



City of uMhlathuze

Annual Review 2004/5



Building a strong foundation for a sustainable future



Contact Details

RICHARDS BAY OFFICE

Tel: +27 (0) 35 907 5000

Fax: +27 (0) 35 907 5444/5/6/7

EMPANGENI OFFICE

Tel: +27 (0) 35 907 5000

Fax: +27 (0) 35 792 5750

SUB OFFICES

Esikhawini: +27 (0) 35 907 5855

Nseleni: +27 (0) 35 907 5875

Vulindlela: +27 (0) 35 907 5897

Ngwelezane: +27 (0) 35 907 5829

MAIN ADDRESS

Private Bag X1004

Richards Bay 3900

PHYSICAL ADDRESS

Head Office:

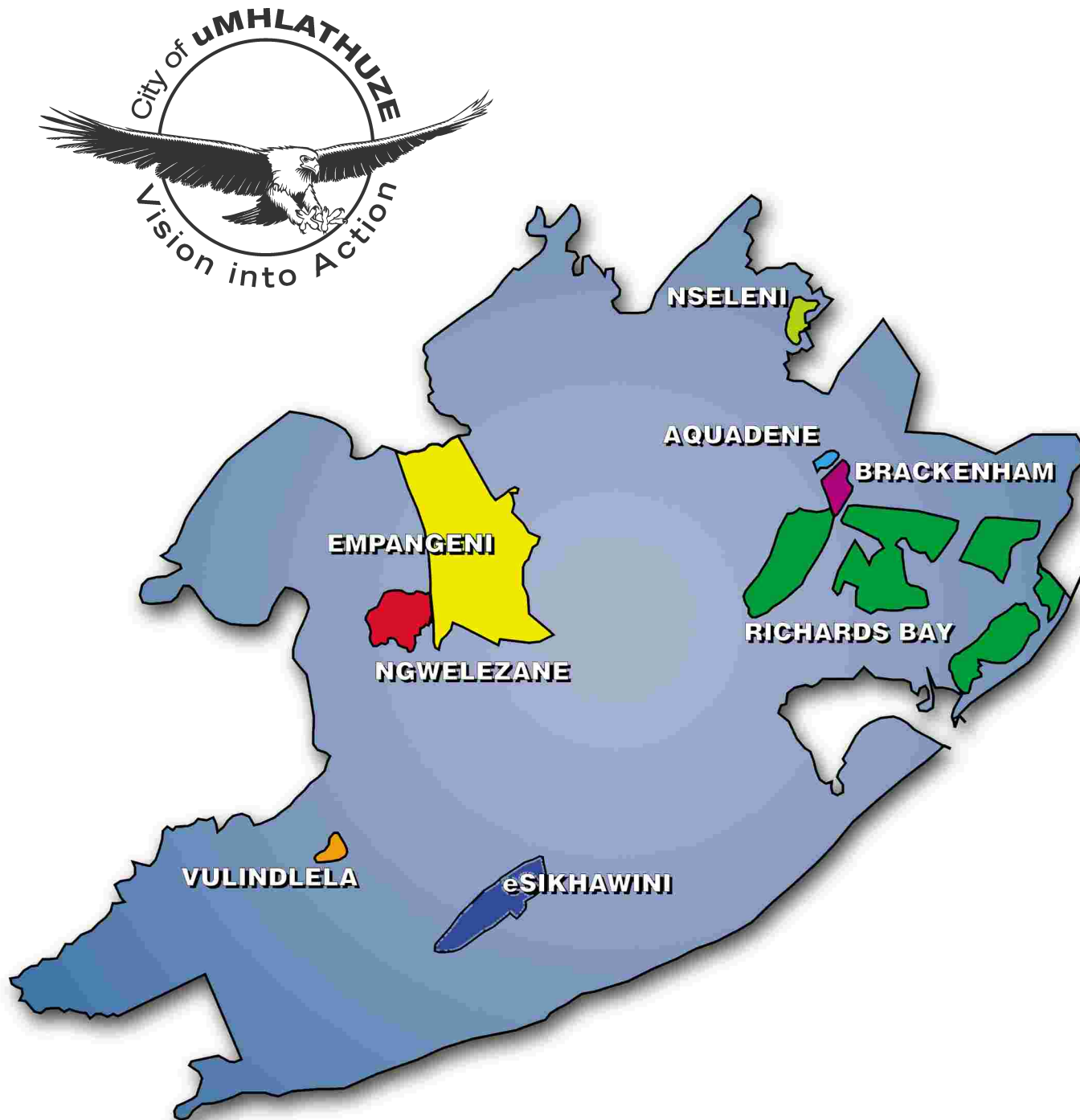
5 Mark Strasse, Richards Bay

Empangeni Office:

Union Street, Empangeni

Email: reg@richemp.org.za

Website: www.richemp.org.za



Contents



City of uMhlathuze at a Glance	2
Mayor's Review	4
Chief Executive Officer's Review	6
Political Leadership	7
Departmental Reports	
Department of the City Electrical Engineer	10
Department of the City Engineer.....	13
Department of Corporate Services	18
Department of the City Treasurer	22
Department Community Facilitation & Marketing.....	25
Department Community Services & Health	30
Department Integrated Development Planning	36
Department Management Services	40
Department Parks, Sport & Recreation.....	43
Key Information and Demographic Data	46

City of uMhlathuze at a Glance

MISSION

“To develop uMhlathuze as the industrial, commercial and administrative centre within the natural beauty of the region, providing a range of efficient municipal services thereby ensuring economic development, dynamic growth and the improvement of the quality of life for all.”



Sugar cane fields, Empangeni

The City of uMhlathuze, situated on the north-east coast of KwaZulu-Natal, South Africa, is a progressive City dedicated to achieving a successful balance and synergy between industry, its rich environmental assets and the community.

uMhlathuze Municipality was established on 5 December 2000 after the demarcation process and the local government elections of that date. As such it encompasses the towns of Empangeni, Richards Bay, Esikhawini, Ngwelezane,

Nseleni, Vulindlela and Felixton as well as the rural areas under Amakhosi Dube, Mkhwanazi, Khoza, Mbuyazi and Zungu.

Richards Bay is considered to be the industrial and tourism hub, Empangeni the commercial hub and Esikhawini the largest suburb.

The name uMhlathuze is derived from the uMhlathuze River that meanders through the municipal area and symbolically unifies the towns, suburbs and traditional areas.

According to the legend the river was strong in current and was infested with crocodiles and, therefore, could not be used by locals. The name broken up has the following meaning: Mhlathi – jaw, Mthuzi – does not chew. In other words, the uMhlathuze River was like a jaw that could not chew.

uMhlathuze Council consists of 60 councillors, of whom ten are full-time and serve on the Council's Executive Committee.

The Council has adopted a portfolio committee approach and interacts with its community using the Ward Committee system.

Administratively the Municipality has almost 1 900 full-time staff members led by a management team of 10 professionals. Offices have been established in Richards Bay, Empangeni, Esikhawini, Ngwelezane, Nseleni and Vulindlela.



Richards Bay CBD

VISION

“The City of uMhlathuze, as a port city, will offer improved quality of life for all its citizens through sustainable development. It will be a renowned centre for trade, tourism and nature-lovers, coastal recreation, commerce, industry, forestry and agriculture.”

This dynamic local government authority assumed city status on 21 August 2001 to place the Municipality in a stronger position to more effectively market the area – one of the country’s fastest growth points.

Effective management of services and resources and the provision of services to all residents of the City, which is 796 square kilometers in extent, are challenges which the Municipality has tackled enthusiastically. Proudly, the Municipality’s developments in this regard are on track and, in many instances, ahead of national government’s targets.

The City and its management live up to its motto “Vision into Action”. The number of accolades which have been bestowed on the Municipality in recent years illustrates the City’s progress in this regard:

- Winner of the KwaZulu-Natal Cleanest Town Competition
- First prize in the Residential category of the national eTa Awards (recognizing energy efficiency and African innovation)
- South African Institution of Civil Engineering
“Project of the Century” winner in the
Urban & Rural category
- Second place in the provincial round of the annual Vuna Awards
- Premier’s Sports Award in the category of Municipal Sports Administrator.

Building a strong foundation for a sustainable future



Small Craft Harbour, Richards Bay



Esikhawini

Review by the Mayor



Ald Denny Moffatt

The next municipal elections, scheduled to take place between December 2005 and March 2006, will mark the end of the first term of office of the first ever uMhlathuze City Council.

For the past five years this Council, with the support and assistance of the City officials, has been dedicated to extending

our municipal services and infrastructure into our rural areas and planning ahead for future development. We have been strongly focused on developing our economy, which underpins our ability to achieve these objectives.

The City now has a record budget of R1-billion for the current financial year. Sound financial management has always been an essential cornerstone of our success and it is critical that we can maintain this. It should be noted that we have realised an annual growth rate of 12% year on year, and this is an achievement of which we are immensely proud.

Importantly our budget is multi-faceted and focuses on projects to uplift our rural areas as well as projects to maintain our urban infrastructure. This Council has invested R5-million during this financial year towards crime prevention and has likewise invested substantially in other important areas such as job creation, Eskom supply, road infrastructure and a resource centre.

I am pleased to report that after years of negotiation with national and provincial government, construction has finally started on the John Ross Highway. The Council has committed R30-million

towards this upgrade to prevent the tolling of this vital road – a move that we believe would have impacted negatively on our residents and our local economy as well as impeded our City's growth.

The beginning of the end of these frustrating negotiations took place on 4 October 2005 at a function to celebrate the start of construction. We will soon have to be patient with the impact of the roadworks, which will certainly create delays, but we look forward to the safer and more pleasurable commuting experience this road will bring.

Environmental issues have slowed progress in three major projects, but I remain very optimistic that final decisions will soon be taken and that our co-operation with investors will result in well over R3-billion of investment coming on stream in 2006. This will support our economy over the next five years. In the meanwhile several new investors have shown strong interest in establishing industries in our City and we hope that these also come to fruition.

Such large-scale investment is needed to broaden our tax base, which will keep the City's coffers sustainable in the long term, as well as provide downstream opportunities for small and medium enterprises creating much-needed employment.

Regarding environmental matters, our goal to achieve the ISO 14001 quality standard is on track. Importantly we are in the process of aligning several of our initiatives such as the Land Use Management System (LUMS) as well as a biodiversity study so our policies and programmes can enhance each other. We will not allow business that does not meet international environmental standards to locate in the City.

Housing remains a priority and the Municipality has completed a Housing Needs Assessment. Tied to this we have several exciting projects including, among others, the Richards Bay Golf Course Estate as well as a town house complex on a portion of the

Large-scale investment is needed to broaden our tax base, which will keep the City's coffers sustainable in the long term, as well as provide downstream opportunities for small and medium enterprises creating much-needed employment.

Empangeni Golf Course and the former Empangeni Tennis Club. However, the largest need is for low to middle income housing and we have uMhlathuze Village Phase 4 and a greenfields project in Ngwelezane on the cards.

Proposals for the development of Richards Bay's CBD are being considered and expressions of interest have been called for the development of the northern and southern block of the CBD. In addition we have almost finalised the guidelines for the development of a marina. This important development has to be very carefully managed and will be finalised as soon as possible.

Our staff is our most valued asset and once again our Chief Executive, Dr Tonie Heyneke, his Heads of Department and municipal officials, have shown the utmost dedication and commitment to this organisation and the communities we serve.

I would like to encourage the new council to continue to build on the successful foundations that the current administration has laid and wish good luck to those councillors who remain in the political world. To those who do not, I would like to say thank you for a job well done.

I would like to acknowledge the close working relationship with Dr Syd Kelly and his team at the Richards Bay Industrial Development Zone Company who have supported our efforts to attract new investment.

Hopefully the IDZ will be licenced now that the outstanding legal issues have been resolved.

Building a strong foundation for a sustainable future



Richards Bay Harbour entrance

We have also enjoyed a close relationship with the Chamber of Business and the 'captains' of industry. Their support and good advice has been much appreciated.

Close ties with the port authorities have been maintained. The harbour remains extremely important to our growth, and I personally feel that further investment in Richards Bay would not be a threat to the financial viability of other South African harbours. It would in fact be in the national interest and so would encourage a fresh look at the opportunities that present themselves.

Lastly, I extend my sincere gratitude and thanks to those who have supported me as Mayor. I hope that I have lived up to your expectations.



Mayor Denny Moffatt

Review by the Chief Executive Officer



Dr Tonie Heyneke

This report is a good indication of the efforts of the uMhlathuze Municipality to attend to all issues in a holistic fashion with the resources at its disposal.

With the local government elections becoming a reality in the next six months, the first five years of fully democratically elected local government is coming to a close. The constitutional imperatives placing new responsibilities on local authorities receive priority and constant

attention from the uMhlathuze Municipality.

Both the organisational structure as well as the political structure of the organisation were established soon after the elections of December 2000 and have run smoother than most other municipalities in the country. The level of co-operation, shared values and focused purpose can be rated as extremely high. The extension of hard services like water and sanitation as well as electricity certainly received the kind of attention that is required from local government where such services are severely lacking in many areas. At the same time support services like human resources, corporate services and finances were given constant attention to ensure the highest level of efficiency by this Municipality. The result is that uMhlathuze Municipality is presently regarded as one of the leading municipalities in South Africa with an extremely healthy financial position being achieved.

The Council has become aware of the demand of our communities to become more socio economic orientated. On the one hand emphasis was placed on the development of the economy to ensure continued creation of job opportunities in the area

and in this regard a high level of success was achieved. On the other hand the Council instituted the most basic of free municipal services to assist the poor. Infrastructure in those areas, where it did not exist before, provides communities with access to the economy where previously such opportunities did not exist.

It is, however, acknowledged that substantial work is required to continue the trend to look at the poverty existing in many communities in our area. The extension of free basic services, the provision of further infrastructure and a greater amount of sensitivity for the needs of disadvantaged communities is called for. Although not a Constitutional mandate of municipalities, issues like the development of the youth, gender issues, HIV/AIDS, crime prevention, the development of arts and culture and social housing will require a greater amount of attention. As the City develops economically it is hoped that the resources will be unlocked which will enable this Municipality to increase its commitments in these areas.

The content of this report is a good indication of the efforts of the uMhlathuze Municipality to attend to all issues in a holistic fashion with the resources at its disposal.

A handwritten signature in black ink, appearing to read 'Dr. Heyneke', written in a cursive style.

Dr Tonie Heyneke

Political Leadership

Committees of Council

Executive Committee

Chairperson - Ald DJB Moffatt

Audit Committee

Chairperson - Cllr JD Davel

Bylaws Integration Committee

Chairperson - Cllr ND Ngobese

Standing Orders and Disciplinary Committee

Chairperson - Cllr DA Nxumalo

Transport and Taxi Liaison Forum

Chairperson - Cllr WES Mthimkhulu

Community Based Crime Prevention Steering Committee

Chairperson - Ald JJP van der Westhuizen

Committees of the Executive Committee

Finance and Marketing Committee

Chairperson - Ald DJB Moffatt

Corporate Services Committee

Chairperson - Cllr EF Mbatha

Management Services and Local Labour Forum Committee

Chairperson - Ald JJP van der Westhuizen

Civil Engineering Services Committee

Chairperson - Cllr JR Harvey

Community Services and Health Committee

Chairperson - Cllr ND Ngobese

Parks, Sport and Recreation Committee

Chairperson - Cllr BAE Wood

Community Facilitation and Housing Committee

Chairperson - Ald MA Kunene

Electrical Engineering Services Committee

Chairperson - Cllr AZ Mnqayi

Integrated Development Planning Committee

Chairperson - Cllr AB Pierce (Passed away October 2005)



Mayor

Ald Denny Moffatt (IFP)



Speaker

Cllr Dumisani Nxumalo (IFP)



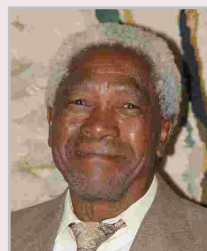
Deputy Mayor

Cllr Doris Ngobese (IFP)

Councillors



Biyela, NA
(IFP - Party Proportional)



Buthelezi, JM
(IFP - Party Proportional)



Davel, JD
(DA) Ward 9



Dawood AS
(IFP) Ward 2



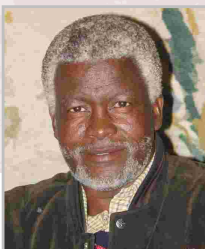
Dube, MN
(IFP) Ward 13



Kunene, MA - Exco
(IFP - Party Proportional)



Lourens, M - Exco
(ANC) Ward 3



Mabuyakhulu, JM
(ANC - Party Proportional)



Madlopha, CQ
(ANC) Ward 19



Makhathini, MT
(IFP) Ward 30



Makhathini, TZ
(ANC) Ward 24



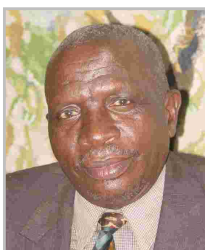
Mbanjwa, NC
(ANC - Party Proportional)



Mthembu Shange, AH
(ANC - Party Proportional)



Mthembu, BM
(ANC - Party Proportional)



Mthethwa, TA
(IFP) Ward 18



Mthimkhulu, WES
(ANC - Party Proportional)



Mthiyane, BM
(ANC) Ward 16



Mzimela, NB
(ANC - Party Proportional)



Ndlovu, TE
(IFP - Party Proportional)



Sishi, PT
(IFP - Party Proportional)



Sokhulu, BL
(ANC) Ward 12



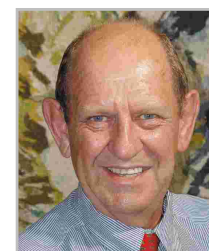
Sukreben, K
(ACDP - Party Proportional)



van der Westhuizen,
JJP - Exco
(IFP) Ward 23



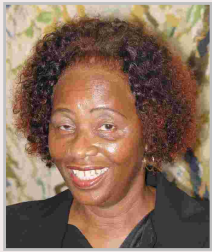
Van Huyssteen, RJ
(IFP - Party Proportional)



Van Zyl, JL
(IFP - Party Proportional)



Viljoen, A
(DA) Ward 4



Gumbi, NV
(ANC - Party Proportional)



Gwala, S
(IFP - Party Proportional)



Harvey, JR - Exco
(IFP - Party Proportional)



Heaney, MM
(DA - Party Proportional)



Hlophe, B
(IFP) Ward 6



Hlophe, SN
(ANC) Ward 22



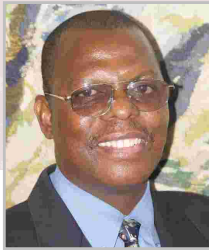
Khoza, FG
(IFP) Ward 5



Khumalo, B
(IFP - Party Proportional)



Mbatha, EF - Exco
(ANC) Ward 17



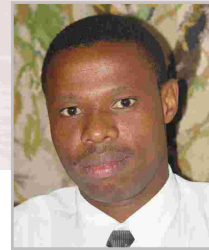
Mbatha, PA
(IFP - Party Proportional)



Mbokazi, MM
(ANC - Party Proportional)



Mkhwanazi, RP
(ANC) Ward 10



Mngomezulu, LP
(IFP - Party Proportional)



Mnqayi, AZ - Exco
(ANC) Ward 27



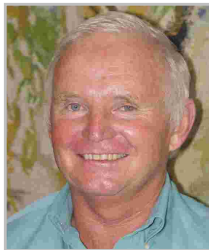
Moodley, A
(DA - Party Proportional)



Msibi, SP
(IFP - Party Proportional)



Ndwandwe, GB
(IFP) Ward 7



Nicolson, AG
(DA - Party Proportional)



Nkosi, AT
(ANC) Ward 21



Ntanzi, PM
(ANC) Ward 28



Peyters, RG
(DA - Party Proportional)



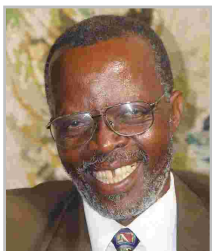
Pierce, AB - Exco
(ANC - Party Proportional)
Deceased October 2005



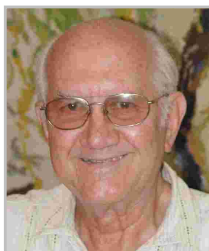
Rossouw, FP
(IFP - Party Proportional)



Shandu, V
(ANC) Ward 15



Vundla, MT
(IFP - Party Proportional)



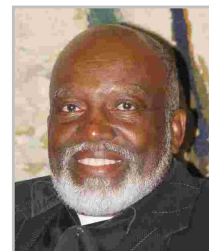
Willows, WO
(ANC - Party Proportional)



Wood, BAE - Exco
(DA) Ward 1



Zibani, M
(IFP) Ward 11



Zibani, S
(PAC - Party Proportional)



Zulu, GE
(IFP) Ward 29



Zulu, SM
(ANC) Ward 20

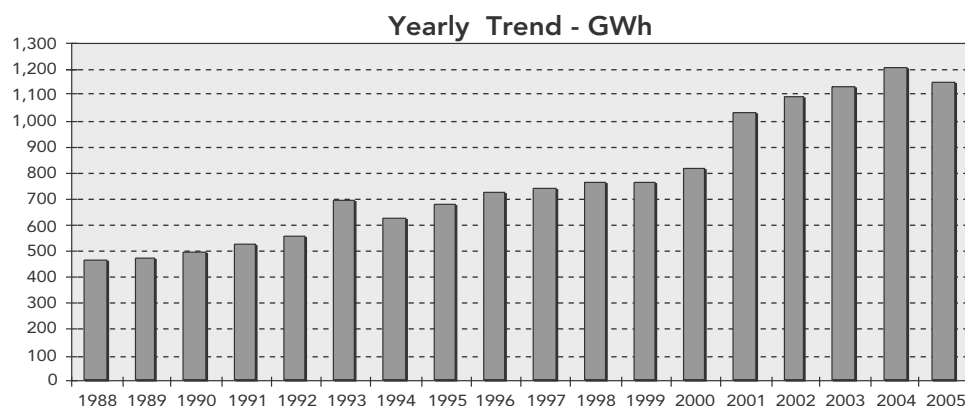
City Electrical Engineer



- Operations and Maintenance of the Electrical Distribution System
- Planning and Development of Electrical Distribution System
- Customer Services, Marketing and Electricity Trading
- Transport Services
- Public Lighting
- Electrical Support Services for:
 - Installation work
 - Pump stations

Electricity energy purchases from Eskom increased by 2,92% with a simultaneous demand increase of 3,44%. This indicates an ongoing growing trend of growth for the City which will result in more competitive tariff structures

in future for all our customers taking into consideration the economy of scale.



The graph above is the total energy purchased from Eskom and illustrates the growth in energy consumption since 1988.

Operations and Maintenance

Quality of supply to our customers continues to improve in terms of national standards. Likewise plant performance continues satisfactorily and there is a constant drive to improve the previous performance.

This Department completed the refurbishment of those 132 kV lines, under the control of the City, that supply Esikhawini.

Development and Customer Services, Marketing and Electricity Trading

The 2004/2005 financial year has seen the start of major electricity capital projects. The installation of a third power transformer at Hercules substation with its associated equipment and new 11 kV switchroom has strengthened the supply capacity to the Richards Bay CBD and surrounding residential suburbs. A total of R7,5 million has been budgeted over the 2004/05 and 2005/06 financial years for this project.

Once the project has been completed, an additional 30 MVA capacity can be made available for the rapidly growing residential and commercial sectors of Richards Bay.

The residential load of Meerensee has also grown and with the advent of the new Golf Course Estate and further expansion of Meerensee, the new Gemini switch station has been constructed to accommodate a new 11 kV switchboard. This new switch station will re-enforce the medium voltage network in Meerensee and cater for the load requirements of this suburb for the next 5 to 10 years.

The switch station will incorporate new modern switchgear never before seen in

South Africa, making use of a modular, compact type switchgear that is safer and easier to operate and maintain. In addition to the substation, long lengths of medium voltage cable feeders have been laid throughout the area to further interconnect the complex network in and around Meerensee.

As part of a long-term refurbishment plan, all old and obsolete and unserviceable 132 kV isolators are in the process of being replaced on a priority basis. Leo substation, being one of the older substations, has been earmarked as the first isolator refurbishment project where old pantograph style isolators will be replaced with modern high voltage isolators that will provide a further 20 years service to the substation.

It is anticipated that this replacement project will extend over a seven-year period.

❑ ***The following additional major projects/initiatives have commenced or have been completed:***

- The retro-fitment of pre-payment metering in Empangeni has been completed. The project started in 2003 and the pre-payment customer base increased by 16,8% with the addition of 4 164 customers (new & retrofitted).
- As customers were changed to pre-payment, their "old conventional meters" were retained in service to be utilised as check meters, thus adding 3 800 check meters to the existing system.
- Arboretum/Meerensee LV reticulation upgrade – R350 000 funded from Capital Development Fund. The project will ensure reliable neutral and earth connections to customers where obsolete aluminium cables disintegrate.



- LV reticulation networks were replaced after being stolen to supply the developments taking place in Birdwood and Alton North. The cost of this project was R500 000.
- The upgrading of street lights for main routes in Esikhawini.
- Extension of new street lights in the IDT area of Ngwelezane.
- Reticulation upgrade in all areas where new developments took place.

Operational Statistics

- The customer base of uMhlathuze Electricity increased by 9,8% to a combined total of 29 330 customers.
- The Municipality encourages customers to convert to prepayment metering and, as a result, conventional credit type meters decreased drastically to 1 460.
- Under the EBSST campaign, which is a national drive to assist the poorest of the poor with free electricity, 136 customers have converted to the self-targeting EBSST tariff. The free basic electricity roll-out to ESKOM customers was approved by Council and was initiated.
- Council has seen the good results of actively curbing electricity losses with check meters. Firm action is taken against transgressors throughout the area and the weighted average electricity losses have been reduced to below 4%.

Support Services

- The high costs of public lighting led to the numbering of poles to positively identify and monitor performance.
- Street light complaints within the uMhlatuze City area are generally attended to on a same week basis. Where cable faults and pole replacements are concerned, the times may occasionally be exceeded. However where there is cable theft, this will take longer or where appropriate, alternative measures are introduced.
- Many customers have commented on the use of “yellow” lights, or high pressure sodium lamps, as opposed to the “blue” mercury vapour lamps. This is part of an international campaign aimed at reducing the volume of mercury, a highly poisonous substance, in circulation. Most gaseous discharge lamps make use of mercury to heat the sodium or other gas until it starts burning. Sodium discharge lamps, which eliminate the use of mercury altogether, have been devised. They are in the initial stages of development and their use is still uneconomical. In the meantime crushed lamps are disposed of at a special site at Shongweni where the subterranean structure prevents the egress of mercury into the ground water.
- The vehicle and plant fleet consists of 263 vehicles and 132 plant. Based on economical viability merits, an additional 25 new and vehicle replacements were done in the past year.
 - All equipment assets were maintained and expenditure limited to within the operational budget. The maintenance team still managed to deliver an excellent level of service under severe pressure of limited resources.



Restructuring of South Africa's Electricity Industry

This is a national driven process by government to uplift the quality and standard of the electricity industry throughout South Africa by forming the six REDS (Regional Electricity Distributors) to cover all areas within the country.

Government has established Electricity Distribution Industry (EDI) Holdings, under the guidance of the Department of Minerals and Energy, to oversee the process of getting the REDS up and running as municipal entities.

Eskom has already restructured from seven to six regions to align themselves with the newly accepted boundaries of the six REDS. KwaZulu-Natal has been defined as RED 5, expanding its boundaries to the north and the south \pm 2%. This includes 29 municipalities – regional as well as local.

In order to form the REDS, workgroups have been established to co-ordinate and assist EDI and the future RED 5 by establishing processes and systems within the newly formed RED 5 boundaries. Council has representation on national level as well as within the RED 5 pertaining to the major role players and stakeholders via groups and sub-groups, giving input on the way forward.

These groups are a combination of Eskom and municipal officials in conjunction with the EDI representatives.

City Engineer



Roads and Storm Water

❑ Upgrading of Mandlazini Village roads

A total of R350 000 was spent on finalising the last remaining portion of the bus routes in the suburb, which had not been completed due to budget constraints at the time of the original developing of the Village. Existing roads were also re-gravelled and reshaped.

❑ Upgrading of Mzingazi roads

Upgrading undeveloped bus routes to full gravelled standards and improving roadside and other storm water drainage was carried out at a cost of R431 000.

❑ Upgrading of IDT Village (Ngwelezane) roads

R406 000 was spent on upgrading the undeveloped extension of Madlebe Road (which is the main route to the Madlebe Tribal Area) to full black top standards. Roadside and other storm water drainage was improved as well as access to lots where roads had not yet been developed.

❑ Kraft Link Road

A new road (Kraft Link extension) linking the Mondi area to the western end of the Alton industrial suburb was started. The total project value will be R23 527 000 and the project is scheduled for completion by August 2006.

- Roads and Storm Water
- Buildings and Structures
- Water and Wastewater
- Support Services

❑ Resealing of streets

A total of R7 415 000 was spent on resealing work at various localities throughout the City and a further R916 000 at the Taxi Rank in Nseleni. Resealing is done annually by consultants, following a detailed annual assessment of all roads and prioritisation of work in terms of a Pavement Management System run by the Roads and Storm Water Division.

❑ Nseleni Taxi Rank

The first phase of the upgrading of the Nseleni taxi rank, which includes full standard parking and loading areas for about 30 taxis plus a new public toilet block and surrounding paving, was completed at R929 200.

❑ Bus and taxi lay-bys

R930 000 was spent on building seven new bus and taxi lay-bys at various localities throughout the City.

❑ Upgrading storm water drainage at Manzamyama Canal

Major drainage works to the value of R7 129 000 were carried out finalising the main storm water drainage system serving the IDZ 1B (south of the John Ross Highway between Billiton's Hillside and Bayside Smelters).

❑ Mzingazi dam wall safety requirements

A project to upgrade the earth dam wall at the Mzingazi Lake to acceptable safety standards has started. To date R 2 014 000 of the total project value of R10 215 000 has been spent.



Arts and Crafts Centre, Empangeni

Buildings and Structures

- R450 000 provided by Council, supplemented by a R 2 768 000 government grant, was spent on building a further 34 pedestrian foot bridges in rural areas.
- A total of 3,414km of pedestrian paving (sidewalks) with a value of R1 360 000 was built at various localities throughout the City.
- New public toilet blocks were built at the Vulindlela bus rank and at the Post Office in Tanner Road to a total value of R385 000.
- A new wash bay, to the value of R757 000, for refuse collection vehicles was started and is nearing completion at the Western Services Centre.
- A new public swimming pool is being built in Nseleni to the value of R2 863 000. It will be commissioned early in December 2005.
- A new extension (study hall) to the value of R750 000 has been built in Empangeni with the assistance of grant funding from the Provincial Library Services.
- Upgrading and rehabilitation work to the value of R221 000 was carried out at the Empangeni and Richards Bay fire stations.
 - The erection of a new roof, to the value of R119 000, for the Arts and Crafts Centre.
 - Internal alterations to accommodate movement of various functional sections were carried out to the value of R684 000.

Roads and Storm Water statistics

Length of storm water pipes	356,6km
Length of streets	525km
Length of railway sidings	17km
Number of buildings (valued at R515 774 947)	344

Other projects:

- Remedial work on Pelican Island to the value of R794 000 was carried out on the eastern and western groynes, which had settled due to natural erosion.
- A leachate removal and monitoring borehole system was installed at the Alton landfill (now closed) to the value of R1 451 000 and material to the value of R434 000 was purchased for fencing the entire landfill site.

Water and Wastewater

☐ Review of feasibility study on service delivery for water and sanitation services (Section 78 assessment)

Section 77 of the Municipal Systems Act (Act No 32 of 2000) obliges municipalities to periodically review their service delivery mechanisms to ensure communities are best served. The criteria and process for deciding on mechanisms to provide municipal services are laid down in Section 78 of the same Act.

Grant funding received from the Department of Traditional and Local Government Affairs and the Municipal Infrastructure Investment Unit of the Development Bank of Southern Africa, in the amount of R385 000 and R250 000 respectively, made the study possible.

☐ On target

The Municipality is confident that it will be able to meet national government's target of supplying potable water to its communities by 2008 by making use of the Municipal Infrastructure Grant (MIG).





Madlebe bulk water supply project



Traffic circle, Mark Strasse

This is largely due to the Municipality's above average performance in meeting the expenditure targets set by national treasury. The City expended the total grant of R21,388 million, plus R2,767 million from the Special Municipal Infrastructure Fund (SMIF) for construction of Pedestrian Bridges in Rural Areas (reported on under the Roads and Storm Water Division) by the end of the government financial year on 31 March 2005. Therefore, the grants for the next three years have been increased to R25,533 million for 2005/2006, R32,360 million in 2006/2007 and R35,331 million in 2007/2008.

❑ **Upgrading of Esikhawini Water Treatment Works**

The capacity of Esikhawini Water Treatment Works was increased from 18MI to 27MI per day due to water shortages that could be contributed to various factors including growth of the consumer base and the continuous extension of the water supply systems into the tribal areas. Construction on this R9 574 000 project started in October 2003 and was completed in September 2005.

❑ **Meerensee reservoir structural repairs**

Meerensee reservoir was constructed in the 1970s to enhance the water supply in Meerensee. This 10MI steel reservoir required periodic maintenance, especially corrosion protection to enhance the lifespan of the reservoir. The project was implemented in the 2004/2005 financial year and completed in July 2005 at a total cost of R1 154 000.

The project entailed the sandblasting and re-coating of the inside and portions of the external surface of the reservoir and extended the expected lifespan of the reservoir by approximately eight years.

❑ **New Nseleni reservoir**

A new 10 MI reservoir is being constructed on the Nseleni waterworks/reservoir site to compliment the storage capacity available at Nseleni. This R6 840 000 project started in July 2005 and will be completed in January 2006 and will provide relief to the uMhlathuze areas of Nseleni and the Khosa Tribal area as well as several areas in the neighbouring municipalities.

❑ **Nseleni bulk water supply**

Nseleni bulk water supply project was completed in two phases. Phase 1 was the construction of a bulk pipeline from Richards Bay to the Nseleni Reservoir site was completed in December 2003. Phase 2 was the bulk supply from the Nseleni reservoirs to the Khoza reservoirs and was completed in November 2004.

The scope of this R5 442 000 project included 32,3km bulk and reticulation pipes between 25mm diameter and 200mm diameter, a pump station at the Nseleni Reservoir Complex and a second reservoir at the Khoza Reservoir Complex.

This project released capacity in the Hlaza rising main for uThungulu to pump more water to communities in need in their area of jurisdiction.

❑ **Replacement of old water meters**

Proper metering is a pre-requisite for the management of any water supply system and therefore the Water Services Division planned and embarked on a meter replacement programme, which will extend over a number of years, until all old meters have been replaced. An amount of R500 000 has already been spent this year and this amount will need to be increased substantially over the next number of years in order to replace all old meters.

❑ **Water Management Programme**

The development of a water services layout, management programme, assessment and advanced pressure management for the City of uMhlathuze was initiated. This investigation comprised of the following main phases:

- Phase 1: Data Verification & Compilation of the Water Network Model*
- Phase 2: Network Hydraulic Analysis, Calibration, Water Loss Control Measures and Meter Audit and Risk Management*
- Phase 3: Water Master Plan and Water Loss Control*
- Phase 4: Automation of Reporting*
- Phase 5: Contract Implementation*

To date all phases are complete and the process of taking "ownership" of the programme is currently underway.

❑ **Empangeni Water Networks Improvements: Phase 2**

A phased replacement of the old reticulation pipes in Empangeni is underway.

Phase 1 was completed in January 2004 and Phase 2 started in January 2005 and will be completed in November 2005 at a project cost of about R6,5 million. A total of 11 673m of pipeline will be replaced in Phase 2.

❑ **Madlebe water improvements**

Water reticulation in the Madlebe Traditional Area was installed as a cholera relief project in the late 1990s but the volumes were not sufficient to supply consumers with the 6kl per household per month free basic water allocation. Phase 1 of the Madlebe water improvements consists of 16km of pipelines and a pump station at the Ngwelezane reservoirs to upgrade the bulk supply to the southern areas of Madlebe. The project cost R9,6 million and was funded by MIG (R6,4 million) and counter funded by the Municipality (R3,2 million).

The project started in May 2005 and will be completed in December 2005. This project was nominated as one of the best Expanded Public Works Programme (EPWP) projects in Kwazulu-Natal and was visited by the National Minister of Public Works, Minister Stella Sigcau and the National Council of Provinces (NCOP) on two different occasions.

❑ **Rural network extensions – Mkhwanazi North Tribal Area**

Water reticulation in the Mkhwanazi North Tribal Area is being extended with 13,3km of reticulation and the building of a 500kl reservoir built as part of Phase 3. The project cost is R5,16 million, which is funded through MIG. The project started in February 2005 and will be completed in November 2005.



Statistics

Potable water purchased and purified per annum	36 356 MI
Wastewater and trade effluent purified per annum	16 594 MI
Combined reservoir capacities	213,8 MI

Length of water pipelines (Urban infrastructure)	687 km
Length of water pipelines (Rural infrastructure)	807 km
Length of sewer pipelines (Urban infrastructure)	575 km
Length of sewer pipelines (Rural infrastructure)	32 km

❑ Rural network extensions – Khoza Tribal Area

Water reticulation in the Khoza Tribal Area was extended by a total of 15km of main pipelines and 35km of reticulation installed in Phase 3A. The project cost is R5,38 million, which is funded through MIG. The project started in February 2005 and will be completed in October 2005.

❑ Mkhwanazi South Tribal Area and Mtunzini bulk water supply

Work started in May 2005 on a bulk supply line to address water supply problems in the Mkhwanazi South area. The line is being installed from the supply main to Esikhawini to the reservoirs at Port Durnford. The water works at Port Durnford, which relies on three boreholes, will be decommissioned on completion of the bulk supply line.

During design of this system, uThungulu District Municipality requested the inclusion of bulk water supply to Mtunzini in the line to Port Durnford. The project cost is R20,44 million, which is funded through MIG (R11,09 million) uMhlathuze Municipality (R5,5 million) and uThungulu District Municipality (R3,85 million). The project will be completed in March 2006.

❑ Upgrading of Arboretum macerator

The Macerator station was built in 1983 and with increased capacities and ageing equipment, mechanical upgrading was required. Phase 1 of the upgrade started in June 2004 and was completed in April 2005 at a project cost of R2 564 000. The upgrading consisted of new, larger capacity effluent pumps and the relevant electrical upgrades. A new diversion chamber to pump effluent into the existing lined storage pond in case of Mhlathuze Water being unable to accept effluent into their sea outfall line was also constructed.

Phase 2 of the project started in May 2005 and will be completed in November 2005.

This phase will cost

R6 468 000 and includes

the upgrading of the

intake works with the

associated pipe work, the replacement of the fine screens in the macerator and the lining

of the existing unlined pond at the macerator station.

❑ Outfall sewer: Ticor South Africa

Ticor SA in Empangeni generates industrial effluent that cannot be handled by the Empangeni Wastewater Treatment Works.

Therefore, a R21,2 million project to construct an outfall sewer from Ticor SA to the Mondi site, where the effluent is pumped into the Mhlathuze Sea Outfall line, was implemented through Mhlathuze Water. uMhlathuze Municipality requested spare capacity in the outfall sewer to service future industry, which will establish around Ticor SA. The project started in September 2004 and will be completed in August 2005.

Support Services

❑ GIS upgrade and expansion project

Following the completion of the organisational Information Technology Strategy investigation, the GIS User Work Group (GISUWG) was tasked with implementing those recommendations pertaining to GIS. Phase 1a of the project, to capture GIS related data, and Phase 1b, to evaluate whether to replace or upgrade the existing GIS, have been completed. Phase 2 is currently subject to review and approval for implementation.

Esikhawini Water Treatment Works



Corporate Services



- Diverse Administration
- Legal Services
- Property Management

The City Secretary's Department has been renamed to bring the Municipality in line with modern organisations. The new name of Corporate Services better describes the diverse nature of the functions carried out by the Department.

Diverse Administration

- Committee Section (Secretariat)
- Central Registry
- Management of Security, Cleaning and outsourced services
- Libraries (6 in total)
- Community Halls (13 in total)
- Typing Pool

❑ Staff

Major strides have been made towards achieving employment equity – 70% of the workforce is black; 27% is white and 3% Indian with the top and senior management structure being comprised of three black males, one white male, three white females and one black female. The department lends itself to the employment of females and has a ratio of two females to every male in service.

❑ Libraries

The City is proud of its six libraries that together accommodate a million visits per year and circulate 480 000 items. Librarians working in the previously disadvantaged areas are kept especially

busy. These communities are becoming more aware of the importance of libraries and most people need assistance when looking for something to read or researching information on a specific topic.

To promote the use of libraries, librarians visit local schools to emphasise the importance of reading as libraries are often only used for educational and study purposes in some of the previously disadvantaged communities.

Libraries are especially popular in the afternoons as study venues for scholars and university students. In this regard, the Municipality identified the need for a resource library at Empangeni two years ago and awarded the contract to build this facility in June 2005. The project is valued at R740 000 and has the support of the KwaZulu-Natal Provincial Library Services, which will fund R465 000 of the project amount.

The KwaZulu Natal Provincial Library Service has likewise been very supportive and has provided funding for the computerisation of all the libraries. Only Ngwelezane Library is not yet computerised. Computers have been purchased for this library, which will become part of Council's network system once Council's WAN (Wide Area Network) system is in place.

❑ Security

Special priority was given during the past year to ensure the protection of Council's assets.

Four security contracts are in place to attend to various aspects of security and an official in the Department of Corporate Services is assigned to manage these contracts and conduct frequent inspections.

Over 40 sites are protected in terms of these contracts, which also cater for other security functions such as cash guarding, ad hoc protection of areas (e.g. temporarily vacant premises, sites where cables are being laid, etc.) and the removal of illegal squatters.



Council also identified the need to improve security at the Richards Bay Civic Centre and several security measures have been adopted.

❑ **Halls**

Several projects were completed to enhance the appearance of the halls and make them more acceptable to the communities they serve:

- The installation of fans at Nseleni Hall
- Curtains for Brackenham, Ngwelezane and Esikhawini Halls
- A new stove and refrigerator at Hlanganani Hall in Esikhawini
- The flooring at the Supper Room in the Empangeni Town Hall was replaced
- Additional trestle tables to accommodate the large groups of people who book the Empangeni Town Hall were purchased

❑ **Council and Secretariat Services**

Council re-established its committees during September 2004 in line with the changes in political representation.

The portfolio committee system is now in its second year and the speed and accuracy with which well-debated reports are submitted to Exco and Council is proof that the system works and sufficient participation and transparency is ensured.

Interesting Statistics

- A total of 270 Council and committee meetings were held
- 1,8 million pages were copied during the period under review
- 9 000kg of paper was distributed to councillors, staff and the community all bearing evidence of the lengths that Council goes to disseminate information to the community
- Assistance was also given to numerous external and government organisations, including the IEC, in their continued efforts to distribute pamphlets to the community at large.

❑ **Gender issues**

Great strides have been made with the establishment of the Gender Task Team. The formation of this committee was based on various government initiatives and Council's acceptance of the establishment of a Gender Task Team. Their terms of reference include ensuring that all aspects affecting governance and equity in the organisation are adequately representative of and sensitive to gender issues. As a result the committee is currently perusing policies and procedures relating to inter alia procurement of services and goods, employment equity, access to facilities, women empowerment and similar issues.

❑ **Good co-operative governance**

Council's boardroom and committee facilities are assets of which the Municipality is immensely proud. Frequent requests are received from local municipalities, the district municipality as well as provincial and national departments for the utilisation of the facilities. The policy adopted relating to the free utilisation of, for instance the Auditorium, has resulted in good relations with our municipal and government partners and creates a positive sense of goodwill as well. It bears mentioning that the uMhlathuze Council was also the selected venue for the National Council of Provinces' "Taking Parliament to the People" during November 2004 in Empangeni as well as the KZN Legislative Assembly's Constitutional Court at Richards Bay during May 2005.

During April the Council also supported and hosted the World Day of Safety at Work 2005. Ministerial representatives and other dignitaries representing numerous national and provincial departments were present at these functions, once again highlighting the suitability and ability of the Department of Corporate Services in providing superb venues, services and facilities under most circumstances.



Civic Centre, Richards Bay

Legal Services

- Legal Support Services
- Trade Licensing
- Tenders

During the past year Council concluded contracts amounting to millions of rand. All of these were drafted and/or vetted by the Legal Section to ensure Council's interests are legally safeguarded. A formal Contract Monitoring Procedure has been adopted for this purpose.

The Legal Advisor oversees the opening of tenders to further contribute towards the legitimacy of the process.

Numerous pieces of legislation affecting local government, as well as amendments to current legislation, were introduced. The Legal Section does constant research to advise the Council on the latest developments and to ensure that Council's operations are conducted within the parameters of the law.

All Council's by-laws have been reviewed during this year to ensure that they are in line with legislation and standard by-laws issued by government.

Land Sale Statistics

Council owned dwellings	R 6 710 300,00
Birdswood residential	R 2 331 100,00
Flat sites	R17 597 900,00
Industrial	R10 974 200,00
Commercial	R 706 800,00
Professional	R 730 000,00
Devotional	R 42 000,00
Brackenham	R 1 267 500,00
Service Industrial	R 370 000,00
TOTAL	R40 729 800,00

Property Management

- Alienation (sale, lease, purchase)
- Township establishment
- Management of personnel housing
- Management of all Council owned properties (portfolio totalling R45 million)

The Property Section dealt with wide ranging issues pertaining to the unlocking of development potential and opportunities. Statistics of sales and subsequent building projects also reflect the continued confidence of developers to invest in the local property market.

❑ **Statistics regarding the land sales for the past year are as follows:**

- Development proposals were requested and exciting submissions were received in respect of the area surrounding the Empangeni Country Club. The old Empangeni Tennis Club, Erf 309, and adjacent Council-owned Erf 292 are the focus of this upmarket residential development. Nearby Erf 4709 will, in due course, also be available for similar development.
- Interest in the development of garage sites resulted in the preparation of guidelines for the alienation of two undeveloped erven to developers who would undertake the township establishment procedures with a view to acquiring the erven at market related prices. A linked requirement is the acceptance of responsibilities to upgrade two taxi ranks to an acceptable standard, to maintain the ranks and to be granted specific advertising rights in the ranks in return.



- Preparatory work for the proposed sale of Pionierhof Flat complex in Empangeni is at an advanced stage. The 60 unit complex will be offered by means of public tender in due course.
- Proposals for the development and upgrading of Empangeni Airfield were requested. A proposal for the extensive upgrading of the airfield to serve the social flying fraternity will serve before the Executive Committee in due course.
- The development of some 30 general residential erven in the Richards Bay CBD is progressing well with purchasers showing unprecedented interest. Various complexes are being erected to supply the growing housing market that is stimulated by the continued industrial commercial and harbour related development projects.
- Similar growth is also reflected in the approved market related sale of an additional portion of land to Hillside Aluminium. Portion 44 of Erf 5333 (disbanded railway reserve) was approved for sale and a 3,5ha adjacent portion was approved on a long lease basis at market rental to enable the expansion of the Hillside 3 + Smelter Project.
- The proposed upgrading of Palm Plaza, the enclosed car park area behind Checkers Centre, was approved and legal procedures to close the park and allow the development by the owner are currently underway.
- The proposed lease and purchase of $\pm 2,7$ ha of harbour related industrial land to Seamunye Port Holdings was approved. The existing import /export company identified the land between Foskor and the harbour as ideal for their company's expansion purposes. In a recent submission to Council the transfer of the lease from Seamunye to Kusasa Bulk Terminal was approved.

- The social / recreation needs of the members of the Zululand Triathlon Club have been recognised and Council approved the lease of a 2,974m² portion of land next to the Richards Bay Ski Boat Club. The Triathlon Club has already established a club house for their growing membership and are now in a position to host national and international competitions.
- A total of 81 residential erven located in Brackenham were also offered for sale and have been allocated to lower income earners according to approved criteria. The conclusion of sale agreements are progressing steadily and some 80% of the sale agreements have been concluded and payments made to enable the transfer and development of the erven.
- The Property Section was involved in the negotiations and conclusion of the sale agreement in respect of Erf 2923 to enable the development of modern retail and banking facilities at Esikhawini.



City Treasurer



- Financial Planning and Budgeting
- Expenditure and Related Liabilities
- Income and Related Credit Management
- Financial Reporting

The programme of capacity building within the Department through the process of staff rotation, skills development and internships has continued during the year. The internship process has proved very successful, with the respective candidates sufficiently capable of taking up a number of positions in the City Treasurer's Department when the opportunity avails.

This Municipality is very proud of its financial management record, which is the only recipe for financial sustainability into the future as reflected in the various figures and statistics below.

Key Accomplishments

Strong credit control policies have resulted in an effective collection of rates and service charges that are unparalleled in South Africa. During the last financial year the average collection reached almost 101%.

With unemployment and poverty at such high levels in the Council's area of jurisdiction, this is indeed a proud achievement. Concessions to the poor are, however, not compromised and basic free water and electricity are implemented.

The City Treasurer's Department remains proud of the fact that services are being rendered to the public from eight offices in all the major suburbs within the City.

These offices are managed by a Branch Manager or an Accountant and enable good communication with the ratepayers as well as easy access for the payment of accounts and for the purchase of pre-payment electricity tokens.

A task team was appointed in this Department to investigate the extension of pre-payment vending to third party agents. A report in this regard will serve before Council.

Financial Planning and Budgeting

The City of uMhlathuze has continued as a pilot municipality for the implementation of the new budgeting system advocated by National Treasury with a medium term expenditure framework of three years. This framework is entirely linked to the Municipality's Integrated Development Plan (IDP).

The completion of the Annual Financial Statements for the 2004/5 financial year, and the completion of the 2005/6 budget was done in accordance with the timeframes as laid down by the new Municipal Financial Management Act.

Accounting standards adopted are still those prescribed by IMFO (Institute of Municipal Finance Officers) and not in terms of GRAP (Generally Recognised Accounting Practice) as these standards have not yet been approved by the ASB (Accounting Standards Board). The change over is now envisaged for 2005/06.

Council's 2005/2005 multi-year budget reflects the following key elements:

OPERATING BUDGET	2004/2005 Budget (R'000)	2004/2005 Actual (R'000)	2005/2006 Budget (R'000)	% Increase Budget/ Budget	% Increase Budget/ Actual
Operating Expenditure:					
Salaries & Allowances	205 897	200 595	239 670	16.4%	19.5%
General expenses:					
- Bulk supplies	200 865	204 806	226 39	12.7%	10.5%
- Other	236 543	237 604	282 218	19.3%	18.8%
Repairs & Maintenance	106 249	106 771	119 804	12.8%	12.2%
Capital charges	31 080	68 290	44 222	42.3%	-35.2%
Contribution to capital outlay	6 009	5 071	6 805	13.2%	34.2%
Contributions	40 042	32 189	32 953	-17.7%	2.4%
	826 685	855 326	952 065		
Less: Amount recharged	(196 650)	(198 980)	(217 705)	10.7%	9.4%
Less: Transfer from Revisions	(1 000)	(1 896)	(3 692)	269.2%	94.7%
Total	629 035	654 450	730 668		
Operating Income:					
Income for rates, service charges etc.	581 207	597 197	659 564	13.5%	10.4%
Grants and subsidies	39 164	46 410	64 107	63.7%	38.1%
Contribution from accumulated reserves	8 664	0	6 997	90.4%	27.5%
Total	591 296	607 144	629 035		
Capital Budget:	130 424	91 246	212 605	63.0%	133.0%



Statistics

	2005 (R- million)	2004 (R- million)	2003 (R- million)
• Debtors turnover rate (representing the outstanding debtors amount as a percentage of billed income on all services)	15.1%	15.6%	16.5%
• Outstanding debtors as at 30 June 2005	80.5	81.7	76.1
- Long-term debtors	8.0	11.2	12.1
- Provision doubtful debts	23.4	25.3	24.9
• Operational results 2002/ 2003:			
- Total capital expenditure	146.7	91.3	83.9
- Total operating expenditure	654.4	599.0	514.0
- Total operating income	643.6	607.1	528.0
- Total billed income	535.1	523.1	461.6
• Statutory funds:			
- Capital development fund	339.2	302.0	282.6
• Reserves	0.7	2.0	2.8
• Investments and cash on hand	37.8	60.6	68.3
• Accumulated surplus	8.3	19.9	30.5

**Balance Sheet as at 30 June 2005*

	2005 R	2004 R
CAPITAL EMPLOYED		
Funds And Reserves	339 943 742	304 048 233
Statutory funds	339 246 405	302 051 714
Reserves	697 3337	1 996 519
Accumulated surplus	8 307 041	19 859 594
	<u>348 250 783</u>	<u>323 907 827</u>
Long term liabilities	62 267 659	71 656 493
Consumer deposits: Services	<u>18 512 590</u>	<u>27 182 540</u>
Total Capital Employed	<u>429 031 032</u>	<u>422 746 860</u>
EMPLOYMENT OF CAPITAL		
Fixed Assets	436 469 619	378 632 583
Investments	0	5 857 300
Long-term Debtors	<u>8 051 207</u>	<u>11 216 103</u>
	<u>444 520 826</u>	<u>395 705 986</u>
Net Current Assets	(15 489 794)	27 040 874
Current Assets	133 440 274	152 583 591
Inventory	9 004 110	7 120 776
Bank	31 894 244	19 881 078
Short-term investments	5 857 300	35 000 000
Debtors	85 187 687	88 821 401
Current portion of long term debtors	<u>1 496 933</u>	<u>1 760 336</u>
Current Liabilities	(148 930 068)	(125 542 717)
Provisions	11 635 951	13 365 670
Creditors	132 433 235	107 853 102
Current portion of long-term liabilities	<u>4 860 882</u>	<u>4 323 945</u>
Total Employment of Capital	<u>429 031 032</u>	<u>422 746 860</u>

* (Unaudited Financials)

Community Facilitation and Marketing



The assets and marketable features of the City of uMhlathuze – the deep water harbour, strategic location, economic service changes, availability of land and abundant supply of labour – practically sell themselves to investors.

This Department is focused on realising this investor potential in a responsible manner by protecting the sensitive environment and achieving the Council’s objectives. These objectives are to stimulate the economy and to create job opportunities as well as to enhance the attraction of the area and remain one of the country’s fastest growth points.

Marketing and branding the Municipality outside the City boundaries is one way this Department aims to improve the lifestyle of all the City’s inhabitants. Public participation is a more direct approach used to engage residents to ensure community needs are taken seriously.

Marketing

Several exciting developments are about to start in the City. Final planning approval is imminent for a secure-lifestyle estate overlooking Lake Mzingazi at the Richards Bay Country Club. Proposals for a similar development on portions of the Empangeni Country Club and Tennis Club are presently being evaluated.

Building a strong foundation for a sustainable future

- Marketing Services
- Public Relations and Tourism
- Community Facilitation
- Local Economic Development
- Outdoor Advertising
- Low Cost Housing
- Museum
- Access to Information
- Informal Trading

Negotiations with two foreign direct Investors are at an advanced stage and the City’s industrial tax base will be expanded through the construction of the proposed pulp mill and ferrochrome smelter in Richards Bay once environmental approval has been granted. The Marketing Section has been intensively involved in gathering information and providing development advice to various project proponents linked to these major industries, as well as downstream aluminium beneficiation projects.

Outdoor Advertising

Income generated by outdoor advertising increased for the third consecutive year with application fees, rentals and approval fees in respect of permanent advertising opportunities amassing R944 615. Temporary advertising rights raised R40 446.

The outdoor advertising medium proved extremely successful in reaching the public in two separate campaigns - a beach safety awareness campaign focused at Alkantstrand Beach and a municipal services publicity campaign, which targeted the libraries, museum, electricity, water, and rabies inoculations. Two welcome signs into the City were erected and 10 banner points were made available by Council for banner advertising.

Applications processed during the 2004/2005 financial year:

Estate agents boards	30
Advertising trailers	7
Wall signs	14
Portable boards	14
Flags/teardrops	34
Ground signs	64
Pylon signs	2
Posters and banners	189
Declined/lapsed applications	44
Total	398



Interesting statistics

- 50 000 Newsletters were printed and distributed monthly throughout the municipal area
- 20 000 Tourist maps and 20 000 tourist brochures were printed and distributed to identified outlets
- 3 000 Annual reports were distributed

Tourism

The City of uMhlathuze is widely regarded as an industrial town. Council with the assistance of the uMhlathuze Tourism Association, is making definite progress in changing perceptions and promoting the City as a tourist destination. This has largely been achieved by supporting the growth of sports tourism through the sponsorship of high profile events that showcase the City as a leading sports venue.

Apart from a favourable climate, the City is fortunate to boast a wide variety of sports clubs, many with the necessary infrastructure to host provincial and national events. As a result the following events have been successfully hosted in the City and the Municipality has been actively involved providing either sponsorships, television coverage or as host:

- Fish Eagle Mile Swim;
- Beach Festival;
- Hippo Rally;
- Zululand Expo;
- Zulu Dance Competition;
- uMhlathuze Tourism Bush Run;
- Richards Bay Fishing Bonanza;
- National Bodyboarding Contest;



- 21 Species Fishing Competition;
- South African Triathlon Championships;
- KZN Bonzai Association Regional Annual Convention;

Local business has also enjoyed the positive spin-offs generated by these events as hotels and B&B establishments were fully booked and visitors were keen to explore the attractions of our area.

Great effort has been channelled into developing and improving the quality of craft products made in the area by holding workshops at the Empangeni Arts and Crafts Centre. Crafters are also provided with information and training about customer service and business skills needed to establish their own enterprises.

The construction of a roof on the Arts and Crafts Centre, which is scheduled for completion in late 2005, will give the Centre more scope and make it more viable as a venue.

Museum

The Empangeni Museum changes its exhibitions on a regular basis to maintain a good balance between local artwork, art from schools in the area, work from our rural crafters as well as provincial exhibitions that are on tour.



❑ **The most noteworthy exhibitions and skills development training at the Museum were:**

- The Isiphehu Exhibition of the intricate embroidery works of the unemployed women from the Newcastle area
- The Annual Mondi Eistedfodd and the St Catherine's High School Exhibition, which reflected on the portfolios of matric scholars from 2001 to 2003.
- Skills Development Training workshops aimed at art teachers in the rural areas of the City.
- A crafters exhibition for the public where beadwork, woodwork, clay pots and other artworks were on display for sale was well received and patronised, ensuring a repeat performance in the future.

Community Outreach Programmes

❑ **Hosting the State of the Nation Address**

The City of uMhlathuze, in collaboration with the Communication & Information System division of Government, staged an event whereby the rural community of the Madlebe Tribal Authority watched the televised screening of the State of the Nation Address by the South African President for the first time.

In his address, President Mbeki spoke about social and development issues as well as other matters of national interest. To maximise the community's understanding of the address, representatives of various government departments were in attendance to clarify their roles and responsibilities.

Building a strong foundation for a sustainable future

This event was an important empowerment tool as the community used the opportunity to raise various questions that cut across the different spheres of government. Both leaders and government officials were able to experience first-hand the issues that people feel strongly about.

❑ **Cultural activities focusing on the youth**

During May and June, the City of uMhlathuze implemented an arts and culture programme in the form of a road show that targeted youth from the four Tribal Authorities under the jurisdiction of uMhlathuze Municipality.

The focus was to raise awareness about talent, showcase different talents and harness talent. Besides the promotion of cultural activities, the youth were empowered about entrepreneurial opportunities and the skills required.

To promote national identity a Youth Day event was hosted to coincide with other countrywide activities on 16 June. Leadership ranging from the Mayor, Amakhosi, Councillors and other distinguished community members attended local Youth Day celebrations. The sense of enthusiasm by the youth and the support the event enjoyed from the leadership and communities will be strong motivation to adopt the celebration of Youth Day in the City's annual programme.



❑ Radio talk show

To broaden the community facilitation base Council provided funding for radio talk shows. Slots bought from national and community radio stations were used to disseminate information on municipal service delivery. Emphasis was placed on building a sustainable relationship between the Municipality and the community.

The talk show medium proved useful in enabling Council to reach communities in the rural areas that do not have access to, or make use of conventional print media.

❑ Establishment of a Street Traders Forum

The inaugural meeting of the Street Traders Forum was well received with those in attendance – street trader representatives, police, the Municipality and formal business – showing a willingness to work together to ensure growth, order and stability in the City in terms of economic activities.

Street trading related issues were discussed in a meaningful manner and the Municipality and the Zululand Chamber of Business Foundation made presentations informing the delegates of the plans, processes and support programmes to be implemented.

❑ Ward Committee review session

During April 2005 Council hosted the Ward Committee Year Review Session. More than 80% of ward committee members



arrived to hear the Mayor and the Chief Executive Officer report on the 2005/2006 budget issues, the previous year's

achievements and shortcomings as well as share strategic developmental issues with the members. The Ward Committee members used the opportunity to raise various issues with the Mayor such as the need for financial support. They were also forthcoming with constructive suggestions on other issues.

Housing

❑ Umhlathuze Village

A massive R3,3 million has been set aside for Umhlathuze Village as Council's reaffirmation of its commitment to provide an acceptable level of services in low income housing developments. The bulk of this funding will be spent on infrastructure while R500 000 will bridge finance the top structures.

This contribution by Council provided welcome relief to the beneficiaries who do not need to make any individual contribution other than the legislated R2 479 payable by those earning more than R1 500 per month.

The mass of people who took part in the registration exercise at the Empangeni Town Hall following the unblocking of this project, illustrates the huge demand that exists for this type of development. More than 800 applications were received of which 400 have been approved by the Provincial Department of Housing.



Contractors appointed for the installation of the infrastructure and house construction have started work and it is expected that over 500 houses will be completed by June 2006.

❑ **Esikhawini Redevelopment Programme**

The mammoth hostel upgrade will be ready for implementation in August 2005 following extensive consultation and planning processes. The Housing Division will be evacuating all tenants and accommodating them in various locations so that the contractor appointed to undertake the pilot project (36 units at J464) can move on site and start with renovations.

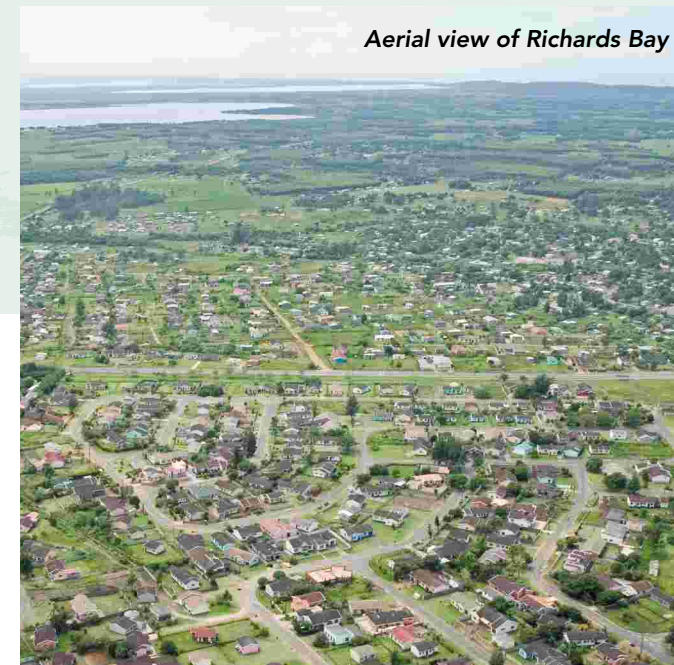
The entire hostel development will take about three years to complete. Simultaneously Council will address issues such as the provision of temporary and permanent alternative housing as well as consider alternative ways of managing the revamped units.

Land Acquisition

For the past two years the City of uMhlathuze has been in the process of acquiring certain portions of land adjacent to Esikhawini and Enseleni, which it views as crucial in terms of the City's general growth.

The land is being sought to provide low and middle income housing to satisfy the demand created by the influx of job seekers who believe the area to be rich in employment opportunities. This has resulted in a sharp increase in the number of households and the population.

Environmental issues and an active lease agreement are, however, a source of concern regarding the land adjacent to Esikhawini. The Municipality is doing everything in its powers to accelerate matters including engaging the assistance of various government departments. The community is kept updated on the progress as well as the encountered challenges.



Aerial view of Richards Bay

Community Services & Health



- Waste Management Services
- Environmental Health
- Community Based Crime Prevention
- Clinic Services
- Traffic and Traffic Licencing
- Fire and Rescue Services

Waste Management Services

Waste Management Services completed the City of uMhlathuze's first Integrated Waste Management Plan (IWMP) in April 2005. This plan is a requirement of the National Waste Management Strategy and the Integrated Development Plan.

In addition to the Polokwane Declaration, that commits all spheres of government to strive towards the goal of zero waste by the year 2022, the IWMP determines the detail and functionality of existing waste services and the identification and planning for future needs.

❑ School Clean-up Competition

Waste Management Services held a clean-up competition focused on schools in the unserved rural areas of the City with the intention of creating a platform for the extension of waste services.

Ten schools participated and together the learners collected in excess of 8 tons of waste in and around their schools.

Prizes to the value of R21 000 were awarded, including photocopying machines for the two first prize winners.

Coastal Clean-up Campaign in September 2004. In addition, the Municipality donated 10 000 refuse bags and provided nine refuse skips for the event.

Environmental Health

❑ General

- Bi-annual rabies campaigns as well as monthly clinics at central venues in the municipal area were held to contain the spread of rabies, a disease still prevalent within the jurisdiction of uMhlathuze Municipality.
- Malaria cases declined sharply during the year with no reported local transmissions. However, malaria continues to be closely monitored by all stakeholders.
- Regular monitoring and health education by Environmental Health Officers has led to a vast improvement by industries and workshops' regarding compliance and co-operation with water pollution aspects.
- Air pollution complaints from the surrounding communities increased and resulted in timeous investigations and resolutions of these complaints.

❑ Air Quality

Some success has been achieved in using air quality data to influence the position of new industries. However, the existing industries in the town do continue to expand and in some cases produce more emissions.

Waste Management Statistics

Skips serviced	643
Street litterbins	1 386
Number of refuse bags distributed to residents per annum	7,3 million
Community skips	30
Loads of waste collected	7 508
Domestic and commercial waste	237 999m ²
Industrial waste	39 872m ²
General waste	15 794m ²
Garden waste	2 534m ²
Total volume of waste collected	296 199m²

Such a situation will not be sustainable for the town and the future of the Richards Bay Clean Air Association will be to maintain vigilance on new developments and encourage the existing operations in Richards Bay to plan for emission reduction programmes. The new Air Quality Bill will eventually make this approach mandatory.

Community Based Crime Prevention

The Community Safety Forum met on a regular basis and the implementation of the 10 projects identified in the Municipality's Community Based Crime Prevention Strategy continued during the year and met with much success.

Of particular interest is the "Local Heroes" project, which has been selected as a best practices project by the Department of Education. This means the programme will now be used as the basis of life skills training for youth across the country.

The Neighbourhood Support Programme has also been given a massive boost with the launch of the uMhlathuze Ministers Forum. The Forum is committed to bringing the community together through prayer and fellowship, voicing concerns and acting upon these concerns for the benefit of the community and the country.

Building a strong foundation for a sustainable future

The following inspections and investigations were conducted during the year under review:

- 1 046 Complaint investigations were undertaken, of which 430 related to air pollution
- 32 Tracing of TB defaulters, 49 cases of malaria, 44 cases of measles and 10 cases of Hepatitis A
- 1 168 Inspections of vacant overgrown properties
- 62 Inspections at funeral parlours
- 2 423 Inspections of food premises
- 134 Samples were taken according to the Foodstuffs, Cosmetics and Disinfectants Act.
- 362 Water samples were collected from streams, rivers and other water sources with regard to water pollution parameters.
- 2 049 Kilograms of unsound foodstuffs were destroyed at the local landfill sites
- 348 Inspections were carried out at child care facilities
- 92 Inspections were done at bed and breakfasts establishments
- 384 Inspections of workshops were carried out with regard to water pollution aspects
- 97 Building plans were scrutinised from a health point of view.
- 42 Pauper burial applications were approved and burials undertaken by Council
- 59 Health education sessions were undertaken with a total of 1 621 people attending the sessions
- 3 Positive cases of rabies were diagnosed in the municipal area. The total number of animal bites recorded and investigated was 36.



Clinic Services

In total, uMhlathuze Municipality clinics (excluding clinics in R293 towns) attended to 193 805 patients during this period.

❑ **Tuberculosis, TB and Sexually Transmitted Diseases** HIV has completely changed the face of the Tuberculosis epidemic, where Tuberculosis (TB) patients today are younger and sicker.

The City's clinic staff attended to 4 821 clients who presented with HIV/AIDS signs and symptoms, 6 115 cases of STI's and 11 634 positive TB cases. Compared to the previous year, there is a dramatic increase of HIV and TB in Council's area of jurisdiction.

uMhlathuze City Clinics employ the following strategies to contain the STI/HIV/TB trio:

Continued on Pg 32

- **Voluntary Counselling and Testing (VCT)**

Nine lay counsellors (5 in Richards Bay and 4 at Empangeni) employed by KZN Province provide VCT and impart information on HIV/AIDS, STI and TB on a daily basis. They also visit satellite clinics to spread the programme to residents around Meerensee, Aquadene, Brackenham and Felixton.

- **Prevention of Mother to Child Transmission of HIV (PMTCT)**

The PMTCT clinic informs pregnant mothers how HIV proceeds from a HIV positive mother to her baby during pregnancy, childbirth and breastfeeding with the aim of preventing vertical transmission of HIV. The rationale is to interrupt transmission of HIV at each stage at which it might occur.

- **CD4 cell count clinic and referral to Ngwelezana Hospital**

Viral load and CD4 cell counts are tests done to determine the level of HIV in the body. Where necessary patients are referred to Ngwelezana Hospital.

- **Support Group for People Living With HIV/AIDS**

Support groups for People Living With HIV/AIDS meet on a monthly basis in Empangeni and Richards Bay. uMhlatuze Clinic Services work in partnership with Life Line Zululand, Parego, and other local NGO's and CBO's in this regard.

- **TB and DOT Programme**

Sputum is collected from all clients presenting one or more symptoms of TB. Those who test positive are contacted to register for a six months TB programme. They are also encouraged to visit the VCT clinic to determine their HIV status.



TB patient to a Directly Observed Treatment (DOT) supporter who volunteers to help the client to comply with treatment and prevent defaulting.

A group of 23 women from Mzingazi volunteered to work as DOT supporters for the Richards Bay Civic clinic to encourage Mzingazi residents on TB treatment to complete the treatment programme.

- **Sexually Transmitted Infections (STI)**

Clients are advised on the dangers of STI with specific reference to HIV/AIDS and the risk of acquiring TB due to suppressed immunity.

- **Treatment of opportunistic infections**

People Living With HIV/AIDS were given a monthly supply of vitamins to help boost their compromised immune system and antibiotics to prevent and treat opportunistic infections.

Positive living and sexual behaviour change was encouraged with special reference to reducing sexual partners ("zero grazing"), abstinence and or use of condoms in order to prevent re-infection.

- **Nutrition**

A supply of fortified nutritional Philani porridge (supplied by KZN Department of Health) was offered to clients who unintentionally lost weight – due to TB/HIV/AIDS and any other chronic diseases like cancers, in order to correct their nutritional status.

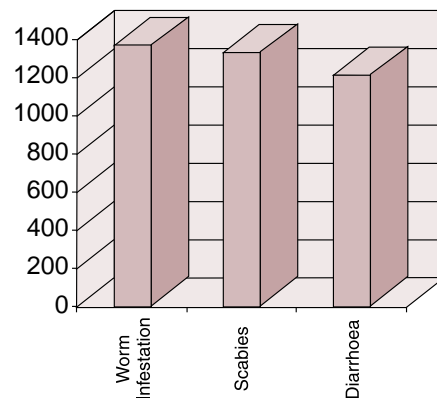
❑ Animal bites/rabies

The main clinics attended to 1 010 clients who were bitten by dogs. There is no treatment for rabies after symptoms of the disease appear and communities are advised to visit their clinic immediately if bitten by an animal to start the treatment programme.

❑ Illnesses in children

The graph indicates the prevalence of diarrhoea in children under five years, worm infestation and scabies in children that visited the Municipal clinics.

These illnesses usually exist in areas where there is a lack of safe water supply, poor hygiene and sanitation. It is thought that scabies may co-exist with HIV "itchy bump disease", which is more common in HIV positive patients/children. This relationship will further inflame the problem of scabies in Council's area of jurisdiction.



❑ Measles

The Municipality took part in a national polio and measles vaccination campaign for children younger than 5 years and up to 15 years of age. As a result of a measles outbreak in Richards Bay during April 2005 a response campaign was organised. Thirty schools were visited and 5 667 children were immunised.



Traffic and Traffic Licencing

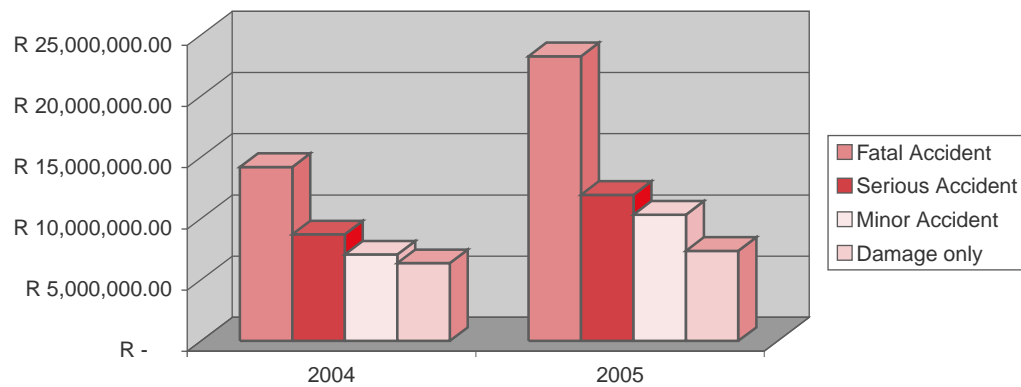
Vehicle description	RICHARDS BAY		EMPANGENI	
	2004/05	2005/06	2004/05	2005/06
Non-articulated HMV*	809	786	887	843
Articulated HMV*	568	633	538	604
Light load vehicles	8910	10318	7529	7880
Heavy passenger vehicles	241	297	93	135
Minibuses	796	884	1041	995
Light passenger vehicles	15916	17951	8728	9377
Motorcycles	1035	1259	541	631
Other and special vehicles	1174	1191	1020	1037

* Heavy motor vehicles

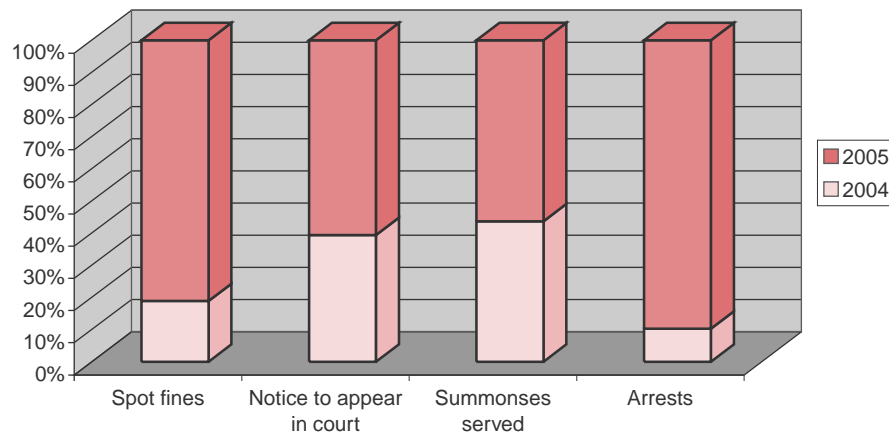
There has been an increase in the number of registered vehicles within the City's boundary, which is shown above.



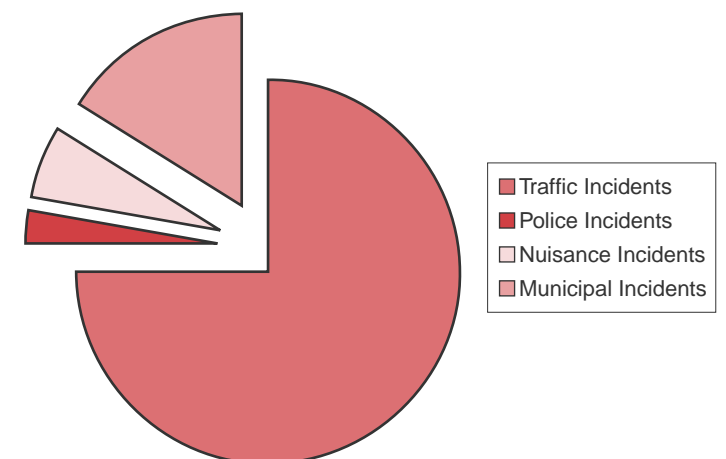
Accidents Costs for uMhlathuze



Law Enforcement



Control room

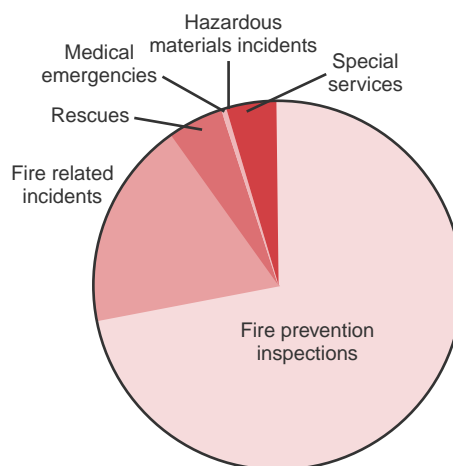


Fire and Rescue

Fire and Rescue Services excelled once again in the quality and quantity of the service that it provides to the community. This included the manning of the after-hours complaints line, which provides the link between Council departments and the community. Loss of life and property has been kept to a minimum due to effective fire fighting and fire prevention activities as well as the dedication and loyalty of Fire and Rescue staff.

During the year the Fire Brigade personnel rendered the following services:

- The Fire Brigade Control Centre processed 26 648 after-hours electrical pre-payment sales.
- The Fire Brigade Control Centre processed 30 262 fire related and 21 545 non-fire related telephone calls.
- The Fire Brigade Training Division presented 4 courses to external candidates over 4 days and spent 1 644 hours presenting training sessions to Fire Service personnel that covered 40 different modules.
- The total damage caused by fire was R14 910 670,00 whilst the estimated value of property threatened by fire was R736 109 270,00.



Notable fires attended

- One factory in a mini factory complex in Alton was totally gutted by fire. The Fire Department prevented the fire spreading to other factories in the complex.
- A runaway informal sugar cane fire caused the destruction of 7 formal rondavel structures as well as the Ithunzi Lodge at Port Dunford. The Fire Department was able to save three rondavels and prevent the fire from spreading to other residences situated in the area.
- A large fire occurred on conveyer belts in the Port. Two transfer facilities and a large amount of belting was damaged in this incident. Most of the Fire Department resources were utilised to contain and extinguish the fire.
- A dust explosion extensively damaged a portion of a fuel pellet manufacturers premises situated in Kwambonambi. The Fire Department responded out of its area of jurisdiction to assist with the incident.
- The Fire Department stood by and extinguished the fire on the film set "Out of Africa" on the wooden ship used in the production. This was done in conjunction with the film company, the National Ports Authority Fire Department, the Harbour Master and 2 tugs.
- Additional personnel were called in on standby to the Richards Bay and Empangeni Fire Stations for the duration of the Parliament National Council of Provinces week. The entire week went off without any incidents and was declared a success.
- Standby duties were carried out at various other mass public gatherings/venues throughout the area during the year and as a result of good pre-planning, no incidents were reported.
- The National Ports Authority Port Festival as well as the New Years Eve Festivals that took place in Small Craft Harbour were successfully concluded due to effective pre-planning and the strategic deployment of vehicles and manpower.

General

- Assistance was given, in the form of food parcels and blankets, to various families in the rural areas whose residences were destroyed by lightning and fire.

Integrated Development Planning



- Land Use Management
- Development Planning
- Environmental Planning
- Local Economic Development

Land Use Management

Detailed land use management maps and a combined scheme document, which covers the formal areas of the town, have

been prepared. The consultation process involving various sectors and groups, ranging from the business environment to traditional leaders will now be embarked on.

Environmental Planning

In terms of the Strategic Environmental Assessment (SEA), approved by Council as part of the Integrated Development Plan (IDP) process in 2002, various actions are required to work towards building a sustainable City. In this regard the Environmental Planning Section has initiated the following projects:

□ Environmental Policy for the City

Council adopted the Draft Environmental Policy on 5 April 2005. This document aims to inform the public and other stakeholders of the Municipality's environmental objectives and how it intends to achieve these objectives. The policy will remain in draft format for a period of two years in order to allow the Municipality an opportunity to implement measures that will ensure compliance with its policy.

It will also be implemented as part of the IDP and will be reviewed on an annual basis.

□ Environmental Management System

The development of an Environmental Management System (EMS) for Council, based on ISO14001 principles, continued in this financial year. The project aims to identify Council's impact on the environment. Council took a bold step in deciding to simultaneously implement ISO9001 (a quality management system) and OHSAS18001 (a health and safety system) to also manage these aspects of its day-to-day operations.

□ Environmental Resource Information Management System (ERIMS)

Population of the Environmental GIS is an ongoing project. Together with the City's digital aerial photographs, this source of information forms a powerful tool for environmental planning and management and will assist the Municipality in planning for a more sustainable City. The information is available to developers or industries that want to identify any environmental constraints that may be present before venturing into an Environmental Impact Assessment process. The following crucial environmental information has been added to the ERIMS:

• Vegetation mapping

This aids the Municipality in identifying areas of conservation importance, areas that have been degraded, areas where the municipality should focus on alien vegetation control and eradication, wetlands boundaries, etc. The vegetation mapping has also successfully been used for fire hazard identification and determining how much air pollution biomass burning could produce.

• Floodlines

1:50 year and 1:100 year floodlines for major rivers, streams, lakes and canals in the uMhlathuze area assist the Municipality in disaster management, environmental



management of riparian vegetation and safe town planning.

- **Strategic geotechnical and geohydrological information**

Geotechnical information will assist the Municipality in assessing where developers can expect difficult founding conditions and the geohydrological assessment will assist the Municipality in protecting its precious water resources.

- **Air quality information**

The City, in co-ordination with the Richards Bay Clean Air Association, is in the process of analysing ambient air quality information to determine “no-go”, buffer and possible future industrial areas that will not impact on the residents’ and the environment’s well-being.

❑ **Environmental Services Management Policy and Management Plans**

Building on the information gathered during the past two years for the Strategic Catchment Assessment, the Environmental Planning Section initiated an Environmental Services Management Policy and Management Plans.

“Environmental Services” make an important contribution to the economy of the uMhlathuze Municipality. Just as built or engineered services, such as waste disposal and water supply infrastructure, are valuable municipal services, so too are the environmental services delivered by the natural resources of the Municipality.

Environmental goods and services produced by these natural resources include:

- | | |
|---|--|
| • Water supply | • Climate regulation |
| • Flood mitigation / attenuation | • Provision of habitats for biodiversity |
| • Soil formation and erosion control | • Waste Management, etc. |
| • Production of natural materials (thatch, grazing, food, firewood) | |

These goods and services are provided free of charge to the uMhlathuze Municipality, and it has been estimated that these services amount to R1,7 billion per annum.

A Draft Environmental Services Management Policy (ESMP) was developed to provide specific guidelines regarding future development within the City in a manner that safeguards the supply of environmental goods and services, secures a healthy environment for citizens to live in and ensures compliance with legislation. Environmental Services Management Plans for each of the catchments identified in the Strategic Catchment Assessment would formalise a response to the need for planning and managing these natural resources and ecosystems.

❑ **Environmental education and awareness**

The “Environmental Watchdog” initiative - an article with an environmental theme placed once every two months in the “uMhlathuze News” – continued this financial year. This initiative aims to raise environmental awareness amongst the general public.

The Environmental Planning website is operational under Departments, Integrated Development Planning, Environmental Planning. Here you can find out about new initiatives of the Environmental Planning Section.

Environmental training was undertaken for all staff members on ISO14001, the new Air Quality Act and the draft Environmental Impact Assessment Regulations.



Local Economic Development

The achievements in implementing the six key focus areas of the Local Economic Development Strategy of the City can be summarised as follows:

❑ Clustering for economic growth

The uMhlathuze Municipality is initiating a SMME Clustering Process for the Industrial, Tourism and Agricultural economic sectors of the local economy. This will also focus on economic linkages with the remainder of the uThungulu District. Cost proposals have been received and this Department is currently investigating sources of funding for the SMME Clustering Process.

❑ Critical infrastructure and services

The upgrading of the John Ross Highway is underway and will link Richards Bay with Gauteng, the economic hub of South Africa. An economic node has been established in Esikhawini with the establishment of the Esikhawini Shopping Mall.

❑ "Soft infrastructure" for competitive advantage

A Local Economic Development Task Team, consisting of key local LED role players, has been established to formulate the Local Economic Development Strategy and implement key focus areas. Phase 1 A of the Industrial Development Zone (IDZ) has been established. Procedures are currently being streamlined for the management of informal trade activities within the City of uMhlathuze with the formulation of an Informal Trade Framework Plan.

❑ Job creation from tourism

A Strategic Tourism Development Plan is being prepared in consultation with local stakeholders in addition to a feasibility study to register an Urban Biosphere Reserve with UNESCO of the United Nations. The Municipality also sponsored the training of local SA Host training facilitators to promote a culture of service excellence among businesses in the tourism industry. A Waterfront and Marina Development Initiative has been established to promote the development of a waterfront and marina at the Richards Bay Harbour.

❑ Job creation through agriculture and forestry

An Agricultural Development Strategy is being formulated for the City in consultation with local stakeholders. The second phase of the strategy will consist of an Implementation Plan. The uMhlathuze Municipality is also currently implementing an Integrated Agricultural Development Programme both in the urban and rural areas of the City of uMhlathuze.

❑ Retaining and growing existing business

The uMhlathuze Municipality in partnership with the Zululand Chamber of Business and Empangeni business community successfully conducted a Business Retention and Expansion (BR&E) Visitation Programme for Empangeni. Outstanding activities that are currently being addressed include the formulation of the Empangeni Rail Renewal Plan, the relocation and formalisation of the Empangeni street mechanics and the roofing of the Empangeni Arts and Crafts Centre. The Municipality is also envisaging conducting a Revitalisation Plan for the Empangeni Arts and Crafts Centre.

Development Planning

The Mzingazi Golf Estate is one of the most prestigious and ambitious housing developments in the history of the City and the progress made with this project during the past year is a highlight of this Department.

A sales agreement was signed with the developers, iNdlovu Development Trust and a new lease agreement was entered into between the Richards Bay Country Club and the uMhlathuze Council.

The developers proceeded with a Development Facilitation Act (DFA) application in order to subdivide and rezone, where applicable, the developable portion of the current lease area. This process is subject to environmental authorisation, which is currently under review by the Department of Agriculture and Environmental Affairs. Apart from providing low to medium density housing in a secure and tranquil environment, iNdlovu Development Trust has incorporated sites zoned for professional use into the development application, which is an emerging niche in the golf course development market.

The development represents a win-win scenario for all role players. Council benefits R10 500 000 for the sale of the land plus 40% of the selling price of each individual subdivision sold in excess of R75 million. The developer will, amongst others, contribute an amount of R6 million towards the upgrading and redevelopment of the golf course, while a further R3,8m will be spent on upgrading the Country Club facilities.

A Stabilisation Fund will also be established (calculated at R10 000 per site). The purpose of the Stabilisation Fund will be to generate income to assist the Richards Bay Country Club with the maintenance of the facilities.



In addition to the above the developers will contribute R1 500 000 for the relocation of the Richards Bay Rugby Club and a negotiated amount for the relocation of the Richards Bay Bowls Club. The developer will contribute R400 000 to the Development Trust, which is an existing Section 21 Company established by the Richards Bay Country Club for the purpose of advancing and promoting sport amongst disadvantaged youth.

Management Services



- Personnel Administration
- Safety, Health and Environmental Risk Control
- Industrial Relations
- Training and Development
- Information Technology

Personnel Administration

The post of Director of Management Services has been filled by Mr Simon Mashabane.

This follows the retirement at the end of April 2005 of Mr Piet Oosthuizen, the former head of the Department, who retired after a working career of over 42 years.

Job evaluation

The South African Local Government Bargaining Council (SALGBC) declared a dispute on Council's decision to implement the new TASK System (Tuned Assessment of Skills and Knowledge).

As far back as 2001 uMhlathuze Municipality followed the job evaluation process within the timeframes set down by SALGBC to implement the TASK System across all 284 municipalities in the country. However, SALGBC couldn't implement the agreement in terms of the parameters they had set themselves and the uMhlathuze Municipality found itself in an uncomfortable position of meeting all the deadlines but being told not to implement by SALGBC.

Council, after careful consideration of SALGBC's inability to implement their own agreement, agreed to set money aside to attend to the unilateral implementation of the job evaluation results so that employees would get what was rightfully theirs, backdated to January 2003.

When SALGBC challenged this move by issuing a Compliance Order, Council referred the matter to conciliation.

When the matter was not resolved at conciliation it was referred to arbitration. The Municipality, recognising the matter was one of national interest and not wanting to place its employees at a disadvantage in terms the unilateral implementation, agreed to submit itself to a R75 000 fine in exchange for SALGBC condoning the implementation.

SALGBC has also indicated its willingness to fast track the job evaluation process and in so doing create a mechanism to fast track the appeals process.

Safety, Health and Environmental Risk Control

Training

Flexible Learning Solutions, the first company in the country to be accredited as a SHE Learning Programme Provider by the Services SETA, continued with the SHE training programme. Training is an essential requirement in terms of the OHS Act as staff have the right to be informed of their duties, responsibilities as well as hazards and risks in the workplace. Furthermore, all employees designated in terms of statutory requirements shall be trained.

The focus of SHE training shifted to the lower levels of the staff as the need on the higher levels had been addressed. A different approach, using visual material as a training aid, was used for illiterate staff. Posters were created of the major activities within the organisation and used during training sessions to identify risks and hazards. Instead of pocket size booklets, laminated pocket size mini-posters were given to staff for future reference. The Department of Labour's Head Office approved this methodology.

All appointees in terms of the OHS Act were trained to understand their statutory duties and responsibilities. More than 500 employees attended SHE training courses during the year under review.



Courses included SHE Representatives, Incident Investigations, Risk Assessments, Legislations and Right to Know.

Functional training by other service providers included first aid, confined spaces entry, truck mounted cranes, material stacker, bench and angle grinding, drill press operation and overhead cranes.

❑ **ISO 9001, ISO 14001 and OHSAS 18001 Integrated SHEQ Management System**
uMhlathuze Municipality prides itself on being a leader in local government circles and is constantly looking at ways to improve the way in which it does business to the benefit of its residents, employees and the City in general.

The latest project the Municipality has embarked upon in this regard is to attempt ISO 9001:2000, ISO 14001 and OHSAS 18001 certification simultaneously.

Driving the process is a specially appointed ISO Implementation Team consisting of representatives from each department, who have been trained by IQS Environmental, Quality and Training Consultants from Durban.

❑ **ODE training and development**

Two members of the SHE Risk Management Division are involved in the ODE Training and Development Practice learnership. Once they are accredited practitioners these officials will be responsible for assisting with internal SHE training.

Industrial Relations

The relationship between Council and its employees is very stable and healthy. The establishment of the Local Labour Forum and the open door policy as forms of communication has been instrumental in diffusing any potentially conflicting labour issues.

Despite the large staff component at the Municipality, relatively little disciplinary action had to be instituted in terms of the disciplinary procedure. The same can be said of the grievance procedure and other human resources related issues. This is indicative of sound industrial relations.

Training and Development

A Training Steering Committee for municipalities in the Northern Region has been formed with the assistance of the Department of Local Government and Traditional Affairs.

The municipalities include the uThungulu, Zululand and uMkhanyakude District Municipalities, and the 19 municipalities that they comprise. The committee aims to co-

ordinate training and assist the smaller municipalities to get skills development programmes up and running.



Information Technology

The Municipality has embarked on the City Connect project to upgrade the Municipality's communications infrastructure. The existing PABX system will be replaced with a VOIP (Voice Over Internet Protocol) converged system and the Local and Wide Area Networks (LAN and WAN) will be upgraded to improve the quality of service.

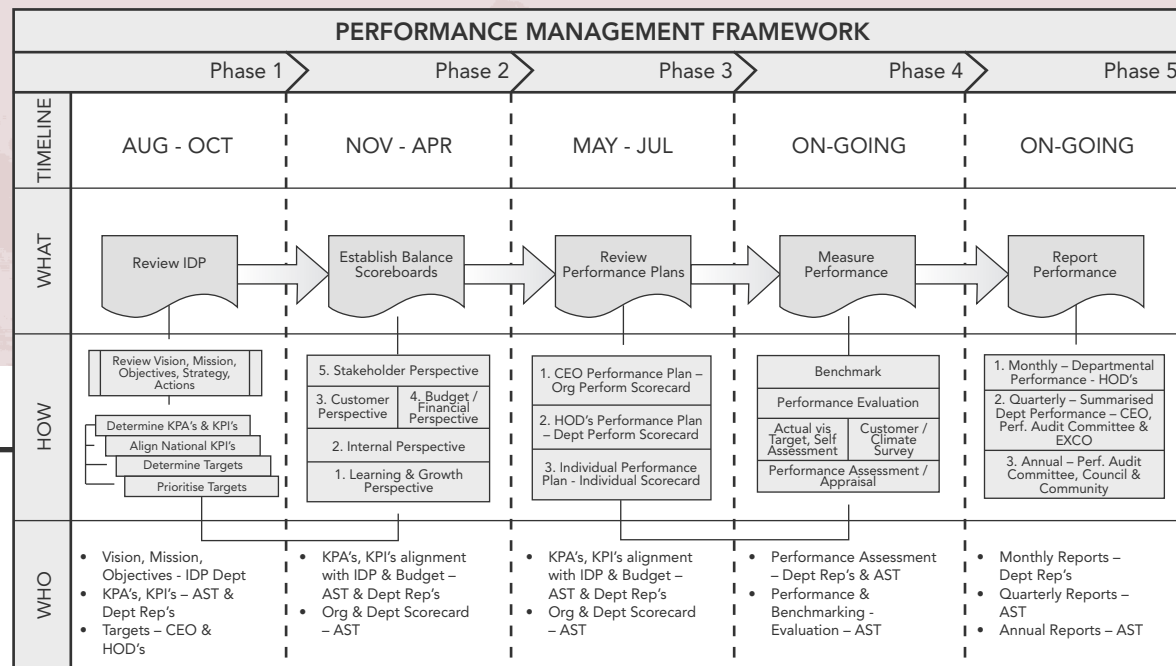
Cost savings from replacing the PABX system will fund the implementation of the upgrades as well as save R3,2 million over five years. Other benefits include a single point of telephone contact by which ratepayers can access the various departments within the Municipality, voicemail to manage messages in a professional manner and no cost for internal calls.

Upgrading of the LAN and WAN will provide more than 50% additional bandwidth per location outside of the Richards Bay Civic Centre as well as enhance the overall network performance to remote sites and improve network response times.

❑ Performance management

The manual process to measure, monitor and report on performance had become too complex and time consuming for completion within the timeframes required by the Auditor General and in terms of the Municipal Financial Management Act.

This Department, therefore, took the decision to computerise the Performance Management System (PMS). GijimaAST has facilitated the project performed by Intermap for the compilation of a User Requirements Specification and a Functional Specification for the development of this computerised system.



It is important to now expedite the further development of the Computerised PMS, which will incorporate the overall process for performance management in the Municipality.

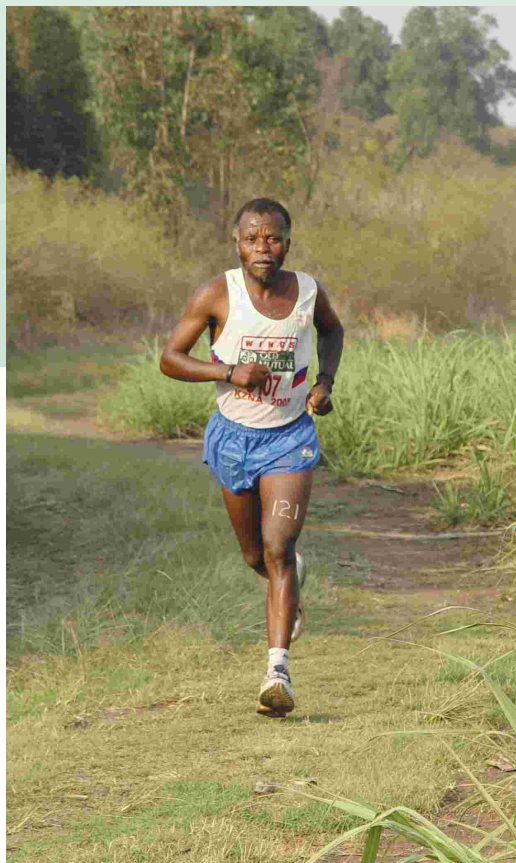
The computerised system will be in accordance with the Performance Management Framework and will ensure alignment of the Integrated Development Plan, Municipal Budget and the PMS.

Intermap has been appointed for the further development of the computerised PMS (phases 2, 3 and 4) and this will be financed from grant funds already allocated and approved towards this purpose. Intermap has developed the new Outcomes Based Budgeting Tool for the Municipality as an essential tool to align the Key Performance Indicators and targets derived from the IDP and the budget.

The computerisation of the PMS for the Municipality will be completed towards December 2005 to be implemented in January 2006.

The diagram above illustrates the Performance Management Framework developed for the City of uMhlathuze for performance measurement and reporting, adhering to the procedures suggested by the Best Practice Guide for Municipal Organisational Performance Management in KwaZulu-Natal.

Parks, Sport and Recreation



- Sport and Recreation Services
- Horticultural and Cemetery Services

Sport and Recreation

Creating and maximising opportunities for community participation through well targeted sports programmes has been exemplified during the past year by the increased volume of programmes this Department has been able to offer. These have added value, improved the quality of life for our residents and raised the profile of sport in the region.

❑ Development and Advancement

The Municipality is constantly revising and

aligning its sports development and advancement initiatives to market trends in the sports and leisure industry in order to remain at the forefront of this service within local government.

Of core importance is the delivery of sustainable projects that add value to the elite sports industry, contribute towards sports development and promote healthy communities. To achieve this the Department has re-affirmed existing partnerships with provincial and national federations as well as provincial and national governments through the presentation of co-operative projects and joint ventures.

This Department is proud to play a strategic and leading role in the sports industry of the province of KZN. Various outstanding recreational and sport programmes,

Building a strong foundation for a sustainable future

development courses and community recreational events were presented and achievements reached highlighted the actions during the past year and are *inter alia* the following:

- Zululand Basketball - Winter championships.
- 4 Mini cricket coaches' empowerment courses were presented at Esikhawini, Mzingazi, Ngwelezane and Nseleni.
- Bhejane rural sports promotion.
- Women's Sports Festival Celebration – Richards Bay.
- uMhlathuze Local Elimination Contest.
- Uthungulu District Games.
- Assisted the KZN Department of Sport and Recreation with its display stand/stall during the Presidential Imbizo at Nkandla.
- Esikhawini - Mass Participation Recreation Programme.
- Development Swimming Gala at Richards Bay.
- Recreational Swimming Gala at Brackenham.
- Department of Education/Clive Barker Soccer Coaches Course (3 days).
- Fish Eagle Mile Swim.
- Richards Bay Harbour Festival (Basketball & Boxing).
- Nseleni Community Holiday Sports Programme.
- Coordinating the High Performance Programme (KZN Sports Academy – 4 codes of sport) at Unizul.
- Assisted the KZN Department of Sport and Recreation with the Mass Community Recreation Participation Launch in the Province. (The programme is presently only in Esikhawini. It will be extended to other suburbs over the next 3 years).

- Life Skills Course for Sports Leaders.
- Indigenous Games Celebration presented at Mthonjaneni during the Easter weekend. A team of 15 participants was entered.
- Kwa-Dube Rural Sports Development Easter Programme (Soccer & netball)
- Presented and extended the "Learn to Swim Course/Programme" to the Greater uMhlathuze area.
- Kwa-Madlebe Rural Sports Promotion Easter Programme.
- Regional Junior Sport Elimination Contest.
- Ngwelezane Youth Games.
- Nseleni Youth Soccer Event.
- Mzingazi Village Youth Games.
- Aquadene & Brackenhams Winter Sports Development Programme (Soccer, netball, volleyball, cricket & tennis).
- Masters Soccer Coaching Workshop (Sugar Ray Xulu, Joel Fire Ndlela & Eric Ngidi). The programme was co-ordinated with the KZN-DSR & uThungulu District Municipality.
- Recreation Gala at Empangeni.
- Zululand Indigenous Games - 15 participants represented the City.
- Co-ordinated the Founder Sports Day – A competition between major industries in the City in different sports codes



Richards Bay Country Club



Fish Eagle Mile Swim

The Empangeni Swimming Pool was given a complete face-lift and hosted 25 galas during the year.

The Arboretum Swimming Pool, home to the Zululand Underwater Hockey Club, is used as a training facility for resident underwater hockey SA Champions as well as three swimming coaches. Local schools also make use of the pool for the "Learn to Swim" programme. The entrance of the pool has been upgraded to make the facility accessible for paraplegics and Council has allocated funds for the tiling of the pool in the new financial year.

The Brackenhams and Aquadene Swimming Pools have enjoyed a substantial increase in patrons. Local schools utilise the facilities on a regular basis and several children, who were coached by the swimming pool staff, were selected to represent Northern Coastal and Northern Natal in the USSASA Aquatic Championship 2005.

The Meerensee Swimming Pool may be the smallest within the City, but it was able to accommodate more than 1 000 patrons during the "Easter Egg Gala", of which 600 were competitors ranging from 2 to 10 years. Mzingazi Primary School makes use of this pool for the "Learn to Swim" programme.

Esikhawini Swimming Pool is one of the busiest pools and one of the best recreational facilities within the suburb. Although this is a round pool, strictly built for recreational purposes, a number of competitive swimmers are coming from this area.

☐ Swimming pools

More people of previously disadvantaged backgrounds are learning to swim and are becoming competitive swimmers.



Alkantstrand, Richards Bay

❑ Sport Facilities and amenities

The provision of sustainable and accessible sport and recreation facilities complements the continuous development of all communities from grassroots level to professional level in all codes of sport.

Routine maintenance is ongoing, although several projects such as the provision of floodlighting at soccer facilities at Ngwelezane, replacement of fences at various tennis courts throughout the suburbs as well as the upgrading of change rooms have been successfully completed.

Informal soccer facilities are under construction in the following Tribal areas: DubeTribal area – Emphembeni, Mkwanzazi Tribal area – KwaDlangezwa, Madlebe Tribal area, Khoza Tribal area – Bhejane and Mkhwanazi Tribal area – Port Durnford.

❑ Beaches

Council has approved additional security for its beaches, particularly during weekends when people flock to the beach to enjoy the sunny weather. This is to encourage residents to start making use of these facilities by ensuring them of their safety.

The general visual appearance of the beach area has improved and operational plans are in place to continue with the high standard of maintenance.

The Department is still awaiting feedback on the application submitted to the National Department of Environmental Affairs and Tourism regarding the recreational use of vehicles on our beaches.

Building a strong foundation for a sustainable future

Horticultural Services

The challenge of creating and maintaining an acceptable and balanced environment within the City of uMhlathuze is being addressed on several fronts by the Horticultural Section.

Preventative and cleaning operations are ongoing to counter the effect of human interference, such as waste pollution and over utilisation of resources, which contribute to the degradation of the environment and complicate the management thereof.

To maintain the City's natural areas, existing developed areas are cut at least four times per annum. The planting of indigenous trees is an ongoing 'greening' exercise – during the year 500 indigenous trees were planted mainly on sidewalks in Hillview and uMhlathuze Village as well as various open spaces throughout the municipal area.

An Invader Plant Control and Eradication Policy as well as the associated Management Policy have been approved by Council and will be implemented in earnest in the New Year.

❑ Cemeteries

The operation and administration of the municipal cemeteries is becoming increasingly demanding as the number of burials, especially over weekends, continues to increase year on year. Proudly, the Municipality was able to accommodate all requests for interments without having to postpone any burials due to incapacity.

The Richards Bay and Nseleni Cemeteries are presently the only cemeteries conducting burials. The EIA for the proposed new cemetery at Esikhawini has been completed and submitted to the relevant authority for consideration and approval.

uThungulu District Municipality has completed the first phase of the new Regional Cemetery at Empangeni and will commence with interments in due course, which will relieve the interment congestion and pressures experienced at the Richards Bay Cemetery.

Key Information and Demographic Data

Demographic and Geographic Data

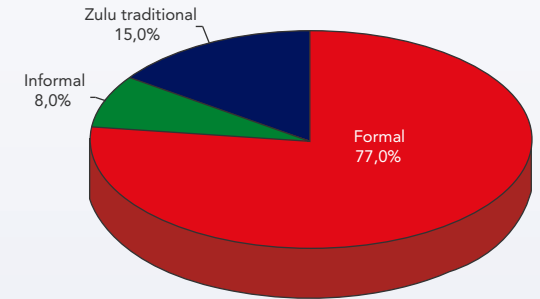
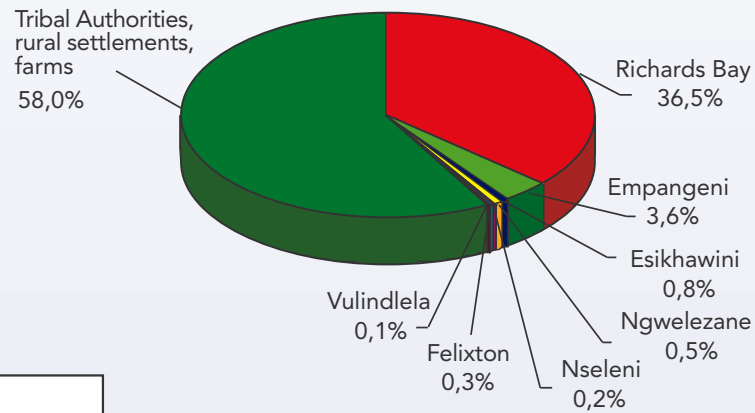
The City of uMhlathuze is the economic powerhouse of the Zululand region with a population of 293 339 according to Census 2001 statistics. An annual population growth rate of 2,18% was determined by the census.

The population has grown from 196 183 in 1996 to 296 339 in 2001. Based on the impact of HIV/AIDS, a decline in the average annual compound population growth rate is expected over the next 20 years. Census 2001 estimates the rural population at 127 331. Based on voting statistics this figure should be closer to 170 000.

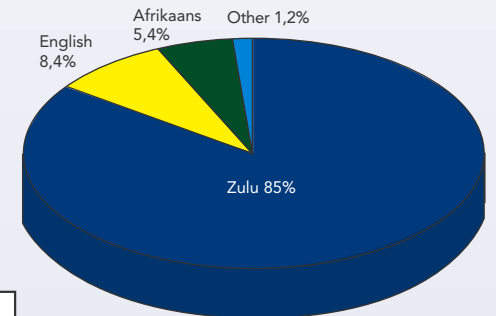
More than 40% of the residents in the municipal area reside in the non-urban (rural and Tribal Authority) areas outside Empangeni and Richards Bay.

Almost 18% of the population over 20 years old has no formal education, which would make it difficult for these people to find employment in the secondary and tertiary sectors of the economy.

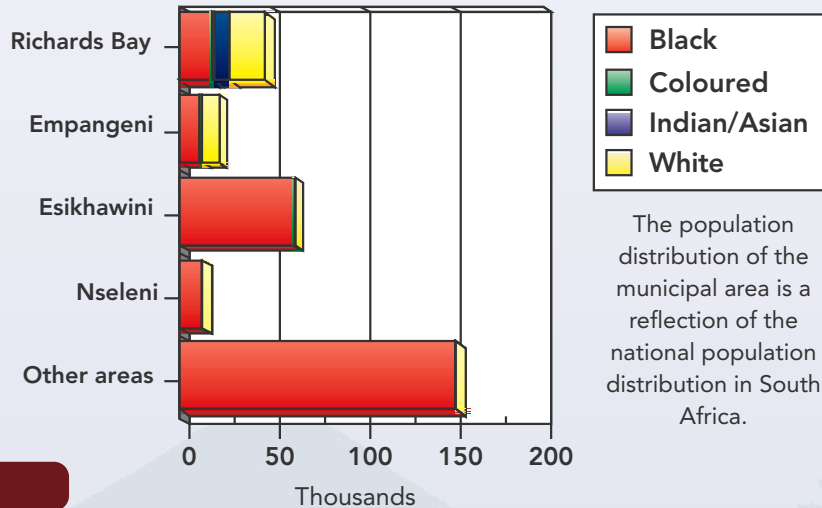
There are an estimated 70 031 households in the municipal area, divided as follows:



Dominant home language

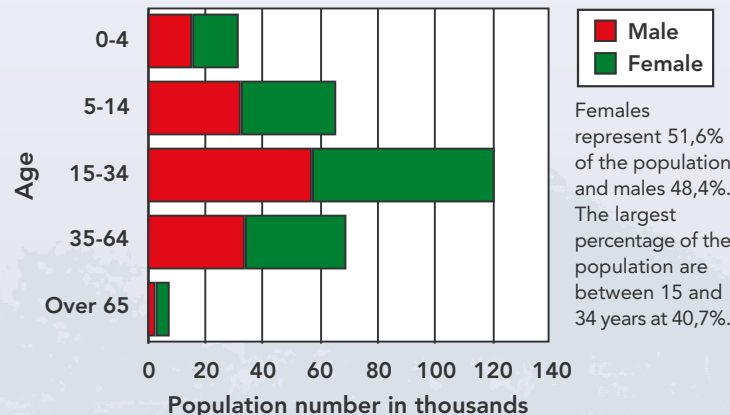


Population group by areas



The population distribution of the municipal area is a reflection of the national population distribution in South Africa.

Population by age and gender



Females represent 51,6% of the population and males 48,4%. The largest percentage of the population are between 15 and 34 years at 40,7%.



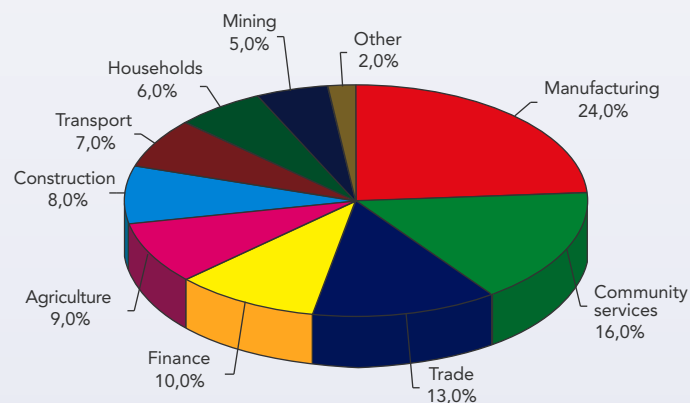
Only 11% of over 20 year olds has tertiary education and 25% has completed secondary school, indicating that education levels in the area are quite low.

Of the 186 319 total labour force, 72 863 people are not economically active resulting in an unemployment rate of 41%. Those who are not economically active include students, homemakers, the disabled, those too ill to work and anyone not seeking work.

Unemployment levels relate to the formal sector and does not, for instance, reflect the economic activity in tribal areas such as production for own use, arts and crafts, and informal sales. It should be noted that the quality of life experienced in the tribal areas is preferred by many people provided that the amenities associated with urban areas such as water, electricity, schools and clinics, are available.

Economic Performance

Formal employment by economic activity (2001)



The local economy forms an integral part of the international and national economics through the presence of a number of large exporting and importing industries, notably BHP Billiton's aluminium smelters, Richards Bay Minerals, Richards Bay Coal Terminal, Bell Equipment, Mondi Kraft, Foskor, Ticor, agricultural activity (sugar and timber) and the Port of Richards Bay.

88,6% of economic activity is vested in Richards Bay, Empangeni and Felixton. The area is the third most important in the province of KwaZulu-Natal in terms of economic production and contributes 7,6% of the Gross Geographic Product (GGP) and 5,5% of the total formal employment.

GGP per capita in 2001 was R24 618. GGP per capita in urban areas forms 98,7% of the overall GGP for the area.

uMhlathuze forms part of the uThungulu region which had an average economic growth rate of 3,77% between 1986 and 1995 - substantially higher than the provincial rate of 1,45% and the national rate of 1,19%. In 2002 the growth rate was 3%.

Business

- The Municipality has five business districts with 22 shopping centres and a combined total of 197 000m² commercial floor space.
- There are 4 847 businesses in the municipal area.
- The area has eight post offices, 27 bank branches, 35 government organisations and offices, five cinemas, 11 hostels and 64 registered bed and breakfast establishments/guest houses.
- Industrial floor space totals 476 131m².



Business

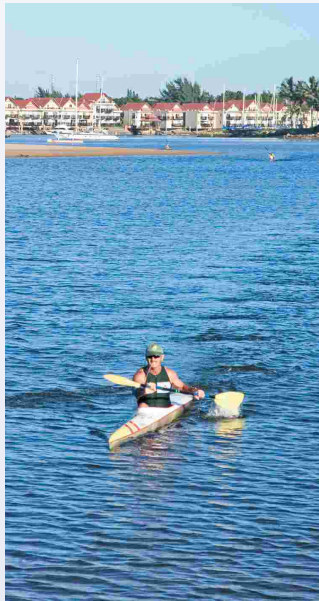
- 88,5% of households have access to running water and 68% have piped water to the dwelling or inside the yard.
- 46 054 households have access to free basic water services.
- 53,2% of households have a flush or chemical toilet on the premises.
- There are 21 504 water meters for households, and 2 500 for businesses.
- 70,3% of households use electricity as an energy source for cooking and 86% use it as a lighting source. 18,9% of households use gas or paraffin for cooking. Solar power is used by 0,3% of all households for cooking and lighting.
- 115 households have access to free basic electricity services.
- 42,5% of all households has a normal telephone or cellular telephone in the dwelling.
- Only 4,4% of all households do not have access to a telephone near the dwelling.
- There are 30 517 waste collection points for households and 1 000 for businesses. The municipality collected 8 384 loads of waste in 2003.
- 58% of the population has access to waste removal services; about 2 500 tonnes of waste is collected on a weekly basis. 47,6% of waste collected is domestic waste and 12,3% is garden waste.
- An average of 31 903 498 kilowatt electricity is used per day within the municipal area.
- Of the Municipality's 28 231 electricity consumers, 92,6% have prepaid meters.

Transport

- It is estimated that about 250 000 people commute daily within the municipal area, of which almost 40 000 are from outside the municipal boundary.
- The number of minibus taxis is estimated at 3 900 and buses at 130.
- There are 733 bus routes and 142 800 bus commuters.
- An average of 400 freight trucks enter and exit the municipal area weekly.
- Spoornet provides a freight service of about 750 trains per week, linking the City to Durban and Gauteng.

Community Facilities

- Municipal sport and recreation facilities include: four cricket fields (two floodlit), four hockey fields (two floodlit), four floodlit volleyball courts, nine netball courts (eight floodlit), five basketball courts (one floodlit and one indoor), two softball fields, a floodlit grassed athletic track, 17 soccer fields (nine floodlit), seven rugby fields (four floodlit), four floodlit korfbal courts, 15 tennis courts (nine floodlit), eight squash courts (three floodlit), five jukskei courts, two 18-hole golf courses, three swimming pools (two Olympic size), four bowling greens, a roller skate court, one combination tennis-volleyball court, two combination volley-/netball courts (one floodlit), three combination basket-/netball courts (two floodlit) and two combination basket-/volley-/netball courts.



- There are 809 sport clubs with specific facilities for equestrian sport, polocrosse, aerolites, angling, yachting, paddling and radio flyers.
- Within the municipal area there are four hospitals and 23 health clinics, four cemeteries, six public libraries, 15 community halls, 102 schools and three tertiary education institutions, including a university.
- There are 1,7 police officers per 1 000 persons of the population, five police stations and four law courts.

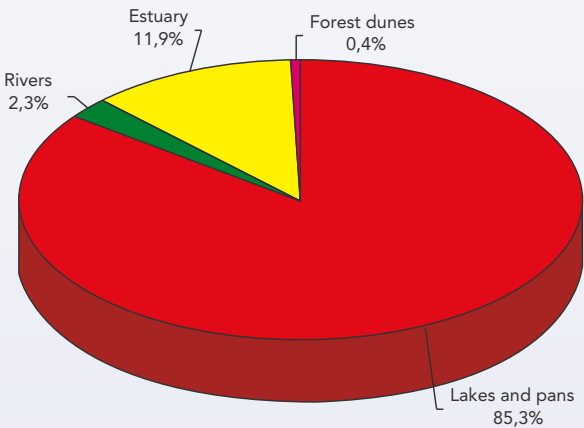
Climate

- An idyllic subtropical, maritime climate prevails throughout the year at the coast, seldom lower than 12° or 14°C in winter and reaching 32° to 35°C during summer months. Summers are hot and humid, and experience majority of annual rainfall, while winters are warm and dry with occasional frost in the interior.
- Average daily temperature is 28°C in summer and 22°C in winter.
- Prevailing winds are north-easterly and south-westerly.
- The long term average annual rainfall for the Richards Bay area is about 1 200mm decreasing to about 1 000mm inland towards Empangeni with most of the rainfall occurring between January and May.

- The area experienced two periods of prolonged drought (1981-1983 and 1992-1994) during the past 30 years, and has been subjected to destruction by extreme floods generated by the cyclones Demoina and Mboa in 1984 followed by flood disasters in 1987 and 2000.

Man-made features of the area include dams and canals (189,1 ha) and the Richards Bay Harbour (2 353 ha). 25,76% of all urban land in Richards Bay is zoned either Public Open Space or Conservation Amenity. There are two nature reserves within the municipal area.

Natural features of the Municipality include (in hectares):



Produced by the
Community Facilitation and
Marketing Department (035) 907 5333

Compilation and Editing
Mevamhlope Communications cc



Design and Layout
Alliance Graphic and Web Design

Photography
Mevamhlope Communications cc
and consultants

Printed by
Colour Planet