<b>Nature of Alleged Misconduct and Rand value of any loss to the municipality</b>	<b>Disciplinary action taken</b>	<b>Date Finalised</b>
Clerical Level	Salary Overpayment R 4.4 M	Disciplinary Action in progress	In progress
			<i>T 4.3.6</i>

**Table 4.3.7**

<b>COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:</b>
<p>The uThukela District Municipality has had quite a substantive number of disciplinary hearings in the financial year 2013/2014. All of these cases are interrelated and are in progress. It was projected that they should have been finalised by the end of July 2014, but due to the some unforeseen circumstances, the case is still pending. Systems and control measures are being implemented to ensure that the same does not happen again.</p>

#### **4.4 PERFORMANCE REWARDS**

**No performance rewards were rewarded in 2013/2014**

#### **COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE**

Table 4.5.0

<b>INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT</b>
<p>As a designated employer, the uThukela District Municipality is contributing towards the National Skills Development Fund, so as to</p>

ensure human resource capacity development. The Municipality engages in intensive organisational development planning annually in line with its long and short term objectives and in terms of the IDP. The same has been cascaded to the Workplace Development Plan which encompasses an annual training report as well as training plan for the current financial year.

The municipality as a district municipality in a rural area, is faced with a low income base which adversely affects the budget as a whole including the training budget. More efforts are being employed though to engage other stakeholders that can fund internal capacity development.

#### 4.5 Skills Development and Training

**Table 4.5.1**

Skills Matrix														
Management level	Gender	Employees in post as at 30 June Year 0	Number of skilled employees required and actual as at 30 June Year 0											
			Learnerships			Skills programmes & other short courses			Other forms of training			Total		
			No.	Actual : End of Year - 1	Actual : End of Year 0	Year 0 Target	Actual : End of Year - 1	Actual : End of Year 0	Year 0 Target	Actual : End of Year - 1	Actual : End of Year 0	Year 0 Target	Actual : End of Year - 1	Actual : End of Year 0
MM and s57	Female	4							4					
	Male													
Councillors, senior officials and managers	Female	5							5					
	Male													
Technicians and associate	Female	25							25					
	Male													

professionals*													
Professionals	Female	2						2					
	Male												
Sub total	Female												
	Male												
<b>Total</b>													
*Registered with professional Associate Body e.g CA (SA)													T 4.5.1

**Table 4.5.2**

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>						1
<i>Chief financial officer</i>						In progress
<i>Senior managers</i>						In progress
<i>Any other financial officials</i>						16
<b>Supply Chain Management Officials</b>						<b>0</b>
<i>Heads of supply chain management units</i>						0

Supply chain management senior managers										0
<b>TOTAL</b>										
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)										T 4.5.2

**Table 4.5.3**

Skills Development Expenditure										
										R'000
Management level	Gender	Employees as at the beginning of the financial year	Original Budget and Actual Expenditure on skills development Year 1							
			Learnerships		Skills programmes & other short courses		Other forms of training		Total	
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual
MM and S57	Female								80	
	Male								240	
Legislators, senior officials and managers	Female								200	
	Male									
Professionals	Female									
	Male									
Technicians and associate professionals	Female									
	Male									
Clerks	Female								1 900	
	Male									
Service and sales workers	Female									
	Male									
Plant and machine operators and	Female									
	Male									

assemblers										
Elementary occupations	Female							292		
	Male									
Sub total	Female									
	Male									
<b>Total</b>								<b>2,712</b>		
<i>*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.</i>									<b>%*</b>	<b>*R</b>
										T4.5.3

**Table 4.5.4**

<p><b>COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:</b></p> <p>The Municipality has progressed greatly in a pursuit to have its senior manager and finance employees compliant with National Treasury Minimum Competency Regulations. In total 58 employees in senior management and the Financial Services Department have been enrolled for the Compliance Municipal Finance Management Programme. Sixteen have already completed, while 35 are still in pursuit of the qualification.</p>
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**COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE**

**Table 4.6.0**

**INTRODUCTION TO WORKFORCE EXPENDITURE**

Workforce or salary expenditure has been a big challenge to manage because the municipality had a lot of vacant positions, which resulted in the current staff having to work doubly hard in order to get work done. However with the implementation of the new organogram, the process to fill vacant positions have been started which should regularise workforce expenditure from excessive overtime and stand by expenditure.

**4.6 EMPLOYEE EXPENDITURE**

**Table 4.6.4**

<b>Employees appointed to posts not approved</b>				
<b>Department</b>	<b>Level</b>	<b>Date of appointment</b>	<b>No. appointed</b>	<b>Reason for appointment when no established post exist</b>
Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

*T 4.6.4*

**Table 4.6.5**

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

Due to the devolution of staff from various government departments and certain local municipalities, the Municipality had to absorb staff with different salary structures. This has caused a lot of dissatisfaction and low morale of employees. Management has thus recently introduced a placement process which is meant to incorporate such employees into the Municipal salary structure.

**Table 4.6.6**

**DISCLOSURES OF FINANCIAL INTERESTS**

Both Councillors and staff have complied with the PMS Regulations by completing Declaration of Interest Forms. However this practice has to be repeated annually.

## CHAPTER 5 – FINANCIAL PERFORMANCE

**Table 5.0.1**

### INTRODUCTION

Council has implemented the following strategies to address inflationary pressures:

- Submission of Procurement plans by HODs
- Monthly reporting on expenditure patterns
- Monthly reporting on cash collections
- Payment of creditors on the 15<sup>th</sup> and 30<sup>th</sup> of each month
- Cash flow projects are submitted monthly
- Investing of surplus funds
- Replacing of the old and dilapidated fleet to minimise on repairs and maintenance and the rental of TLBs, water tankers and tipper trucks

The Financial Services Department engaged Bonakude Consultancy for the asset verification process. The bulk of the consultants appointed by Council is in respect of the implementation of water and sanitation services projects.



**COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE**

**Table 5.1.0**

**INTRODUCTION TO FINANCIAL STATEMENTS**

COGTA has appointed Qhubeka Business Solutions to perform a review of the preparation of the Annual Financial Statements, which are being performed in-house. Financial Statements for 2013/2014 to be submitted to the Auditor-General on 29 August 2014. The draft Financial Statements were submitted to the Performance Audit Committee and Internal Audit for review.

**Table 5.1.1**

Reconciliation of Table A1 Budget Summary											
Description	Year 0										
	Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
R thousands	1	2	3	4	5	6	7	8	9	10	11
<b>Financial Performance</b>											
Property rates										0.00	0.00
Service charges	139	139	139			139	133			96.08	96.18
Investment revenue	27	44	44			44	44			96.55	159.38
Transfers recognized - operational							273,926				
Other own revenue	278	279	279			279	1,910			98.96	99.21

<b>Total Revenue (excluding capital transfers and contributions)</b>							452,651			93.63	0.00
Employee costs	158,358	131,693	131,693				131,693	129,667		93.63	77.86
Remuneration of councillors	5,612	5,612	5,612				5,612	4,703		77.59	77.59
Debt impairment	20,180	70,892	70,892				70,892	-210,428		0.00	0.00
Depreciation & asset impairment	35,936	35,928	35,928				35,928	40,933		0.00	0.00
Finance charges	3,339	1,816	1,816				1,816	2,549		75.22	40.92
Materials and bulk purchases	64,461	85,793	85,793				85,793	7,232		78.53	104.52
Transfers and grants	6,000	6,000	6,000				6,000			30.96	30.96
Other expenditure	85,156	111,628	111,628				111,628	228,846		84.43	110.67
<b>Total Expenditure</b>	<b>379,042</b>	<b>449,362</b>	<b>449,362</b>				<b>449,362</b>	<b>225,584</b>		<b>65.09</b>	<b>77.17</b>
<b>Surplus/(Deficit)</b>											
Transfers recognised - capital	193,847	332,224	332,224				332,224	327,877		74.29	127.32
Contributions recognised - capital & contributed assets								-3,911			
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>								556,029			
Share of surplus/ (deficit) of associate											
<b>Surplus/(Deficit) for the year</b>											
<b>Capital expenditure &amp; funds sources</b>											
<b>Capital expenditure</b>											
Transfers recognised - capital	193,847	332,224	332,224				332,224	310,084		58.94	159.96
National and Provincial Grants	193,847										
Borrowing	750		750				750			0.00	0.00
Internally generated funds	1,440	12,735	14,175				14,175	9,827		69.32	682.44
<b>Total sources of capital funds</b>											
<b>Cash flows</b>											
Net cash from (used) operating								151,538			
Net cash from (used) investing								-177,833			
Net cash from (used) financing								4,077			
<b>Cash/cash equivalents at the year end</b>								126,554			
Notes											

3 = sum of column 1 and 2  
 2 represents movements in original budget to get to final adjustments budget (including shifting of funds)  
 Virements must offset each other so that virements in Total Expenditure equals zero  
 6 = sum of column 3, 4 and 5  
 8 does not necessarily equal the difference between 9 and 8 because overspending is not the only reason for unauthorised expenditure  
 9 = 7 - 6  
 10 = (7/6)\*100  
 11 = (9/1)\*100  
 14 = 13 - 12  
 15 in revenue equals Audited Outcome plus funds actually recovered  
 15 in expenditure equals Audited Outcome less funds actually recovered  
 15 in Cash Flow equals Audited Outcome plus funds recovered

T 5.1.1

**Table 5.1.2**

Financial Performance of Operational Services							R '000
Description	Year -1	Year 0			Year 0 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
<b>Operating Cost</b>							
Water	467,113	231,088	321,291	204,853	-12.81%	-56.84%	
Waste Water (Sanitation)		26,187	20,492	2,216	-1081.71%	-824.72%	
Electricity							
Waste Management							
Housing							
Component A: sub-total	467,113	257,275	341,783	207,069	-24.25%	-65.06%	
Waste Water (Storm water Drainage)							
Roads							
Transport							
Component B: sub-total		8,455	8,624	9,554	11.50%	9.73%	
Planning	9,812	20,514	15,845	7,592	-170.21%	-108.71%	
Local Economic Development							
Component B: sub-total	9,812	20,514	15,845	7,592	-170.21%	-108.71%	
Planning (Strategic & Regulatory)							

Local Economic Development						
Component C: sub-total						
Community & Social Services		3,698	4,337	8,977	58.81%	51.69%
Environmental Protection						
Health	5,343	17,722	10,237	11,271	-57.23%	9.17%
Security and Safety						
Sport and Recreation						
Corporate Policy Offices and Other	30,106	21,975	24,228	26,262	16.32%	7.75%
Component D: sub-total	35,450	43,395	38,802	39,968	-8.57%	2.92%
<b>Total Expenditure</b>	<b>512,375</b>	<b>329,639</b>	<b>405,054</b>	<b>264,183</b>	<b>-24.78%</b>	<b>-53.32%</b>

T 5.1.2

## 5.2 GRANTS

Table 5.2.1

Grant Performance						
R' 000						
Description	Year -1	Year 0			Year 0 Variance	
	Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>499,385</b>	<b>469,123</b>	<b>607,158</b>	<b>569,261</b>	<b>17.59%</b>	<b>-6.66%</b>
Equitable share	253,183	269,199	269,199	254,610	-105.73	-5.73%
Municipal Systems Improvement	1,007	890	890	890		
Department of Water Affairs	28,621	20,525	77,260	71,388	-101.50%	-8.23%
Levy replacement						
Other transfers/grants [insert description]	216,573	178,509	259,809	242,373	26.35%	-7.19%
<b>Provincial Government:</b>	<b>25,221</b>	<b>2,468</b>	<b>2,468</b>	<b>0</b>		
Health subsidy						
Other transfers/grants [insert description]	25,221	2,468	2,468	0		
<b>Total Operating Transfers and Grants</b>	<b>524,606</b>	<b>471,591</b>	<b>609,626</b>	<b>569,261</b>	<b>17.16%</b>	<b>-7.09%</b>

Variations are calculated by dividing the difference between actual and original/adjustments budget by the actual. Full list of provincial and national grants available from published gazettes.

T 5.2.1

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

Table 5.8.1

### INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

The uThukela District Municipality is earnestly working towards addressing the backlogs left by the previous dispensation in an effort to bring a quality of life and sustainable service to all the people of uThukela.

Table 5.8.2

Service Backlogs as at 30 June Year 0				
				Households (HHs)
	*Service level above minimum standard		**Service level below minimum standard	
	No. HHs	% HHs	No. HHs	% HHs
Water	117 278	79.6%	30 008	20.4%
Sanitation	130 834	88.8%	16 452	11.2%
<i>% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to * formal and ** informal settlements.</i>				

T 5.8.2

Table 5.8.3

Municipal Infrastructure Grant (MIG)* Expenditure Year 0 on Service backlogs						
					R'000	
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	

	104 556	153 336		60%	%	1) 60% of first trans (of 3) must be utilized before further transfers are possible 2) Must apply for a role over of funds by 31 August
<b>Infrastructure - Water</b>						
<b>Infrastructure - Sanitation</b>	40 079	58 778		23%	%	
<b>Infrastructure – Rural Roads Assets Management System Grant (RRAMS)</b>	2 114	2 114		%	%	
<b>Infrastructure – Rural Households Infrastructure Grant</b>	4 000	4 000		%	%	
<b>Total</b>				%	%	
<i>T 5.8.3</i>						

**Table 5.8.4**

**COMMENT ON BACKLOGS:**

The Municipal Infrastructure Grant (MIG) has been utilized to eradicate both water and sanitation backlogs within the boundaries of the uThukela District Municipality. More than 12 000 households received Ventilated Improved Pit (VIP) latrines and more than 10 000 household were given access to clean potable water. A portion of the grant was also utilized to upgrade sanitation in the Bergville area; conservancy tank system converted to waterborne sewer system for more than 1500 lots in the urban part of the area. About R4m of the allocation was used to implement strategies to increase water capacity thereby ensuring future eradication of backlogs within Emnambithi/Ladysmith and Indaka Local Municipalities.

**CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS**

**Table 6.0.1**

<b>INTRODUCTION</b>
<p><b>Note: The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.</b></p> <p><b>Delete Directive note once comment is completed - Refer to the Annual Financial Statements set out in Volume II and the timescale for the audit of these accounts and the audit of performance and the production of reports on these matters by the Auditor General as set out in this Chapter. If this is the version of the annual report presented to Council in September then the Auditor-Generals statements on this year’s submissions will not be available for inclusion in this Chapter and this should be explained.</b></p>

**COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENT YEAR -1**

**6.1 AUDITOR-GENERAL REPORTS YEAR -1 (PREVIOUS YEAR)**

**Table 6.1.1**

<b>Auditor-General Report on Financial Performance: Year -1</b>	
<b>Audit Report Status*:</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>

<p><i>Note: *The report status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse)</i></p>	
	T 6.1.1

**Table 6.1.2**

Auditor-General Report on Service Delivery Performance: Year -1	
Audit Report Status:	
Non-Compliance Issues	Remedial Action Taken
	T 6.1.2

**COMPONENT B: AUDITOR-GENERAL OPINION YEAR 0 (CURRENT YEAR)**

**6.2 AUDITOR-GENERAL REPORT YEAR 0**

**Table 6.2.1**

Auditor-General Report on Financial Performance Year 0*	
Status of audit report:	
Non-Compliance Issues	Remedial Action Taken



<i>Note: * The report's status is supplied by the Auditor General and ranges from unqualified (at best); to unqualified with other matters specified; qualified; adverse; and disclaimed (at worse). This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Financial Performance Year 0.</i>	
T 6.2.1	

**Table 6.2.2**

<b>Auditor-General Report on Service Delivery Performance: Year 0*</b>	
<b>Status of audit report**:</b>	
<b>Non-Compliance Issues</b>	<b>Remedial Action Taken</b>
<i>* This table will be completed prior to the publication of the Annual report but following the receipt of the Auditor- General Report on Service Delivery Performance Year 0</i>	
<i>** Inclusion of "Status" depends on nature of AG's remarks on Performance Data.</i>	
T 6.2.2	

**Table 6.2.3**

<b>AUDITOR GENERAL REPORT ON THE FINANCIAL STATEMENTS: YEAR 0</b>
-------------------------------------------------------------------

**Delete Directive note once comment is completed - Attach report.**

**Table 6.2.4**

**COMMENTS ON AUDITOR-GENERAL'S OPINION YEAR 0:**

**Delete Directive note once comment is completed - Provide comments from the Municipal Manager / CFO on the Auditor-General's opinion. Include comments on year 0 if it provides useful context.**

**Table 6.2.5**

**COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:**

**Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.**

**Signed (Chief Financial Officer)..... Dated**

## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	An Approved Budget means an annual budget- (a) approved by a municipal council, or (b) includes such an annual budget as revised by an adjustments budget in terms of section 28 of the MFMA.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General Key performance indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are “what we use to do the work”. They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> </ul>

	<ul style="list-style-type: none"> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>
<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

## APPENDICES

### APPENDIX A – COUNCILORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Table TA

Councillors, Committees Allocated and Council Attendance						
Council Members	Party Represented	Full Time / Part Time	Committees Allocated	Attendance	Apologies	Non-Attendance
Mazibuko DCP (Ms)	ANC	Full Time	Council; Exco; Finance and Budgeting Committee	27	6	3
Hlubi MG	ANC	Part Time	Council; Fin and Budg, Corp Dis, Health & Env. Committees	24	4	3
Sibiya NW	ANC	Part Time	Council; Exco; Youth Gender Sport & Recreation; LLF	23	3	1
Mazibuko AS	ANC	Full Time	Council; Exco; Water, Sanitation & Infrastructure; LLF	33	2	0
Mkhize MA	ANC	Part Time	Council; Corporate Dis, Heath and Environmental Serv.	19	0	0
Banda D	ANC	Part Time	Council; Corporate Disaster Health and Env Serv.	2	0	13
Jeebodht JMB	ANC	Full Time	Council;	12	0	0
Hadebe NM	IFP	Part Time	Council; Water, Sanitation & Infrastructure	12	0	0
Sibisi SB	IFP	Part Time	Council; Finance & Budgeting; MPAC	13	2	6
Ntshaba MJ	IFP	Part Time	Council; Exco; Strat, Plan, Econ Dev & Tourism	31	0	1
Shelembe ML	NFP	Full Time	Council; Exco; Corp, Dis, Health & Envir	7	14	6
Mlotshwa VR	NFP	Part Time	Council; Water, Sanitation & Infrastructure; LLF	4	0	14
Sibisi ZJ	DA	Part Time	Council	11	1	1
Shabalala TP	ANC	Part Time	Council	3	0	9
Hlomuka NM	ANC	Part Time	Council; Water, Sanitation & Infrastructure.; MPAC	19	1	0
Mlotshwa ML	ANC	Part Time	Council; Finance & Budgeting	22	0	0
Zwane ML	ANC	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism	18	1	0
Mazibuko BC	ANC	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism; LLF	16	0	4
Cele TM	DA	Part Time	Council; MPAC	10	1	1
Madonsela BR	IFP	Part Time	Council; Corp. Dis. Health and Env. Services	16	1	2
Xaba T	NFP	Part Time	Council, Youth, Gender, Sport and Recreation	19	0	0
Mbatha ME	ANC	Part Time	Council, Youth, Gender, Sport and Recreation	14	4	2
Zikalala NL	ANC	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism;	17	3	0

			LLF			
Ngubane M	IFP	Part Time	Council, Youth, Gender, Sport and Recreation	7	3	10
Magubane SD	ANC	Part Time	Council, Youth, Gender, Sport and Recreation; Finance & Budget	14	5	10
Vilakazi KV	IFP	Part Time	Council	5	1	6
Mabizela BC	ANC	Part Time	Council; Water, Sanitation & Infrastructure;	14	0	6
Sikhakhane SG	IFP	Part Time	Council; Strategic, Plan, Econ. Dev. & Tourism; LLF	9	3	7
Hadebe MW	NFP	Part Time	Council	8	1	3
Sithole SJ	ANC	Part Time	Council; Water, Sanitation & Infrastructure; MPAC	15	1	4
Nqubuka TY	IFP	Part Time	Council	4	3	2
Shelember T	NFP	Part Time	Council, Youth, Gender, Sport and Recreation	7	4	3

*Note: \* Councillors appointed on a proportional basis do not have wards allocated to them*

**APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0 (CURRENT YEAR)**

**Table TG**

<b>Municipal Audit Committee Recommendations</b>			
<b>Date of Committee</b>	<b>Committee recommendations during Year 0</b>		<b>Recommendations adopted</b>
22 July 2014	<p><b>Performance Management System</b></p> <ol style="list-style-type: none"> <li>1. The Mayor to fast track the appointment of the Municipal Manager</li> <li>2. Annual performance report be submitted on 31 August 2014.</li> <li>3. PMS Manager to implement resolutions made by the committee.</li> </ol> <p><b>Draft Annual Report 12/13</b> The Acting LED and Strategic Planning Manager coordinate the process in compiling a Draft 2012/2013 Annual Report.</p>		Y ES
30 August 2013	<p><b>Draft Annual Financial Statements 12/13</b></p> <ol style="list-style-type: none"> <li>1. A timeframe for finalising the prior adjustments be set for 15 September 2013 to resolve this account.</li> <li>2. Mr. S Sibisi to champion the task of finalising the prior adjustments.</li> <li>3. Price Waterhouse Coopers to submit a closeout report.</li> </ol>		Y ES
17 October 2014	<p><b>Performance Management System</b></p> <ol style="list-style-type: none"> <li>1. The PMS be presented at MANCO to evaluate the progress</li> <li>2. PMS Quarter 1 to be tabled in the next meeting</li> </ol> <p><b>Risk Management</b></p> <ol style="list-style-type: none"> <li>1. Audit Committee Charter be aligned with the Risk Management Framework.</li> <li>2. Internal Audit to develop a Risk Action Plan.</li> </ol> <p><b>Audit Committee and Internal Audit Charter</b></p> <ol style="list-style-type: none"> <li>1. Audit and Performance Committee Charter be noted and forwarded to Council for approval</li> <li>1. Internal Audit Unit Charter be approved.</li> </ol> <p><b>Internal Audit Plan for the year 2013/2014</b></p> <ol style="list-style-type: none"> <li>1. The Internal Audit Plan for the year 2013/2014 not be approved, however the Audit Committee will approve certain projects.</li> </ol> <p><b>Assets Management</b></p> <ol style="list-style-type: none"> <li>1. KPMG be invited and table the Closeout Report at the next meeting.</li> <li>2. The Audit Committee notes the unsigned report pending the outcome of the dispute and that the report be tabled in the next meeting</li> </ol> <p><b>Section 71 reports</b></p>		Y ES

	<ol style="list-style-type: none"> <li>1. The Audit Committee notes that the recovery rate per Section 71 is very low and the Council should do something about the collections</li> <li>2. The Acting CFO provide a report detailing the root cause for the low recovery rate</li> </ol> <p><b>Internal Investigations and Disciplinary cases</b></p> <ol style="list-style-type: none"> <li>3. GM: Corporate Services to provide a detailed listing of disciplinary cases, investigations and procedures for the year 2012/2013 at the next meeting.</li> </ol>	
26 November 2013	<p><b>Internal Audit Unit</b></p> <ol style="list-style-type: none"> <li>1. The Internal Audit Unit to table progress report on the internal audit plan in all meetings.</li> <li>2. The Acting CFO to draft an Action Plan to address AG Findings and indicate responsibilities and timeframes.</li> </ol>	Y ES
20 January 2014	<p><b>Internal Audit Unit</b></p> <ol style="list-style-type: none"> <li>1. The Internal audit plan 2013/2014 be approved subject to confirmation of the additional resources, urgently needed to execute the full plan.</li> <li>2. The Internal Audit Reports with adequate management responses be forwarded to APC members by 15 February 2014, after being reviewed by the Internal Audit unit.</li> <li>3. Interim Financial Statements as at 31 December 2013 be forwarded with complete working papers to the committee for review by end of March 2014, after being subject to a comprehensive internal audit review.</li> <li>4. A report on action plan progress be tabled monthly at all committee meetings.</li> </ol>	Y ES
26 May 2014	<p><b>Dashboard report</b></p> <ol style="list-style-type: none"> <li>1. Dashboard Q3 Report be forwarded to APC members.</li> </ol> <p><b>Internal Audit Unit Reports</b></p> <ol style="list-style-type: none"> <li>1. Management responses be revised with relevant General Managers and forwarded to APC members.</li> </ol> <p><b>Draft Annual Budget for the year 2014/2015</b></p> <ol style="list-style-type: none"> <li>2. The committee comments be considered prior to submission to Council for approval.</li> <li>3. The Draft Annual Budget for the year 2014/2015 be noted for adoption.</li> </ol> <p><b>Assets Management</b></p> <p>Latest full progress report be forwarded to the committee members.</p>	Y ES
T G		



## APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

Table TH.1

Long Term Contracts (20 Largest Contracts Entered into during Year 0)					
					R' 000
Name of Service Provider	Description of Services Rendered by the Service Provider	Start Date of Contract	Expiry date of Contract	Project manager	Contract Value
Merlcon CC	Mhlumayo Fitty Park Community water supply scheme	03/10/2013	04/2015	Sivest	R 38 683
Eso Construction	Hobsland to Indaka – Bulk Water Feeder Main	22/07/2014	07/2015	Willcocks Reed & Kotze	R 52 888
Ukhasi Zenzulwazi JV	Bergville Sewage Scheme	10/2013	10/2014	Sika Engineers	R 11 982
Water Skills	Bhekuzulu – Epangweni Phase 6	05/2014	06/2016	Sukuma Consulting	R 15 197
Makhubu Civils	Kwanobamba Ezitendeni Water Supply Scheme 1C	08/05/2014	11/2014	ECA Consulting	R 8 991
Sizabonke Civils CC	Kwanobamba Ezitendeni Water Supply Scheme 1B	04/2014	03/2017	ECA Consulting	R 37 250
SBT Civils	Bergville Sewer Treatment Works	June/2014	04/2015	ECA Consulting	R 14 098
Sunset Beach Trading T/A SBT Civils	Ezakheni E Reticulation Network	02/04/2014	03/2015	Technical	R 12 957
Redspike Security Services	Provision of Security Services	01/08/2013	31/08/2015	Corporate Department	R 6 660
Sukuma Security Services	Provision of Security Services	01/08/2013	31/08/2015	Corporate Department	R 4 070
Born To Protect Security	Provision of Security	01/08/2013	31/08/2015	Corporate Department	R 3 700
Ilanga Security Services	Provision of Security	01/08/2013	31/08/2015	Corporate Department	R 4 625
Sebata Sebatana Business Enterprise	Construction of Disaster Centre	June 2013	03/ 2015	Ilifa Project Engineers	R 15 905
Mayibuye Earthworks Maswidi JV	Ezakheni E Water Reticulation Network	20/05/2014		Sukuma Consulting	R 7 330
ZG Training and Development	ISD Services	03/2014	03/2017	Technical	R 1 003
Bonakude Consultancy	Complying of GRAP Compliant Register	12/02/2014	28/02/2017	Finance Department	R 3 500
Khethwayo Construction	Water Reticulation within UThukela DM	03/2014	03/2017	ECA Consulting	R 15 000
Kulu Civils	Construction of DIA PVC Pipeline	01/04/2014		J & G Consulting	R 13 800

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0 (CURRENT YEAR)

**Table TO**

<b>Capital Programme by Project by Ward: Year 0</b>		
<b>R' 000</b>		
<b>Capital Project</b>	<b>Ward(s) affected</b>	<b>Works completed (Yes/No)</b>
<b>Water</b>		
Blue Drop and Green Drop	N/A	5 000 000
Refurbishment Existing Scheme	N/A	2 500 000
Municipal Water Infrastructure	N/A	14 525 000
<b>Sanitation/Sewerage</b>		
Sanitation Project's	All	5 000 000
<b>Economic development</b>		
LED Programme	All	2 000 000
Tourism	All	1 000 000
<b>Sports, Arts &amp; Culture</b>		
Sport Programme	N/A	2 000 000
Infrastructure Sports	All	2 468 000
<b>Health</b>		
Lab Equipment	N/A	200 000
Health Equipment	N/A	10 000
<b>Safety and Security</b>		
Emergency disaster provision/relief	All	3 000 000
<b>ICT and Other</b>		
IT equipment, upgrade and maintenance	All	3 000 000
RRAMS	All	1 999 000
		<i>T O</i>