

Stakeholder Understanding and Support

Stakeholder Interaction

In the course of execution of its mandate, Umgeni Water interacts with a wide array of stakeholders who are impacted on or have an interest in the business activities of the organisation. These stakeholders have been categorised into four distinct groups: Statutory, Strategic, Contracted and Non-Contracted.

Statutory:

- Minister of Water and Sanitation
- Department of Water and Sanitation (DWS)
- Portfolio Committee
- National Treasury

Strategic Stakeholders:

- Provincial Stakeholders, including, Office of the Premier, GoGTA, Planning Commission
- SALGA and SAAWU



Contracted:

- Customers
- Union
- Staff
- Suppliers and Investors

Non-Contracted:

- Communities
- Environment
- Media



Start of journey 1994 – Rural Areas Water and Sanitation Plan (RAWSP) Vulindlela Scheme



Continuing to extend water to rural areas in Inanda Valley – Maphephethwa Water Treatment Works upgraded in 2012



Umgeni Water customer and stakeholder engagement in 2014

Table 6.1: Umgeni Water Stakeholders and Basis for Engagement

Statutory Stakeholders

Stakeholders who have a regulatory or oversight function over Umgeni Water and with whom Umgeni Water, as a state-owned entity, is required to interact on a regular basis in order to ensure that statutory requirements are met and there is alignment with Government's objectives.

- Minister of Water and Sanitation
- Department of Water and Sanitation
- Portfolio Committee on Water and Sanitation
- National Treasury

The Basis for Engagement: delivery on mandate, responsive to Water Services Act, Public Finance Management Act and other pertinent legislation and regulations, delivering strategy and plans aligned to Government outcomes and Executive Authority expectations, demonstrating adequate resource planning mobilisation, investing in water infrastructure, ensuring efficient water usage and conservation and water quality management, demonstrating a well-governed and efficiently run entity, ensuring performance with financial and predetermined objectives and plans to deliver long-term sustainability.

Statutory Stakeholders

Stakeholders to whom Umgeni Water provides information relating to organisational performance, capital infrastructure plans and assistance and expertise to assist vulnerable water boards and municipalities.

- Office of the Premier of KwaZulu-Natal
- KwaZulu-Natal Provincial Government departments and notably Cooperative Governance and Traditional Affairs
- KwaZulu-Natal Planning Commission
- South African Local Government Association (SALGA)
- South African Association of Water Utilities (SAAWU)

The Basis for Engagement: affordable tariff, growth as a catalyst for economic expansion, delivery on mandate and alignment to policy, partner in service delivery, accelerated service delivery and corporate governance.

Contracted Stakeholders

Stakeholders with whom Umgeni Water has contracted for the provision of products, services and goods, including customers, suppliers and investors and, in the case of employees and organised labour, the provision of employment and accompanying service benefits.

Existing Customers	Potential Customers
<ul style="list-style-type: none"> • eThekweni Metropolitan Municipality • iLembe District Municipality • Ugu District Municipality • Harry Gwala District Municipality • uMgungundlovu District Municipality • Msunduzi Local Municipality 	<ul style="list-style-type: none"> • Newcastle Local Municipality • Amajuba District Municipality • Umzinyathi District Municipality • uThukela District Municipality • Alfred Nzo District Municipality • Ngquza Hill Local Municipality, in O.R. Tambo District Municipality

The Basis for Engagement with customers: Service delivery agreements, assurance of supply, both quality and quantity, care and support, responsive to needs, tariff consultation, partnerships in development initiatives and new products and services.

- Employees of Umgeni Water
- National Education, Health and Allied Workers' Union (NEHAWU)

The Basis for Engagement: Compliance with Collective Agreement, demonstrating relevance as an organisation that adds value to the sector, regular feedback and communication regarding sector issues and organisational performance, equitable jobs, fair labour practice, good working conditions, enabling work environment and communication, fair-market related compensation and service conditions and sound performance management and recognition system. Umgeni Water is turn expects engaged employees, productivity, delivery and return on investment.

- Suppliers and Service Providers
- Investors and other Financial Institutions

The Basis for Engagement: Compliance with legislation for fair and equitable procurement, supplier development, transparency, business opportunities, integrity, fair treatment, fair pricing, fair payment terms, partnerships in BBBEE and capacity building towards more inclusive economic participation and Corporate Social Investment (CSI), environmental management and supplier footprint reduction – water, energy and materials.

Non-contracted Stakeholders

Stakeholders to whom Umgeni Water demonstrates its value as a socially responsible, efficient and high performing entity.

- Community and Civil Society Institutions

The Basis for Engagement: Umgeni Water demonstrating conservation and responsible use of resources, providing a clean and safe environment, exercising responsible citizenship, demonstrating transparency in corporate governance, creating jobs, providing information and opportunities. In turn Umgeni Water solicits a social licence to operate, recognition for creating value, respect for property and collaboration in protecting remotely situated water assets.

- Chambers of Business

The Basis for Engagement: Umgeni Water providing assurance of supply, both quality and quantity, information on tariff, demonstrating responsible citizenship. In turn Umgeni Water solicits recognition for creating value, pollution prevention and safe-guarding of water supply resources.

- Media and general public

The Basis for Engagement: access to information, demonstrating accountability, transparency and good governance. In turn Umgeni Water expects responsible reporting and media integrity.

- National Sector Institutions, among them, the Water Research Commission

- International Sector Institutions, notably in Africa

The Basis for Engagement: exchange and expansion of water sector knowledge, partnerships and collaborative water and wastewater research, which in turn will enable organisational learning and growth.



Stakeholder Understanding and Support

Umgeni Water interacted with all stakeholder groupings in the year and received positive and constructive feedback which informed future strategies, plans and programmes.

Engagement with the Minister of Water and Sanitation, the Department of Water and Sanitation (DWS), National Treasury and SALGA took place throughout the year, including for formal appraisal of strategy, business plan implementation and performance indicators as per Shareholder Compact, as well as during regular Minister and DG forums and strategy sessions hosted by the DWS. All statutory documents were timely submitted for the year and were of a high quality.

Umgeni Water had opportunity in the year to engage with the Office of the Premier, KwaZulu-Natal (KZN) Provincial Cabinet, KZN CoGTA, and KZN Department of Human Settlements, as well as the President of SA, the latter during his visit to view progress with the Spring Grove Dam and Mzimvubu Water Project.

The media coverage of the organisation during the year, in print, broadcast and online, was in the form of positive, balanced and neutral reports. Media coverage of Umgeni Water is monitored by an independent company and evaluation of media coverage is based on reports supplied by this company.

A significant number of customer engagements took place in the year including both strategic and operational engagements. Engagements with Umgeni Water's current six customers focused on performance with bulk supply agreements, service delivery needs, infrastructure plans and bulk water tariff proposals, whilst engagement with proposed new customers focused on approaches to growth and service delivery expansion to serve underdeveloped areas. In the year, planning for a Branding Conference/ Strategic Dialogue on Water Services, targeting customers and other stakeholders, was significantly advanced.

Umgeni Water is humbly aware of the importance of maintaining a healthy internal pulse and created opportunities during the year for active engagement with employees and employee union (NEHAWU).

This included regular staff information sessions and meetings with employee union, executive site visits, annual staff awards session, commemoration of special days in the year, sport-fun days, sessions to induct new employees and retirement planning communiqués for employees within retirement age. In addition, the Chief Executive ensured employees were kept updated of key water sector developments through the CE Blog page.

Interaction with communities, together with customers and other key stakeholders were made possible in the year through the following:

- Events held to communicate progress with water projects, namely the Maphumulo Phase 2 projects - the construction of Imvutshane Dam and the refurbishment of the Nagle Dam raw water aqueducts.
- CSI initiatives in the year including the Maphephethwa block-making initiative, which will be owned by a community in Inanda, provision of Jojo tanks in the Swayimani area, interaction with four local schools during refurbishment of water and sanitation infrastructure, building of additional classrooms, refurbishment of laboratory and library resource centre and provision of school uniforms.
- Umgeni Water disseminated water and environmental education to learners and other attendees and interacted directly with the public at the annual Royal Agricultural Show. Awareness of the role, functions, competencies, products and services of a water utility was created.
- The Umgeni Water Marathon and soccer events further provided socialised interactions between employees of public sector entities and the public.
- Special day / week events, including Water Week, Environment and Women's Day, amongst several others provided great opportunity for community outreach and awareness creation.

Umgeni Water kept abreast of water related knowledge through collaboration and knowledge exchange with water utilities in South Africa (including through SAAWU) and in Africa, including with the County Governments of Nairobi and Mombasa, Kenya and the Water Utility Corporation

of Botswana. Exchanges with the Water Research Commission, the Durban University of Technology and the universities of KwaZulu-Natal, Stellenbosch, Pretoria, Cape Town and Western Cape were made in areas of climate change, water infrastructure, water quality and for overall exchange of knowledge and best practices in water.

Further opportunity to engage water sector peers was made possible through attendance and presentation at the Water Institute of Southern Africa Biennial Conference, attendance at the Stockholm Water Symposium and the American Water Works Association Conference, amongst others.

Suppliers, notably small, medium and micro enterprises, were engaged during a fanfare in the year, where Umgeni Water provided information to current and potential suppliers to help increase future BBBEE opportunities. In addition, Umgeni Water interacted with the Durban Chamber of Business and Commerce, Pietermaritzburg Chamber of Commerce and the National African Federated Chamber of Commerce and Industry and provided an overview of the entity's five-year capital infrastructure programme.

Notwithstanding these, Umgeni Water engaged the full breath of stakeholders at its Annual Report launch for which the annual report serves as a useful means of communicating performance with annual objectives and conveying information on financial health to statutory stakeholders and customers and all other stakeholders, including investors, employees, other interested and affected parties and civil society in general.

The relationship Umgeni Water has with its stakeholders is based on transparency, mutual respect and value added. The achievements and positive feedback received on how the entity has performed are testimony to the healthy stakeholder relations enjoyed by Umgeni Water.



Maphephethwa Water
Treatment works

