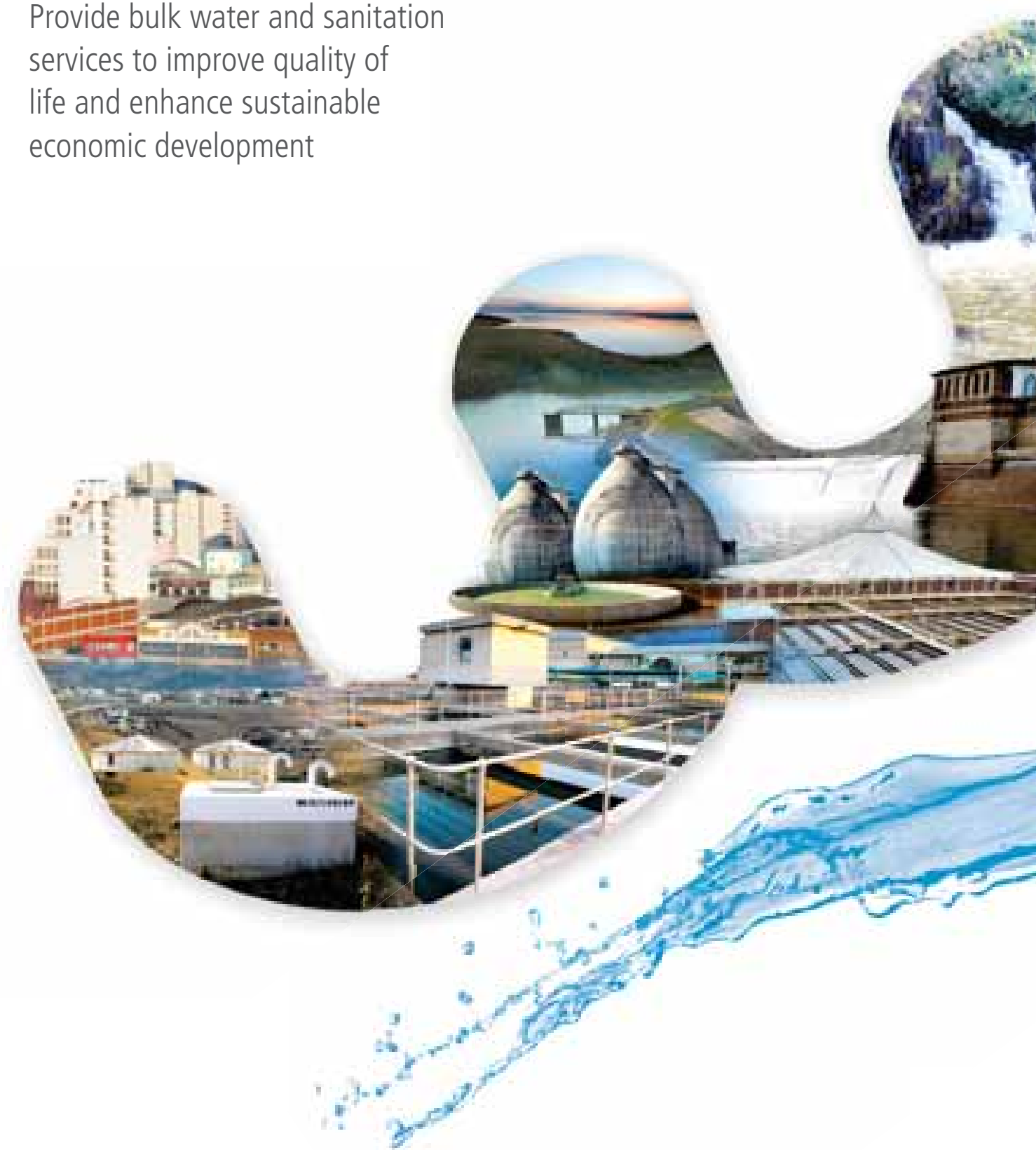




# ANNUAL REPORT

2017/2018

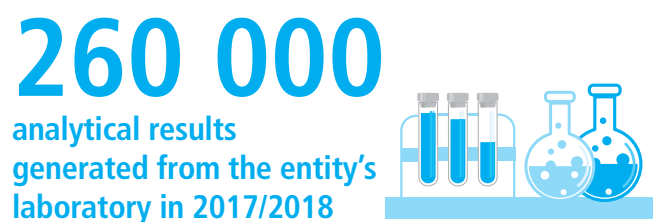
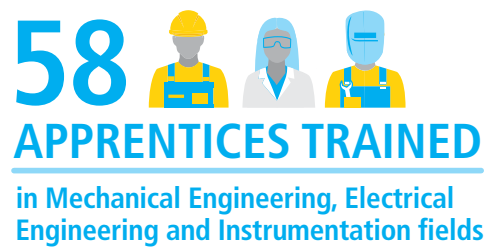
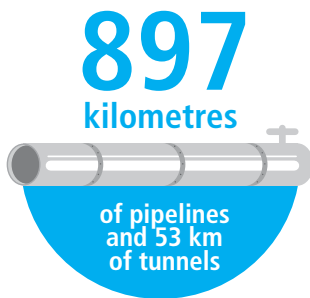
Provide bulk water and sanitation services to improve quality of life and enhance sustainable economic development





# UMGENI WATER IN NUMBERS

AN EFFICIENT, INNOVATIVE AND RESPONSIBLE ORGANISATION ON THE MOVE



# VISION

## Leading water utility that enhances value in the provision of bulk water and sanitation services

We strive to be an effectively run, public-oriented and socially accountable water utility, which has its heart and mind, focused on the provision of bulk water services. We will achieve leadership based on our performance and the sustainable value we co-create with our customers and stakeholders and continue to leave a positive legacy in our communities, region and country.



# MISSION

## Provide innovative, sustainable, effective and affordable bulk water and sanitation services

Our business is the provision of bulk water services – both potable and wastewater – to support government service delivery to the people of South Africa and providing water for life. This includes providing all bulk water services to our customers, facilitating integrated planning in the region, supporting municipalities and contributing to water knowledge that will lead to sustainability from source-tap-source.



# STRATEGIC INTENT

## Key Partner that enables government to deliver effective and efficient bulk water and sanitation services

Umgeni Water intends to be recognised as a strategic and sustainable partner of government, co-creating value through providing bulk water and sanitation services as a catalyst for local economic development and government's developmental agenda.



# BENEVOLENT INTENT

## Provide bulk water and sanitation services to improve quality of life and enhance sustainable economic development

Umgeni Water intends to be recognised as an organisation that has legitimate leadership and cultivates accountability. Through this people-centred approach Umgeni Water will achieve water services delivery. Bulk water services will be provided for both health and economic benefits, which contribute to addressing poverty, under-development and inequality.



# Umgeni Water Supply Area

KwaZulu-Natal has a total geographical area of 94 359 km<sup>2</sup> and is home to 11.1 million people and 2.9 million households.

The province has a total of 54 municipalities of which 14 are Water Services Authorities (WSAs): 1 Metro; 10 DMs; and 43 LMs of which 3 are WSAs.



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# REPORT PROFILE

Umgeni Water's Annual Report complies with statutory disclosure requirements of the Public Finance Management Act (Act 1 of 1999) and Water Services Act (Act 108 of 1997), as well as relevant regulations. In addition, Umgeni Water's Annual Report is significantly aligned to the requirements of King IV regarding integrated reporting. Integration is achieved through the entity having in place an integrated strategy and value creation model based on the balanced scorecard that straddles four sustainability perspectives, together with Umgeni Water ensuring complete alignment with government's outcomes approach for performance reporting by State-Owned Entities (SOEs).

This report further contains Standard Disclosures that are 'in accordance with' the GRI Guidelines – fulfilling the GRI Comprehensive criteria. Information is included in the GRI Content Index at the end of this report.

Umgeni Water has prepared Annual Reports every year since its establishment in 1974. This report covers the twelve-month period from 1 July 2017 to 30 June 2018. Information on Umgeni Water's subsidiaries is also included in the report.

The performance content of this Annual Report highlights Umgeni Water's progress on meeting predetermined objectives and performance indicators as per its approved Corporate Plan and Shareholder Compact and contains an audited performance scorecard for 2017/2018. The financial content of the Annual Report further contains the audited financial statements for 2017/2018. Over the years, Umgeni Water has developed and embedded in-house processes for identifying, collecting, collating, validating and storing information used in managing its performance and continues to enhance these.

The assurance of the Annual Report for both financial and performance information is provided by Internal Audit and the Audit Committee of the Board. In addition, as a

state-owned entity, Umgeni Water is audited by the Auditor-General of South Africa for financial, compliance and performance information.


Further information on the scope covered by Internal and External Auditors is provided in the Corporate Governance chapter of this report. In addition to assurance via these routes, core business processes, namely water treatment works operations, monitoring programmes and analytical laboratories are externally certified or accredited in accordance with relevant ISO and other nationally recognised standards.


The Annual Report content is structured to provide sufficient information to all stakeholders including customers, regulatory bodies, investors, employees and civil society, regarding Umgeni Water's annual performance and on-going progress towards sustainable development. Specific stakeholder engagement information is contained in the Stakeholder Understanding and Support chapter of this report, as well as throughout the report.

Additional information concerning all aspects of the report and its contents can be obtained from:

## Umgeni Water

PO Box 9, Pietermaritzburg, 3200 or at the entity's head office, 310 Burger Street, Pietermaritzburg, 3201

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 [www.umgeni.co.za](http://www.umgeni.co.za)

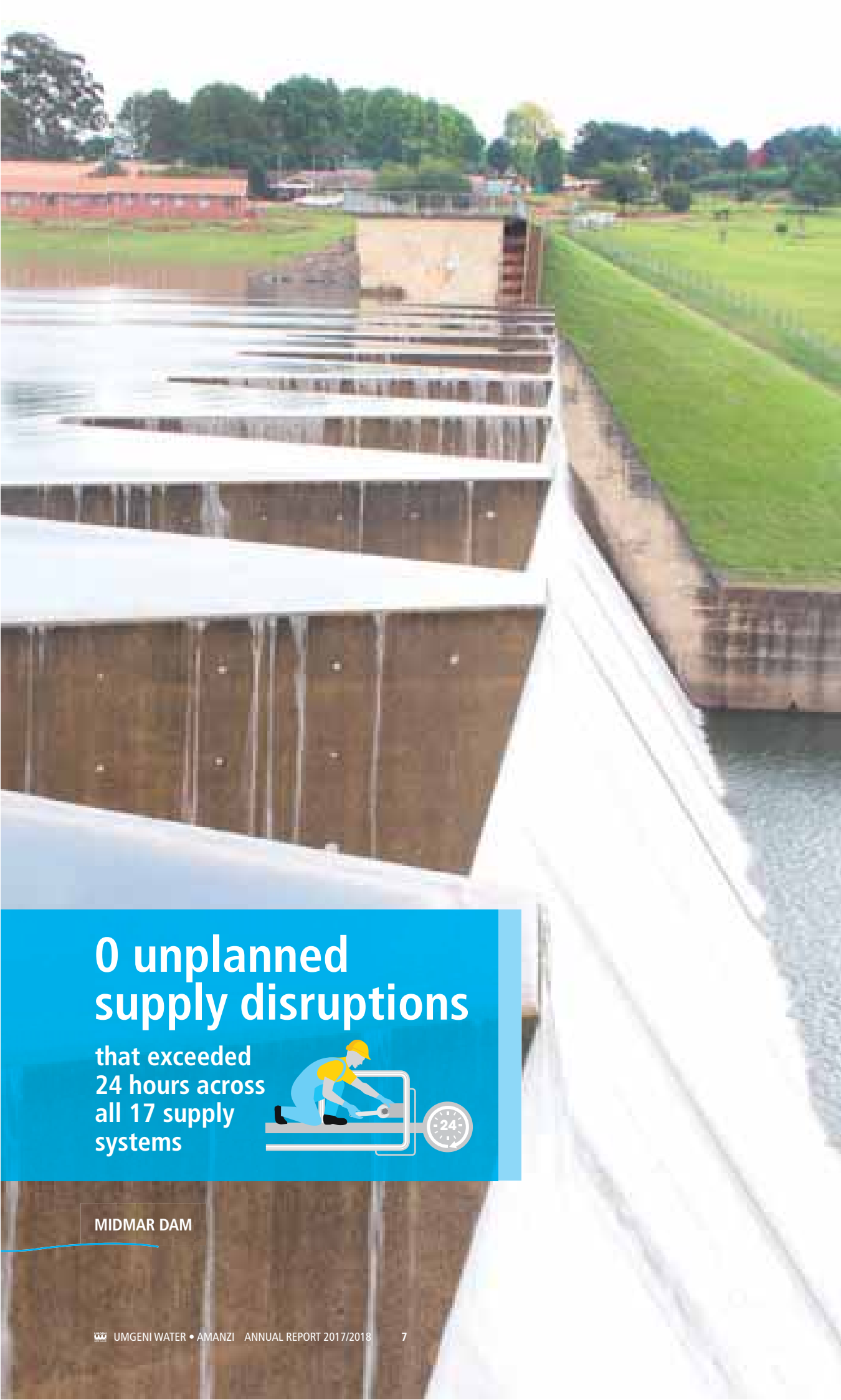
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# 0 unplanned supply disruptions

that exceeded 24 hours across all 17 supply systems



MIDMAR DAM