

ASSESSMENT REPORT OF UMGUNGUNDLOVU MUNICIPALITY

Report on the Director General Review conducted in terms of Section 43 of the EE Act 55 of 1998 as amended, at premises in Durban, Kwazulu- Natal.

ENTITY PROFILE

The municipality is operating within the Local Government sector. The municipality report as an entity.

- a) The CEO is as reflected in the Assessment Form as well as the EEA2 report of 2016 and 2017 respectively.
- b) Ms S Bhengu is the Assigned Employment Equity Senior Manager as reflected in the appointment letter of the EE Senior Manager and in the EEA2 report of 2016 and 2017 respectively.
- c) The company reported a total workforce of 135 employees in 2016 and 158 in the 2017 EEA2 reports. This shows an increase of 23 from 2015 to 2016 in workforce of the employer.
- d) The 2017 EE Report reflects that the company has 2 persons from the People with Disabilities group in its employment.

1. ISSUES TO BE DETERMINED

- a) Whether the employer has appointed one or more senior manager as required by Section 24
- b) Whether the employer has consulted with the employees as required by section 16 read with section 17
- c) Whether the employer has conducted an analysis as required by section 19
- d) Whether the employer has prepared and is implementing its Employment Equity Plan as per section 20(1) and (2) read together with section 42 of the Act
- e) Whether the employer has submitted its Employment Equity Report as per section 21 of the Act
- f) Whether the employer complies with all the provisions of the Employment Equity Act

2. SURVEY OF EVIDENCE

The Department confirms the submission of the following documents as requested in the DG assessment form signed by the CEO

- a) Duly completed EEA 7 Assessment form, signed by the Accounting officer.
- b) Letter of appointment of the EE Senior Manager
- c) Two sets of minutes of meetings were held by the EE Forum.
- d) Analysis as required by section 19 was received.
- e) EE Plan as required by section 20
- f) EE Reports as required by section 21

3. EVALUATION OF THE DEMOGRAPHICS AS PER SECTION 42

3.1 EE REPORTS

DG Review: Employer Profile

Employer Details

Trading Name: ugugungundlov
 EE Ref No:
 Industry/Sector:
 SETA:
 Province: KWAZULU NATAL

Current EE Plan

Duration of Plan: 3 years
 Start of Plan: 2015/10/01
 End of Plan: 2020/09/30

Reporting Period	Reported Employer Size	Report Status	Duration of EE Plan	Start of Plan	End of Plan
2017	150 or more	Reported	5 years	2015/10/01	2020/09/30
2016	150 or more	Reported	5 years	2010/06/01	2015/05/31

3.2 ANALYSIS OF EMPLOYMENT EQUITY REPORTS

Top Management

All employees including those with disabilities

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Goal (2017 report)		1	0	0	0	0	0	0	0	0	0	1
%		100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%
Plan = current		1	0	0	0	0	0	0	0	0	0	1
2017 Reported	Targets (T)	1	0	0	0	0	0	0	0	0	0	1
	Workforce (WF)	0	0	0	0	0	0	0	0	0	0	0
	% WF	0%	0%	0%	0	0%	0%	0%	0%	0%	0%	100%
2016 Reported	Targets (T)											
	Workforce (WF)											
	% WF	0%	0%									100%

Observation:

- There is no link between the goals and target setting in relation to the EAP. Employer to explain.
- There is no link to the analysis done by the employer in relation to setting targets for the over represented groups at this level. Employer to explain.

Top Management: Movements

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Recruitment	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0
Promotion	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0
Termination	2017	1	0	0	0	0	0	0	0	0	0	1
	2016	0	0	0	0	0	0	0	0	0	0	0
Skills Development	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0

Observation:

- There is absolutely no movement at this level confirming that the employer is aiming to maintain the status quo and not affirm any person from the designated groups to Top Management.

Senior Management

All employees including those with disabilities

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Goal (2017 report)		3	0	0	0	2	0	0	0	0	0	5
%		60%	0%	0%	0%	40%	0%	0%	0%	0%	0%	100%
Plan : current		2	0	0	0	2	0	0	0	0	0	4
2017 Reported	Targets (2017)	1	0	0	0	0	0	0	0	0	0	1
	Workforce (2017)	2	0	0	0	2	0	0	0	0	0	4
	% WF	50%	0%	0%	0%	50%	0%	0%	0%	0%	0%	100%
2016 Reported	Targets (2017)											
	Workforce (2016)											
	% WF	0%	0%	75%	0%	0%	0%	25%	0%	0%	0%	100%

Observation:

- The designated employer is not setting goals with the EAP / employer to explain

Senior Management: Movements

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Recruitment	2017	0	0	0	0	1	0	0	0	0	0	1
	2016		0	0	0	0	0	0	0	0	0	0
Promotion	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0
Termination	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0		0	0	0	0	0	0	0
Skills Development	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0

observations

. The opportunity could have been granted to other designated groups to ensure equitable representation especially African who in terms of the EAP and stand at 0% representation at this level.

Professionally qualified and experienced specialists and mid-management

All employees including those with disabilities

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Goal (2017 report)		4	1	1	2	10	0	2	3	0	0	23
%		17.4%	4.3%	4.3%	9%	43%	0%	9%	13%	0%	0%	100%
Plan = current		4	1	1	2	10	0	2	3	0	0	23
2017 Reported	Targets (2017)	0	0	0	1	0	0	0	0	0	0	1
	Workforce (2017)	4	0	1	0	10	0	1	0	0	0	16
	% WF	25%	0%	6%	0%	63%	0%	6%	0%	0%	0%	100%
2016	Targets (2017)											
	Workforce (2016)											
	% WF	0%	0					0%	0%	0%	0%	100%

Observation:

- IM are over represented/ targets still set for this level
- There is no link between the EAP and the goals and targets at this level. The employer's plan is to have 2 AF but regress and target to have 1 in 2017.

Professionally Qualified: Movements

All employees including those with disabilities	Male				Female				Foreign Nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)	42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)	44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Recruitment	2017	1	0	0	0	0	0	0	0	0	1
	2016	0	0	0	0	0	0	0	0	0	0
Promotion	2017	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0
Termination	2017	2	0	0	0	0	0	0	0	0	2
	2016	0	0	0	0	0	0	0	0	0	0
Skills Development	2017	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0

Observation:

- The employer could have afforded equal opportunities to underrepresented designated groups rather than recruiting IM who are already overrepresented as per workforce profile.

Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents

All employees including those with disabilities

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Goal (2017 report)		42	1	10	3	21	0	4	1	0	0	82
%		51%	1%	12%	4%	26%	0%	5%	1%	0%	0%	100%
Plan = current		42	1	10	3	21	0	4	2	0	0	83
2017 Reported	Targets (2017)	0	0	0	0	0	0	0	0	0	0	0
	Workforce (2017)	40	1	9	3	18	0	4	2	0	0	77
	% WF	52%	1%	12%	4%	23%	0%	5%	3%	0%	0%	100%
2016 Reported	Targets (2017)									0	0	
	Workforce (2016)									0	0	
	% WF									0	0%	100%

Observation:

- No link with EAp
- The employer to explain the motive and rational behind this intention.

Skilled: Movements

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Recruitment	2017	0	0	0	0	1	0	0	0	0	0	1
	2016	0	0	0	0	0	0	0	0	0	0	0
Promotion	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0
Termination	2017	1	0	0	1	3	0	0	0	0	0	5
	2016	0		0	0	0	0	0	0	0	0	0
Skills Development	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0

Observation:

- Employer to explain how this level is now linked to EAp
- Employer to further explain the type of capacity training given and how

Semi -skilled and discretionary decision making

All employees including those with disabilities

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Goal (2017 report)		42	1	10	3	21	0	4	1	0	0	82
%		51%	1%	12%	4%	26%	0%	5%	1%	0%	0%	100%
Plan = current		170	5	12	2	116	4	5	0	0	0	314
2017 Reported	Targets (2017)	1	0	0	0	2	0	0	0	0	0	3
	Workforce (2017)	166	5	12	1	112	4	5	0	0	0	305
% WF		54%	2%	4%	0,3%	36,7%	1%	2%	0%	0%	0%	100%
2016 Reported	Targets (2017)					0	0	0	0	0	0	
	Workforce (2016)					0	0	0	0	0	0	
	% WF	92%	1%	4,8%	2%	0%	0%	0%	0%	0%	0%	100%

Observation:

The employer is aiming to maintain the status quo and not to implement AA measures as statutorily required.

Semi- skilled: Movements

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Recruitment	2017	14	0	0	0	13	0	0	0	0	0	27
	2016						0	0	0	0	0	
Promotion	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0
Termination	2017	11	0	1	0	6	0	1	0	0	0	19
	2016							0	0	0	0	
Skills Development	2017	8	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	

Observation:

- Employer is not using EAP to train, promote and/or employ.

Unskilled and defined decision making

All employees including those with disabilities

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Goal (2017 report)		23	0	0	0	21	1	0	1	0	0	46
%		50%	0%	0%	0%	46%	2%	0%	2%	0%	0%	100%
Plan = current		14	0	0	0	21	1	0	1	0	0	37
2017 Reported	Targets (2017)	10	0	0	0	4	1	0	0	0	0	15
	Workforce (2017)	13	0	0	0	17	0	0	0	0	0	30
% WF		43%	0%	0%	0%	57%	0%	0%	0%	0%	0%	100%
2016 Reported	Targets (2017)		0	0	0	0	0	0	0	0	0	
	Workforce (2016)		0	0	0	0	0	0	0	0	0	
	% WF	100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	100%

Observation:

- The EAP is not used to link the targets for this level.

Unskilled: Movements

All employees including those with disabilities		Male				Female				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
EAP 2017 (National)		42.8%	5.3%	1.8%	5.3%	35.1%	4.5%	1.0%	4.2%	0%	0%	100%
EAP 2017 (Provincial)		44.8%	1.7%	1.8%	7.9%	35.2%	1.3%	1.1%	6.3%	0%	0%	100%
Recruitment	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0
Promotion	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0
Termination	2017	2	0	0	0	0	0	0	0	0	0	2
	2016						0	0	0	0	0	
Skills Development	2017	0	0	0	0	0	0	0	0	0	0	0
	2016	0	0	0	0	0	0	0	0	0	0	0

Observation:

- Employer is not using EAP in this level to train, promote.
- Training is not used for the purpose of affirming people from designated groups hence 0 were promoted in both 2015 and 2016.
- Employer to explain?

5. ANALYSIS OF EVIDENCE AND ARGUMENT

5.1 ASSIGNMENT OF EE MANAGER – SECTION 24

- a) The letter of appointment of the EE Senior Manager was received as required by Section 24 of the EE Act.
- b) The letter is signed and accepted by Mr Andreas Schreiter , the EE manager
- c) There is also evidence provided to suggest if the employment equity manager will be responsible for the implementation and monitoring of the EE plan.
- d) The employer has therefore complied with the provisions of section 24 of the EEA.

5.2 CONSULTATION PROCESS – SECTION 16 READ WITH 17

The company has submitted the following documents as proof of consultation:

- a) Minutes of meeting dated :
10/12/2014
09/11/2016
- b) Agendas
- c) Signed attendance registers

The attendance registers developed by the employer does reflect the interest of the different constituencies as required by section 16 therefore the composition of the employment equity forum is representative. However there are inconsistencies in terms of the frequency of the meeting. Consultation should be ongoing to ensure an informed and constructive process, structured and regular meetings of the forum should be held.

- d) Issues discussed in the minutes are in line with what is required by section 17, which should be the EE plan, reports, and the conduct of the analysis.

In light of the above the employer did not comply with section 16 read together with section 17 of the EE act

5.3 EE ANALYSIS REPORT – SECTION 19(1) AND 19(2)

- a) The two EE Reports submitted extend over a successive EE Plan, namely
- Report 2015 - EE Plan 1 year
Report 2016 - EE Plan 1 year
- b) An analysis was conducted as required by Section 19(1) and 19(2) of the EEA.
- c) The analysis does suggest which demographics were used to set targets and goals for the under and over represented groups.
- d) The analysis does not suggest how Affirmative Action measures will be implemented to ensure that suitably qualified people from designated groups will be equitably represented at all occupational levels.
- e) The analysis does not give a synergy of the EAP, EE objectives, and the numerical goals and targets for each year of the Plan.
- f) The barriers identified and discussed in the analysis of reasonable accommodation are not reflected in implementing AA measures and does not show any support from the employer.

The employer has not complied with section 19 of the EE Act.

5.4 EMPLOYMENT EQUITY PLAN (EE PLAN) – SECTION 20

The company submitted an EE Plan

The EE Plan was analysed and the findings were as follows:

- Objectives to be achieved *for each year of the plan* are stated in the plan as required by Section 20(2)(a).
- Affirmative Action measures as required by Section 20(2)(b) read with section 15 are stated in the plan.
- Numerical goals, as required by Section 20(2)(c), which represent a move towards representivity of designated groups, have been set in the plan
- The timetable for each year of the plan for the achievement of goals and objectives, other than numerical goals, as required by Section 20(2)(d) of the EEA, is stated in the plan.
- The duration of the plan, as required by section 20(2)(e) is stipulated in the plan.
- The plan does state the procedures that will be used to monitor and evaluate the implementation of the plan as required by Section 20(2)(f) of the EEA.
- The internal procedures to resolve disputes about the interpretation or implementation of the EE plan are not clearly stated in the plan.
- The plan does indicate who the responsible persons are, including senior managers in the workforce, for the monitoring and implementation of the plan as required by Section 20(2)(h).

The employer therefore does comply with section 20 of the EE Act.

6. CONCLUSION

6.1. SUMMARY OF FINDINGS

6.1.1 Complies with section 24

6.1.2 Do not comply with section 16

The designated employer failed to ensure that there is an informed and constructive consultative process, structured and regular meetings of the consultative forum do take place.

6.1.3 Do not comply with section 19

The analysis conducted to achieve the EE objectives did not take into consideration the EAP when setting numerical goals and targets for each year which in turn would result to other designated groups remaining underrepresented at strategic levels.

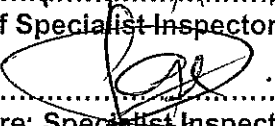
6.1.4 Do not comply with section 20

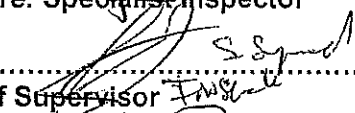
Procedurally and administratively the designated employer does comply. Substantively the numerical goals and targets set are not in line with the EAP therefore not addressing the imbalances to ensure equitable representation to affirm people from designated groups especially at the four top levels.

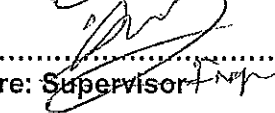
6.1.5 Complies with section 21

Consequent to the **findings** stated herein above, find attached below a **recommendation** prepared in contemplation of Section 44 (b) of the Act.


.....
Name of Specialist Inspector


.....
Signature: Specialist Inspector


.....
Name of Supervisor


.....
Signature: Supervisor

Dated at..... On.....2017