



ANNUAL REPORT KOUGA LOCAL MUNICIPALITY

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CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

COMPONENT A: MAYOR’S FOREWORD



The 2017/2018 financial year was the first full year of governance for the Kouga Council elected in August 2016 and was marked by a definite change in direction for the once-struggling municipality.

Sadly, it was also the year our first Executive Mayor following the election, Elza van Lingen, succumbed to cancer – but not before she selflessly ensured that everything was in place to steer Kouga on its new course towards good governance and service excellence.

What we achieved during 2017/2018 is a testimony to her hard work and I would like to dedicate this document to her, with thanks for her deep devotion and many years of service to Kouga and its people.

The 2017/2018 year was marked by many highlights.

These included the completion of the R85-million upgrade to the Kruisfontein Waste Water Treatment Works at Humansdorp, which will allow for more RDP houses to be built in the area. Construction of the first 391 houses started in August 2017, a triumph for our communities who had not seen any subsidised houses being built in the region for more than a decade.

Progress was also made on the housing projects at Pellsrus and Ocean View in Jeffreys Bay. The installation of internal services was completed at Pellsrus and a contractor was appointed to install internal services at Ocean View.

Improving the living standards of households living in informal settlements remains a priority. Almost 250 sites were electrified at Donkerhoek in Humansdorp towards the end of 2016/2017 and almost 500 more sites, at Donkerhoek and the new RDP development in Kruisfontein, were electrified in 2017/2018.

We have also been beefing up the capacity and financial sustainability of the municipality. All top management vacancies were filled after a rigorous recruitment selection aimed at ensuring quality appointments were made and the municipality's financial position continue to improve, with preliminary figures indicating that the institution had more than R90-million cash-on-hand at year end.

The municipal fleet has further been strengthened so as to boost the daily operations of our service departments. New vehicles that were purchased, included four refuse trucks to complement the “Keep Kouga Clean” campaign.

The launch of Kouga's new call centre and the Link app, designed to improve the manner in which the municipality responds to complaints, was another highlight of the past year. We look forward to strengthening this platform as part of our commitment to building a responsive local government.

Our greatest challenge this past year was the drought disaster and achieving water security for all communities. The drought simply refused to break and, with dam levels critically low, Council was forced to reprioritise the budget. Funding had to be taken away from projects which were due for implementation and reallocated for drought relief measures, including the drilling of extra boreholes.

As drought conditions look likely to continue in the new year, we would like to call on all our residents to continue with their efforts to save water.

Forming partnerships with our citizens, stakeholder groups and sector departments contributed significantly to our successes over the past year. I would like to thank everyone who took hands with us for the betterment of our region.

We look forward to building on these relations as we strive to create a Kouga that is caring, safe, inclusive, forward-thinking and well-run, with opportunities for all.

CLLR. H. HENDRICKS
EXECUTIVE MAYOR

COMPONENT B: EXECUTIVE SUMMARY

1.1. MUNICIPAL MANAGER'S OVERVIEW



Charl Du Plessis – Municipal Manager

The 2017/2018 financial year was a year where Kouga Municipality made big strides in improving service delivery, improving labour relations, building its financial sustainability and improved its productivity. Kouga Municipality unfortunately also during the year in review, lost its inspirational Executive Mayor Elsa van Lingen whom passed away on the 19th of April 2018.

The new Council has adopted a 4th generation IDP which will guide Council for the next 5 years which starting with the 2017/18 financial year. As head of the administration the municipal manager of a municipality is subject to the policy directions of the municipal council, responsible and accountable for the formation and development of an economical, effective, efficient and accountable administration equipped to carry out the task of implementing the municipality's integrated development plan. As a result of the adoption of the new IDP and subsequent strategic planning workshop, a new organisational structure was adopted after full consultation within the local labour forum to give effect to the new

IDP objectives and priorities. A new Directorate Planning, Development, Housing and Local Economic Development was established to give enhanced focus on the importance of town planning and building control for the future economic growth in Kouga Municipality. Job descriptions were completed for all employees and an audit of all employees was conducted to ensure that no ghost workers were employed.

As service delivery has become a key focus point for the council and community as expressed during consultation through the IDP process a call centre was established on the new organisational structure of Kouga Municipality. This call centre/operations centre is powered by new software called Link, empowering the broad public to list all service requests and report service delivery issues on the application that is downloadable on smart cell phones. The implementation of the call centre with the Link app was responsible for drastic improvement of service delivery and has been widely supported by the tax payers of Kouga Municipality. All service requests are fully monitored and recorded to ensure service requests are implemented.

The Kouga Municipality has made major progress in the 2017/2018 financial year regarding its Infrastructure investment and service delivery. I would like to emphasise some of the key achievements for the past financial year.

The steady worsening drought conditions in the Kouga municipal area has had a big impact as could be seen with the disastrous fires that Kouga experienced during June 2017. With falling dam levels and poor rains received during the financial year, the challenge of maintaining water security will become a challenge that Kouga Municipality will have to face in the next financial year. Kouga Municipality was forced to re-evaluate its capital spending for the 2018/19 financial year to make funding available for drought mitigation measures such as expanded bore hole drilling to guarantee water supply provision to its residents. Approximately R 10 mil was spent on drilling for boreholes at all our towns.

Kouga Municipality has during the financial year taken measures to mitigate risks identified on its risk register. Apart from the drought risk the municipality has managed to resolve a most of legal actions against the municipality the largest of which concerned the 90 houses burnt down during the 2010 fire in St Francis. The Kouga Municipality also managed to resolve most of the labour disputes brought by unions. The risk posed by the ocean in St Francis has escalated as the sand on the St Francis beaches and the Spit protecting the channels from the St Francis canal development from the ocean keeps being eroded. Kouga Municipalities has started mitigating procedures to place rock revetments at strategic places along the spit. In August 2017 the Kouga Municipality was faced with the causeway across the Seekoei river being flooded after a storm surge flooded the Seekoei river causing the vital link between Paradise Beach and Aston Bay to be cut off. After many engagements the Municipality eventually managed to obtain permission from DEDEAT to open the

estuary to the sea to lower the water level at the estuary. An estuary management plan was completed for the Seekoei estuary and submitted to DEDEAT for approval.

Kouga Municipality managed to source a new building in Woltemade Street to alleviate the shortage of office space for its staff. The town planning and building control section together with technical services and housing section have been relocated and consolidated in the Woltemade building improving working conditions and control over staff.

The different sub directorates performance report contained in the Annual Performance Report contain detailed reporting results of their achievements for the financial year.

The Audit Committee of the Kouga Municipality is fully functional and has been meeting regularly. MPAC is also constituted and had a busy schedule to amongst others deal with legacy issues on the financial statements with regard to prior years of the previous council administration. Council, Mayco and portfolio committees have been meeting regularly and had a full program of meetings during the financial year.

The financial sustainability of Kouga Municipality continues to show improvement with all key ratios showing improvement. The cash on hand at the end of the financial year exceeded R 90 mil rand and the Kouga Municipality was able to cover all its potential creditors with the cash on hand. Going into the 2018/19 financial year the expectation is that the Kouga Municipality financial position will continue to improve while at the same time significantly improve service delivery and invest in new capital projects.

I would like to thank my management team that was recruited during the financial year for their dedication and effort during the financial year in us striving to make Kouga Municipality the best in the Eastern Cape Province.

Charl du Plessis

Municipal Manager

1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

OUR VISION

Kouga – Good Governance through Service Excellence.

OUR MISSION

To create a better life for its people by providing effective and efficient service delivery, enabling the sustainable harnessing of its environmental assets, supported by inclusive governance and stakeholder participation, derived from the shared values of its people and its legislated mandate.

The Values underpinning our Vision and Mission are:

Honesty

Transparency

Integrity

People-centered Accountability

Professionalism

Consistency

Accessibility

Equality

Batho Pele

FUNCTIONS

In terms of Circular 8/2009: 2008/09 Capacity Assessments and Recommendations: Adjustment of Powers and Functions between District and Local Municipalities in terms of Section 85 of the Local Government: Municipal Structures Act 1998, the Kouga Municipality has the following powers and functions to fulfil:

POWERS AND FUNCTIONS	
Abattoirs	Air Pollution
Beaches and Amusement Facilities	Billboards and the Display of Advertisements in Public Places
Building Regulation	Cemeteries, Funeral Parlors and Crematoriums
Child Care Facilities	Control of Selling Liquor
Control of the Public Nuisances	Electricity Reticulation
Facilities for the Accommodation, Care and Burial of Animals	Fire Fighting
Health and Environmental Health Services	Licensing and Control of Food Sold to the Public
Local Amenities	Local Tourism and Economic Development
Local Sports Facilities	Markets
Municipal Airports	Municipal Planning
Public Transport	Sanitation
Storm Water	Trading Regulations
Water (Potable)	

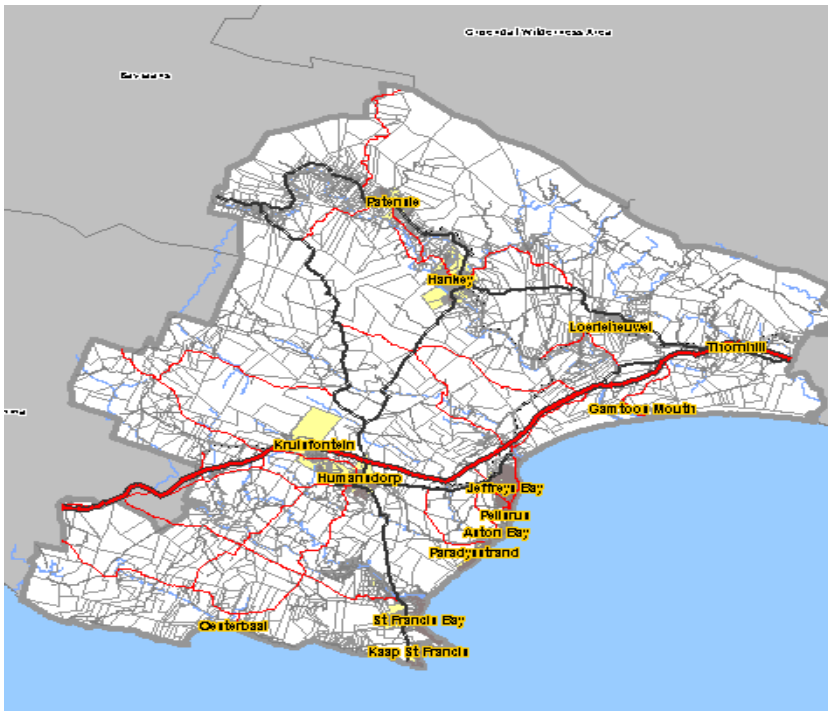
POPULATION

Despite it being the second smallest region in the Sarah Baartman District, covering only 4,1% of the District's land area, Kouga is the most populous region in the district. It has a population of 98 588 (Census 2011), representing approximately 22% of the total population of the district.

Kouga also has the fastest annual growth rate in the district. Since 1996, the population has increased at an average of 2, 4% per annum compared to the annual growth rate of 1,1% in the district and 0,3% in the province. Kouga is characterized by vast differences in population density from one area to the next. These variations have an impact on the cost of service delivery while migration to the urban nodes places additional pressure on the existing infrastructure of these high-density areas.

The influx of job seekers has also impacted negatively on employment figures. According to “Labor Force Survey Data” for 1995 to 2010 (Stats SA), employment in the region declined by 11,7% between 1995 and 2010 while the working age group increased by 25%. This means that 80,3% of the working age group had employment in 1995, compared to 56,8% in 2010

LOCATION



Kouga Local Municipality forms part of the Sarah Baartman District Municipality in the Eastern Cape Province of South Africa. It is situated west of Nelson Mandela Bay Municipality (Port Elizabeth, Uitenhage and Despatch) and covers a total land area of 2 418km².

The nine towns included in Kouga are Jeffrey's Bay, Humansdorp, St Francis Bay, Cape St Francis, Oyster Bay, Patensie, Hankey, Loerie and Thornhill.

TOPOGRAPHY AND CLIMATE

Kouga is largely an urban area, with three main topographical regions:

The coastal region stretches from the Van Stadens River in the east to the Tsitsikamma River in the west. This zone includes the towns of Jeffrey's Bay, St Francis Bay, Cape St Francis and Oyster Bay. The coast serves as a major tourism attraction.

The Gamtoos River Valley is characterised by wide, fertile flood plains associated with low-lying land. Steep and less-fertile slopes flank the Valley. The towns of Hankey, Patensie, Loerie and Thornhill are focal points of this high-potential agricultural region.

The Humansdorp area, including Kruisfontein, is characterised by moderate slopes in the south, with steeper slopes towards the north and northwest.

The four main rivers in the area - the Kromme, Seekoei, Kabeljauws and Gamtoos – are tidal rivers. The Kromme River and Gamtoos River are significant sources of water supply. Ground water is another major component of domestic water supply. Aquifers are also utilised in the agricultural sector for irrigation.

There are numerous areas of wetland adjacent to the region's rivers and on the coastal platform. These wetlands are extremely sensitive to disturbances such as agricultural activities and development. The wetlands accommodate high species diversity and fulfil natural water purification and flood retention roles.

The climate of the Kouga region is subtropical, which makes the area conducive to a range of outdoor activities and various types of agricultural production. Rainfall varies between 650 mm per year (St Francis Bay area) to 400 mm (Gamtoos River Valley). The area is generally described as windy.

ECONOMY

Kouga's total output / Gross Value Added (GVA), which is used to measure the value of production in a region, has shown erratic growth since 1996.

“Regional Income and Production Data” for 1995 to 2010 (Stats SA) indicates that the economic sector of Kouga is dominated by secondary and tertiary activity

In 2010 the leading industries were finance, insurance and real estate (FIR) at 33,3%, manufacturing (MAN) at 19,1% and general government (GG) at 14,2%. With its growth outpacing all other industries, FIR has since 1996 overtaken wholesale and retail trade, catering and accommodation (WRCA) as the largest contributor to GVA. WRCA's proportion to Kouga's output has plummeted from 21% in 1995 to 10,3% in 2010.

The contribution of the main primary sector – agriculture, forestry and fishing (AFF) – has also decreased from 11,8% in 1995 to 3,5% in 2010. However, manufacturing proportion saw an increase of 4,8% over the same period. Whilst the primary sector dominated employment up until 2005, the tertiary sector has since taken over this role. According to the 2011 Census (check census), Kouga Municipality is currently the fastest growing economy in the country. With the onset of a number of megaprojects in the area, there is phenomenal growth and influx of people into the area and this has a big impact on the economy. It also impacts on the services of the area as well. This has the positive effect of job creation and added business opportunities for Kouga. It is said that there is 3,22% growth rate in the population and Kouga is ranked 114th by population size in the country.

1.3. SERVICE DELIVERY OVERVIEW

SERVICE DELIVERY OVERVIEW

Despite having a challenging year, the Infrastructure Department recorded significant successes

Electrical Unit:

Achievements:

- Electrification of 270houses at Donkerhoek and phase2 391 housing project Kruisfontein, Humansdorp
- Replaced of faulty transformer from a 500kva to 1000 kva at Oyster Bay
- Replaced faulty 3150 kva transformer St Francis Bay main sub station
- Reserving of 66kV bay at Eskom Melkhout sub-station, Humansdorp
- Replacement of a damaged 315kV transformer in St Francis Bay
- Maintenance on 22kv switch gear and protection relays Jeffrey's bay
- Department of Energy grant funding for 237 houses at Kruisfontein
- Department of Energy grant funding for bulk infra-structure Kruisfontein
- Complete 22kv ring feed in St Francis Bay industrial

Challenges:

- Electrical losses increased due to illegal connections and tampering of meters
- Vacant positions not filled
- Redundant vehicles and equipment needed to be replaced.
- Intimidation of staff when removing illegal connections.

Town Planning:

Achievements:

- Successful implementation of the new Spatial Planning and Land Use Management Act and the establishment of the Municipal Planning Tribunal & Appeals Authority
- 11 Municipal Planning Tribunal Meetings were held in terms of the new SPLUMA legislation
- One (1) Appeals Authority Meeting was held in terms of the new SPLUMA legislation
- 639 building plans were approved

Challenges:

- Implementation of the new Spatial Planning and Land Use Management Act and reduction of the backlog created in terms of land-use applications
- Vacant positions are not filled
- Inadequate archives space
- Building not in a conducive condition

Local Economic Development and Tourism

Achievements:

- * Grant In Aid Policy completed and signed.
- * Active PPP's i.e. Kouga Local Tourism Association, Humansdorp Museum Association, Kouga Business Forum.
- * BIGM programme with the Canadians.
- * Promoting Kouga Municipality at the Investor Conference.
- * Business Development information was provided for local SMME's.
- * SMME capacitation trough trainings provided by the municipality in conjunction with other government departments.
- * The cleaning and upgrading of the fishermen gravesite in Pellsrus.
- * Relocation of the Second World War Soldiers from Suiderkruis Hall to the St Marks Anglican Church
- * Representation at the Investor Conference.
- * Aviwe Sibeko represented Kouga in a talent show case in USA and received a long term scholarship at the New York Film Academy and was funded R 6000.00 by the Kouga Arts Council.

Challenges:

- * Staff Shortage.

- * Transport Allowance for the LED Officer.
- * Cell Phones and 3G Cards for Staff.
- * Establishment of an Inclusive LED forum.
- * Maintenance of Tourism and Heritage Assets.
- * Budget Restrictions.
- * Slow process of Land Advisory Committee to approve applications for business space for local SMME's.
- * Commonage Land for Emerging Famers.

CHAPTER 2 – GOVERNANCE

INTRODUCTION TO GOVERNANCE

Political leaders and the heads of administration have a key leadership responsibility, and in a local government context, are accountable for ensuring good governance in their municipalities. Some of the foremost principles of good governance are the key pillars for Municipal compliance: -

Accountability: Accountability is a fundamental requirement of good governance. A municipality has an obligation to report, explain and be answerable to the communities it serves and for the decisions it makes.

Transparency: People should be able to follow and understand the decision-making process. This means that they should be able to clearly see how and why a decision was made; what information, advice and consultation council considered, what consequences were considered and which legislative requirements (where applicable) council followed in arriving at its decision.

Rule of Law: This means that decisions are consistent with relevant legislation and are within the powers of Council. A responsive Local government should always try to serve the needs of the entire community whilst balancing competing interests in a timely, appropriate and responsive manner.

Equity and inclusiveness: A community's wellbeing results from all its members feeling their interests have been considered by council in the decision-making process. This means that all groups, particularly the most vulnerable communities, must have opportunities to participate in the process and should be consulted on their needs.

Effectiveness and Efficiency: Local government should implement decisions and follow processes that make the best use of the available human and financial resources, as well as time to ensure the best possible results for their community.

Participation: Anyone affected by or interested in a decision, should have the opportunity to participate in the decision-making process. This can happen in several ways; community members may be provided with information, asked for their opinion, given the opportunity to make recommendations or, in some cases, be part of the actual decision-making process.

COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

2.1 POLITICAL GOVERNANCE

Kouga is a Category C or Local Municipality with an Executive Mayoral System where powers are vested in the Mayor elected by the Council. The Mayor may appoint a committee to whom he/she may delegate certain responsibilities.

EXCECUTIVE MAYOR



**Executive Mayor: Late
Elsa van Lingen
Until 19 April 2018**



**Speaker: Horatio Hendriks
Served as Speaker until 19
April 2018 whereafter he
was elected as Executive
Mayor**

As at 30 June 2018 the Political Leaderships and Councillors was as follows:



LEADERSHIP

EXECUTIVE MAYOR AND SPEAKER



EXECUTIVE MAYOR
Clr Horatio Hendricks



SPEAKER
Clr Hattingh Bornman

MAYORAL COMMITTEE



Clr Frances Baxter
CORPORATE SERVICES



Clr Daniel Benson
COMMUNITY SERVICES



Clr Brenton Williams
FINANCE



Clr Bryan Dhludhlu
PLANNING, DEVELOPMENT & TOURISM



Clr Freddy Campher
INFRASTRUCTURE & ENGINEERING



PR COUNCILLORS



Cnr Frances Baxter



Cnr Danny Benson



Cnr Diana Biggs



Cnr Nico Botha



**Cnr Virginia
Camealio-Benjamin**



Cnr Atri Carstens



**Cnr Malibongwe
Dayimani**



Cnr Bryan Dhludhu



Cnr Robin Jantjies



Cnr Cynthia Matroos



Cnr Aaron Nkomo



Cnr Francois Louw



Cnr Phumza Nkwalase



Cnr Brenton Williams



WARD COUNCILLORS

Ward 1	 Clr Zolani Mayoni	Ward 2	 Clr Timothy Meleni	Ward 3	 Clr Willem Gertenbach
Ward 4	 Clr Freddy Campher	Ward 5	 Clr Wilma Coenraad	Ward 6	 Clr Velile Vumazonke
Ward 7	 Clr Chico Februarie	Ward 8	 Clr Ludwig Vorster	Ward 9	 Clr Sibongile Jujwana
Ward 10	 Clr Amos Mabukane	Ward 11	 Clr Hattingh Bornman	Ward 12	 Clr Ben Rheeder
Ward 13	 Clr Magareth Peters	Ward 14	 Clr Sindiswa Mandeka	Ward 15	 Clr Horatio Hendricks

The Council consists of 29 Councillors made up as follows:

17 Democratic Alliance Councillors

12 African National Congress Councillors

14 Proportional Representative Councillors

15 Ward Councillors

7 Female Councillors

22 Male Councillors

HEAD OF COUNCIL				
1	Elizabeth Christina	Van Lingen	DA	Executive Mayor 2017-2018 –Passed away on 19 April 2018
	Horatio	Hendricks	DA	Executive Mayor From - 20 April 2018
2	Hatting	Bornman	DA	Speaker - From 20 April 2018
MAYORAL COMMITTEE				
1	Horatio	Hendricks	DA	Speaker until 19 April 2018
				Executive Mayor from 20 April 2018
2	Hatting	Bornman	DA	Portfolio Councilor Administration, Monitoring, Evaluation and Special Projects August 2017-19 April 2018 Elected as Speaker 20 April 2018

3	<i>Nicolaas Stephanus</i>	<i>Botha</i>	DA	Portfolio Council: <i>Administration, Monitoring, Evaluation and Special Projects until August 2017</i>
4	Frances	Baxter	DA	Portfolio Councilor Tourism and Creative Industries-2017-2018. Corporate Services from April 2018
5	Freddy	Campher	DA	Portfolio Council: Infrastructure Development & Planning in 2017/2018
6	<i>Desmond</i>	<i>Petersen</i>	DA	Portfolio Councilor till <i>August – October 2017 - Dismissed</i>
7	Daniel	Benson	DA	Portfolio Council: Social/Community Services
8	Brenton John	Williams	DA	Portfolio Council: Finance
9	Bryan	Dhludhlu	DA	Portfolio Council: Local Economic Development, Town Planning and Tourism
PR COUNCILLORS				
1	Frances	Baxter	DA	PR Cllr
2	Brenton John	Williams	DA	PR Cllr
3	Daniel	Benson	DA	PR Cllr
4	Nicolaas Stephanus	Botha	DA	PR Cllr
5	Elizabeth Christina (deceased)	Van Lingen – 2017- 2018 - April	DA	PR Cllr

	Replaced by: <i>Robin</i>	<i>Jantjies -May 2018</i>	DA	<i>PR Cllr</i>
6	Francois Johannes	Louw	DA	PR Cllr
7	Beatric Hendrina Jacoba (Resigned) Replaced by: <i>Timothy</i>	Carstens -2017 - June 2018 <i>Jantjies -June 2018</i>	DA DA	PR Cllr <i>PR Cllr</i>
8	Diana Jane	Biggs	DA	PR Cllr
9	Down Mnyamezeli	Nkomo	DA	PR Cllr
10	Bryan	Dhludhlu	DA	PR Cllr
11	Malibongwe Emmanuel	Dayimane	ANC	PR Cllr
12	Virginia Alice	Camedlio-Benjamin	ANC	PR Cllr
13	Cynthia Nomathamsanqa	Matroos	ANC	PR Cllr
14	Phumza	Nkwalase	ANC	PR Cllr
WARD COUNCILLORS				
1	Julius Zolani	Mayoni	ANC	Ward 1
2	Timothy Ncedile	Meleni	ANC	Ward 2
3	Willem Petrus Dormehl	Gertenbach	DA	Ward 3
4	Frederick Jacobus	Campher	DA	Ward 4
5	Desmond Neville (Dismissed) Replaced by: <i>Wilma</i>	Petersen -August - November 2017 <i>Coenraad - December 2017 to date</i>	DA DA	Ward 5 <i>Ward 5</i>
6	Vallie Solomon	Vumazonke	ANC	Ward 6

7	Eldridge Reginald	Februarie	ANC	Ward 7
8	Ludwig	Vorster	DA	Ward 8
9	Sibongile	Jujwana	ANC	Ward 9
10	Amos	Mabukane	ANC	Ward 10
11	Chris Hattingh	Bornman	DA	Ward 11
12	Benjamin Fredeman	Rheeder	DA	Ward 12
13	Magareth	Peters	ANC	Ward 13
14	Cynthia Sindiswa	Mandeka	ANC	Ward 14
15	Horatio Mario	Hendricks	DA	Ward 15

The Council established several Committees to enable it to deliver on its constitutional mandate.

Section 80 Committees

The following Portfolio Committees have been established in terms of Section 80 of the Municipal Structures Act to assist the Mayor and the Mayoral Committee: -

- a) Community Services Committee
- b) Infrastructure and Engineering Committee
- c) Finance Committee
- d) Corporate Services Committee
- e) Planning, Development and Tourism Committee

Each of the Support Committees deliberates on matters that fall within its specific terms of reference and makes recommendations to the Mayoral Committee for final approval by the full Council where necessary. The Mayoral Committee has wide ranging delegations with the exception of the powers provided to Council in terms of Section 160 (2) of the Constitution of the Republic of South Africa, 1996. The following functions may not be delegated by a Municipal Council:

1. The passing of by-laws;
2. The approval of budgets;
3. The imposition of rates and other taxes, levies and duties; and

4. The raising of loans.

The Mayoral Committee makes recommendations for approval by Council on such matters.

Section 79 Committees

In addition, Council has established the following Committees in terms of Section 79 of the Municipal Structures Act:-

a) Municipal Public Accounts Committee

The Municipal Public Accounts Committee which is made up of non-executive Councillors ensures that the Administration is held accountable for the management of municipal funds and assets, and to ensure the efficient and effective utilization of council resources. The Committee also considers the Annual Report and makes recommendations to Council on the Annual Report by submission of an Oversight Report. The Committee's Oversight Report is published separately in accordance with the Municipal Finance Management Act.

Statutory Committees

Administrative Committees

The Council has also established administrative committees as follows: -

- a) Audit Committee
- b) Bid Specification Committee
- c) Bid Evaluation Committee
- d) Bid Adjudication Committee

The Audit Committee is established in terms of Section 166 of the Municipal Finance Management Act. It is an independent external committee, which provides an oversight function over the financial management and performance of the Municipality.

The Municipal Supply Chain Management Regulations require a committee system for competitive bids, consisting of a Bid Specification, a Bid Evaluation and a Bid Adjudication Committee.

The Bid Specification Committee compiles the specifications for all goods or services procured by the municipality.

The Bid Evaluation Committee evaluates bids in accordance with the specifications for a specific procurement, and the points system set out in the SCM (Supply Chain Management) Policy and Regulations and as prescribed in terms of the Preferential Procurement Policy Framework Act.

The Bid Adjudication Committee considers reports and recommendations of the bid evaluation committee and makes a recommendation to the Accounting Officer to make the final award; or makes another recommendation to the Accounting Officer on how to proceed with the relevant procurement.

1ST DRAFT

2.2 ADMINISTRATIVE GOVERNANCE



Charl Du Plessis
Municipal Manager



Colleen Dreyer



Nomvula Machelesi
Director Community Services



Krishen Moodley
Director Corporate Services



Selwyn Thys
Chief Financial Officer



Victor Felton
Director Infrastructure and Engineering



Fezeka Mabusela
Director Planning, Development and Tourism

INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

In terms of the MFMA section 60(b), the Municipal Manager of a municipality is the accounting officer and must provide guidance on compliance with this Act to political structures, political office bearers, and officials of the municipality.

As head of administration, the Municipal Manager ensures that the municipality is managed in accordance with all legislation applicable to local government. He undertakes various administrative responsibilities in relation to Council such as advising the political structures and political office bearers of the municipality; managing the communications between the municipality's administration and its political structures and office bearers; and carrying out the decisions of the political structures and political office bearers of the municipality. In addition, he has human resources related responsibilities to ensure that the municipality has the requisite human resources that are functioning at an optimal level to enable it to deliver on its mandate.

As the accounting officer, the Municipal Manager is responsible for general management of municipal finances, including: asset and liability management, revenue and expenditure management and budget implementation. In his role as accounting officer, he must also assist the Mayor in performing the budgetary functions assigned to the Mayor in terms of Chapters 4 and 7; and provide the Mayor with the administrative support, resources and information necessary for the performance of those functions.

There are six Directorates which report to the Municipal Manager. Each Directorate is responsible for a Service Cluster (Key Performance Area) with some overlapping responsibilities:

Community Services	(Basic Service Delivery)
Corporate Services	(Good Governance and Public Participation) (Institutional Development and Transformation)
Planning, Development & Tourism	(Planning and Development)
Infrastructure & Engineering	(Infrastructure and Basic Service Delivery)
Finance Services	(Financial Viability and Management)

The organogram was reviewed and approved by Council in December 2017. The primary objective of the review was to create functional alignment and give effect to Council's vision, mission and strategy.

COMPONENT B: INTERGOVERNMENTAL RELATIONS

2.3 INTERGOVERNMENTAL RELATIONS

The Kouga Intergovernmental Relations Forum (IGR) consists of representatives from the Kouga Municipality, Sarah Baartman District Municipality, sector departments, parastatals and government agencies. The Forum is chaired by the Mayor.

The purpose of the forum is to:

- Consider and coordinate service-delivery continuity measures
- Provide a forum for sharing best practices and learning
- Facilitate communication on, and formulating joint responses to provincial and district policy and legislative processes
- Consider any other matters referred to it by either the municipality or sector departments
- Promote inter-sectoral dialogue and mediation in case of disputes between the municipality and other structures
- Ensure that there are coordinated programmes of implementation and the necessary structures with regard to such issues as, but not limited to, rural development, urban renewal, safety and security, local economic development, infrastructure development, HIV/Aids and special programmes
- Promote and enhance the principles of integrated governance at local level by strengthening cooperation between municipalities, sector departments and any other relevant stakeholders.

During the year under review Kouga IGR structure was active and 5 meetings were held.

Kouga Municipality continued to build on its relationship with sector departments during the year under review. Several multimillion-rand bulk infrastructure projects were successfully implemented together with sector partners such as the Eastern Cape Department of Human Settlements and the Department of Water and Sanitation.

The municipality was also an active participant in intergovernmental structures such as the Municipal Managers Forum, driven by the Eastern Cape Government. Sector

departments further participated in the review of the Integrated Development Plan (IDP) through structures such as the IDP Representative Forum.

COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

2.4 PUBLIC MEETINGS

Kouga engaged with communities at commemorative events, public hearings, workshops, project launches and meetings during the 2017/2018 reporting period.



The Table below illustrates the public meetings and events that were held:

DATE	PROGRAMME	VENUE
18 July 2017	Mandela Day	Tokyo Sexwale, Jeffreys Bay
31 July 2017	Closing month of MRM	Humansdorp Country Club
1 August 2017	Public hearing on Marine Spatial Planning	Port Elizabeth
8 August 2017	Women Business Opportunities Workshop	Loerie community hall
13 September 2017	Public Participation week	Vusumzi Landu hall
28 September 2018	Repositioning of Home Affairs	Humansdorp
21 September 2018	Ward Councillors & CWP meeting	Jeffreys Bay

DATE	PROGRAMME	VENUE
05 October 2017	Establishment of Kouga Initiation Forum	Kwanomzamo community hall
28 October 2017	Repositioning of Home Affairs	Humansdorp council chamber
1 November 2017	Roll-out Session of the Customary Male Initiation Act	Humansdorp Council Chamber
1 February 2018	Evaluation of Summer Season	Humansdorp Council Chamber
1-3 March 2018	Public Participation Roundtable	East London
14 March 2018	Ward councillors meeting	Jeffreys Bay council chamber
14 April 2018	Kouga Initiation Forum meeting	Humansdorp
18 May 2018	Ward councillors meeting	Jeffreys Bay council chamber
30 May 2018	Public hearing	Vusumzi Landu hall
7 June 2017	Public Participation on Khoi -San	Dan Sandi hall
11 June 2018	Establishment of Ward Initiation Forums	Per ward
18 June 2017	Moral Regeneration Movement meeting	Humansdorp council chamber

2.4 IDP PARTICIPATION AND ALIGNMENT

5-year Integrated Development Plan for the period 2017-2022 (2017/18 review period)

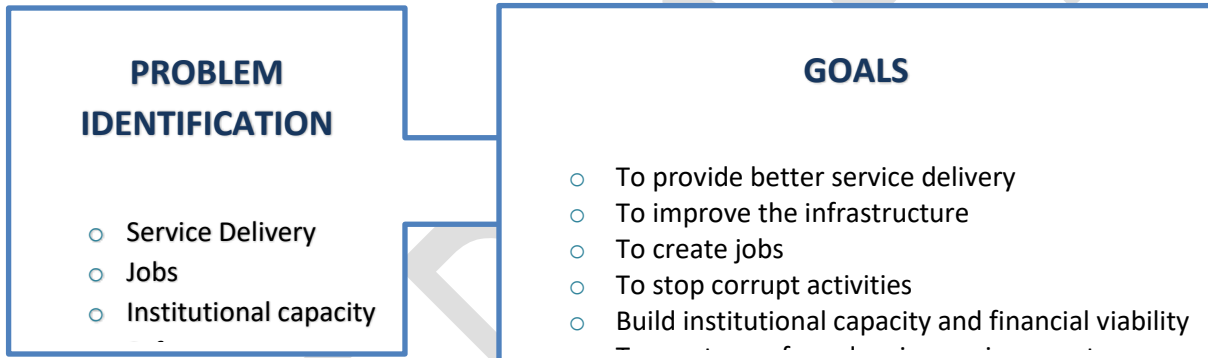
The 3rd generation IDP cycle ended during the 2016/17 review. Section 25 of the Local Government: Municipal Systems Act (2000) prescribes that a municipal council, within a prescribed period after the start of its elected term, adopt a single, inclusive and strategic plan for the development of the municipality. The new council was established in 2016 during the last review period and started with the new IDP during the for 2017/18 financial year. during 2017. The new cycle is the 4th generation IDP which paves the strategic plan for the period 2017/2022.

Strategic Direction for 2017/2022: The municipality started with the development of the IDP by adopting a process plan for the 2017/18 period which sets out the process of

the IDP until the final adoption. The Process Plan was adopted on 29 July 2016 (Council Resolution 16/07/AME3).

The 1st phase of the IDP, situational analysis was done to provide the status quo information of the municipality, demographics, socio-economic trends, service delivery trends, economic analysis and environmental aspects. The municipality has during this phase developed new focus areas (development priorities), objectives and strategies to improve service delivery, community upliftment (socially and economically), and to build a strong institution with the appropriate skills and resources.

The Council has identified the following goals for the next five (5) years:



A strategic planning session was held during November 2017 to develop new strategies for the 5-year plan. The desired outcomes and develop objectives for the 2017/18 were as follows:

- To promote access for all citizens to equitable, appropriate and sustainable infrastructure;
- To provide equitable, appropriate and sustainable basic services to all citizens;
- To ensure proper spatial planning and transportation planning for mega projects and human settlements;
- To create an enabling environment for economic growth that attracts investors and tourists, encourages innovation and facilities pro-poor inventions;
- To ensure a municipality that is committed to prudent management of public funds, good governance, financial viability that accommodates diversity in service delivery;

- To develop progressive strategies to optimize the use of available human resources;
- To establish a common vision and create coherence in government's work by seeking close partnerships with citizenry;

Detailed departmental objectives were drafted which were linked to the municipal performance management system as well as the budget. The Final IDP was approved on 31 May 2017, council resolution no. 17/05/AME&SP3. All the legal requirements as prescribed in Chapter 5 of the Municipal Systems Act were met and the process was fully compliant.

Alignment with Sector Departments

Regular meetings with the District Municipality were held namely the District Consultative Forum as well as the 2 District IDP Representative Forum meetings. The inputs from the sector departments were obtained during the Project Phase of the IDP as well as from inputs from the District IDP Representative Forum. 2 Local IDP Representative Forum Meetings were held during the review period. The interaction with the sector departments remain crucial to fully integrate and align programmes within the Province.

Local Community Participation

- **Stakeholder Consultation**

Kouga Local Municipality places a high premium on inclusivity and subsequently the involvement and participation of all relevant stakeholders forms an essential component of the IDP Process. The Public Participation Process for the 2017/2022 IDP was based on full-scale public meetings in all 15 wards. The purpose of this initial round of public participation was:

- To discuss the process to be followed for the 2017/2022 IDP;
- To consult the public on the content for the IDP especially ward based planning, through rigorous public participation meetings.

The socio-economic conditions and character of the towns and settlements are distinctly different, resulting in their expectations from the budget and service delivery priorities being diverse. This diversity and service delivery backlogs in some areas were

duly considered in the IDP review. The public participation process was characterized by active participation by all sectors of society and again highlighted the fact that the expectations from communities are very high in terms of service delivery, infrastructure development and other development challenges in comparison to the limited resources available to the municipality.

Effective partnerships with communities, other spheres of government and the private sector are essential to deliver on this expectation adequately. To conclude the public participation process, the draft IDP review was advertised for public comment for 30 days to allow any member of the public to provide final comments before it is being adopted by Council.

2 Rounds of public meetings were held in all 15 wards with additional meetings in different towns due to its locality and demarcation.

- **Ward Based Planning**

Successful ward-based planning workshops were held in Jeffreys Bay, Humansdorp and Hankey which were attended by all ward committee members. The inputs from the ward committees were presented to the wards to set ward priorities for consideration during the 1st draft of the IDP.

Credibility Assessment – Findings on the 2017/2022 IDP (Review period 2017/22)

The overall findings on the 2017/2022 final IDP of the Kouga Municipality can be summarized as follows:

- The municipality has tabled, adopted and submitted its 2017/2022 Integrated Development Plan for assessment during the week of 31 July – 4 August 2017.
- The municipality has conformed to the Council approved process plan.
- The municipality has confirmed to the core components of an IDP as prescribed by Section 26 of the Municipal Systems Act (MSA), and has been assessed covering the Key Performance Areas (KPA) as per guidance of 5-year Local Government Strategic Agenda, listed below are areas of concerns raised during assessment:

KPA Ratings

An overview of the detailed assessment is set out below to provide the municipality with a synopsis of scoring:

Key Performance Area					
KPA 2 – Service Delivery	KPA 3 – Financial Viability	KPA 4 – Local Economic Development	KPA 5 – Good Governance	KPA 6 – Institutional Arrangements	Overall Ratings
Ratings					
High	Medium	High	High	High	High

The municipality has developed a legally compliant IDP, and it is noted with delight the municipality has scored an overall **HIGH** rating.

IDP and Budget Alignment

The IDP and Budget was aligned after receipt of comments from the public and was finally incorporated in the final IDP. The following capital funded projects are listed:

ID NO.	PROJECT	AMOUNT
00001	New Melkhout to Jeffreys Bay Main 66Kv Line	R1 573 647
00002	Electrification of Oceanview	R6 000 000
00003	Generator	R500 000
00004	Upgrade Kruisfontein WWTW & outfall sewer	R14 679 134
00005	Patensie Replacement of Digesters Phase 1	R8 368 626
00006	Patensie upgrade of WWTW	R500 000
00007	Wavecrest Internal Sewer	R3 730 000
00008	New sewer pump at Cormorant Sewer Pump Station Aston Bay	R1 480 000
00009	Pressure filters at Jeffreys Bay WTW	R750 000

00010	Community water supply	R2 000 000
00011	Motor vehicles	R250 000
00012	Furniture and equipment	R1 948 200
00013	Ablution facility Weston & Kwanomzamo libraries	R200 000
00014	Fencing of existing cemeteries	R500 000
00015	Chairs – community halls	R200 000
00016	Acquisition of wheel chairs	R150 000
00017	Upgrade of hydrants	R240 000
00018	Satellite fire station (Oyster Bay)	R400 000
00019	Mesh truck	R1 000 000
00020	Transfer station Patensie	R350 000
00021	Transfer station Weston	R350 000
00022	Mini transfer station Thornhill	R350 000
00023	Mini transfer station Oyster Bay	R350 000
00024	4 x skip trucks	R1 000 000
00025	Skip bins	R400 000
00026	New community hall in Kwanomzamo	R5 500 000
00027	Upgrade sports facilities	R4 321 455
00028	2 x compactor trucks	R2 800 000

00029	LED (social institutions % micro enterprise infrastructure)	R1 440 485
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COMPONENT D: CORPORATE GOVERNANCE

OVERVIEW OF CORPORATE GOVERNANCE

Corporate governance has to do with the structures and processes associated with management, decision-making and control in the municipality. Corporate governance is based on principles of conducting business with integrity and fairness, being transparent regarding all transactions, making all the necessary disclosures and decisions, complying with all the law of the land, accountability and responsibility towards the stakeholders and commitment to conducting business in an ethical manner.

The following four ethical values underpin good corporate governance:

- (a) Responsibility: The Council should assume responsibility for the assets and actions of the municipality and be willing to take corrective action to keep the municipality on a strategic path that is ethical and sustainable.
- (b) Accountability: The Council should be able to justify its decisions and actions to its stakeholders and communities.
- (c) Fairness: The Council should ensure that it considers the legitimate interests and expectations of its communities and stakeholders.
- (d) Transparency: The board should disclose information in a manner that enables the AG and relevant bodies and communities to make an informed analysis of the municipality's performance and sustainability

ADMINISTRATION

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
1.	Standing Rules of Order	Approved: 31 May 2018	A02
2.	Policy and Procedures for the Disposal of Immovable Capital Assets	Approved: 25 April 2018	A06
3.	Public Participation Policy	Approved: 1 August 2017	A07
4.	Anti-Corruption and Fraud Prevention Policy	Approved: 1 August 2017	A09

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
5.	Policy on Legal Representation	To be reviewed	A10
6.	Policy on the Closure of Meetings and the Marking of Confidential Items	To be reviewed	A11
7.	Promotion to Access to Information Policy	To be reviewed	A13
8.	Records Management Policy	Adopted: 29 May 2015	A14
9.	Registry Manual	Draft	A16
10.	Policy on Municipal Honors	Approved: 1 August 2017	A17
11.	Policy on Ward Committees	Adopted: 29 May 2015	A18
12.	Policy of attendance of Workshops, Meetings and Conferences	To be reviewed	A19
13.	Catering Policy	To be reviewed	A20
14.	Communication Strategy	Draft	A21
15.	Language Policy	Draft	A22
16.	Service Delivery Standards Policy	Approved: 1 August 2017	
17.	Standard Operation on execution of Council resolutions	Approved: 1 August 2017	
18.	CCTV Policy	Approved: 31 May 2018	
19.	Environmental Health Bylaw	Approved: 1 August 2017	

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
20.	Occupational Health & Safety Policy	Approved: 1 August 2017	
21.	Policy on Spaza /House shops	Approved: 1 August 2017	
22.	Policy of Infrastructure, Procurement & Delivery Management	Approved: 1 August 2017	
23.	Events Bylaw	Approved: 1 August 2017	
24.	Grant in aid Policy	Approved: 31 May 2017	
25.	Policy in Regulations	Approved: 31 May 2018	
26.	Ward Development Fund Policy	Approved: 31 May 2018	
27.	Corporate Governance of ICT Charter	Approved: 29 March 2018	
28.	Customer Care, Credit Control & Debt Collection Bylaw	Approved: 29 March 2018	
29.	ICT Disaster Recovery Policy	Approved: 29 March 2018	
30.	ICT Risk Management Framework	Approved: 29 March 2018	

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
31.	ICT Strategy	Approved:29 March 2018	
32	Indigent Support Policy	Approved: 29 March 2018	
33.	Supply Chain Management Policy	Approved: 29 March 2018	
34.	Electronic Mobile Devices Policy	Reviewed: Awaiting Council Approval	
35.	Tools of Trade Policy for Councillors	Approved	

TARGETS AND ACHIEVEMENTS

ANNUAL TARGETS	TARGET	ACHIEVEMENT 2017/18	PRIOR YEAR ACHIEVEMENT 2016/17	COMMENT
Paperless	Reduce printing costs	On average printing costs over the reporting period decreased by approximately R75 000 per month	0	The Directorate Corporate Services is committed to reduce the Carbon footprint of the Municipality and to achieve a substantial saving on the expenditure of the Municipal printing costs that amounted to R5 million in the 2016/17 financial year. A paperless environment starts as a phase-in process. The Directorate is continuing to phase out printing of Council and Committee Agendas and have provided

				Councillors with laptops to access their agendas. The Directorate continues to monitor the printing habits of the Municipality.
Tools of Trade for all Councillors	Provide all the Councillors with laptops, routers and a monthly allocation of data	All the Councillors received tools of trade	Only the Mayoral Committee received tools of trade	The furnishing of all Councillors with laptops and access to data enabled the Directorate to phase in a paperless environment. All Council and Committee Agendas and documents are pre-dominantly delivered electronically to all the relevant parties.
Upgrade of Institutional buildings.	Repaint and do maintenance on buildings and Replace furniture	The foyer area of the Da Gama St building was upgraded as well as the installation of laminated flooring, tiling and painting of offices. New furniture was acquired. Various toilet facilities, kitchens and the balcony area were also upgraded	0	This is an ongoing process that is dictated by the availability of budget and upgrades to other buildings will be done in phases as the budget allows.
Reduction of telephone cost by upgrading the PABX system	Reduce the number of external Telkom lines & Telkom extension lines. Reduce the Telkom Bill	The in - operational PABX system was upgraded and put to use. VOIP Licenses were acquired	0	It was discovered that the Municipality bought a PABX system some years ago, at a substantial cost, that was never implemented. The PABX system was upgraded and VOIP licenses were acquired which enabled the Municipality to terminate external Telkom extension lines. The VOIP system reduced the cost of calls

				and this has resulted in a combined saving of R100 000 per month on the Municipal phone bill.
Call Centre (Complaints)	Establish a Call Centre. Procure Computers. Appoint more staff. Expand space or move Call Centre to another location.	A Call Centre was established in October 2017.	0	The Call Centre is a Service delivery complaint tool for the public and functions as an operational Centre for the Municipality. All service delivery issues are handled by the Call Centre which dispatches the relevant technical staff to resolve the issue. In June 2018 new Call Centre Operators, with Call Centre experience, were appointed as well as a Supervisor.
Ward Offices	Maintenance and new furniture and equipment	Partially Achieved.	0	Maintenance of Ward Offices is an ongoing process and is dependent on the availability of budget
Libraries and Caravan Parks	Internet	Internet was installed at all the Libraries	0	
Schedule of Meetings – Maycom, Portfolio, Council	To establish a meeting rhythm to improve the effectiveness of Committees	Achieved	There was a meeting Calendar	The meeting Calendar was improved.
Telephone Reports	To measure the use and abuse of municipal resources	Achieved	Staff are supposed to pay for personal calls, but enforcement was ineffective	The reports that are generated by the new PABX system identifies employees who make high volumes of calls and these calls are being monitored to ensure that it is made in the interest of Municipal business. Abusers of the system are being identified and disciplined

Documenting of outcomes ward committee meetings	Actioning of service delivery issues in the different Wards	Achieved	0	The Minutes of Ward Committees are submitted to Administration every month. The Public Participation officers submit service delivery issues to the Call Centre where it is actioned. Non-technical issues are submitted to the Executive Management Committee where the relevant Directors deals with these issues directly.
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2.6 RISK MANAGEMENT

AS PER THE CFO FINANCIAL INPUTS IN THE ANNUAL REPORT CAN ONLY BE DONE ON RECEIPT OF AUDIT REPORT (INFORMATION IN THIS SECTION IS AS PER THE 2016/17 ANNUAL REPORT)

Risk management is as much about identifying opportunities as avoiding or mitigating losses. It is a logical and systematic process of establishing the context, analysing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process, in a way that enables an organisation to minimise losses and maximise opportunities.

The drive for local government transformation with limited resources has tended to force municipalities into taking a less conservative approach to service delivery with a proportional increase in their risk exposure. Ongoing local government reforms have provided a broad administrative framework for further improvements to occur. These include more stringent corporate governance requirements, greater flexibility and a focus on results and accountability.

Risk management trends and components already overlap with those of internal auditing, performance management, programme and project management, financial management, change management, customer care, communication, etc. and require incremental inclusion in current and future plans of the entire organisation.

The management of risk by implication is a managerial function, even though individual sections, departments and directorates differ in their exposure and reaction to risks and thus departments, sections and individuals form a vital part of the overall risk management process within the Municipality.

In our continuously changing governance environment it is imperative that Council remains updated on key changes and challenges and how these effect the operation of business in today's environment. This will not be achieved without an effective, efficient, soundly funded and managed risk strategy that seeks to maximise its impact on the organisation with minimum resources at its disposal.

National Treasury Public Sector Risk Management Framework affirms that no organisation has a luxury of functioning in a risk-free environment and public institutions are especially vulnerable to risk associated with fulfilling their mandates.

The table below indicate the top five risks within the Municipality:

Top Five Municipal Risks			
Risk no.	Risk category	Risk description	Risk background
1	Infrastructure and basic services	Ageing plant and equipment	<ul style="list-style-type: none"> Plant, transport and equipment are ageing No policy on replacement of vehicles Inadequate maintenance plan (lack of spare parts, replacement policy)
2	Good governance and public participation	Non-compliance with Occupational Health and Safety Act	<ul style="list-style-type: none"> No appointed medical practitioner accountable for Occupational Health and Safety appointed by KM No schedules for inoculations and check ups Insufficient first aid training and first aiders
		Poor records management	<ul style="list-style-type: none"> Non-compliance to archive policy Non-disposal of old records Implementation of the file-plan
3	Financial viability and management	Inefficient revenue collection	<ul style="list-style-type: none"> No recovery plan in place Backlog maintenance exacerbates the problem
5	Infrastructure and basic services	Lack of bulk infrastructure	<ul style="list-style-type: none"> Insufficient allocation of funding to maintenance Poor refurbishment and replacement of current assets (water, pump stations sewage, storm water, electricity, Internal networks - water pipes) Lack of funding Lack of planning Lack of master plan in place No provision for capital reserve

2.7 ANTI-CORRUPTION AND FRAUD

REQUEST FOR UPDATED ANNUAL REPORT INFORMATION WAS MADE ON 27 JULY 2018: UPDATED INFORMATION STILL AWAITED (INFORMATION IN THIS SECTION IS AS PER THE 2016/17 ANNUAL REPORT)

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimise the possibility of fraud and corruption and the Municipal Finance Management Act (MFMA), section 112(1) (m)(i) identifies supply chain measures to be enforced to combat fraud and corruption, favoritism and unfair and irregular practices. Section 115(1) of the MFMA states that the Accounting Officer must take steps to ensure mechanisms and separation of duties in supply chain management system to minimise the likelihood of corruption and fraud.

The Anti-corruption strategy and fraud prevention strategy were both approved on the 29 May 2015. There were no corrupt practices reported and therefore the employees seem to be aware of the section 3 contained in the Prevention and Combating of Corrupt Activities Act (No.12 of 2004). A Fraud Risk Assessment was conducted on the 1st of March 2017 and the Fraud Risk Register was updated.

2.8 SUPPLY CHAIN MANAGEMENT

REQUEST FOR UPDATED ANNUAL REPORT INFORMATION WAS MADE ON 27 JULY 2018: UPDATED INFORMATION STILL AWAITED (INFORMATION IN THIS SECTION IS AS PER THE 2016/17 ANNUAL REPORT)

In the 2016/2017 Financial year invalid deviations of R6,275,913 were declared as irregular.

2.9 BY-LAWS & POLICIES

FINANCE

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
1.	Procurement Policy a) Supply Chain Management Policy b) Supply Chain Management Policy for Infrastructure Procurement and delivery Management- adopted	To be reviewed Adopted	F03
2.	Borrowing Policy	Adopted: 31 May 2016	F33
3.	Financial Code and By-laws	To be reviewed	F06
4.	Accounting Policy	To be reviewed	F07
5.	Tariff Policy	To be reviewed	F09
5.	Cash Management and Investment Policy	Adopted: 31 May 2016	F32
6.	Policy on Cheque Signing Authority	To be reviewed	F11
7.	Risk Management Policy	To be reviewed	F12
8.	Cost Control Functions for Votes	To be reviewed	F13
9.	Fleet and Asset Management Policy	Draft	F15
10	Funding & Reserves Policy	Adopted: 31 May 2016	F34
11.	Audit Committee Policy	Adopted: 29 May 2015	

SOCIAL SERVICES

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
1.	Disaster Management Plan	Adopted: 29 May 2015	SD01
2.	Coastal Management Plan	Adopted: 29 May 2015	
3.	Hunting on Commonages	Draft	SD2
4.	Spaza / House Shops	Adopted: 1 August 2017	
5.	Pauper and Social Burial Policy	Review Adopted: 29 June 2018	
6	Youth Policy	Adopted: 29 May 2015	
7.	CCTV Policy	Adopted: 31 May 2018	

TOURISM

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
1.	Events & Entertainment Policy	Adopted: 29 May 2015	T01

ADMINISTRATION

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
1.	Standing Rules of Order	Approved: 31 May 2018	A02
2.	Policy and Procedures for the Disposal of Immovable Capital Assets	Approved: 25 April 2018	A06
3.	Public Participation Policy	Approved: 1 August 2017	A07
4.	Anti-Corruption and Fraud Prevention Policy	Approved: 1 August 2017	A09
		To be reviewed	A10

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
6.	5.	Policy on Legal Representation	A11
7.	Promotion to Access to Information Policy	To be reviewed	A13
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22.	Policy of Infrastructure, Procurement & Delivery Management	Approved: 1 August 2017	
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30.	ICT Risk Management Framework	Approved: 29 March 2018	
31.	ICT Strategy	Approved: 29 March 2018	
32.	Indigent Support Policy	Approved: 29 March 2018	
33.	Supply Chain Management Policy	Approved: 29 March 2018	

NO.	POLICY NAME	STATUS OF POLICY	NEW NO.
34.	Electronic Mobile Devices Policy	Reviewed: Awaiting Council Approval	
35.	Tools of Trade Policy for Councillors	Approved	

2.10 WEBSITES

The municipal website, which can be found at www.kouga.gov.za is one of the most important communication tools available to the municipality. It is updated regularly and used to disseminate a wide variety of information to the public and other interested parties.

This information includes reports and documents which municipalities are legally required to make public such as the Integrated Development Plan (IDP) and the Medium-Term Revenue and Expenditure Framework (MTREF), as well as quarterly and monthly finance reports which are compiled and published in accordance with the Municipal Finance Management Act (MFMA) and Division of Revenue Act (DORA).

Tender advertisements, notices and vacancies are also published on the website so as to ensure as wide a reach as possible. Other information placed on the website includes municipal contact numbers and media releases. Application and registration forms can also be downloaded from the website.

The following documents must appear on the website after being approved:

- Annual Report
- Integrated Development Plan
- Service Delivery Budget Implementation Plan
- Performance Agreements of s57 and s56 managers
- List of disposed assets
- Supply Chain Contracts
- Long -term borrowing contracts
- Public Private Partnership Agreements
- Service Delivery Agreements
- Section 52 (d) reports for the 4th quarter

Some of these documents are reviewed annually and approved by Council, which means that on each occasion these documents are approved by Council, the updated document must be placed on the website.

As the municipality, we do comply with section 75 of MFMA, as our IDP, SDBIP, Annual Report and Supply Chain Management bid results are loaded in the website.

There is also a special section for ratepayers where they can register to view their accounts and property information online.

Municipal Website: Content and Currency of Material			
Documents published on the Municipal Website		Yes/No	Publishing date
1	Adjustment budget 2017/18	No	N/A
2	Mid-Year and Performance Report 2017/18	Yes	30 January 2018
3	Final IDP 2018/19	Yes	1 June 2018
4	All budget policies	Yes	N/A
5	All service delivery agreements	No	N/A
6	All long-term borrowing contracts	Yes	N/A
7	All SCM contracts above R100 000 per quarter	Yes	N/A
8	Public-private partnership agreements	N/A	N/A

2.11 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

The 7th annual Customer Satisfaction Survey was conducted in the last quarter of the 2017/2018 financial year.

The survey is viewed as a public participation tool which helps the municipality to get a sense of how the community measures the performance of the municipality in relation to its core mandate of service delivery.

The survey is a platform for residents to air their views without the pressures of time or audience. Participants are also not required to identify themselves and this allows those wishing to remain anonymous to be granted that status.

The survey was conducted in all three of Kouga's main spoken languages, ie, English, Afrikaans and IsiXhosa.

The study was conducted using survey forms distributed to the public for completion. The forms were divided into three categories with sub-sections and a scoring method provided on each form.

Examples

CATEGORY	SUB SECTION
SERVICE EXPERIENCE	Customer Care (Telephone skills, reception area, accessibility of offices, staff capacity to deal with challenges, cleanliness of our work environment/offices etc.)
SERVICE DELIVERY	<ul style="list-style-type: none"> • Water • Electricity • Sanitation • Roads and Storm water • Refuse Removal • Parks and Open Spaces • Halls and Sports Fields • Fire and Emergency Services • By-law enforcement and traffic • Rates and Accounts
GOOD GOVERNANCE	<ul style="list-style-type: none"> • Ward Committees • Access to Information • Council Meetings • Administration • IDP and Performance Management

The scoring method to express satisfaction was as follows:

1 = Extremely Poor;

2 = Poor;

3 = Satisfactory;

4 = Good;

5 = Excellent

The forms were available at all units. Residents could also download electronic versions of the form from our website. The survey was further emailed to civic structures for distribution to their members. The campaign was publicised in our community newspapers, our website and Facebook page.

The results are currently being finalised and will be included in the second draft of the Annual Report.

COMPONENT A: BASIC SERVICES

3(a) MUNICIPAL INFRASTRUCTURE GRANT IMPLEMENTATION

The Municipality confirms that the operational outcomes of the PMU did:

- Acknowledge and adhere to all aspects including all principles, objectives, sector conditions and outcomes contained within the MIG Guideline Document and the MIG Policy Framework Document.
- Ensure adherence to the Labour Intensive objectives as detailed in the Expanded Public Works Framework Document and the Code of Good Practice for Special Public works.

Background

The programme is entering its thirteenth year of implementation this year. The MIG is the municipal funding arrangement which combined the existing capital grants for municipal infrastructure into a single consolidated grant.

Since the program is aimed at subsidizing capital costs to the poor, priority was given to meeting the basic infrastructure needs. The programme was also aligned to cater for bulk infrastructure for new housing developments.

	2017/2018	2018/2019	2019/2020
Approved Budget Amount	R 32 274 000.00	R 31 186 000.00	R 31 771 000.00
Adjusted Budget Amount	R 27 274 000.00	R 0.00	R 0.00
Spent Budget Amount	R 27 274 000.00	R 0.00	R 0.00
Difference	R 0.00	R 31 186 000.00	R 31 771 000.00

Part 1: Progress to date

All aspects contained within the business plan including all principles, objectives, sector conditions and outcomes contained within the MIG Guideline Document and the MIG Policy Framework Document were adhere to.

The PMU unit resort under the Directorate: Infrastructure and Engineering

The following positions as per the "Guide for the Establishment of a Project Management Unit (PMU) by municipalities" were filled to perform the different functions within the unit;

PMU Manager (Full-Time)

PMU Technician (Vacant)

PMU Administrator (Full-Time)

Account (Part-Time)

Secretary (Part-Time)

Data Capturer (Contract)

It should be noted that not all operational responsibilities/outputs as highlighted in the guide could be achieved.

The PMU is located in the same building as the Infrastructure Planning and Development Directorate which enable us good communication and therefore providing assistance in terms of identification, co-ordination, implementation and supervision of projects.

Staff where possible are regularly attending workshops , training to empower them in executing their roles and responsibilities.

There are recent communications between the PMU, Area Engineers and the Manager: Technical Services to discuss strategies on how to improve this unit to fasten service delivery.

Part 2: Monitoring

Monthly the PMU meet with the Area Engineers and Director to capture the statistics of services rendered in term of backlogs per area.

Data forms part of the KPI of the Directorate: Infrastructure Planning and Development in terms of targets for the directorate.

Monthly and Quarterly reports are given to council on statistics and performance

Part 3: What are the results and who benefited?

Project Description	Beneficiaries (h/h)	Job Creation	Informal Training	SMME's Utilized
* Kruisfontein Sewer Treatment Plant	5 892	12	12	4
*Upgrading of the St Francis Bay Wastewater Treatment Works	2 000	12	12	0
Upgrading/Improvement of Sport Facilities within Kouga region - Weston	22 500**	11	11	3
Construction of New Action Sports Parks in Jeffrey's Bay	22 500**	11	11	3

*Project under construction.

The above table illustrates the projects implemented and still under construction for the 2017/2018 financial year. The figures reflected above are at the time of the report and will increase as the project progress.

**Entire Kouga population has access to the facility

Objectives as set out in the business plans were mostly achieved when projects were implemented.

Conclusions

The MIG programme is aimed at the following:

- To provide a basic level of service to the people;
- To target the poor and alleviate poverty;

Implementation costs can be justified and many people benefited from the program and their living conditions were directly and indirectly improved by providing them sufficient bulk infrastructure to continuously assure them at least the basic level of service.

Every different department within the municipality are assisting when the project falls within their respective departments by helping with reporting, liaising with the communities, etc.

All activities of this programme should continue because it is assisting the municipality with huge bulk infrastructure challenges and provide basic service delivery to the community.

3(b) EXTENDED PUBLIC WORKS PROGRAMME

Kouga Municipality entered into an agreement with the Department of Roads and Public Works to spend the full integrated grant funding and creating the targeted FTE's. This effort is in compliance with clause 3.1.6 of the Protocol Agreement signed between the Minister responsible for Public Works, The MEC of Roads And Public Works, Eastern Cape, the Mayor of Kouga Local Municipality, to specify the institutional structures that will oversee, monitor and report on progress in implementing the EPWP and achieving the EPWP targets; and 3.1.7, to provide for mutual assistance and support in respect of the programmes and initiatives of the EPWP.

The total grant received by Kouga Local Municipality in the 2017/ 2018 financial year was R 1,000,000.00 which been spend on 8 Incentive Grant Projects, as submitted in the 2017/18 Business Plan.

1. NON FINANCIALS

2.1 Non- Financials

In total, Kouga Local Municipality managed to create the following number of work opportunities in the 1st, 2nd, 3rd and 4th quarters of the 2017/2018 financial year.

Quarters	No of projects reported	FTE	No of work opportunities created
1 (July – September 2017)	5	6	22
2 (October – December 2017)	9	8	31
3 (January – March 2018)	9	27	119
4 (April – June 2018)	2	5	5

2. FINANCIALS

The total amount transferred to Kouga Municipality amounts to R 1,000,000.00, and was distributed in 3 tranches as follows:

- August – R 250 000.00
- December – R 450 000.00
- February – R 300 000.00

Spending Schedule:

The Expanded Public Works Programme Incentive Grant Funds received for the 2017/18 financial year were spent as follows:

MONTH	AMOUNT
July 2017	R 0.00
August 2017	R 10 140.75
September 2017	R 66 044.13
October 2017	R 103 408.31
November 2017	R 109 438.21
December 2017	R 249 661.89
January 2018	R 189 064.13
February 2018	R 17 051.85
March 2018	R 119 907.09
April 2018	R 114 055.47
May 2018	R 21 228.17

June 2018	R	0.00
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Total Amount spend from integrated grant - R 1,000,000. The current expenditure rate is at 100%.

3. CHALLENGES

- Under and non-reporting by other internal departments.
- Submission of certified documents
- Training and reporting on the information system.

4. RECOMMENDATIONS

- Inclusion of performance targets of senior managers
- DPW to facilitate the enrolment of all EPWP champions as commissioners of Oaths.
- One on one training to be conducted on information system.

3(c) MUNICIPAL WORKSHOP

As a modern mechanical workshop, our focus is no longer just on repairing vehicles, but providing the Kouga Municipality with a wide range of expertise to ensure that the fleet is kept in a proper running condition so that the Municipality can deliver a proper service towards the community in the Kouga Municipal area. It is the Fleet Departments' responsibility to suitably enforce the Fleet Policy and to ensure that misuse and negligent behaviour from municipal workers towards the vehicles will not be tolerated.

Whether in the workshop, assessing a faulty vehicle in the field promoting safety among the Municipal drivers and proper handling and use of vehicles to ensure our fleet is well maintained and our workshop and offices are well designed and safe, reporting, administrating, implementing a new process or system to make sure the old one work over the last year, every driver at the Kouga Municipality has continue to play a vital role on the housekeeping of our vehicles in the municipality.

What we do

The eleven (11) employees strive to do their utmost best towards the service and upkeeping of Kouga Municipality's fleet and yellow plant. Our day to day service helps to keep the one hundred and ninety (190) vehicles in a proper running condition.

With skeleton staff and only the bare necessary resources available to the fleet section, we strive to manage the fleet to the best of our ability.

Prevention

The Kouga fleet section aims to deliver or reduce incidents or severity of emergencies and accidents with Council vehicles to a minimum by proper maintenance, service and fault repairs on all vehicles.

Annual inspections are done by sending vehicles for Certificate of Fitness (COF) as well as ensuring the vehicles are serviced on regular intervals. According to SANS 10090: 2003

Preparedness

It is the Fleet Department's responsibility ensuring that all Kouga's vehicles including the yellow plant are always ready and properly maintained so that in the event of an emergency, there will always be enough vehicles in a proper roadworthy condition. This may include conducting risk assessments (likelihood and severity), planning for the continued availability of essential services and identifying ways to mitigate the potential impacts of an emergency.

Functional strategies:

- Improve personal safety of workshop staff
- Improve municipal drivers' knowledge regarding the Fleet Management Policy
- Improve OHS standards on the premises
- Improve training levels of workshop technicians

Key Challenges

- To fill vacant positions in the mechanical workshop and administration section as indicated on the Organogram.
- By upgrading the workshop to a higher level of proficiency.
- Insufficient vehicles and equipment to attend to onsite breakdowns.
- Travelling distances between towns in Kouga area hamper effective service delivery in the following aspects:
 - Insufficient vehicles and equipment.
 - Not enough staff to render a 24/7 service throughout Kouga to attend to emergency breakdowns.
 - All mechanical staff needs to be sent for a refresher course.

Recommended Solutions

- Adequate budget to be made available for the provision and upgrading of infrastructure in the workshop.
- New equipment and one vehicle need to be procured in the 2018/2019 financial year.

Legal requirements

In terms of Section 84(1)(j) of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), the Kouga Municipality is responsible for the functions mentioned below:

- Coordination of the standardisation of infrastructure, vehicles, equipment and Procedures;
- Training of mechanical technicians.

During 2017/2018 this service responded to a total of 2608 incidents (which includes servicing of vehicles, repairing COF faults and doing preventative maintenance)

Vehicles



Vehicles in the Fleet Department are old and are constantly breaking down. Due to the fact that provision was not made on the budget 2017/2018 we could not procure new vehicles for the Fleet section.

Type of vehicle	Registration number	Where operational	Model	Replacement
Toyota Condor	FJZ 694 EC	Entire Kouga area	2003	Yes
Nissan Sentra	BWJ 558 EC	Entire Kouga area	1998	Yes

Type of vehicle	Registration number	Where operational	Model	Replacement
Nissan Almega	CTC 613 EC	Entire Kouga area	2001	Yes (currently out of commission)
Ford Courier LDV	DJX 931 EC	Entire Kouga area	1996	Yes (currently out of commission)

This department could not procure new vehicles due to budget constraints, but it will be budgeted for in the 2019/2020 financial year.

TRAINING AND DEVELOPMENT

The Kouga Municipality, like all other local authorities, must submit a Workplace Skills Plan to LGSETA in terms of the Skills Development Act, (Act 97 of 1998) and related legislation.

No training is currently provided for mechanical technicians and this department relies on the Skills Development Department for training. All training must be funded by Kouga Municipality

Only one staff member from Fleet attended CPMD courses throughout this financial year.

Number of staff trained 2017/2018	Course	Where trained	Funded by who
One	CPMD	Jeffrey's Bay	Kouga Municipality

2017/2018 Departmental Achievements

- Establishment of stores to reduce downtime of vehicles and stock with parts.
- Construct compressor room for the workshop.
- Installed a new two post vehicle lift.
- Procure new additional tools for mechanics.
- Upgraded of all mechanical equipment in workshop.
- Upgrading of infrastructure - Fleet offices. Erect of new boundary wall and entrance gate.
- Upgrading of infrastructure – workshop such painting of interior walls and exterior walls.
- Upgrading of ablution facility in the Municipal Yard ay St. Croix street.

- Upgrading of municipal stores, paint of outside walls.
- Upgrading of all facilities inside the municipal yard Jeffrey's bay, painting of all walls.
- Auction held November 2017 - all redundant vehicles and scrap sold for the value of R1.2 million.
- One (1) 4x4 Massey Ferguson tractor, refurbished.
- Repaint five (5) one-ton l.d.v vehicles.
- Procurement of two Mesh trucks.
- Procurement of two double diff refuse compactor trucks.
- Complete engine overhaul of two U.D trucks and one Isuzu truck

3.1. WATER PROVISION

The Constitution of South Africa assigns the responsibility of ensuring access to water services to Local Government. Furthermore, the Water Services Act entrusts the local municipality with provision of affordable, efficient, effective on-going water services which is sustainable. The Directorate Infrastructure, Planning and Development

envisages an area that is supported by an efficient and well-maintained service infrastructure network, which allows all citizens and stakeholders access to a growing base of innovative, safe, reliable and affordable services. Service delivery requires the provision of new services as well as the maintenance of existing services.

The Present Consumer Water Quantities are:

Table 1:

TOWN	RESIDENTIAL ERVEN 2016/17	INSTITUTIONAL /COMMERCIAL/ INDUSTRIAL NUMBER OF ERVEN 2016/17	TOTAL No OF ERVEN 2016/17	RESIDENTIAL ERVEN 2017/18	INSTITUTIONAL /COMMERCIAL/ INDUSTRIAL NUMBER OF ERVEN 2017/18	TOTAL No OF ERVEN 2017/18
Humansdorp	6174	373	6547	6386	373	6759
Jeffreys bay (incl Aston Bay and Paradise Beach)	11204	1419	12623	11204	1419	12623
ST. Francis Bay	3456	48	3504	3456	48	3504
CAPE ST FRANCIS	810	3	813	810	3	813
OYSTER BAY	555	13	568	555	13	568
HANKEY	2674	84	2758	2674	84	2758
PATENSIE	784	67	851	784	67	851
LOERIE	471	13	484	471	13	484
THORNHILL	491	13	504	491	13	504
TOTAL			28652			28864

Note: Source information: ACIP Water Conservation and Demand Management survey 2014/2015. Total erven are all registered cadastral erven, including audited vacant stands.

Key Stakeholders

The Towns of Hankey and Patensie obtain raw water from the Kouga Dam via the canal system which is operated by the Gamtoos Irrigation Board on behalf of the Department of Water and Sanitation. Raw water is treated at the Patensie and Hankey water treatment works to potable standard before distribution.

The towns of Loerie, Thornhill, Jeffreys Bay, Humansdorp and St Francis Bay obtain potable water from the Nelson Mandela Metro. The water supply of Jeffreys Bay and

Humansdorp are augmented by underground water. The town of Oyster Bay is solely dependent on ground water obtained from boreholes and springs.

Level and Standard in Water Services

All the consumers within the Kouga Municipality receive water services at or above RDP standards (access to communal water standpipe in informal areas within 200m distance) Based on the Service Level Policy of Kouga to provide higher level of service, first order of assessment indicates that Kouga requires R77 million to service and provide house connections to all residents in informal settlements once formalized (excluding Bulk). Our Regional Bulk Infrastructure Program for water services requirement is estimated to be R 616 million.

Kouga Municipality is committed and endeavours to conform to the norms and standards of SANS 214 and Blue drop requirements with regards to water quality.

Due to the prolonged drought conditions and low rainfall, the major storage dams serving the area have reached critical levels. The current drought conditions have disastrous and far reaching negative implications for the region and the Kouga area.

Kouga Council initially declared a local state of disaster in the Kouga Municipal area due to the prevailing drought conditions on 31 May 2017 under item 17/5/IPD4. The declaration of a local state of disaster was published in the extraordinary Provincial Gazette No 3876, dated 12 June 2017.

Kouga Council, in terms of Section 55(1) of the Disaster Management Act No57 of 2002, renewed the declaration of a local state of disaster under Item 18/02/I&E1 at a Special Council meeting held on 1 February 2018.

The Minister of Cooperative Governance and Traditional Affairs declared a National State of Disaster which was published in Government Gazette no.41493 on 13 March 2018.

The Kouga Council re-prioritised both the Capital and Operating budgets and allocated funds to address the drought.

A professional team consisting of Geo-Hydrologist, Professional engineering team, Geologists and a drilling contractor was appointed to investigate, identify and develop potential groundwater sources to augment water supply. The project was implemented in two phases during the 2017/2018 financial year.



- Phase 1. This phase consisted of all the actions required to site the boreholes and included a Hydro census of the areas, establishing ownership boundaries, Geological mapping, Geophysics, and borehole siting.
- Phase 2. This phase involved actual drilling and pump testing of borehole. Analyzing of water quality samples to determine the suitability of the water in relation to SANS 241 standard for drinking quality.

Under Phases 1 and 2 the following drill sites were identified and boreholes drilled during 2017/2018. Only the Oyster Bay boreholes were equipped and put into production.

Oyster Bay

Borehole number	Depth	Recommended Yield	Comments
GWA/OB1	139m	0	Not developed
GWA/OB2	219m	0,7 l/s @24hr/day	60 m3/day
GWA/OB3	157m	1,3 l/s @24hr/day	112 m3/day
Total volume of additional ground water			172 m3/day

Humansdorp

Borehole number	Depth	Recommended Yield	Comments
GWA/HD1	253m	6,0 l/s @24hr/day	518 m ³ /day
GWA/HD2A	130m	0	Probe hole
GWA/HD2B	103m	0	Probe hole
GWA/HD2C	151m	3,5 l/s @24hr/day	302 m ³ /day
Total volume of additional ground water			820 m³/day

Jeffreys Bay

Borehole number	Depth	Recommended Yield	Comments
JBM/BH10 (Rehab)	102m	7,0 l/s@24hr/day	604 m ³ /day
GWA/JB1	194m	4,5 l/s@24hr/day	390 m ³ /day
GWA/JB2	217m	5,0 l/s@24hr/day	430 m ³ /day
Total volume of additional ground water			1 424 m³/day

Hankey(Soetkloof site)

Borehole number	Depth	Recommended Yield	Comments
GWA/HAN1	225m		Hole abandoned drill bit stuck
GWA/HAN2	298m	0,7 l/s@24hr/day	60 m3/day
GWA/HAN3A	37m		Exploration hole
GWA/HAN3B	61m		Exploration Hole
GWA/HAN3C	301m	10,0 l/s@24hr/day	864m3/day
Total volume of additional ground water			1 484 m3/day

Patensie(Kouga Dam site)

Borehole number	Depth	Recommended Yield	Comments
GWA/KD1	300m	1,5 l/s@24hr/day	130 m3/day
GWA/KD2	269m	0,8 l/s@24hr/day	69 m3/day
GWA/KD3	361m	0,6 l/s@24hr/day	52 m3/day
GWA/KD4	301m	1,5 l/s@24hr/day	130 m3/day
Total volume of additional ground water			381 m3/day

Major Challenges in Water Services and Remedial Actions

The development of a long-term water provision master plan with reference to the upgrading and rehabilitation of Bulk Infrastructure is still outstanding. Funding for the appointment of a professional service provider to prepare such Master Plan is required.

The bulk water service level agreement with the Nelson Mandela Metro remains in draft form and this agreement needs to be finalised and concluded.

The high vacancy rate of personnel within the water section remains a concern. The appointment of suitably trained and qualified artisans, process controllers and plumbers are required.

Addressing and the curbing of water losses/unaccounted water, due to ageing infrastructure (pipe breaks and leaks) remains an on-going challenge.

The provision of adequate funding, for the upgrade and replacement of aging water infrastructure, especially pipe reticulation networks remains a challenge.

3.2 WASTE WATER (SANITATION) PROVISION

Sanitation Service Delivery Strategy and Main Role Players

The policy of Kouga LM, adopted during 2015, that the minimum acceptable standard for sanitation services will be a waterborne system in all areas.

Due to the limited own capital funding for projects, bulk infrastructure upgrading/rehabilitation is mostly funded by grant funds.

The majority of MIG (Municipal Infrastructure Grant) funds were allocated to sewer related projects during the 2017/2018 year. These projects included the following:

- Upgrade of Kruisfontein Waste Water Treatment Works (2015-2017 project implementation life span). MIG allocation for 2016/2017 was R28,719,398.27. Work on this project is progressing well with most of the civil work component nearing completion, with only the mechanical and electrical work outstanding. This project is due for completion during the 2017/2018 financial year.

The backlog that presently exists at all Kouga Waste Water Treatment Plants in terms of over capacitation and ageing Infrastructure, is 10,5 Ml/day.

During 2016/2017 the services of a Professional Service Provider was procured for the development of a Sewer Master Plan for the Humansdorp area. This project was funded by the Department of Human Settlements and completed during 2016.

Levels and Standards in Sanitation Services

Four (4) levels of sanitation services are provided i.e. buckets only for the informal housing areas, 60% full waterborne, 37,1% with septic tanks/conservancy tanks and the next is digesters and/or VIP's (Ventilated Improved Pit).

The following table sets out the regarding sanitation within the Kouga Local Municipality

TOWN	TYPE							
	Bucket	Conservancy tank	Chemical toilets	Pit	Septic tank	Small bore	VIP	Water borne
Cape St Francis/ St Francis Bay/ Sea Vista	540	3532	18	-	-	-	-	785
Hankey	439	837	0	-	-	-	420	1 501
Humansdorp	1 568	939	36	-	-	-	-	5 608
Jeffrey's Bay	787	3 203	26	-	539	-	-	8 881
Loerie	260	12	5	-	-	150	-	334
Oyster Bay	117	100	7	-	468	-	-	-
Patensie	470	229	29	-	49	-	-	573
Thornhill	160	0	8	-	-	-	-	504
Total	4 341	8 852	129	-	1 056	150	420	18 186

Note: Buckets and Chemical toilets serve informal settlements

Annual Performance as per Key Performance Indicators in Sanitation

The goal of the Municipality is to provide all consumer units with a full flush form of sanitation. As can be seen from the above table, 18 186 of the consumer units are already serviced with full waterborne/small bore sanitation, and 9 908 being served by septic/conservancy tanks.

As indicated earlier, all the projects being implemented and planned in the Municipality are geared to achieving the above goal.

Challenges

- Funding is required to provide households making use of conservancy tanks with full waterborne reticulation.
- Upgrade of sewer pump stations and rising mains to increase capacity.
- Provide standby generators at all sewer plants and pump stations.

- Replacement of aging vehicle fleet, especially suction tankers.
- The appointment of qualified process controllers and plumbers.
- Funding for the development of sewer master plans for each town in Kouga. Excluding Humansdorp

3.3 ELECTRICITY

Electricity Services Delivery Strategy and Main Role-Players



The Kouga Municipality is the registered Supply Authority for the towns of Humansdorp, Jeffrey's Bay, St Francis Bay, Cape St Francis and Oyster Bay, where at each town bulk supply is taken from the Eskom grid. Maintenance of the above networks is done by Kouga Municipality.

The Municipality's role is to construct, operate, and maintain the distribution network for electricity service delivery to residential, commercial and industrial consumers in each township, which includes street lighting and supplying pump stations, etc. Hankey, Patensie, Loerie and Thornhill also fall within the Kouga municipal boundary, but consumers in the first three (3) towns are serviced with electricity by Eskom, and Thornhill by the Nelson Mandela Municipality

THE PRESENT CONSUMER QUANTITIES FOR ELECTRICITY ARE:

Town	Consumers 2016/17	Institutional Commercial Industrial 2016/17	Total 2016/17	Consumers 2017/18	Institutional Commercial Industrial 2017/18	Total 2017/18
Humansdorp	6560	374	6934	6830	374	7204
Jeffreys Bay	9895	625	10520	9917	625	10542
St Francis Bay	2032	93	2125	2040	96	2136
Cape St Francis	507	7	514	513	7	520
Oyster Bay	406	10	416	410	10	420

Town	Consumers 2016/17	Institutional Commercial Industrial 2016/17	Total 2016/17	Consumers 2017/18	Institutional Commercial Industrial 2017/18	Total 2017/18
Total	19400	1109	20509	19710	1112	20822

Note: Total excludes vacant erven.

The key factors in the service delivery strategies are to maintain a high standard of service and to ensure that electricity is available to all commercial properties, households (both formal and informal) and new development within acceptable norms. To reduce the financial burden on consumers, particularly in terms of the capital requirements for new distribution networks, applications were made to all relevant institutions for financial assistance in a well-planned manner.

Level and Standards in Electricity Services

The aim is for the levels and standards for the provision of the electricity services, to be compliant with the requirements of the National Electricity Regulator (NER) and the quality of service and supply standards of NRS 047 & 048. Annual reports in this regard were submitted to NER based on information obtained from data loggers installed at various locations in the network.

Electricity is made available to all potential consumers in the areas for which the Municipality has a supply license. The target is revised annually in accordance with the demand and the necessary steps are taken to timeously complete the work.

This includes applications to the Department of Energy (DoE) to obtain the necessary funding for both electricity and infrastructure upgrade. MIG funding is used for the provision of area / street lighting in low cost housing areas.

During 2017/2018 the Department of Energy allocated Kouga Municipality funding to the amount of R6m for the upgrade of bulk infrastructure and the electrification of houses in Donkerhoek and phase 2 391 housing project (Kruisfontein) Humansdorp. A total of 270 erven were electrified during 2017/2018 in the following areas.

- Donkerhoek Humansdorp (Ward 4) = 116 erven
- Phase 2 391 Housing Kruisfontein(ward 5)= 154

Annual Performance as per Key Performance Indicator in Electricity Services

	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (actual numbers)	Number of HH/customer reached during the FY	Percentage of achievement during the year
1	Households with access to electricity services	19710	270	270	270	100%
2	Indigent households with access to basic electricity services	5615	2139	270	270	100%
3	Indigent households with access to free energy sources	0	0	0	0	0%

Major Challenges in Electricity Services and Remedial Actions

- The upgrade of infrastructure (primary network) to meet future demand and finding the necessary funds through grants etc.)
- Improve quality of supply and general service delivery.
- The prevention of tampering and illegal connection.
- Training and capacitation of staff.
- Appointment and retaining qualified employees
- Ageing vehicles and equipment

Remedial Actions

- Master planning and stringent programs to implement measures.
- Annual Review of augmentation levy (contribution by new developments and existing consumers requiring upgrading of their supplies to augment the primary

network) and consumption tariffs to meet capital program to upgrade infrastructure is undertaken.

- Appoint additional staff to monitor quality supply and level of services, and enforce methods to rectify any deficiencies in the electrical supply. Staff to attend more training courses, to improve in-house training, particularly on safety aspects.
- Provide incentives to maintain qualified staff.
- The appointment of a service provider to investigate and prevent tampering.

3.4 ENVIRONMENTAL MANAGEMENT: WASTE MANAGEMENT

Overview

The Department Environmental Management includes all activities relating to the management and control of landfill sites, illegal dumping and Environmental Management.

The function includes the following activities:

- Rehabilitation, Operation, Maintenance of Landfill Sites.
- Removal of illegal dumping
- Coastal Management
- Management of a Blue Flag Beach
- Environmental Controls

The strategic objective of this department is that all the communities of Kouga Municipality live in a clean environment that is maintained and managed in a sustainable manner.

Key issues for 2017/18

- Kouga Municipality was again awarded with full Blue Flag status for 2017/18 for Dolphin Beach.
- The Municipality was participating in the Coast Care Programme which is funded by the National Department of Environmental Affairs (November 2017 – April 2018), 68 EPWP's were appointed in all Coastal Wards which is ward 1, 12,14,15 and 7 and additional funding was made available from 01 March 2018 – 31 July 2018 for the Catchment to Sea project which was a pilot project, where additional 63 EPWPs were appointed.
- The Drop of Zones in Oyster bay and Jeffreys Bay have been completed.
- New improved equipment has been hired since October 2018 for the Waste Sites, to be in line with the Permit conditions

Challenges

None compliance of Landfill Sites

Illegal dumping

Solutions

Vacancies must be included in the review of the organogram.

Skip trucks for the control of illegal dumping has been purchased as well as 50 skip bins.

Refuse Collection



Overview

The planning, control and alignment of all refuse collection and transportation services that provides for specific waste management measures, will be aligned to the norms and standards in terms of the Waste Management Act and Integrated Waste Management Plan.

Strategic objectives

That communities enjoy a clean environment that is managed and maintained in a sustainable manner.

Description of activities

The refuse collection functions of the municipality are administered as follows:

- Waste Avoidance
- Waste Stream Composition

- Waste Characterisation Results
- Domestic Refuse Removal

The following areas are serviced regularly, either twice a week or once week, by the KLM:

- Jeffrey's Bay
- Aston Bay
- Pellsrus
- Paradise Beach
- St Francis Bay
- Cape St Francis
- Oyster Bay
- Umzamowethu
- Humansdorp
- Kwanomzamo
- Vaal dam
- Arcadia
- Gamtoos Valley
- Hankey
- Patensie
- Loerie
- Thornhill
- Pola Park
- Shukushukuma

Residential areas, both formal and informal in the larger towns (Humansdorp) are serviced twice weekly and the other towns (Jeffreys Bay, Hankey, Patensie, St Francis, Cape St Francis, Oyster Bay, Loerie, Thornhill) are serviced once a week. All Households in the Kouga region are receiving refuse collection service, including the informal areas.

Refuse Collection is done 3 times a week at all businesses and once a week for household refuse.

CONSUMERS SERVICED	2016/17	2017/18
Total Number of Businesses	1 106	1106
Total Number of formal households	22 130	29 641
Total Number of informal settlement households	3 990	7 939
Total Number of backyard dwellers	3 977	3 977
Total Number of Flats	223	223

AREA SERVICED	2017/18 EQUIPMENT
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Jeffreys Bay	4 x Compactor Trucks (2 New) 1 x 3 Ton Truck 2 X Skip Trucks
Humansdorp	2 x Compactor Trucks 1 x Skip Truck Hired
G.V.	2 x Compactor Trucks
St Francis Bay	1 x Compactor Truck

Business and Industry and Other Waste Collection

Waste is collected from businesses weekly in all towns in KLM. Some of the main commercial centres in Humansdorp are serviced twice a week, because many of the businesses in these areas have limited space for waste storage.

Waste is removed from schools weekly and from the hospital in Humansdorp three times per week, excluding medical waste.

Complaints Management

In terms of the call centre all complaints are sent to the 4 offices to which complaints are being submitted, either by telephone or in writing. Our turnaround time for refuse removal complaints, is that it must be resolved on the same day.

All complaints are recorded in a complaints book (duplicate) and given to the Superintendent and foremen for action. There is indeed an improvement in the complaints system and the turnaround time.

After the inception of the call centre there was an improvement in the management of the complaints system.

Challenges

Replacing old Refuse Collection vehicles.

There is no alignment between new development and the refuse collection.

Old outdated refuse collections routes.

Solutions:

2 new compactor trucks have been purchased.

That the refuse collection routes be reviewed on a continuous basis.

CLEANSING SERVICES



Overview

The provision of cleansing services in the overall maintenance and cleansing program within the Kouga area.

Strategic objective

Communities live in a clean environment that is maintained and managed in a sustainable manner.

Description of activities

Litter picking
Street sweeping
Cleansing of furrows
Mop-up operations

Cleansing and litter picking were done regularly in all areas – towns entrances, township entrance, flush points and all illegal dumping areas.

AREA SERVICED	2017/18 EQUIPMENT
Jeffreys Bay	1 x Mesch Truck 1 x 3 Ton Truck
Humansdorp	1 x Mesch Truck
G.V.	1 x Mesch Truck 1 x 3 Ton Truck
St Francis Bay	1 x Mesch Truck

Challenges

- Developing of new by-laws concerning littering and dumping that introduce harsh penalties to offenders.
- Continuous littering of waste by communities.

Solutions

- That the law-enforcement officials are equipped to ensure compliance with all waste related legislation and regulations.
- That 240L wheelie bins forms part of new housing development plans.
- Increasing of black bags to communities.

Achievements



Wheelie Bins were distributed to schools, all Council Offices, Libraries, Halls and Caravan Parks.
 Keep Kouga Clean Campaign/Awareness project by Council and Businesses.
 Adopt an Entrance Campaign.
 Mayoral Cleaning Intervention Programs in all areas.

3.5 HOUSING

Housing Delivery Strategy and Main Role-Players

The Department of Human Settlements funded various bulk Water and Sanitation infrastructure projects with the aim of un-blocking housing projects in Patensie, Hankey and Jeffreys Bay.

The Department of Human Settlements appointed three (3) Contractors for the installation of services and the construction of the top-structures during the 2016-2017 financial year. The appointed contractors and projects are as follows:



Bendolite Consortuim <i>(Kruisfontein 391 Housing Project)</i>	Ikahaya Construction <i>(Pellsrus 220 Housing Project)</i>	Norland Construction (Ocean View 1500 Housing Projects)
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<ul style="list-style-type: none"> • Appointed for the installation of services as well as the construction of the top-structures. • Commenced with the installation of services on the 1st of July 2016. • The contract period is 29 months and the anticipated completion date for both the civil services and the top-structures is 30 November 2018. • Thirty-five (35) completed housing units was officially handed out to the approved beneficiaries by the Executive Mayor of the Kouga Local Municipality and the Department of Human Settlements. • During January 2018 and June 2018, a total number of 197 houses was handed over to the approved beneficiaries. 	<ul style="list-style-type: none"> • Appointed on the 1st of July 2016 for the construction of the civil works as well as the construction of the 220 top-structures. • Problems were however experienced with the contract between the Provincial Department of Human Settlements and the Contractor. • The problems were however resolved, and the physical handover of the construction site was during March 2017. • The contractor is on-site and busy with the installation of internal services. 	<ul style="list-style-type: none"> • Jade Africa was also appointed during July 2016, but due to contractual disputes between the Contractor and the Provincial Department of Human Settlements, their contract was terminated, and the Provincial Department of Human Settlements started with a new procurement process to appoint a suitable service provider for the installation of civil services. • After termination of contract with Jade Africa, the Department appointed Norland Construction in December 2017. • The inaugural meeting took place on the 16th of January 2018 and the physical site handover of the project was on the 22nd of May 2018. • The Contractor is only appointed for the installation of internal services.
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Planned Projects:

Funding applications have already been submitted to the Provincial department of Human Settlements for the following projects and we are currently awaiting the outcome of the applications, namely:

- Arcadia 139 Housing Project
- Weston 196
- Hankey 728 (990)
- Patensie 278

Due to bulk infrastructure challenges the municipality cannot commence with the remainder of the projects namely:

- Kwanomzamo 400
- Weston 196
- Sea Vista 2000

The most important key factor in the human settlement delivery strategy is to provide an adequate and quality house that is linked to water, sewerage and electrical connection with proper access roads as defined in the National Housing Code of 2009.

Levels and Standards in Housing Services

The objective of the levels and standards for the provision of sustainable and integrated human settlements is to be fully in compliance with the minimum norms and standards as outlined in the provisions of the National Housing Code of 2009. It spells out the minimum standard that a municipality may use for the connection and installation of internal reticulated infrastructure for subsidised housing. Quality control is also monitored internally by the building control section as well as by the National Home Builders Regulatory Council (NHBRC).

Annual Performance as per Key Performance Indicators in Human Settlements Services

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the FY under review	Number of HH/customer reached	Percentage of achievement during the year
1	Percentage of households living in informal settlements	100%	13000	116	Application was submitted and waiting for funding approval	100%
2	Percentage of informal settlements that have been provided with basic services	100%	9779	363	363	100%
3	Percentage of households in formal housing that conforms to the minimum building standards for residential houses	100%	9779	2111 (a)	0	0%

	Indicator name	Total number of household / customer expected to benefit	Estimated backlogs (Actual numbers)	Target set for the FY under review	Number of HH/customer reached	Percentage of achievement during the year
4	Existence of an effective indigent policy	In place adopted and approved 30/05/2014				
5	Existence of an approved SDF	The SDF was review and adopted by Council on 25 May 2015 under Resolution 15/5/IPD15				
6	Existence of Land Use Management System (LUMS)	Yes, draft by laws adopted 12/11/2015				

NB 363 erven reflects formalization of erven in, Donkerhoek Informal Settlement.

The Human Settlements Department started with the formalization of the Donkerhoek informal settlement in Kruisfontein in July 2016 and the status of the projects is as follows:

- 363 beneficiaries who stayed on informal sites were moved to formal sites.
- All internal roads are completed.
- Communal taps are installed in the area.
- The electrical contractor has been appointed and all 363 informal dwellings are provided with an electrical connection and pre-paid electricity.

Currently there are three housing projects that are at the implementation phase by the namely Kruisfontein 391 (2500) Housing project (Contractor on-site), Pellsrus 220 Housing Project (Contractor on-site) and the Ocean View 1500 housing project (Contractor on-site).

Major Challenges in Human Settlements and Remedial Actions

- Internal shortcomings to achieve municipal housing accreditation

- Current and growing bulk limitations to promote and implement human settlements as well as the formalisation of informal settlements and the lack of a bulk master plan.
- Shortage of suitable land to establish new settlements for the growing backlogs. The municipality is in the process of addressing the shortcomings that were outlined in the recommendations of the Provincial Department.
- Policies, by-laws and the review of the Spatial Development Framework are in the process of being drafted.
- The municipality to undertake a comprehensive integrated master plan for bulk water supply, bulk sewerage, upgrading of treatment plants, storm water, access roads, electricity, waste disposal.

COMPONENT B: ROADS

3.6 ROADS

Roads Maintenance Service Delivery Strategy and Main Role Players

The road network within Kouga falls under the jurisdiction of the following authorities:

- 1) The South African National Roads Agency Limited (SANRAL), which is responsible for the National Route 2, which traverses the Kouga municipal area.
- 2) The Eastern Cape Department of Roads, which is responsible for provincial trunk, main and district roads within the municipal area.
- 3) The Kouga Municipality is responsible for all municipal roads.

Road network in Kouga Municipality

Road Authority	Length (km)
SANRAL (N2)	68,97 km
Eastern Cape Department of Roads	915,31 km
Kouga Municipality	402,5 km
Total	1 386,78 km

Levels and Standard in Roads Maintenance Services

The condition of roads in the Greater Kouga Municipal area has deteriorated rapidly over the past few years due to aging infrastructure, increase traffic volumes, lack of sufficient funding for maintenance and the impact of floods which have occurred over the past few years.

The standard of roads maintenance in all areas in the Kouga is the same whether it is re-gravelling or resealing or pothole repair. Due to the lack of a pavement management system, visual inspection of tarred roads is performed to prioritize the reseal of tarred roads in all wards. Low level access to road maintenance services are done through a complaints register kept at each Administrative Unit. High level access is accommodated through community participation at budget meetings.

The various levels and standards of the road network under the jurisdiction of the Municipality are reflected in the table below.

Road network under jurisdiction of Kouga Municipality

Road Type	Length (km)
Tar	307,3 km
Concrete	0,2 km
Block paving	7,5 km
Gravel	87,50 km
Total	402,5 km

Annual Performance Service as per Key Performances Indicators regarding Roads

No	Indicator name	Total number of household/customer expected to benefit	Estimated backlogs (actual numbers)	Target set for the FY under review (Actual numbers)	Number of HH/customer reached during the FY	% of achievement during the year
1	Percentage of households without access to gravel or graded roads	Nil	87, 5 km	Nil	Nil	Nil
2	Percentage of road infrastructure requiring upgrade	21,74%	87, 5 km	Nil	Nil	Nil
3	Percentage of planned new road infrastructure actually constructed	Nil	87, 5 km	Nil	Nil	Nil
4	Percentage of capital budget reserved for road upgrading and maintenance effectively used.	Nil	R 380,0 m	Nil	Nil	Nil

Due to the reallocation of the 2017/2018 budget towards drought mitigation, no tender was awarded for road resealing or maintenance.

In-house repairs of potholes were undertaken and an estimated 2 450m² of potholes were repaired.

Major Challenges in Road Maintenance and Remedial Actions

Like the vast majority of local authorities throughout our country, road repair and maintenance remains a challenge due to budgetary constraints, terrain, aging road and storm water infrastructure, poor sub-surface conditions, and ever-increasing traffic volumes. The absence of a road pavement management system to assess and classify roads according to their remaining life span on a scientific basis, has not been concluded.

There is limited internal funding for routine road maintenance and rehabilitation, especially gravel roads. There is also no funding for the implementation of capital projects relating to surfacing of roads and installation of storm water infrastructure. The Kouga Municipality utilizes own funds for the maintenance and repair of Provincial roads located within our town boundaries. Examples are Da Gama/St Francis Road in Jeffreys Bay and Main and Park Street in Humansdorp. No funding is received from Provincial Roads department.

Backlogs

The construction and surfacing of gravel roads (backlog) is approximately 87, 5 km. It is anticipated that an estimated amount of R 380million will be required for the elimination of this backlog. For the 2017/18 financial year, no capital funding was allocated for the construction of new roads or tarring of gravel roads or the upgrading and/or provision of storm water infrastructure.

Overall Service Delivery Backlogs (Formal housing not informal housing)

Basic service delivery area	30 June 2017			30 June 2018		
	Required	Budgeted	Actual	Required	Budgeted	Actual
Water backlogs (6kl/month)						
Backlogs to be eliminated (no. households not receiving the minimum standard service)	NIL	NIL	NIL	NIL	NIL	NIL

Basic service delivery area	30 June 2017			30 June 2018		
Backlogs to be eliminated (%: total household identified as backlog/total number of households in the municipality)	NIL	NIL	NIL	NIL	NIL	NIL
Spending on new infra-structure to eliminate backlogs	R 47 604	R 13 902	R 13 902	R 50 460	NIL	NIL
Spending on renewal of existing infrastructure to eliminate backlog	R 151 638	R 2 750	R 2 750	R 160 736	NIL	NIL
Total spending to eliminate backlogs	R 190 659	R 22 416	R 22 416	R 202 098	NIL	NIL
Spending on maintenance to ensure no new backlogs	R 12 270	R 3 817	R 3 817	R 13 006	R 4 007	R 4007
Sanitation backlogs						
Backlogs to be eliminated (number of households not receiving the minimum standard service)	NIL	NIL	NIL	NIL	NIL	NIL
Backlogs to be eliminated (%: total households identified as backlog/total number of households in the municipality)	NIL	NIL	NIL	NIL	NIL	NIL
Spending on new infrastructure to eliminate backlogs	R 239 445	R 35 809	R 35 809	R 253 812	R 23 778	R 23 778
Spending on renewal of existing	R 133 562	R 6 400	R 6 400	R 141 576	NIL	NIL

Basic service delivery area	30 June 2017			30 June 2018		
infrastructure to eliminate backlog						
Basic service delivery area	30 June 2017			30 June 2018		
Total spending to eliminate backlogs	R 373 007	R 42 209	R 42 209	R 395 387	R 23 778	R 23 778
Spending on maintenance to ensure no new backlogs	R 8 067	R 5 028	R 5 028	R 8 551	R 5 279	R 5 279
Road maintenance backlogs						
Backlogs to be eliminated number of households not receiving the minimum standard service)	NIL	NIL	NIL	NIL	NIL	NIL
Backlogs to be eliminated (%: total households identified as backlog/total number of households in the municipality	NIL	NIL	NIL	NIL	NIL	NIL
Spending on new infra-structure to eliminate backlogs	R 439 052	NIL	NIL	R 465 395	NIL	NIL
Spending on renewal of existing infrastructure to eliminate backlog	R 327 555	NIL	NIL	R 347 208	NIL	NIL
Total spending to eliminate backlogs	R 766 607	NIL	NIL	R 812 603	NIL	NIL

Basic service delivery area	30 June 2017			30 June 2018		
	Spending on maintenance to ensure no new backlogs	R 14 145	R 4 760	R 4 760	R 14 994	R 4 950

COMPONENT C: PLANNING AND DEVELOPMENT

3.7 PLANNING

Spatial Planning

Preparation and Approval Process of Spatial Development Framework (SDF)

The Spatial Development Framework was approved by Council on 29 May 2015 Council resolution 15/5/IPD1

The municipality has a credible SDF that meets the required standards as set by the Eastern Cape Provincial Government through the implementation of the Comprehensive SDF Guidelines developed by Department of Rural Development & Land Reform in 2010.

Integrated Land Use Scheme (ILUS)

The Department of Rural Development and Land Reform appointed Urban Dynamics (Eastern Cape) to establish an Integrated Land Use Scheme (ILUS).

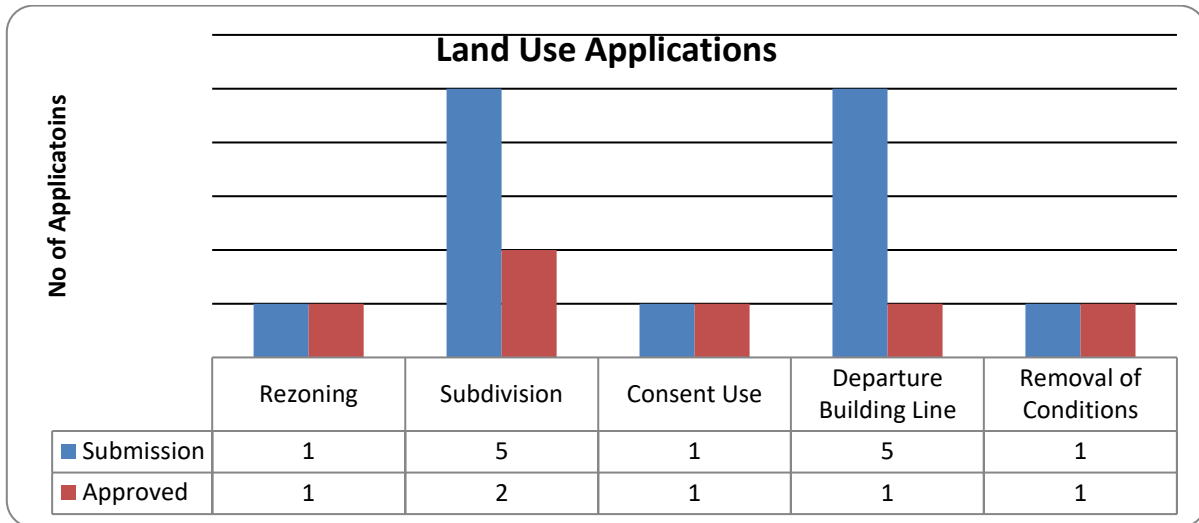
The main objective is to create an Integrated Land Use Scheme that will replace the various existing schemes and other applicable development plans. The ILUS should fit within the current legislative framework, in particular with the provisions of the Spatial Planning and Land Use Management Act, (Act 16 of 2013). It must also fit within the policy parameters established by the Provincial Government in the Eastern Cape, the Eastern Cape Spatial Development Plan and the Kouga Spatial Development Framework

Land Use Management

All Land Use Management is done in accordance with legislation requirements (e.g. Building Standard Act, Land Use Planning Ordinance, Zoning Scheme Regulations, Municipal By-laws and other applicable legislation).

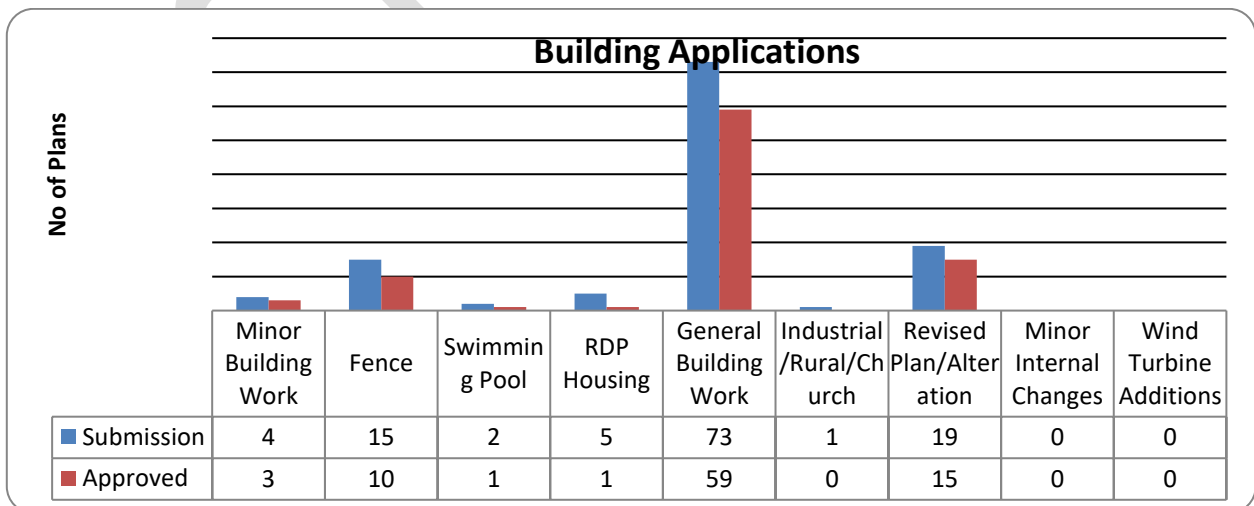
The following activities was undertaken for the period 1 June – 30 June 2017

Land Use Management



- A Municipal Planning Tribunal Meeting (MPT) was held on 8 June 2017.
- A Special MPT Meeting was also held on 28 June 2017.
- The next MPT Meeting will be on 20 July 2017.

Building Control



- 131 site inspections were carried out between 1 June 2017 and 30 June 2018.

3.8 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM, ARTS, SPORT DEVELOPMENT AND MUSEUMS)

Local Economic Development Service Delivery Strategy

LED Strategy was reviewed in 2015. The Draft LED Strategy is currently in place and was 80 % complete when tabled to the LED Portfolio committee in October 2016. However, this process was halted by the LED Portfolio Committee who was not in agreement with the strategy that was developed. Hence this item was withdrawn from the Committee meeting held in October 2016.

Council has started a new process of reviewing and developing an inclusive LED strategy

MAIN ROLE PLAYERS

Political Role Players

The Unit reports to the Planning, Development and Tourism Portfolio Committee which is chaired by the Portfolio Chairperson for Planning, Development and Tourism.

Staff role players

The staff component comprises of the current staff:

- Director Planning, Development and Tourism
- Manager LED
- PA to Director Planning, Development and Tourism
- LED Officer
- LED Officer (Vacant)
- Tourism Officer (Vacant)

Other role players

As part of inter-governmental relations the LED department works in collaboration with many partners in order to facilitate the functioning of the department. These include amongst others: Dept. of Rural Development and Land Reform (DRDLR), Dept. of Rural Development and Agrarian Reform (DRDAR), Dept. of Economic Development, Environmental Affairs and Tourism (DEDEAT), Dept. of Trade and Industry (DTI), Dept. of Social Development, Coega Development Corporation (CDC), National Youth Development Agency (NYDA), Small Enterprise Development Agency (SEDA),

Gamtoos Irrigation Board (GIB), Dept. Water and Sanitation, Fishing and Forestry (DAFF), Cooperative Governance and Traditional Affairs (COGTA), Sarah Baartman District Municipality (SBDM), Kouga Business Forum (KBF), Wind Farms.

Community role players

These include the Kouga Business Chamber, Kouga Business and Rural Chamber, Kouga Emerging Farmers Forum, Kouga Cooperatives Forum, Kouga SMME Forum and members of the public who visit the LED offices on a daily basis. The LED department also collaborates with the Wind farms in connection with career opportunities for the youth as well as contract opportunities for SMME's.

However most of this forums are dysfunctional and the LED department is in a process of resuscitating them.

Annual Performance as per Key Performance Indicators in Local Economic Development, including Tourism

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the 2016/17 year	Achievement percentage during the 2017/18 year
1	Existence of LED Unit	Fully functional LED unit	The unit has not been functional because of staff shortage and for this reason, 100% functionality could not be achieved.		55%
2	Existence of LED Strategy	Completion of LED Strategy review	Situational analysis done, draft revised LED Strategy done, Draft Rural Strategy done. Outstanding is the Stakeholder Engagement session, public comment and council adoption. However, this process was withdrawn when it was taken to the Portfolio Committee meeting in October 2016, as the committee was not in favor of the work done so far. The recommendation was that other options should be explored.	80%	80% The LED Strategy is in the process of review

	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the 2016/17 year	Achievement percentage during the 2017/18 year
3	Percentage of LED Budget spent on LED related Activities	90%	Full budget could not be spent due to staff shortage Also, tenders for repairs and maintenance to the Kouga Cultural Centre could not be awarded and completed in time before year end.		65%
4	Number of LED Stakeholder Forum Meetings held	4	Regular engagements with the Kouga Business Forum were held, however we need to resuscitate other forums.		70%

5	Number of SMME's that have benefitted from an SMME Support Programme	550 SMME's	<p>All the programmes have included SMME's registered on the Kouga LED database. –SMME's were trained on the following:</p> <p>(23) Sewing – Garment & Pattern making</p> <p>:(30) Food Preserves and jam-making;</p> <p>(60) Food hygiene and food security;</p> <p>(200) SMME's Business Start-up</p> <p>(16 members of 3 co-ops and SMME) Co-operative development (Tools & Equipment and Material)</p> <p>(1) SMME's taken to Grahamstown festival to market and sell their material</p> <p>(10) Brought material for co-operatives</p> <p>(120) Business Start-up – All Wards</p> <p>(55) How to manage your business (SEDA and KM)– All Wards</p> <p>(100) Outreaches done to all wards</p> <p>(123) Business Development</p>	58%
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	Indicator name	Target set for the year	Achievement level during the year (absolute figure)	Achievement percentage during the 2016/17 year	Achievement percentage during the 2017/18 year
			Information Sharing including: (1) Catering (1) PA System (1) Transport (1) Draping (1) Transport for the GAC programme. (10) Transport and Events Company for the Woman's Day Programme. Total: SMME's = 749		

6	Number of job opportunities created through PPP: (This is for LED and Tourism.	100	<p>Partnered with LED Stakeholders such as SEDA, NYDA, NHBRC, ECDC, SARS, Sarah Baartman District Municipality and the Humansdorp Museum to bring services to the Kouga communities so that they can become economically viable. Temporary jobs created through PPPs were mostly at events and festivals such as:</p> <p>(22) Cleaning and Restoration of the Fisherman Graveyard.</p> <p>(4) Relocation of the Second World War Soldiers from Suiderkruis Hall to the St Marks Anglican Church.</p> <p>(10) Tourism Ambassadors</p> <p>Total No. of temporary Jobs = 53 (This encompasses 5 temporary jobs created through the business development information sharing programme, 10 for the women's day programme and 2 for the food processing training)</p>	146 %	75%
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LED AND TOURISM

The priorities of this section are Local Economic Development, Tourism development, and museums development.

The Kouga tourism, Kouga Tourism Routes and Implementation Plans were compiled in 2010, and should be updated.

This section's annual implementation strategy was derived from the IDP and approved budget of the financial year. From the Service Delivery, Budget and Implementation Plan (SDBIP), work plans were created to determine the detailed implementation plans for the year. This was monitored continuously and reported to the Portfolio Committee at least once per quarter.

Due to the small component of staff and the vast jurisdiction and functions, this Section created Public Private Partnerships with community structures to serve as an implementation arm for the various priorities of the Section. The following partners (community umbrella bodies) were created: Kouga Local Tourism Organization and the Humansdorp Museum Association. The Kouga Heritage Council was disbanded after a few months due to poor public management and drive. The Humansdorp Museum Association then took over most of the latter's functions.

Each of these partners are constituted and registered Non-Government Organizations. A memorandum of agreement is in place with each of these private partners. Grant-in-aid, as well as funding for special projects are allocated to each for administrative purposes and furthering the development and marketing of tourism and museums in the Kouga Municipal area.

Tourism Development and Marketing

Tourism Development through participation with our private partner, Kouga Local Tourism Organization:

Background

The Kouga Tourism Organization consists of member representatives of our three geographic Tourism Information Centres in Jeffreys Bay, St Francis Bay and Gamtoos. Their grant-in-aid from the Kouga Municipality was **R1 320 000** for the 2017/18 financial year which included the support to the smaller tourism offices, general administration, brochures, active websites and marketing material. The Kouga Local Tourism Office then submits quarterly reports to Kouga Municipality throughout the year on performance and expenditure and regular meetings held for monitoring and evaluation purposes.

Tourism asset improvement and beautification.

The monument at the light house in Cape St Francis was upgraded and improved with new signage and a map of South Africa included. The garden around the monument was also cleaned.

Phillips Tunnel at Hankey was cleaned and the walkway to Vensterhoek cleared.

A clean-up of the shoulders of the road of Hankey leading to Patensie, for visitors going to the Baviaans Mega Reserve was done. This is an ongoing project as littering is continuous in that area.

Tourism Trainings

- Ballet Training for six primary school kids for first term (6)
- Forecourt Attendant Training (12 Petrol Attendant Trained in Tourism)

Visual and Performing Arts

The last trench of money for the Kouga Municipality to host the "Kouga's Got Talent" was received from Sarah Baartman District Municipality. This brings the total amount to R250,000.

Museums

Background:

We have two museums in the Kouga Municipal area, namely the Humansdorp Museum Humansdorp and the Shell Museum in Jeffreys Bay. Both buildings housing the museums belong to the Kouga Municipality. The artefacts in the Humansdorp Museum belong to the Humansdorp Museum Association, whereas the artefacts in the Shell Museum belongs to the Kouga Municipality. Both Shell Museum and Humansdorp Museum are managed by the Humansdorp Museum Association, a private partner of the Kouga Municipality, registered as a non-profit organization. The municipality supports the museums through quarterly grants as agreed through a Memorandum of Agreement as well as a Service Level Agreement. The Kouga Municipality supports museums financially to achieve its municipal heritage priorities. The annual budget for the museums and heritage amounted to R1 12,000 for general administration, repairs and maintenance and events. The Museum Association submits quarterly reports on progress, and the Kouga Municipality has meetings and monitors and manages their performance. The Museum Association submitted 4 quarterly reports to indicate how they spent their grant-in-aid.

Museum priorities:

- To develop and promote heritage in the Kouga area.
- To build a positive image and manage museums as sought-after heritage and tourism destinations.
- Maintain museums and preserve heritage assets linked to the museums.

The Humansdorp Museum is open to visitors and tourists 5 days a week and the Shell Museum six days a week. The museums are manned with one full time staff each, and managed by the Museum Association, a voluntary Non-Profit-Organization.

Improvements, Repairs and maintenance to Heritage assets:

Shell Museum:

- Kids Chairs for Kids Corner
- Installation of wording
- Tiling
- Wall Painting
- Installation of metal spikes at the back of the premises
- Remove tree and rubble in front of the museum
- Replacement of light bulbs

Humansdorp Museum:

- Installation of TV
- Installation of Plate hangers

- Reorganizing of the Museum
- Installation of garage lock
- Installation of Brackets for artifacts
- Painting of reworked cabinet
- Cupboards redone
- New battery for alarm
- Painting of cabinet back ground

JOBS CREATED DURING YEAR 0 BY LED INITIATIVES (Excluding EPWP Projects)				
Total Jobs created / Top 3 initiatives	Jobs created through LED & Tourism No.	Jobs lost / displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created / lost
Reporting Period	53	No info	No info	Through programmes of LED & Tourism

TRAINING

LOCAL ECONOMIC DEVELOPMENT POLICY OBJECTIVES TAKEN FROM IDP						
Service Objectives (i)	Outline Service Targets (ii)	Year		Year 2017/2018		
		Target	Actual	Target		Actual
		Previous Year (iii)	(iv)	Previous Year (v)	Current Year (vi)	(vii)
	People trained through LED & Tourism	No info	No info	550	347	347

EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES

Job Level	Employees No.	Posts No.	Employee No.	2016/17 Vacancies (full-time equivalents) No.	2016/17 Vacancies (as a % of total posts)	2017/18 Vacancies (full-time equivalents) No.	2017/18 Vacancies (as a % of total posts)
0-3	3	3	3	0	0		
4-6	4	5	4	1			
7-9							

	Adjustment Budget 2016/17	Actual Expenditure 2016/17	Variance 2016/17	Adjustment Budget 2017/18	Actual Expenditure 2017/18	Variance 2017/18
Total Operational Revenue	8,658,434	7,445,600	.86			
Expenditure:						
Employment	4,654,538	4,121,766	.88			
Repairs & Maintenance	50,000	46,212	.08			
Other	3,953,896	3,277,622	.83			
Total Operational Expenditure	8,658,434	7,429,398	.86			

	Adjustment Budget 2016/17	Actual Expenditure 2016/17	Variance 2016/17	Adjustment Budget 2017/18	Actual Expenditure 2017/18	Variance 2017/18
Net Operation Expenditure						

Capital Expenditure Year 2017/18: Economic Development Services and Tourism					
Project	Budget	Adjustment Budget	Actual expenditure	Variance from original budget	Total Project Value June 2017
Total All					
Project A: Fencing KCC					
Project B: Infrastructure KCC					
Project C: Furniture & Equipment					
KCC Infrastructure rolled over to new financial year due to tender processes.					

COMMENT ON LOCAL ECONOMIC DEVELOPMENT CAPITAL PERFORMANCE OVERALL:

The infrastructure for the Kouga Cultural Centre, i.e. Windows and doors, thatch roof and general repairs has hardly been spent. Reason for this was that the budget was first on the operating budget, which was incorrect, and should have been part of the capital projects. This had to be corrected with the adjustment budget, (approved in March 2017). The fixing of windows and doors tender plus the repairs to the thatch

went through the Bid Specification Committee and was approved, yet did not go through the Bid Evaluation and Bid Adjudication process due to the expiry of the financial year. A roll over was requested from finance which was granted.

The capital budget on the vote of the director was never spent.

FOOD PRESERVES AND JAM-MAKING TRAINING



REFURBISHMENT OF THE FISHERMAN GRAVESITE IN PELLSRUS

BUSINESS INFORMATION SHARING SESSION



INVESTOR CONFERENCE



CANADIAN VISIT



COMPONENT D: COMMUNITY & SOCIAL SERVICES

3.9 LIBRARIES, MUSEUMS, AND COMMUNITY FACILITIES

Library Services

Library Services

Library Service Delivery Strategy

- To ensure that the communities of Kouga have access to facilities and resources that libraries offer;
- To develop skills, preserve and conserve their culture and natural heritage
- Provision of a safe and free library service for reading and learning,
- Provision of a free and guided access to knowledge and information to support formal and informal education.

Levels and Standards of Library Services

The function of Library Services for the Municipality is as follows;

Kouga Municipality Libraries provide the community of Kouga with access to educational, informational and recreational material in general or for specific users regardless of race, gender, age, language, financial or educational status.

The function includes the following activities:

- Collection, development and management,
- Development, promotion and maintenance of a reading culture through delivering of programmes
- Ongoing research, planning, monitoring and evaluation to improve service delivery,

Annual performance as per key performance as per key indicators in Library services

Description of the Activity and Analysis of the Function	Libraries	No. of Facilities 2016/17	Actual 2016/17	No. of Facilities 2017/18	Actual 2017/18

Library Facilities and Infrastructure	<p>Library facilities</p> <p>Renovations of Patensie Library Facility by Department of Sports Recreations Arts & Culture to the value of R1,219m.</p> <p>The building of Sea Vista Library is in progress through built through the Kouga Windfarm and the possible completion date will be August 2018.</p> <p>The plans for the renovation and extension of the Jeffreys Bay Library will commence In the 2018/19 financial year by the Department of Sports, Recreation, Arts & Culture to the value of R11,2m</p>	13	13	13	13
Book Circulation	Lending out books, magazines, newspapers, Photocopy services, Free internet access, Outreach programmes.		151 155 (No. of Books issued)		
Library Users	The number of people who used and visited the libraries		288 239		
Library Services	4 x Library assistants were appointed to combat the challenge of staff shortages 1x Senior Library assistant were appointed by Kouga		Tokyo Sexwale, Thornhill, Weston, Hankey, Ukhanyis o		
Programmes & Activities	July School Holiday District Spelling Bee Event in August National Book week in November Christmas Holiday Program Library Week in March World Play Day June 2018.			All Libraries	All Libraries

KPI	CHALLENGE	POSSIBLE SOLUTION
Effective Library Services	Phillipsville & Ramaphosa Libraries still using pre – paid electricity	To facilitate the installation of conventional electricity by Infrastructure Dep (IPD)
	Internet Services for the public	Prioritizing the installation of internet lines to the Libraries

LIBRARY WEEK – 16-20 MARCH 2018



WORLD PLAY DAY, PATENSIE LIBRARY 06 JUNE 2018

1ST DRAFT



PARKS AND OPEN SPACES

Overview

The establishment and maintenance of public open spaces within the Kouga area.

Strategic objective

- The Communities have access to Public Open Spaces and Gardens which are well managed and maintained.

Description of activities

- Mowing of Grass (Verges, Picnic Areas, Public Open Spaces)
- Alien Vegetation/ Bush Clearing.
- Maintenance program for water plants, verges, open spaces, play parks.
- Removal of debris.
- Maintenance and beautification of open spaces, gardens and entrances.
- Maintenance of existing play parks.
- Development of new play parks.
- Procuring of equipment for play parks.
- Planting, Trimming and felling of trees.

Budget of R 800 000.00 was available for new equipment and tender was advertised, but bidders were non-responsive.

Key challenges

- Upgrading of existing play parks to set standards.
- Procuring of new playing equipment in the various play parks.
- Plant trees at the various play parks on sidewalks.
- The development of a sustainable Municipal open space plan and/ or the improvement thereof.
- All new developments must include facilities such as play parks.

Recommended Solutions:

- That existing play parks be upgraded and maintained in a sustainable manner.
- That a proper public participation program be developed to engage affected communities to create a sense of ownership.
- That Council ensures that all new developments cater for sufficient land provision through the Spatial Development Framework to accommodate these recreational facilities.

3.10 CEMETERIES AND CREMATORIUMS

CEMETERIES

Overview

The identification of land, planning and co-ordination of all cemetery management activities throughout the Kouga.

Strategic objective

Communities to have access to affordable and adequate cemetery and maintenance service.

1ST DRAFT

AREA	WARD	BURIALS PER YEAR 2016/17	BURIALS PER YEAR 2017/18	EXISTING SPACE	LIFE SPAN
Humansdorp					
Town	15	141	174	226 graves	18 months
Kwanomzamo	6	61	108	761 graves	5 years
Graslaagte	15	0	0	Full	None
Jeugkamp	4	0	0	Full	None
Jeffreys Bay					
C-Place	11	146	151	449 graves	2 years
Dr BB Keet	3	0	0	Full	None
Pellsrus Duine Weg	2	0	0	Full	None
Pellsrus Roman street	2	0	0	Full	None
Hankey					
Centerton	9	110	142	27 graves	4 months
Town	9	10	27	83 graves	4 years
Weston	13	10		50 sites	8 years
PATENSIE					
Ramaphosa	10	0	0	Full	0
Town	10	10	98	176	2 years
THORNHILL					
Private Land	7	21	34	76	None
LOERIE					
Loerieheuwel	7	19	48	61 graves	3 years

Description of activities

- Identification and application for new cemeteries
- Maintenance of existing cemeteries
- Maintain electronic burial register system
- Digging, trimming and closing of graves
- Access control of cemeteries
- Cleaning and beautification of cemeteries
- Cleansing of public amenities at cemeteries

- Administration and maintenance of; The Wall of Remembrance

Challenges

- Most cemeteries are full and near full.
- Not dedicated team to provide for the maintenance service at all the cemeteries.
- No proper fencing at cemeteries.

Solutions:

Implementation of Cemetery Management System.

Proper cleaning and maintenance program.

Tender for fencing of the existing cemeteries has been awarded.

Achievements

Fencing of C-Place cemetery.

Appointment of Service Provider for the EIA process

Extension of Thornhill Cemetery.

3.11 CHILDCARE; AGED CARE; SOCIAL PROGRAMMES

SPECIAL PROGRAMMES

Special Programmes Service Delivery Strategy and main role players



The function of Special Programmes and HIV & AIDS for the Municipality is as follows:

- The implementation of Special Programmes for youth, children, women, the elderly; and people living with disabilities; and mainstreaming HIV & AIDS programmes including mitigation measures in communities and the development of social cohesion.

This service delivery strategy includes the following activities:

- Establishment of Forums for Women, Youth and People with Disabilities Empowerment
- Policy development on Youth Development, empowerment of people with disabilities and women empowerment,
- Formation of partnership with other sector departments in implementing programmes and campaigns,
- Establishment of a Kouga Youth Council, Women's Caucus and Disability Council

Levels and Standards of the Special Programmes Unit



The unit provides necessary support to the Executive Mayor. It ensures that all needs of the vulnerable groups are met, with special emphasis on five groups: youth, women people with disabilities, children and the elderly. Coordinates the delivery of community services plans and programmes through the provision of guidance on applications and processes to promote and achieve

the social responsibility objectives of the municipality, execution of procedural and administrative requirements, interacting with community based structures to facilitate alignment of needs and priorities, creating awareness and encouraging participation and, attending to arrangements in respect of specific events/ programmes in accordance with budgetary allocation in order to ensure social upliftment and development objectives are accomplished

HIV and AIDS

HIV & AIDS Service Delivery Strategy

- To provide the support the Executive Mayor.
- To ensure that all the needs of the community of Kouga are met with special emphasis on five focus groups: the youth, children, women, elderly people and people with disabilities and includes the HIV & AIDS aspects of the said groups.
- To improve the HIV /TB & AIDS status of the community of Kouga Municipality.

Levels and Standards of HIV & AIDS

The function of HIV & Aids for the municipality is as follows;

- The implementation of mainstreaming of HIV & Aids programmes including mitigation measure in communities and the development of social cohesion

These functions included the following activities:

- Effective functioning of LAC, e.g. meetings takes place quarterly
- Training of Local Aids Council members on roles and responsibilities
- Formation and strengthening of partnership with other sector departments in implementing programmes and campaigns.
- Formation of ward-based HIV & Aids Forums in all wards

Annual performance as per key performance indicators on HIV & Aids

KPI	2016/17 DATE	2017/18 DATE	DESCRIPTION OF 2017/18 ACTIVITY	OUTCOMES
Cancer Awareness Programs	24 – 26 October 2016	16 – 20 Oct 2017	Cancer awareness programme (Pink Drive) for Kouga Communities and Kouga Employees aimed at educating communities on their role in the battle of cancer, the myths and stigmas against cancer patients	Kouga Communities reached: 203 - Kwanomzamo 100 – Sea Vista 173 – Jeffreys Bay Kouga Employees: 78 – Jeffreys Bay Unit 76 – Humansdorp 77 - Patensie
Women's Month Programs	25 August 2016	25 August 2017	Young Women's programme was done in Jeffreys Bay Comprehensive School: Taking Charge of one's life: You Only Leave Once - was the theme	81 Female learners were reached
World AIDS Day	5 – 7 December 2016	4 – 8 December 2017	World Aids Day Event with door – to door campaign as build – up programme before to the main event at Kwanomzamo	100 Community members attended HIV Screening: 50

		14 December 2017	<p>Main programme on the 8th December 2017 at KwaNomzamo Community Hall</p> <p>Taxi Drivers programme conducted in collaboration with Khethimpilo</p>	<p>Sugar Diabetes Testing: 36</p> <p>Hypertension : 24</p> <p>Referrals : None</p> <p>20 Taxi Drivers reached:</p> <p>HIV Screening: 20</p> <p>Sugar Diabetes Testing: 14</p> <p>Hypertension : 14</p> <p>Referrals : 3</p>
Condom, Teenage Pregnancy & STI Week	19 October 2016	12 - 14 February 2018	<p>Awareness campaign on teenage pregnancy was held at to emphasize effects of teenage pregnancy disadvantages, HIV, STI, s</p> <p>Condom usage teenage at Lungiso High School, Makukhanye Primary School and Masisebenze Primary School in Westorn</p>	<p>Learners reached 150</p> <p>Leaners from all three schools showed knowledge of the topics.</p>
TB Month Programs	15 – 18 May 2017	18 – 20 September 2017	<p>End of Season TB campaign which was a follow up of TB campaign conducted in May 2017.</p> <p>Campaign was conducted in the following areas: Westorn, Centerton/Phillipsville and Patensie from the 18 – 20th September 2017</p>	<p>Community members reached: 242</p> <p>Services Rendered:</p> <p>Diabetes Screening: 242</p> <p>HB Screening 198</p> <p>Cervical Cancer 28</p>

		13 – 27 March 2018	<p>Workshops and dialogues were held with Community members in various areas of Kouga:</p> <p>Humansdorp, Sea Vista, Kruisfontein to get views on how to improve on health care services, what to be done to encourage the defaulters to take and adhere to their treatment.</p>	<p>HIV Screening 214</p> <p>TB screening 240</p> <p>Mental Disorder test: 146</p> <p>Services Rendered on the 27th March 2018, Provincial TB Day:</p> <p>TB Screening: 111</p> <p>TB Presumptive: 27</p> <p>Sputum Sent: 26</p> <p>HIV Positive Screened: 5</p> <p>Diabetes Screened: 8</p> <p>Positive Sputum: 0</p> <p>HIV Testing & Couns: 54</p> <p>Blood for CD4: 2</p> <p>Diabetic Screening: 2</p> <p>Diabetic Visit: 12</p> <p>HB Screening: 115</p> <p>HB Visit: 20</p> <p>Dental services: 65</p> <p>Family planning: 01</p>
Candle Light Memorial	25 May 2017	24 May 2018	<p>The event was held at Kwa – Nomzamo with door to door campaign conducted as build – up programme before the main event.</p>	<p>100 Community members reached:</p> <p>81 Went for Services on wheels:</p> <p>TB Screening 28</p> <p>TB Presumptive 28</p> <p>Sputum Sent 05</p>

				HIV Cons & Testing 20 New HIV positive 26 Diabetic Screening 10 HB Screening 40 Obese 01 Family planning 01
Local Aids Council	Quarterly	Quarterly 6 -7 June 2018	Local Aids Council active and meetings taking place quarterly. Training of Local Aids Council Health & Education Portfolio members	Local Aids Council Meeting held quarterly 18 Committee members were trained, certificates to be handed over to members on the next LAC meeting in September.

Annual HIV & AIDS Statistics

FACILITY	TOTAL ART 2015/16	TOTAL POSITIVE 2015/16	TOTAL ART 2016/17	TOTAL TEST POSITIVE 2016/17	TOTAL ART 2017/18	TOTAL POSITIVE 2017/18

ANDRIESKRAAL	68	10	66	17	61	1
HUMANSDORP CLINIC	1100	229	1110	130	1148	196
KRUISFONTEIN CLINIC	520	75	280	51	573	72
IMIZAMO YETHU	259	92	584	50	298	88
LOERIE CLINIC	166	23	173	13	169	32
LOERIE MOBILE	0		0	1	1	6
MASAKHANE (HANKEY)	423	147	492	95	488	76
PATENSIE 1	0	25	0	2	3	11
PELLSRUS CLINIC	1086	230	1318	130	1113	153
ST FRANCIS BAY	428	53	429	72	386	50
SUURBRON	0	7	0	9	3	14
THORNHILL	161	27	177	12	177	8
WESTON	202	42	221	28	236	31
TOTAL	4499	960	4850	605	4656	738

Major Challenges and remedial action:

PROGRAMME	CHALLENGES	SOLUTION
Implementation of HIV & Aids workplace programmes	No policy in place to address HIV / AIDS workplace programmes	Development of HIV / AIDS workplace policy and programmes to ensure knowledgeable and educated workforce



PINK DRIVE- CANCER AWARENESS MONTH



MAKUKHANYE TEENAGE PREGNANCY WEEK 2018



WORLD AIDS DAY - 2017

SPECIAL PROGRAMMES

Special Programmes Service Delivery Strategy and main role players

The function of Special Programmes and HIV & AIDS for the Municipality is as follows:

- The implementation of Special Programmes for youth, children, women, the elderly; and people with disabilities; and mainstreaming HIV & AIDS programmes including mitigation measures in communities and the development of social cohesion.

This service delivery strategy includes the following activities:

- Establishment of Forums for Women, Youth and People with Disabilities Empowerment

- Policy development on Youth Development, empowerment of people with disabilities and women empowerment,
- Formation of partnership with other sector departments in implementing programmes and campaigns,
- Establishment of a Kouga Youth Council, Women's Caucus and Disability Council

Levels and Standards of the Special Programmes Unit

The unit provides necessary support to the Executive Mayor. It ensures that all needs of the vulnerable groups are met, with special emphasis on five groups: youth, women people with disabilities, children and the elderly. Coordinates the delivery of community services plans and programmes through the provision of guidance on applications and processes to promote and achieve the social responsibility objectives of the municipality, execution of procedural and administrative requirements, interacting with community based structures to facilitate alignment of needs and priorities, creating awareness and encouraging participation and, attending to arrangements in respect of specific events/ programmes in accordance with budgetary allocation in order to ensure social upliftment and development objectives are accomplished

Annual performance as per key performance indicators on Special Programmes Unit

KPI	2016/17 DATE	2017/18 DATE	DESCRIPTION OF 2017/18 ACTIVITY	OUTCOMES
Mandela Day Program	18 July 2017	On 18 July 2017	The Kouga Municipality held its Mandela Day Programme at the Tokyo Sexwale creche in Jeffreys Bay. The focus of the Mandela Day focused on a face uplift of the Tokyo Sexwale crèche by painting, cleaning and fixing the toilets of the creche.	Programme was successful
		On 26 July 2017	The Kouga Local Drug Action Committee held a workshop in Humansdorp Country Club. The purpose of the workshop was to develop a programme of action for the KLDAC	- The Programme was a success

Kouga Mayors Cup		23 September 2017	Kouga Mayor's Cup: Rugby tournament took place at the Pellsrus Sport field	<ul style="list-style-type: none"> - Programme was a resounding success - Winners awarded with prizes
Women's Programs		the 02 August 2017	A Sanitary Dignity Programme was held on the 02 August 2017, at the Kouga Country Club in Humansdorp. Learners from Humansdorp Secondary School, Lungiso High School, Vulumzi High, Khanyisa and Rainbow Special Schools formed part of the programme on the day.	<ul style="list-style-type: none"> - Sanitary towels were handed to girls and hygiene packs to boys from the schools that were invited to be part of the programme.
		On the 25August 2017	A Girls Dialogue was held at the Jeffreys Bay Comprehensive school. female learners were targeted and 81 attended they were and were divided into 6 groups, each group given a topic to debate on:	<ul style="list-style-type: none"> - The Programme was successful as all 81 girls took part in the dialogue.

<p>Youth Programs</p>		<p>On 21 September 2017</p>	<p>The Special Programmes Officer launched the Youth Forum of ward 4 and 5. These structures were not established during the May – June Road.</p>	<p>The forum is launched</p>
		<p>05 December 2017</p>	<p>The Provincial Human Settlement launched the Youth Brigade Programme in collaboration with the National Home Builder Registration Council (NHBRC), as well as Kouga Local Municipalities. The Programme entail training, mentoring and creating work opportunities for the youth</p>	<p>32 Young people from Ward 4, 5, 6 & 15 were recruited and are trained as artisans</p>
		<p>25 February 2018</p>	<p>Youth of Kouga that was successfully recruited to attend a 6 months training on Facilities Maintenance Programme in Grahamstown at the Department of Defence.</p>	<p>16 Youth from Kouga Municipality Area attended a 6 Months long programme in Grahamstown.</p>

<p>16 Days of Activism Campaign for No Violence Against Women & Children</p>		<p>24 November 2018</p> <p>11 December 2017</p>	<p>The 16 Days of Activism for No Violence Against women and children was Launched in Lingelethu Community Hall in KwaNomzamo this programme was done in collaboration with Sarah Baartman District Municipality.</p> <p>Kouga Municipality held an integrated Disability Awareness and 16 Days of Activism for no violence Against Women and Children.</p>	<p>Stakeholders in Kouga and the Community voiced out their concerns with regards to Gender Based violence and the key drivers of the gender-based violence</p> <p>The Programme targeted 200 persons with disabilities including women and elderly from various wards in Kouga.</p>
<p>Senior Citizens Programs</p>		<p>27 November</p>	<p>The Wise People Elderly club was visited in Loerie by SPU office together with Masiphakameni.</p>	<p>Food hamper of the value of R1000 was donated the elderly for their Christmas lunch.</p>

Children		13 January 2018	Back to School Campaign	The Mayors well wish message was sent to all 30 Schools in Kouga.
		30 May 2018	Child Protection week event in ward 10 in	Toys were given out to children at the Kabouter & Hess Creche in Patensie.

BACK TO SCHOOL CAMPAIGN 2018





LAUNCH OF THE 16 DAYS OF ACTIVISM FOR NO VIOLENCE AGAINST WOMEN AND CHILDREN

15TV



Challenges in Special Programmes Unit and Remedial Action

PROGRAMME	CHALLENGES	SOLUTION
Local Drug Action Committee	The LDAC was established on November 2016, the Executive Mayor appointed the members to serve on the committee. Despite this the committee is struggling to operate and to be fully functional. There is also no dedicated budget for the programme.	A constitution with clear terms of references should be established to address proper functioning of the Local Drug Action Committee

Major Challenges in Special Programmes Unit and Remedial Action

PROGRAMME	CHALLENGES	SOLUTION
Local Drug Action Committee	The LDAC was established on November 2016, the Executive Mayor appointed the members to serve on the committee. Despite this the committee is struggling to operate and to be fully functional.	A constitution with clear terms of references should be established to address proper functioning of the Local Drug Action Committee

COMPONENT E: ENVIRONMENTAL PROTECTION

INTRODUCTION TO ENVIRONMENTAL PROTECTION

Environmental protection is a practice of protecting the natural environment on an individual, organization and government level, for the benefit of both the environment and humans. Due to the pressure of overconsumption, population and technology, the biophysical environment is being degraded, sometimes permanently. This has been recognised, and government has started placing restraints on activities that cause environmental degradation.

3.12 POLLUTION CONTROL

POLLUTION CONTROL

Pollution Control is the process of reducing or eliminating the release of pollutants (contaminates, usually human – made) into the environment. It is regulated by various environmental agencies that establish limits for the discharge of pollutants into the air, water, and land. A wide variety of devices and systems have been developed to control air and water pollution and solid waste.

Air pollution control can be divided into two categories: the control of particulate emissions and the control of gaseous emissions.

This KPA is still between Environmental Management and Health and Social Service due to the position of Environmental Control Officer being vacant. No cases of environmental pollution were handled between 2016/17 and matters if reported are forwarded to DEDEA. The only KPA that was done by this Section in terms of pollution control was the control of illegal dumping by conducting awareness education programs

3.13 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); & COASTAL PROTECTION

BIO-DIVERSITY, LANDSCAPE NAD COASTAL PROTECTION

This KPA resides with DEDEA as the municipality does not have capacity.

COMPONENT F: ENVIRONMENTAL HEALTH

Service Delivery Strategy

- To improve the health status of communities through the identification, evaluation and control of critical factors that affect the physical, social and mental well – being of communities.
- Environmental Health Services are mainly preventive health services, and are therefore largely protecting public health and preventing health hazards / risks and diseases

Levels and standards of Environmental Health Services

- The function of Environmental / Municipal Health Services for the Municipality is as follows;
- Kouga Municipality has entered a Service Level Agreement with the Sarah Baartman District Municipality to render the Environmental / Municipal Health Services on behalf of the District Municipality, in its respective jurisdiction.

The functions of Environmental Health include the following activities:

- Water Quality Monitoring,
- Food Control,
- Waste Management: illegal dumping,
- Health Surveillance of premises,
- Pauper Burials: attending to applications for exhumations and reburials,
- Surveillance and Prevention of Communicable Diseases,
- Vector Control,
- Environmental Pollution Control, attending to complaints and health nuisances,
- Evaluation of Cemeteries, Mortuaries, and funeral undertaker premises,
- Active Environmental Health Education Sessions and Awareness Campaigns / Programs,
- Business registration & Hawker Programmes

The above functions as rendered by the municipality exclude Port Health, Malaria Control and Hazardous Substances which are functions and competency of the Eastern Cape Department of Health

Annual performance as per key performance indicators in Environmental Health Services

Description of the Activity and Analysis of the Function	Environmental Health	No. of Facilities	No. of Visits
Surveillance of premises	Inspection and evaluation of food premises, milk farms and other facilities to ensure compliance to all Health Regulations and to ensure that products sold to the public is fit for consumption	795	2288
Water Quality Monitoring	Water Quality Monitoring: Sampling of water for bacteriological and chemical analysis to ensure compliance with SANS 241 and to ensure that the water is fit for human consumption.	33 Sampling Points 12 x 33 Bacteriological 4 x 33 Chemical 18 x Failures	546
Waste Management	Waste Management: identification of illegal dumping sites to ensure a clean and healthy environment.	54 Sites	216
Health Surveillance of Premises	Health Surveillance of Premises: Assessment of factors including ventilation, lighting,	39 Building Plans	39

	moisture and approval of building plans to ensure safety.		
Surveillance & Prevention of communicable diseases	Surveillance & Prevention of communicable diseases: Health and hygiene promotion to prevent communicable diseases and disease outbreaks.	Ongoing as per visit to facilities	
Vector Control	Vector Control: Vector control of public health interest including the control of anthropoids, rodents and other alternative hosts of diseases.	8 Facilities (Municipal Buildings)	8
Environmental Pollution Control	Environmental Pollution Control: Identification of polluting agents and their sources to ensure hygienic working living and recreational environment, e.g. management of overgrown plots.	1204 Notices for Plot Clearing	Cleared by Owners: 59
Disposal of the Dead	Disposal of the Dead: Manage, control and monitoring exhumations and reburial or disposal of human remains	17 Applications	17 Approved
Business Registration & Hawkers Programme	Business Registration & Hawkers Program: Registration of all new businesses in terms of the Business Act, including hawkers.	216 Applications	216 Approved

Key Issues for 2017 / 2018

Food Safety & Hygiene Program for Caterers:

A food safety and hygiene program for caterers was hosted at the Humansdorp Country Club on the 28th September 2017.

Food safety and hygiene is a discipline describing handling, preparation and storage of food in ways that will prevent foodborne illnesses. This includes several routines that should be followed to avoid potential health hazards and prevent harm to the consumers.

The main objective of the programme was to create awareness on food safety and hygiene procedures to be adopted by food handlers to ensure that safe meals are always served during events and any other programme where catering services are to be used. This was also aimed at ensuring that food handlers and caterers adopt and promote food safety requirements in the production, handling, storage and transportation of food that will contribute towards safe food for the public or persons catered for.

The caterers and food handlers' were addressed on topics such as the following:

- Five keys to safer food
- Personal Hygiene

- Kitchen Hygiene
- Good and Bad Sanitation Practices
- Acceptable condition of equipment, utensils, cutlery & crockery used for catering
- Safe Food Storage Temperatures
- Certificate of Acceptability
- Sanitizing of equipment and utensils: when to sanitize
- Food poisoning chain, high risk areas & foodborne illnesses

A total number of thirty (30) caterers from within the Kouga Area attended the program.





Food Safety & Hygiene Program for Caterers

Global Hand Wash Day Program:



A Global Hand Wash Day program was conducted for Day Care Centres within the Kouga Municipal Area. The program was conducted on the 30th October 2017 and the target group was the children as well as the care givers.

The aims of the Global Handwashing Day program were to:

- Foster and support a general culture of handwashing with water and soap from an early age for the prevention of disease spread through not practicing this important exercise
- Shine a spotlight on the state of handwashing in each community and age group
- Raise awareness about the benefits of handwashing with water and soap.

The Day Care Centers that were reached with the programme are:

1. Kabouter Hess & Free ECD Centre: Patensie
2. Masikhule Creche: Kwa – Nomzamo, Humansdorp
3. Madiba Bay Creche: Jeffreysbay
4. Haasbekkies Day Care Centre: Humansdorp

A total number of 134 children and 12 care givers were reached with the program.

Listeriosis, Food Safety & Hygiene Education & Awareness Program for School Feeding Schemes.

A Listeriosis, Food safety & Hygiene Education and Awareness program was conducted for schools with the Feeding Scheme program within the Kouga Area. The program was conducted from the 06th – 22nd February 2018.

Listeriosis, a serious bacterial infection caused by a bacterium known as *Listeria Monocytogenes*, is generally found in the environment e.g. water and soil. Animal products such as meat, dairy; seafood; fresh produce such as fruit and vegetables can be contaminated anytime and as a results human being can also be affected and get Listeriosis.

At the time of the program, the World Health Organisation had reported that the outbreak of Listeriosis in South Africa, which had nearly 750 confirmed cases, was believed to be the largest ever outbreak of this bacterial disease and 9 of these cases were reported in the Nelson Mandela Bay area.

The main objective of the programme was thus to create awareness on the bacteria and the infection caused and food safety and hygiene procedures to be adopted by food handlers to ensure that safe meals are always served at schools. The program also aimed at ensuring that food handlers promote food safety requirements in the production, handling, storage and transportation of food that will contribute towards safe food for the public or persons catered for.

The focus of this program was on food handlers involved in the school feeding schemes at schools around Kouga Municipality. The reason why schools were targeted was to ensure that the food handlers are vigilant and understand their role in food safety. Also, this was to ensure that a disaster of an outbreak at schools is prevented because if the bacteria was to be introduced anywhere in the food chain process at any school, this would result in that entire school being infected.

The food handlers were addressed on topics such as:

- Listeria & Listeriosis: Facts
- Five keys to safer food
- Personal Hygiene

- Kitchen Hygiene
- Compliance to R962

A total number of eighty-seven (87) food handlers were reached at the following schools:

1. Hankey Primary School	2. Vukani Combined School	3. Chigwell Primary School
4. Kruisfontein Primary School	5. Sandwater Primary School	6. Hankey Secondary School
7. Graslaagte Primary School	8. Kleinplaas Primary School	9. Loerie Heuwel Primary School
10. Humansdorp Secondary School	11. Seavista Primary School	12. Phumlile Primary School
13. Mondplaas Primary School	14. Mzingisi Primary School	15. Thornhill Combined School
16. Makukhanye Primary School	17. Weston Intermediate School	18. Bodker Public School
19. Patensie Primary School	20. Patensie High School	21. Masisebenze Primary School
22. De Mist Kraal	23. Quagga Primary School	24. Andrieskraal Primary School
25. Du Preez Primary School	26. Cockscomb Primary School	



Schools Feeding Scheme: Food Safety & Hygiene Program

Listeriosis Safety Recall for Enterprise Foods Program:

Following a press statement by the Minister of Health on the 04th March 2018, regarding the confirmation of the source of Listeria outbreak and the subsequent

safety recall notices by the National Consumer Commission, the Environmental Health Section of the Kouga Municipality embarked on a program of ensuring that the recall products were removed from the shelves, not displayed for sale and were to be safely disposed at the cost of the producers and distributors.

The products that were up for recall were products from:

- Enterprise
- Mieliekip
- Bokkie
- Renown

Chilled foods including polonies, smoked Russians, frankfurters, pork bangers, Vienna's and spreads were recalled.

The program was conducted during March 2018 and all food premises stocking the safety recall products were visited. The visits not only focused on the recall but also on health education and awareness on listeriosis, food safety and hygiene.

A total number of one hundred and sixty-eight (168) shops were visited during the program.

Educational Tour of Nelson Mandela University's (NMU) Environmental Health Third Year Students was conducted in May 2018 within the Kouga Municipal Area.



field.

As part of their in-service training, the 3rd Year students of Nelson Mandela University visit Kouga Municipality on an annual basis for practical exposure in the field of Environmental Health. Thus, the Environmental Health Practitioners together with the lecturers from the university takes these students on day trips to different outlets / premises to introduce and give the students the necessary practical exposure in the

The educational tour for 2018 took place during the week of 15 - 18 May 2018, with a total of eleven (11) students and three (3) lecturers. The following premises were visited:

- Just Water Jeffrey's Bay - Bottled Water purification & packaging
- Pick 'n Pay Jeffrey's Bay - Food & Meat Safety

- Noah's Ark ECDC - Health Surveillance of Childhood Centres
- Balobi Processors St Francis Bay - Food Safety
- Humansdorp Water Works - Water treatment & purification
- Jeffreysbay Sewerage Works - Processing & treatment of raw sewerage
- Humansdorp Waste Site - Waste Management
- Woodlands Dairy Humansdorp products - Production, packaging of milk & milk
- Die Glen Milk Farm - Milk production



A presentation on R961 requirements for Milking Parlours and the transport of milk was offered by the Dairy Standards Agency.

Clean – Up and Awareness Campaign.



A clean – up, health education and awareness campaign was conducted in collaboration with the Cleansing & Parks and Law Enforcement at Hankey on the 15th, 28th and 31st May 2018.

The focus of the program was to clean up all illegal dumping sites in Hankey. Several shops, specifically the Spaza Shops were visited and issued with a notice on refuse collection schedules for their respective areas. The reason for the notice was that these shops were implicated in the illegal dumping of refuse especially the illegal

dumping sites near their shops. All these shops have no facilities for refuse storage hence they are dumping illegally.



The shops were also visited to conduct health education and awareness on waste management, health and hygiene practices. A total number of thirty-seven (37) shops were reached during the program

Pest Control is an ongoing program rendered by Kouga Pest Control as the service provider.

Pest control is conducted at all Municipal buildings for the elimination, control & prevention of all types of pests. Municipal buildings are fumigated, and bait stations placed accordingly at strategic points.

Pest control was conducted at eight (8) municipal building during this reporting period.

Health Education & awareness as an ongoing program.

- Health education with shop owners and food / meat handlers, persons in charge is also conducted on an ongoing basis during visit and inspections at food premises, butcheries, general dealers, house shops and funeral parlours.
- Schools and day care centers are also visited regularly and health education on good hygiene and sanitation practices is conducted with learners, teachers and care givers with the aim of preventing ill – health and communicable diseases.

Major challenges in Environmental Health Services and remedial action

KPI	CHALLENGE	POSSIBLE SOLUTION
Environmental Pollution Control	<p>Clearing of overgrown plots:</p> <p>Plot Clearing Team consist of only one foreman & 10 general workers with no machine operators;</p> <p>No policy that gives guidance to address overgrown plot issues</p>	<p>Additional manpower to be prioritized especially machine operators;</p> <p>Team be provided with enough resources;</p> <p>A policy that will assist & give guide in addressing the issue of private overgrown plots has been developed & workshopped. The policy is however still a working document by different municipal sections / departments.</p>
Hawker Registration	Influx and mushrooming of Hawkers in all areas of Kouga resulting in difficulty in managing and monitoring	Policy on Informal Trading developed and workshopped for comments and inputs. Documents still a working document by different departments.

3.14 FIRE



Overview

As a modern fire service, our focus is no longer just on fighting fires, but providing emergency response to a wide range of complex incidents, prevention and

preparedness, specialist operational support. Future it presents an opportunity for

Kouga fire services to deliver highly acceptable fire and emergency service, and every individual has an important role to play.

As an organisation, we can pride ourselves on the professionalism and

influence over issues we demonstrate, such as the many inquiries, inquests, research, sector initiatives and projects in which we are involved. Often our influence, while not always visible, can have a broad, lasting safety benefit for our people and the community.

We continue to see improvements in the equipment we provide our firefighters. Enhancements to the Operational response, improved the safety of crews by providing incident controllers with an overview of the environment and essential situational awareness.

Whether on station, assessing a fire scene, promoting fire safety in the community, ensuring our fleet is well maintained and our fire stations and offices are well designed and safe, reporting, administering, implementing a new process or system or making sure the old one continues to work, over the last year every person at Kouga has continued to play a vital role in delivering our commitment to safer and more resilient communities.

What we do

Our forty-nine (49) employees help safeguard the Kouga residents, workers and visitors along with assets and infrastructure worth millions of rands. Our day-to-day service covers an area of over 2670 square kilometres. Our significant resources can also be called on to support emergency management anywhere in Kouga.

Fire kills. Preventing fires saves lives and reduces injuries.

The number lost lives and injuries sustained as a result of fires are alarming. Statistics of Kouga in its analysis of the cause of death is mainly informal structure fires and motor vehicle accidents.

The fire problem is further compounded by the living conditions in informal settlements characterised by narrow streets which are inaccessible to fire service vehicles as well as the lack of street names which complicates endeavours to reach people in need.

These informal settlements comprise of shacks built with highly combustible materials (frequently wood and plastic) and positioned close to each other which increases the risk of fires spreading in these areas.

To keep up with the demand, fire stations are situated in Humansdorp (headquarters), and satellite fire stations in Jeffrey's Bay, Hankey and St Francis Bay.

Satellite fire stations are intended to reduce the response time to incidents to render a more effective firefighting service.

Prevention

Kouga aims to eliminate or reduce the incidence or severity of emergencies. Activities can be physical or legal measures, such as compliance inspections, or requiring smoke alarms in premises. Kouga works with the community, other emergency management agencies, government and the private sector to ensure the knowledge, behaviours and regulatory and legislative frameworks exist to protect life and minimise injury and damage to assets.

Preparedness

Kouga advocates for safety in the built environment and the community, with the goal of reducing the occurrence, impact and severity of fires and other emergencies. Preparedness activities include ensuring response plans and arrangements are in place before emergencies occur. This may include conducting risk assessments (likelihood and severity), planning for the continued availability of essential services and identifying ways to mitigate the potential impacts of an emergency

Functional strategies:

- Improve fire-fighting and rescue capabilities
- Improve personal safety of fire-fighters
- Improve public knowledge of fire prevention

- Improve fire safety standards of premises with fire risks
- Maintain and update the Disaster Management Plan in conjunction with Sarah Baartman District Municipality
- Improve training levels

Challenges

The diverse topography and poor road infrastructure, long distances to remote communities and poor communications also hamper the effectiveness of the service.

The challenges need to be addressed by procuring rough terrain vehicles with large water carrying capacities.

Travelling distances between towns in Kouga area hamper effective service delivery in the following aspects:

- There are no satellite fire stations in Patensie, Loerie, Thornhill and Oyster Bay.
- Insufficient vehicles and equipment.
- Not enough staff to render a 24/7 service throughout Kouga.

Solutions

- Adequate budget to be made available for the provision and upgrading of infrastructure in Kouga.
- New equipment and vehicles were procured in the 2017/18 financial year.
- A full time professional fire service will provide support to nearby towns and areas in terms of experience, operational support, training, awareness programs, demonstration, fire prevention and law enforcement. The most important advantage of an integrated fire service is the rapid deployment of specialized vehicles, equipment and staff to all areas or towns throughout the district with less duplication and cost.

Legal requirements

In terms of Section 84(1)(j) of the Local Government: Municipal Structures Act, 1998 (Act No. 117 of 1998), the District is responsible for the functions mentioned below:

- Planning, co-ordination and regulation of fire services;
- Specialised firefighting services such as mountain, veld and chemical fire services;

- Coordination of the standardisation of infrastructure, vehicles, equipment and procedures;
- Training of fire officers.

Kouga Municipality entered into a service level agreement with the Sarah Baartman District to perform the services on their behalf. The District contributes financially as per the formula in the service level agreement. The benefits of this arrangement need to be reviewed, with a view to protecting the interest of the Kouga Municipality.

During 2017/2018 this service responded to a total of 608 incidents.

Category	Total 2016/17	1 st quarter	2 nd quarter	3 rd quarter	4 th quarter	Total 2017/18
Buildings	8	6	2	1	7	16
Dwellings (formal brick)	20	10	5	2	9	26
Informal dwellings (shacks)	65	25	29	19	17	90
Electrical	5	5	3	3	1	12
Refuse/Waste	36	20	17	19	25	81
Vegetation	372	26	42	56	41	165
Transport	17	7	8	7	3	25
Other (not above)	21	6	6	11	6	29
Accidents	144	37	44	33	37	151
Rescues	2	1	0	0	1	2
Spillage (oil)	3	0	0	3	2	5
Miscellaneous	2	0	3	0	0	3
Other	1	0	1	1	1	3
TOTAL	696	143	160	155	150	608

Fire Safety (number of inspections conducted)	1st Quarter July- September 2017	2nd Quarter October – December 2017	3rd Quarter January- March 2017	4th April – May 2018	Grand Total 2017/2018
General inspections	36	40	39	35	150
Flammable liquid	5	2	3	2	12
Building plans	104	124	119	168	515
Fire Hydrants	28	24	30	92	174
Burning permits	6	9	12	18	45

A contractor was appointed to mark and take GPS coordinates in Paradise beach and Aston Bay, which will be updated on the OVVIIO (GIS) system for quick identification of fire hydrants during fire activities.

Vehicles

Vehicles in the Fire Department are old and constantly break down during firefighting activities. The fact that we don't have a proper replacement policy to replace old and depleted fleet, also contributes to the aging vehicles still being in use.

Type of vehicle	Where operational	Model	Replacement
Dennis	Jeffrey's Bay	1993	Yes (currently out of commission)
Dennis	St Francis bay	1994	Yes (currently out of commission)
Toyota Tanker	St Francis Bay	1990	Yes
Nissan Tanker	Humansdorp	1991	Yes
Toyota Hino	Humansdorp	2006	No
Toyota Land Cruiser	Hankey	2009	No
Toyota Land Cruiser	Humansdorp	2009	No
Nissan Patrol	Jeffrey's Bay	2006	No

Type of vehicle	Where operational	Model	Replacement
GMC	Humansdorp	1987	Yes (currently out of commission)
Ford Ranger	Humansdorp	2006	Yes
Ford LDV	Humansdorp	2002	Yes



This department procured an all-terrain fire fighting vehicle to be utilised for structural fire fighting throughout the Kouga. A similar type of vehicle is expected for delivery during September 2018.

Training and Development

The Kouga Municipality, like all other local authorities, must submit a Workplace Skills Plan to LGSETA in terms of the Skills Development Act, (Act 97 of 1998) and related legislation.

No training is currently provided to fire fighters and this department relies on the Sarah Baartman District Municipality for training. All the training is funded by the District.

One staff member attended CPMD courses throughout this financial year.

Number of staff trained 2017/2018	Course	Where trained	Funded by who
One	CPMD	Jeffrey's Bay	Kouga Municipality

Number of staff trained 2016/2017	Course	Where trained	Funded by who
Twelve (12)	Fire Fighter 1&2, Hazmat Awareness, Operational and level 3 First Aid	Rural Metro	Sarah Baartman District Municipality

Trained staff to date 2017/2018

Staff completed fire fighter one and hazmat awareness	Staff completed fire fighter two and hazmat operational	Staff completed Basic Ambulance Assistant Course	Staff completed Level 3 First Aid Course	Staff completed Higher Certificate, Diploma & Higher Diploma
41	38	8	0	4

Trained staff to date 2016 / 2017

Staff completed fire fighter one and hazmat awareness	Staff completed fire fighter two and hazmat operational	Staff completed Basic Ambulance Assistant Course	Staff completed Level 3 First Aid Course	Staff completed Higher Certificate, Diploma & Higher Diploma
38	35	7	39	3

Public awareness training

AWARENESS AND TRAINING 2017/2018	1st Quarter July - September 2017	2nd Quarter October - December 2017	3rd Quarter January - March 2018	4th Quarter April - June 2018	Grand Total 2017/2018
Number of civilians made aware		154	41	137	332
Specify the type of institutions visited (e.g. Old age home/Hospital / Clinic / Factory / Govt. buildings / Library etc.)	Dep of Justice	Kouga Municipality Ward 1	Kouga Municipality	Municipal building; SAPS; NSRI	
Number of children and teachers made aware	1437	120	653	113	2323
Number of schools covered	5		4	3	12
TOTAL	1442	274	698	253	2667



Capital projects for 2017/2018

Department	Description	Amount allocated	Comments
Fire	Procurement of fire fighting vehicle	R 1 64 896.15	Internal funding
	Fencing Hankey satellite fire station	R200 000	Internal funding



A fire-fighting trailer is operational and in use to assist the Paradise beach Community during fires.

2017/2018 Departmental Achievements

- Procurement of all-terrain fire fighting vehicle.
- Upgrading of one hundred and eighty (180) fire hydrants.
- Procurement of personal protective equipment
- Public training and awareness in all wards.
- 24/7 operation of satellite fire station in St. Francis Bay
- Appointment of one (1) station commander for Humansdorp and Gamtoos-area

- Appointment of seven additional fire fighters.
- Procurement of firefighting trailer for use of residents of Paradise beach
- Veldfire statistics for 2017/2018 show that in spite of the drought veldfires were significantly reduced and no run -away fires were encountered.



DISASTER MANAGEMENT

Overview

The objectives of the Disaster Management Division are to promote a culture of risk reduction, disaster prevention and mitigation within Kouga Municipality as well as the District Municipality. It also acts as a repository and conduit of disaster management related information and aims to capacitate communities. Furthermore, it promotes a rapid, co-ordinated and effective response to disastrous events by all role-players.

The Disaster Management Act

The Disaster Management Amendment Act No16 of 2015, provides for an integrated and co-ordinated disaster management policy that focuses on preventing or reducing the risk of disaster, mitigating the severity of disaster, emergency preparedness, rapid and effective response to disaster and post –disaster recovery and rehabilitation, the establishment and functioning of national, provincial, and municipal disaster management centres, disaster management volunteers and matters incidental thereto.

The implementation of the Principle Disaster Management Act, beginning 2003 has posed significant challenges particularly at the level of local municipalities. The

purpose of the review of the act was to tackle identified challenges by maximizing the effect of disaster legislation to communities, especially those at risk.

The Municipal Disaster Risk Management Plan (DRM) is designed to establish the framework for implementation of the provisions of the Disaster Management Act, 57 of 2002, as well as the related provisions of the Municipal Systems Act, 32 of 2000.

The purpose of the Municipal DRM Plan is to outline policy and procedures for both the pro-active disaster prevention and the reactive disaster response and mitigation phases of Disaster Risk Management.

It is intended to facilitate multi-agency and multi-jurisdictional co-ordination in both pro-active and re-active related programs.

The Kouga Municipal Disaster Management Advisory Forum (KMDMAF) must establish and implement a policy framework for Disaster Risk Management in the municipality aimed at ensuring an integrated and common approach to Disaster Risk Management entities in its area.

The Kouga Municipal Disaster Risk Management Policy Framework will be –

- (a) consistent with the provisions of the Disaster Management Act;
- (b) consistent with the District Disaster Risk Management Framework; and
- (c) consistent with the Disaster Risk Management Policy Framework of the Provincial Government: Eastern Cape.

The Disaster Risk Management Centre (DRMC) will be the custodian of the Municipal (or Kouga -wide) Disaster Risk Management Plan.

Individual Services / Directorates, Departments and other role-players/entities will be responsible for the compilation and maintenance of their own Services/Entities Disaster Risk Management plans. Along with the various specific Hazard DRM Plans, the Service / Entity DRM Plans will be considered an integral part of the Municipal Disaster Risk Management Plan.

Vehicle Component

This Department operates with only one vehicle.

Internship

Kouga Municipality currently host their first student(internship) in Disaster Management in collaboration between SBDM and Stenden University. The duration of the internship is eight months.

Awareness training for learner's project

The Disaster Management Division conducted multiple training sessions at primary schools. The purpose was to make juveniles aware of hazards and risk factors in their environment and to inform communities of what they had learnt.

The main aim is to make the community as well as the private sector aware of the following key aspects:

Prevention

- Kouga Municipality aims to eliminate or reduce the number of incidents or severity of emergencies.

Preparedness

- Kouga Municipality works to ensure that individuals and communities are able to prevent and respond effectively to emergencies. This includes: conducting assessments of the likelihood and severity of risks and identifying ways to mitigate the potential impacts of an emergency.

Response

- On being dispatched to an incident the Kouga Municipality minimises the impact of the incident and provides affected individuals and communities with immediate relief and support. The municipality responds to approximately 600 calls a year covering fires, hazardous incidents, automatic alarms, road accidents, medical emergencies, urban search and rescue and marine incidents.



Recovery

Kouga Municipality supports emergency-affected individuals and communities and aims to restore emotional, social, economic and physical wellbeing. The municipality works with partners to ensure that the community and its resources are protected and maintained, following an incident.

The Event Management Act 2010 forms part of the disaster management function as it is a legislative requirement.

- Deals with the compliance of all event risks.
- On-site inspections of all areas where tents are erected.

Challenges

- Disaster management plan needs to be revised on an annual basis.
- Ward based risk assessment plans needs to be incorporated into the disaster management plan. Sarah BDM appointed a service provider to compile a ward-based risk assessment plan for Kouga. Final draft to be adopted by SBDM Council.
- Sub Committees to keep information updated to keep disaster plan updated.
- Upgrading of the disaster management centre.
- Staff shortage

Solutions

- Keep disaster risk management plan updated as developments increase in Kouga area.
- Review of the Disaster Management Advisory Forums
- Functioning of the Disaster Advice Committee meetings
- Appointment of additional staff
- Establish a mini well-control disaster center by June 2019.

Event management

The Event Management Act 2010 forms part of the disaster management function as it is a legislative requirement.

- Deals with the compliance of all event risks.
- On-site inspections of all areas where tents are erected.

Achievements

- Two senior lifeguards were appointed in the 2017/2018 financial year.

Risk in different areas in Kouga

Call	HIGH	LOW	Challenges
Humansdorp	Floods		Storm Water System Maintenance.

Call	HIGH	LOW	Challenges
	Domestic Fire		Informal Settlement Areas. Social factors
St Francis Bay	Domestic Fire Structure Fire Flooding	Sea level	Domestic fires are high in the formal and informal areas due to Social challenges. Structure fires are a high-risk due to electrical and Social factors. Sea Risen due to Climate Change and Global Warming factors. Formal and informal areas get flooded due to lack of storm water system and maintenance
Oyster Bay	Flooding Domestic Fire	Sea level	Formal and informal areas get flooded due to lack of storm water system and maintenance. Domestic fires are high in the formal and informal areas due to Social challenges Sea Risen due to Climate Change and Global Warming factors
Jeffreys Bay	Domestic Fire Flooding	Sea level	Domestic fires are high in the formal and informal areas due to Social challenges Formal and informal areas get flooded due to lack of storm water system and maintenance. Sea risen due to Climate Change and Global Warming factors.
Thornhill	Flooding Domestic Fire	Veld Fire (Bush Plant)	Formal and informal areas get flooded due to lack of storm water system and maintenance Domestic fires are high in the formal and informal areas due to Social challenges. Bush fires and Plantation forestry
Hankey	Domestic Fire		Domestic fires are high in the formal and informal areas due to Social challenges.

Call	HIGH	LOW	Challenges
	Flooding		Informal Settlements
Patensie	Domestic Fire Flooding		Domestic fires are high in the formal and informal areas due to Social challenges. Flooding is more in the low line farm areas

Traffic Law Enforcement



Overview: Road accidents claim thousands of lives on South African roads and it is essential to have a well-equipped road traffic enforcement agency, to influence driver behaviour. Law enforcement is guided by the National Road Traffic Act 93/1996 and supported by the Criminal Procedure Act 51/1977.

Functions:

- Road Traffic Safety is the mandate of the department of Transport. This mandate is delegated to provincial and local authorities.
- High visible traffic policing is essential on a continuous basis to ensure a safe road environment. The Traffic Law Enforcement section works closely with other relevant law enforcement stakeholders for example the South African Police Service (SAPS) and the Department of Justice.
- Patrols are performed on various national, provincial and local roads in the Kouga area. Roadblocks are held to check driver and vehicle fitness. Speed checking by camera and manual operation is conducted on daily basis. Taxi related traffic violations increased, due to another association uNcedo trying to establish themselves in Kouga area.

Scholar patrol training given by the Department of Transport. Schools participating in the scholar patrol regularly receive training and are supplied with the equipment.

2016/ 17			2017/18		
Description	Total	Value	Description	Total	Value
Handwritten fines	4 817	R3 234 000	Handwritten fines	4238	R2 954 000
Speed Camera fines	31680	R9 736 800	Speed Camera fines	97 272	R14 500 000
Paid fines	5 377	R1 531 230	Paid fines	26000	R 3 500 000
Payment rate	16%	---	Payment rate	25%	---
			Warrants Arrest	1202	R456 450
			Disable Parking discs	160	R17 760

Challenges

- All eight patrol vehicles in operation have reached the end of useful life and are constantly out of commission. This places an enormous strain on traffic related service delivery.

Solutions

- Provision for the procurement of patrol vehicles has been made in the 2018/19 financial year.
- The acquisition of firearms and bullet proof jackets to be finalised within the 2018/19 financial year.

Municipal By-Law Enforcement

2017/18	Description	Total	Value
	Impoundment of animals	149- cattle 35- goats=184	
	Complaints investigated	380	
	Arrests	2	
	V51 Summonses	321	R 328 000

- 2 additional positions were filled and **(9)** law enforcement officers were employed to execute the municipal by-laws.
- Daily duties entail patrol duties on the main beaches, CBD areas and other high priority areas. High visibility in residential areas is important. Operations in co-operation with other law enforcement agencies are done on a regular basis.



Twenty-five **(25)** neighbourhood watch members of Paradise beach / Aston bay was appointed as peace officers to assist the municipality in combating crime along our beaches and residential areas. The car guard program has been rolled out and is welcomed by the business

forum.

- Complaints are prioritised and attended too immediately.

“Operation Fielda” a national program from the office of the Minster of Police is being conducted in Kouga and law enforcement officers assisted as per request and invitation. Arrests were made involving illegal firearms and drugs.

Challenges

- There is a shortage of patrol vehicles as only one patrol vehicle is available and additional vehicles needed to be hired to address the need.

- A proper animal pound is needed to impound stray animals.
- Not enough vehicles are available to effectively perform duties.
- No commonage land for emerging farmers to use as grazing land for their stock.
- Stray animals remain a concern as municipal boundaries are not properly fenced.

Solutions

- To have a fully fletched municipal pound by 2019/20 financial year.
- To engage in a collective intervention with all relevant stakeholders to address commonage.
- To request the Department of Roads and Transport to avail funds to address the fences problems.

Registration and Licensing

- **Function:** Municipalities act as agents for the Department of Transport to register and licence vehicles. The municipality receives 19% agency fee for rendering this service.
- Registration/deregistration and Licensing of vehicles
- Capturing of data onto the e-Natis system.
- To forward vehicle related transactions to the helpdesk to be processed as well as requests and complaints.

2017/18	Description	Total	Value
	Duplicate Certificates	399	R244 311
	Special Permits	44	R3 564
	Temporary Permits	117	R12 285
	Roadworthy	227	R57 429

Driver's License testing centre and Roadworthy testing centre

- **Functions:** The Humansdorp drivers licence testing centre makes provision to test light and heavy motor vehicles, as well as renewal of driver licences and professional driving permits. Humansdorp operates from Monday to Saturday.
- Hankey driving licence testing centre is operational and only performs learners licence tests on Monday to Friday. Saturday's testing was stopped due to low volumes and not being cost effective.
- These centres serve the whole of the Kouga area and receives a lot of applicants from all surrounding Municipal areas.
- The Vehicle testing station in Humansdorp is operational and tests are performed



daily. Free tests were done during festive season to make the public aware of road safety. Free tests were also conducted on scholar transport as a provincial program by the Department of Transport. In total 197 tests were conducted during the financial year to the value of **R56 113.92**

- Driving License testing centre (DLTC) statistics both Humansdorp and Hankey

2017/18	Description	Total	Value
	Learners License Applications	3815	R812 595
	Applicants passed	2354 (65%)	R162 526
	Driving License Renewals	5357	R1 157 112
	Driving License tests light m/v	1631	R479 514
	Driving License tests heavy m/v	3140	R1 083 300
	Applicants passed	2625 (79%)	R 567 000

	Roadworthy tests conducted	197	R56 113.92
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Challenges

- The training of more cashiers and customer care of all staff.
- Centralisation of the function for efficient monitoring, control and supervision.
- Replacement of old and redundant equipment by the Department of Transport.
- Office space not conducive for the services rendered.

Solutions

- Filing space needs to be identified.
- Relocation of the renewal of drivers and learners licences to the old boardroom at the Traffic Department.

Security

- Functions: Performing access control, monitoring and visible patrolling on a 24/7 basis. Municipal key points e.g. water treatments plants, sewerage & plants need to be guarded 24/7. A staff compliment of 19 guards are currently employed. During the festive season, this section employed contractual guards for a period of six months.
- This section strives to ensure that municipal assets/property is protected against theft and burglary. Its mandate is also to ensure the human capital is safeguarded when on duty.
- Breaking ins and theft occurred where there were no guards placed.
- Incidents of arson happened at the Humansdorp Country Club building and Ben Marais caravan park.
- Temporarily guards are contracted as and when needed. Private security is being procured to guard high risk areas, e.g. water treatment plants etc.

Challenges

- Staff compliment is not enough to deal with the challenges
- CCTV cameras are still not installed at all building.

Solutions

- More security officers need to be employed or privatization must be considered.
- Shift to digital security equipment

COMPONENT H: SPORT AND RECREATION

3.16 SPORTS AND RECREATION

CARAVAN PARK AND CAMPING

Overview

The coordination and control of all resorts and Caravan Parks within the Kouga jurisdiction.

Strategic objective

The Communities have access to resorts which are well managed and maintained

Description of activities

- The maintenance of all council caravan parks and resorts
- To identify needs and respond to customer complaints to ensure customer satisfaction.
- Reconciliations of bookings and invoices.
- Reservations and bookings

Income generated

PARK	INCOME 2016/17	INCOME 2017/18
Jeffreys Bay Caravan Park	R 2 323 925.83	R 2 326 722.86
Pellsrus Caravan Park	R 48 261.84	R 38 708.28
Humansdorp Caravan Park	R 64 007.07	R 44 986.50
Gamtoos Mouth Park	R 59 839.00	R 253 755.00
Loerie Nature Reserve	R 0	R 0
Yellow Woods	R 0	R 0

REGISTERS							
	Hdp Camp	Hdp Chal	Pel Chal	Jbay	gamtoos	Pellsrus	TOTAL
July	360.00	2,945.00		91,885.35	180,647.00	478.80	276,316.15
Aug	395.00	4,875.00	675.00	139,292.50	1,309.00	529.20	147,075.70
Sep	100.00	3,220.00		406,043.29	2,100.00	327.60	411,790.89
Oct	260.00	1,875.00		190,701.40	1,612.00	176.40	194,624.80
Nov	230.00	3,075.00	1,025.00	113,800.07	976.00	387.80	119,493.87
Dec	1,585.00	3,612.00	1,150.00	651,627.25	40,891.00	25,180.20	724,045.45
Jan	2,650.00	250.00	1,600.00	277,125.75	12,429.00	1,204.00	295,258.75
Feb	20.00	3,037.50	975.00	123,017.75	1,834.00	1,423.20	130,307.45
Mar	60.00	3,115.00	1,025.00	95,207.50	7,549.00	277.20	107,233.70
Apr	150.00	5,250.00		127,922.00	2,910.00	736.26	136,968.26
May	180.00	3,686.00		71,772.76	767.00	279.62	76,685.38
Jun	160.00	3,896.00	908.00	38,327.25	731.00	350.00	44,372.25
	6,150.00	38,836.50	7,358.00	2,326,722.86	253,755.00	31,350.28	2,664,172.64

Challenges

The maintenance of these resorts is not up to standard due to the lack of resources.

No marketing plan for the parks.

Continuous vandalism at the Humansdorp Park

The ownership of the Gamtoos Resort is also a question that needs to be addressed, because it is registered in the name of Sarah Baartman District Municipality.

The lack of a maintenance programme.

Non-provision of security at the resorts.

Solutions:

That Council investigate the viability of this program in relation to core functional priorities.

Achievements

Repairs at parks through Service Providers



SPORT AND RECREATION FACILITIES

Overview

Includes all activities associated with the provision of Sport and Recreational Facilities.

Strategic Objective

Communities have access to recreational facilities that are well maintained in an affordable manner.

Description of the Activity:

The provision of various community and social services within the municipality is administered as follows and includes:

- Control of all existing sport facilities
- Control of all existing community recreation facilities
- Maintenance programs for both sport & recreation facilities

- Marking of pitches
- Preparation for special events at all facilities.
- Identification and application for new facilities as the need arises
- Handling of reservations
- Reconciliations
- Procurement of required amenity equipment.

Challenges

- Vandalism of existing infrastructure e.g. Kwanomzamo and Country Club.
- Vacant caretaker position.
- The planning of new low-income development does not provide sufficient suitable land for the development of recreational facilities.
- Insufficient budget for establishment of new sports fields and maintenance.

Solutions:

- Council considers custodianship for sport clubs for the upkeep and maintenance of the existing sport facilities.
- Adequate provision be made in the Spatial Development Framework for the land acquisition process to accommodate recreational facilities in new developments.
- Filling of vacant caretaker positions.

Achievements

- Weston Sport field was upgraded, which commenced in 2017/18 financial year.

BEACHES AND ABLUTION FACILITIES

Overview

Includes all activities associated with the maintenance of Beach Toilets

Strategic Objective

Communities have access to clean facilities that are well maintained in an affordable manner.

Description of the Activity:

The provision of various beach ablution facilities within the municipality is administered as follows and includes, cleaning ablution facilities and the beach areas.

Challenges

Maintenance of facilities.

Solutions:

Adopt a facility approach.

Maintenance team

Achievements

REPAIRS AT ALL FACILITIES BY TSWELLA



COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

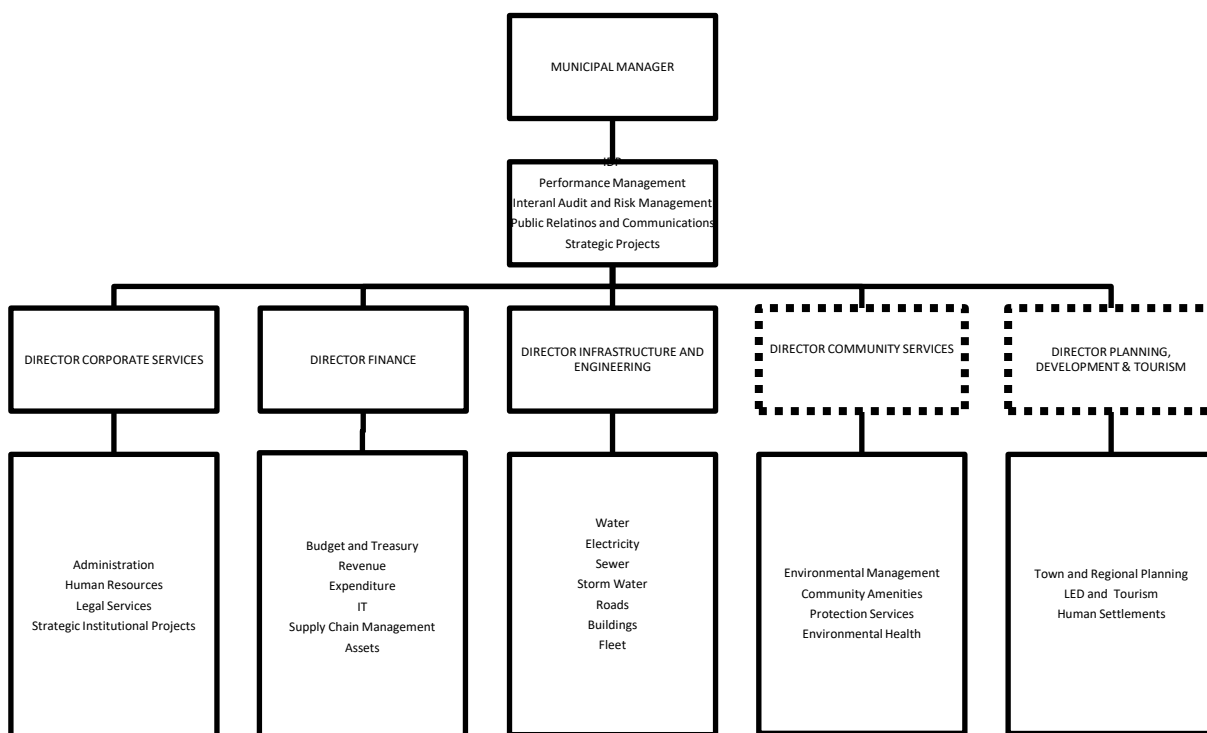
3.17 HUMAN RESOURCE SERVICES

INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resource Section has as its primary objective the recruitment, selection and appointment of suitable staff to enable the institution to attain the objectives as detailed in the Integrated Development Plan. Further to the primary objective, the Human Resource section provides administrative personnel support services on matters such as employee benefits, Labour Relations, Employment Equity Occupational Health Services and Skills Development.

2017/2018 was an extremely eventful and productive year for the Human Resource section and the following were some of the key achievements for the year:

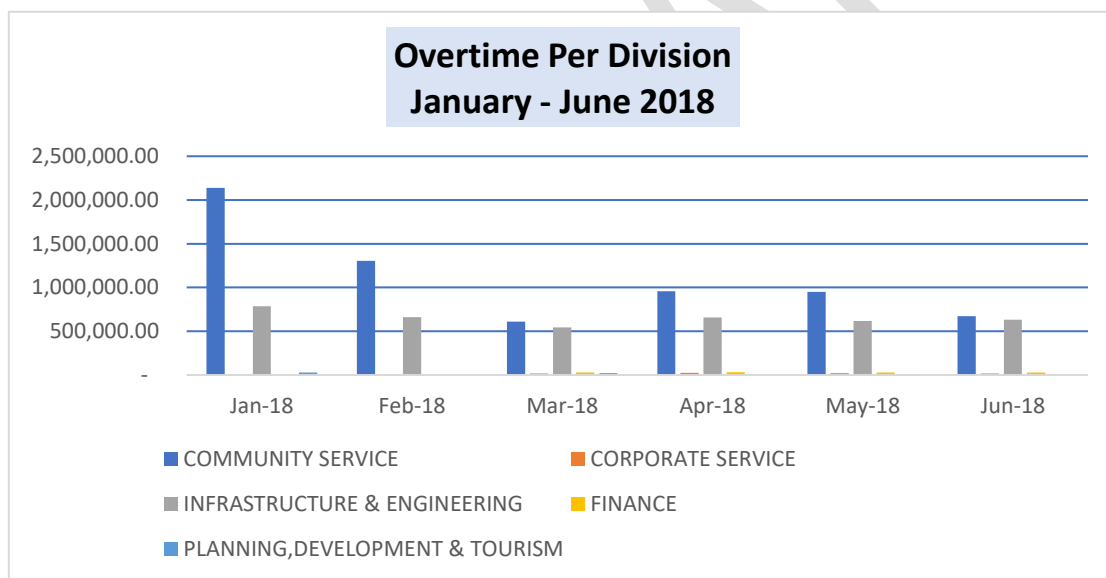
1. The Municipality reviewed its Organogram on November 2017, and the Council adopted a new Organogram on the 8th of December 2017. The Municipality created a new Directorate of Planning, Development and Tourism.



2. A long outstanding settlement agreement on acting appointments was finally resolved, and as at the end of June 2018, the Municipality only had 15 employees

appointed in acting positions, which is significantly down from a total of 75 acting appointees in the 2016/2017 financial year.

3. For the 1st time since amalgamation the municipality has an up to date master database listing all the permanent employees' and their critical institutional information such as task grade, department, section and sub-section. This makes it possible to trace and manage the workforce effectively and efficiently.
4. The Human Resource section has introduced a comprehensive HR report which contains information such as workforce stats, employment equity stats, wage bill and overtime figures, training spend and beneficiaries etc. With information of this nature, the municipality can track month to month progress on HR activity and Council can exercise oversight;
5. The Human Resources Section introduced a comprehensive recruitment report, which enables Management to track month to month progress with all recruitment and turnover activity;
6. A new Overtime Claim form was created to reduce and manage overtime more efficiently and effectively.



Graph 1

The above graph is an illustration that the overtime cost steadily and significantly declined since January 2018, and the Municipality will endeavour to reduce overtime more significantly.

7. The HR section has also implemented the following:
 - Probation System
 - HR Road Shows – Disciplinary Code and Code of Conduct

- Written 269 job descriptions
- Resolved several long outstanding labour matters which could have had adverse financial implications for the Municipality

In October 2017 a full time HR Manager was appointed, after the municipality functioned without an appointed Human Resources Manager for several years.

SERVICE STATISTICS FOR HUMAN RESOURCE SERVICES

Comparative Staff numbers as at 30 June is as follows:

	30 June 2017	30 June 2018
Permanent staff	818	867
Section 56/57	6	6
Contractual Employees	195	21
EPWP	33	28
Total	1 052	922

Comparative Pension/Provident fund membership as at 30 June is as follows:

	30 June 2017	30 June 2018
Consolidated retirement fund	389	413
Consolidated Retirement Fund (No CC) 0		4
National Fund for Municipal Workers	6	6
SA Local Authorities Pension Fund	13	8
Municipal Workers Retirement Fund	209	195
Momentum Provident Fund	3	205
Municipal Councillors Pension Fund	4	3
Consolidated Retirement Fund Cllrs	0	6
LA retirement fund	2	2
Total	626	842

(It must be noted that Contractual Employees and EPWP workers are not required to join a pension/provident fund and Councillor statistics are not included in the total employee numbers above)

Comparative Medical Aid membership as at 30 June is as follows:

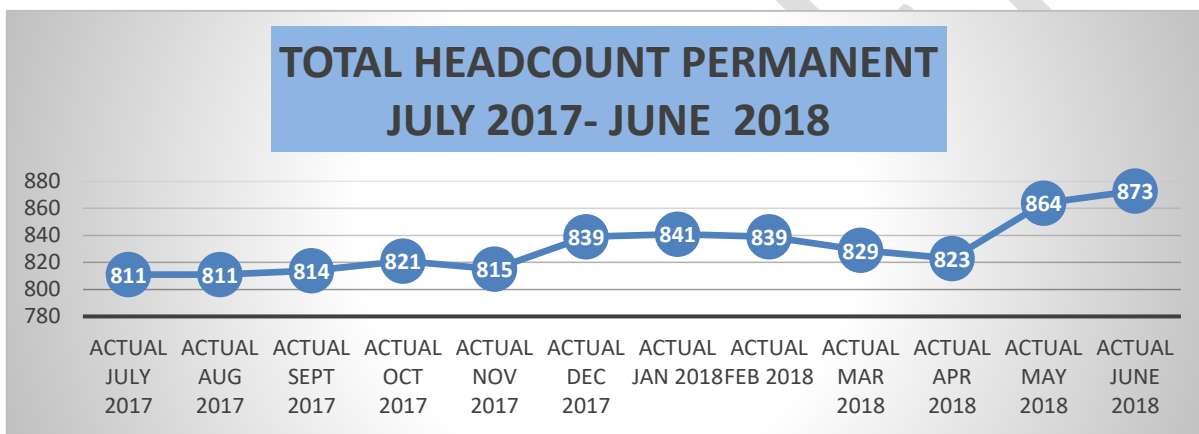
	30 June 2017	30 June 2018
Bonitas	149	165
Key Health	20	19
Hosmed	67	79

LA Health		147		154
SAMWU Med	73		68	
Total		456		485

It must be noted that participation in a medical aid scheme is not compulsory.

Comparative Trade Union membership as at 30 June is as follows:

	30 June 2017	30 June 2018
SAMWU	567	501
IMATU	235	315
Agency Shop	16	27



Graph 2

The above-mentioned graph indicates the total headcount of permanent staff. There was a major increase in permanent staff in Kouga for the Financial year, but temporary staff decreased drastically from 195 to 21 temporary employees.

Employment Equity

Table 1 below shows Kouga's current demographics against the Provincial EAP demographics. The percentage is for both permanent and temporary staff.

It is important to note the underrepresentation of African males & females. Much attention needs to be given to increase the number of African males & females. There is a considerable overrepresentation of Coloured males & females and slight underrepresentation of Indian males & females and white females.

The municipality was placed under Director General review in terms of section 43 of the Employment Equity Act. This means the Director General of Labour will scrutinise the levels of compliance by the Municipality in terms of the Employment Equity Act.

On the 26th of February 2018, the Department of Labour(DOL) had a meeting with the Municipality. Subsequent to that, they raised a report to the Municipality with the following findings:

1. Consultation was not concluded by the employer as Kouga Municipality did not attempt to reach agreement with employees and their representatives on the relevant matters for Consultation as espoused in section 17. Employees from designated and non-designated groups were not consulted as well as employees reflecting the different occupational levels.
2. The employer did not conduct an analysis to identify barriers which have an adverse effect on people from designated groups. Furthermore, there is no profile to identify underrepresentation of persons from designated groups.
3. The Employment Equity Plan is in contravention of section 20 of the act, thus the plan is invalid. An Employment Equity plan in terms of an EE13 form must be completed.

The Municipality was given a deadline of 31 May 2018 to rectify the above. There was an option for extension and extension was requested for 30 days.

The following action plan was implemented to rectify these major discrepancies;

Action	Timeframe
1. Appoint a designated EE manager in terms of section 24	Completed- Director K. Moodley appointed
2. Reconstitute the EE committee in terms of section 16 of the Act	Completed- Nominations done
3. Analysis in terms of section 19	Completed
4. Development of a new EE plan in terms of section 20	Completed
5. Consultations with Labour at the Employment Equity forum and the Local Labour forum in terms of section 17	Completed-End of May 2018 (3 May 2018, 4 June 2018 and 20 June 2018)

	Actual July 2017	Actual Aug 2017	Actual Sept 2017	Actual Oct 2017	Actual Nov 2017	Actual Dec 2017	Actual Jan 2018	Actual Feb 2018	Actual March 2018	Actual April 2018	Actual May 2018	Actual June 2018
HEADCOUNT												
MM	4	4	3	3	3	6	6	6	6	6	6	6
Infrastructure & Engineering	238	238	229	238	235	233	231	222	225	222	246	247
Corporate Services	49	49	55	59	60	58	60	63	63	64	78	80
Community Services	434	434	438	430	426	432	432	427	417	412	414	419
Planning, Dev, & Tourism	6	6	6	6	5	22	25	28	28	26	27	27
Finance	80	80	83	85	86	88	87	93	90	93	93	94
TOTAL	811	811	814	821	815	839	841	839	829	823	864	873
% Permanent Staff growth	0,00%	0,00%	0,37%	0,86%	-0,73%	2,94%	0,24%	-0,24%	-1,19%	-0,72%	4,98%	1,04%
% Total Staff Growth	0%	0,12%	0,60%	2,27%	0,47%	16,53%	0,20%	-6,88%	-0,96%	-0,76%	-3,38%	1%

6. Approval by Council

Completed- End of June 2018

1ST DRAFT

EQUITY REPORTING -	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
African Male	262	262	262	263	261	262	262	269	265	264	175 285	289
African Male(Temporary)							66	37	37	37	4	6
%	31,57%	31,53%	31,34%	30,76%	30,38%	26,17%	32,70%	32,76%	32,65%	32,79%	32,58%	33,00%
African Female	128	127	127	129	127	128	129	124	124	125	138	138
African Female(Temporary)							39	22	22	22	6	7
%	15,42%	15,28%	15,19%	15,09%	14,78%	12,79%	16,75%	15,63%	15,78%	16,01%	16,23%	16,22%
Coloured Male	279	279	281	280	279	288	287	282	276	272	274	276
Coloured Male(Temporary)							41	26	26	26	8	4
%	33,61%	33,57%	33,61%	32,75%	32,48%	28,77%	32,70%	32,98%	32,65%	32,46%	31,79%	31,32%
Coloured Female	104	104	104	107	108	112	112	108	108	106	110	112
Coloured Female(Temporary)							14	9	9	9	4	2
%	12,53%	12,52%	12,44%	12,51%	12,57%	11,19%	12,56%	12,53%	12,65%	12,53%	12,85%	12,75%
Indian male	0	0	0	0	0	0	0	0	0	0	0	0
%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
Indian Female	0	0	1	1	1	1	1	1	1	1	1	1
%	0,00%	0,00%	0,12%	0,12%	0,12%	0,10%	0,10%	0,11%	0,11%	0,11%	0,11%	0,11%
White Male	18	19	19	20	20	25	27	33	33	33	34	35
White Male(Temporary)							1	1	1	1	1	1
%	2,17%	2,29%	2,27%	2,34%	2,33%	2,50%	2,79%	3,64%	3,68%	3,81%	4,06%	4,03%
White Female	20	20	20	21	19	23	23	22	22	22	22	22
White Female(Temporary)							1	0	0	0	0	1
%	2,41%	2,41%	2,39%	2,46%	2,21%	2,30%	2,39%	2,36%	2,38%	2,40%	2,48%	2,57%
TOTAL PERMANENT	811	811	814	821	815	839	841	839	829	823	864	873
Number of Temporary Employees	19	20	22	34	44	162	162	95	96	95	23	21
TOTAL PERMANENT, CONTRACT & TEMPORARY	830	831	836	855	859	1001	1003	934	925	918	887	894

Table 1

Staff with disabilities

In the 2016/2017, no staff with disabilities were listed in Kouga. However, since February 2018, the Municipality made a concerted effort to enhance Employment Equity in the Municipality resulting in the identification of 8 staff with disabilities.

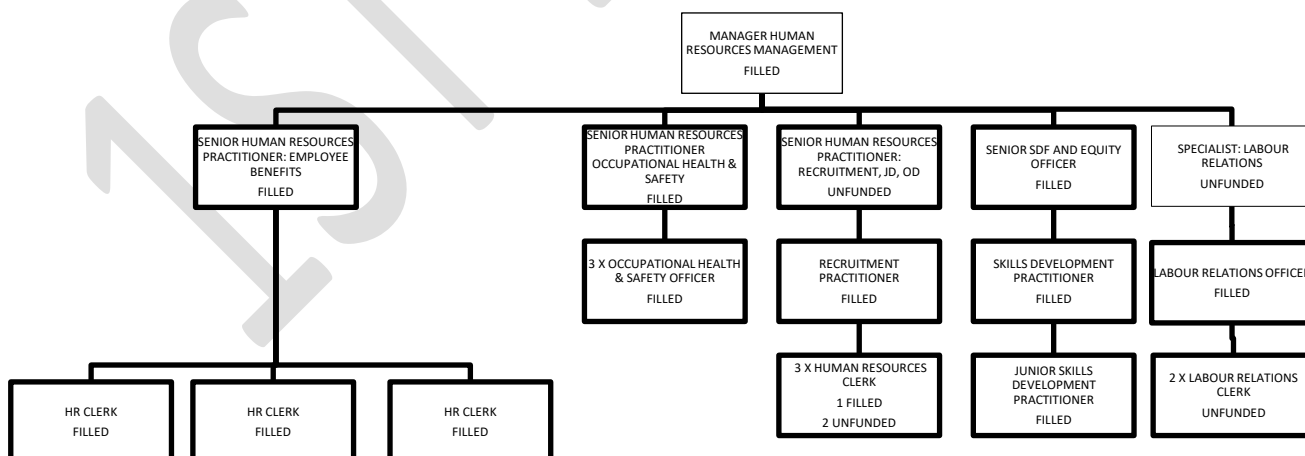
Human Resource Section Vacancy rate

Job Grade	Employees	Posts	Vacancies as % of total posts	Vacancies Full Time Equivalent
0-3	0	0	0%	0
4-6	0	0	0%	0
7-9	5	5	0%	0
10-12	9	9	0%	0
13-15	1	1	0%	0
16-18	0	0	0%	0
19-20	0	0	0%	0
Total	15	15	0%	0

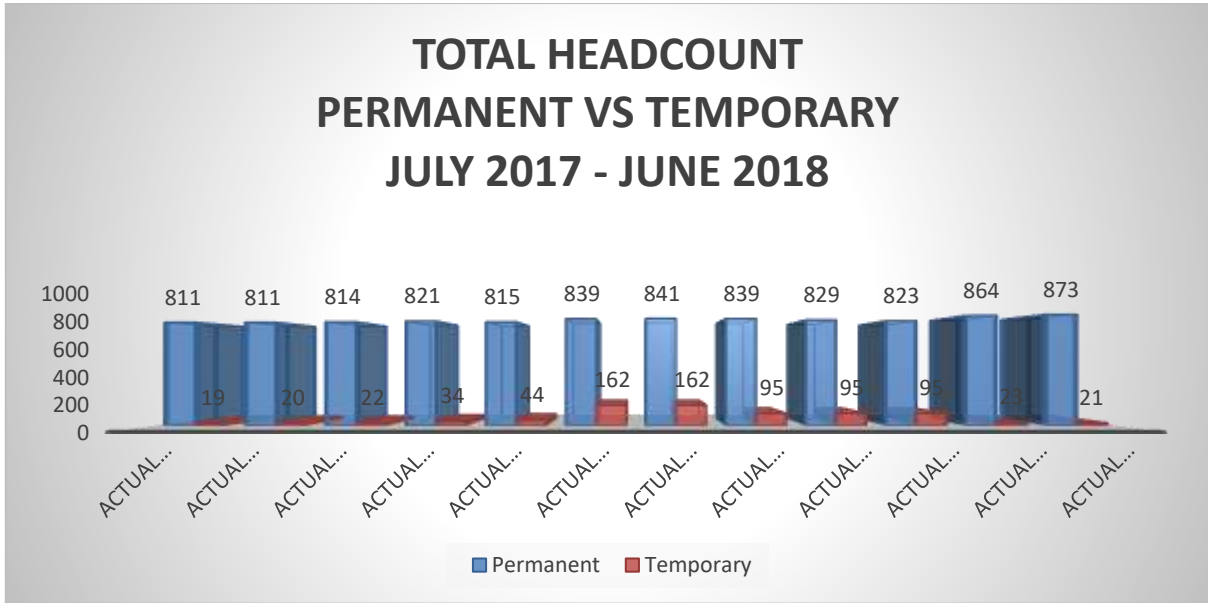
COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICE OVERALL:

The Human Resource section was severely understaffed at the beginning of 2017/18, but this has changed drastically due to re-alignment of the HR function, and recruitment of skilled staff.

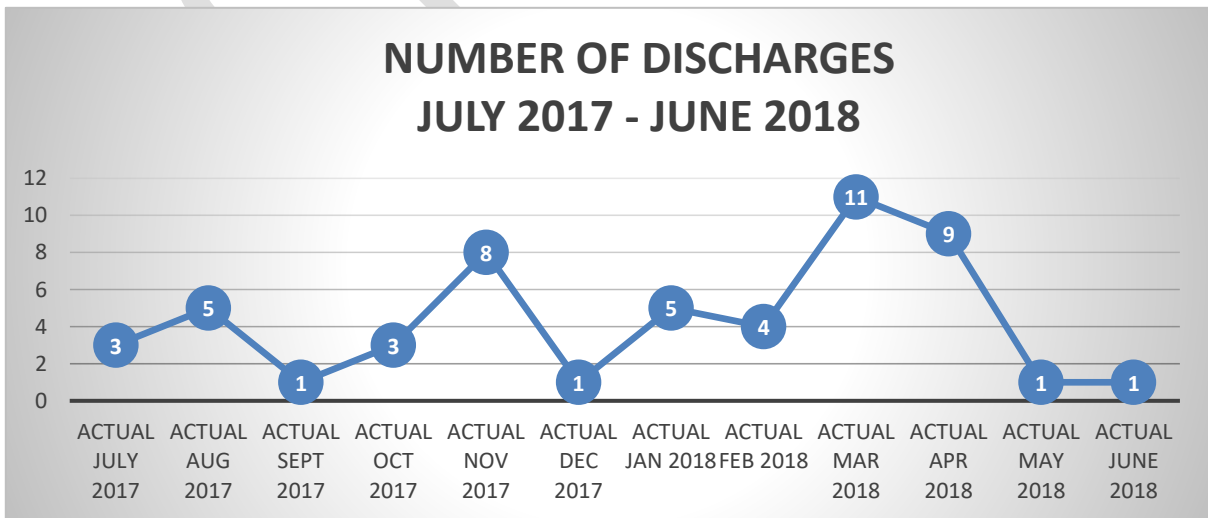
As can be seen underneath, the HR function has been correctly aligned to ensure more effective and efficient support services. The Health and Safety function has been placed under HR, and Skills Development and Employment Equity has been segregated.



The relocation and expansion of the HR Offices has become urgent to allow HR to function optimally, and the Municipality needs to appoint a Specialist in Labour Relations.



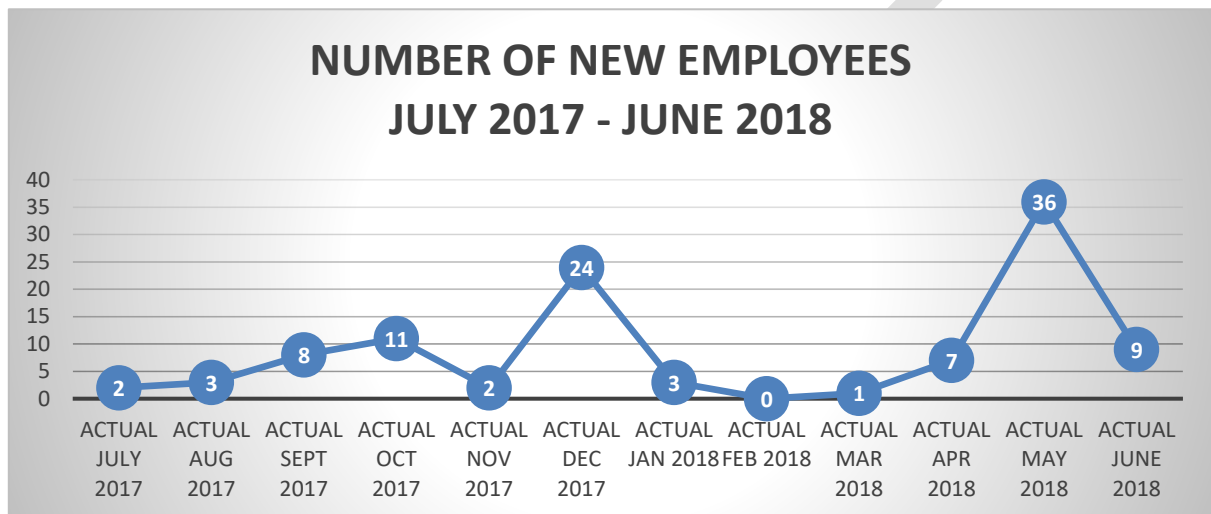
Graph 4



Graph 5

The above graph shows the number of the terminations for the year under review.

For the reporting year –1 July 2017 to 30 June 2018, there was an overall staff increase of 11.43% i.e. 830 to 925.

**Graph 6**

There has been a downward trend in staff levels over the past 8 years as is evident from the below, however an increase in the wage bill linked to inflation:

Year	Staff numbers	Payroll
2009/2010	1 181	R158 678 047
2010/11	1 089	R182 860 683
2011/12	960	R182 822 233
2012/13	922	R193 299 330
2013/14	878	R209 085 170
2014/15	822	R212 826 380
2015/16	860	R228 746 553
2016/17	818	R228 043 152
2017/18	873	R243 418 034

3.18 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

ICT GOVERNANCE

The Accounting Officer is ultimately responsible for the Information Technology Governance and Security functions. The responsibility for implementation and monitoring of technology governance and security related frameworks is delegated to the Information Communication Section within the Finance Department (FIN: ICT) which ensures adequate management and reviews of the ICT Governance Charter & ICT Strategic Plan.



ICT Corporate Governance framework

The ICT governance framework and policies were developed in October 2016, and served at the following Committees:

Committee		Date
1	Audit Committee	23 May 2017
2	Finance Portfolio Committee	03 October 2017
3	Ordinary Council Meeting	27 October 2017

Key IT Governance policies / documents:

- Corporate Governance of ICT Policy
- ICT Charter
- ICT Strategy
- ICT Risk Management Framework / ICT Risk Register
- ICT Policy Framework
- ICT Disaster Recovery Policy / Plan
- ICT Governance Implementation Roadmap

The ICT Steering Committee

The ICT Steering Committee (ICTSC) is a mechanism that assists those responsible for IT, to ensure that ongoing IT operations and systems are aligned with the strategic plan and ultimately the IDP. In addition, IT related risks, projects, audit issues and required systems changes are managed. The (ICTSC) is chaired by the municipal manager and

assisted by the IT Manager and directors of other departments. The ICTSC's main function is to propose and approve strategic initiatives that are envisaged to enhance and improve IT systems and facilitate the organisation to become more effective.

IT Related Projects

The mSCOA project was a major shift in financial reporting and the ICT Department played a magnificent role with the upgrading of the Server Infrastructure to ensure that the organisation is ready to transact on the new financial platform as prescribed by national treasury.

1ST DRAFT

COMPONENT J: ORGANISATIONAL PERFORMANCE SCORECARD

This component includes: Annual Performance Scorecard Report for the 2017/18 year.

INSTITUTIONAL SDBIP IMPLEMENTATION SCORECARD: 2017/18

INFRASTRUCTURE AND BASIC SERVICES				
Water and sanitation				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Actions
100% of formal households with access to basic levels of water, sanitation, electricity and solid waste removal	% of formal households with access to basic levels of water, sanitation, electricity and solid waste removal	<p>100% of formal households have access to basic levels of service such as water, sanitation, electricity and solid waste removal. Services are also provided in informal areas by the provision of water stand pipes, refuse removal and sanitation by means of communal facilities. Electricity have been provided to an additional 270 households and an additional 210 households have been connected to the sewer system. 220 erven in Pellsrus have been provided with water, sewer and electricity</p> <p>10 Additional boreholes were drilled to supplement water supply and 1 boreholes was refurbished.</p>	<p>Director I&E</p> <p>Director Community Services</p>	None required target achieved

		80 Jojo water tanks were supplied and installed to supplement water supply in the Gamtoos Valley Waste water treatment capacity has been increased to 4MI per day at the Kruisfontein Treatment Works		
100% of formal households provided with free access to basic services based on the indigent register	100% of formal households provided with free access to basic services based on the indigent register	100% of the residents registered on the Indigent Register is being provided with access to free basic services. 12kl free water and 50kwh free electricity.	Chief Financial Officer	
Reduce water losses to 36.4% and report quarterly on compliance with the water losses reduction action plan.	% water losses calculated against water purchased/produced against water sold/accounted for and number of reports submitted on compliance with the action plan	No funding was provided on the 2017/18 budget to replace old and broken water meters which impacted negatively on the ability to reduce water losses. A number of measures to restrict water usage such as push taps at beaches, the closure of beach showers and water flow restrictors have been applied to limit water usage and wastage.	Director I&E	
Roads and Storm water				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Actions
Repair Johan Muller Boulevard	Repairs effected to Johan Muller Boulevard	Johan Muller Boulevard has been repaired. Flame Crescent was resealed. Call Centre complaints relative to road related matters was also attended to.	Director I&E	None required target achieved

INFRASTRUCTURE AND BASIC SERVICES				
Land Use Management				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
Land use applications, inclusive of rezoning's, consent use, departures, removal of restrictive conditions, consolidations, subdivisions and boundary adjustments are finalised within 90 days of application	Number of days from date of submission for the finalization of applications for rezoning, consent use, departures, removal of restrictive conditions, consolidations, subdivisions and boundary adjustments.	The Directorate Planning, Development and Tourism was only established as from 1 January 2018. The directorate previously resorted under the Infrastructure Directorate and was housed in a residential building in Humansdorp which severely impacted on the ability to deliver services. The delays in the appointment of the SPLUMA Committee severely impacted on the ability to attend to land use applications in good time. The target of 90 days to finalize compliant land use applications is not achievable given the 50% reduction in staff over the past 3 years. Legally SPLUMA allows 18 months for the finalization of land use application. The Town Planning Section complies with the SPLUMA time frames for the finalization of land use related applications.	Director Planning	Target should be reduced to be in line with the SPLUMA time-frames for the finalization of land use applications.
Building plans approved/rejected within 30 days from date of submission	Number of days for the approval/rejection of building plans from date of submission	Building plans which complies with the minimum submission requirements are being finalized within 30 days of application. It must be noted that legislation provides that building plans for structures smaller than 500m2 to be finalized within 30 days and structures in excess of 500m2 to be finalized within 60 days.	Director Planning	Target should be refined to allow for longer time-frames for building plans for structures in excess of 500m2

INFRASTRUCTURE AND BASIC SERVICES				
Health and social services				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
Submit 528 water samples for bacteriologic and chemical analysis	Number of water samples for bacteriological and chemical analysis	100% of the target was achieved 528 water samples was submitted for bacteriological and chemical analysis. Additional water samples were taken at rivers and beaches.	Director Community Services	None required target achieved
200 school children reached through HIV/AIDS and health related outreaches and support programmes in partnership/coordinating with the Department of Health	Number of school children reached through HIV/AIDS health related outreaches and support programmes in partnership/cooperation with the Department of Health	Programmes have been rolled out to schools and more than the intended number of school children have been reached.	Director Community Services	None required target achieved.

INFRASTRUCTURE AND BASIC SERVICES				
Environmental Health services				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	
Conduct 737 environmental health inspections	Number of environmental health inspections and investigations reached	The target number of environmental health inspections have been achieved. 737 inspections conducted	Director Community Services	None required target achieved

INFRASTRUCTURE AND BASIC SERVICES				
DISASTER MANAGEMENT				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
Conduct a risk Disaster assessment and submit a report to the Municipal Manager within 7 days of a disaster/incident	Due date compliance with risk assessments following disasters/incidents	No disaster occurred during the reporting period and as such was it not necessary to conduct and submit a disaster risk assessment report.	Director Community Services	None required

INFRASTRUCTURE AND BASIC SERVICES				
Solid waste, refuse and cleaning				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
Provide 100% of formal households with weekly refuse removal services	% of formal households with weekly refuse removal services	100% of formal households is being provided with a weekly refuse removal service. At the onset of the financial year the section only had access to 4 refuse removal trucks. 2 additional refuse trucks were procured and 2 trucks were repaired to a serviceable condition. All trucks have been equipped with tracking equipment to improve oversight and control.	Director Social Services	None required, target achieved
Provide 100% of commercial enterprises with refuse removal services 3 times per week	% of commercial enterprises with refuse removal services 3 times per week	100% of commercial enterprises are serviced with refuse removal services 3 times per week with increased refuse removal over peak holiday periods.	Director Social Services	None required, target achieved

INFRASTRUCTURE AND BASIC SERVICES				
Coastal and Estuary Management				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
1 Beach with Blue Flag Status	Number of beaches with Blue Flag Status	1 Beach was awarded Blue Flag status. The Blue Flag Beach season ended April 2018. 2 Senior Life Guards have been appointed on a permanent basis and joint operational committee meetings with the SAPS, NSRI and stakeholders was implemented to improve safety.	Directorate Social Services	None required, target achieved

INFRASTRUCTURE AND BASIC SERVICES				
Sport and Recreation				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
265 000 people/visits making use of library facilities	Number of people making use of library facilities	Target of visitors have been met. 5 Additional Library Assistants have been appointed and the Pellsrus Library shall become operational as from 1 September 2018.	Director Community Services	None required, target achieved

LOCAL ECONOMIC DEVELOPMENT				
JOB CREATION				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
600 Jobs created through LED initiatives and capital projects	Number of Job Created through LED initiatives and capital projects	As a result of the fact that the contract of employment of the Director LED, Tourism and Creative Industries terminated with effect 31 July 2017, no reporting on the job creation initiatives was reported on.	Director Planning Director I&E	Records of all jobs created through LED initiatives, Capital projects and other must be kept and reported on.

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Actions
Conduct 1 Customer satisfaction survey	Number of community satisfaction surveys conducted	Customer satisfaction survey not finalized for the year under review.	Office of the Municipal Manager	Customer Satisfaction survey must be conducted at least once per year and reported to Council.

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT				
LEGAL SERVICES				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
Prepare and compile a register of legal service providers	Number of register prepared	The Legal Section was unstaffed for a significant period of time and a Manager Legal Services was appointed at the end of 2017. The Legal Service Provider Register has been compiled and reports on legal related matters is being submitted on a regular basis to meetings of the Portfolio Committee. It must be noted that the legal section was non-functional for a considerable period of time and a significant turnaround has been achieved in that all cases against Council is recorded, tracked and reported on.	Director Corporate Services	None required, target achieved

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT				
ASSET MANAGEMENT				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
Reduce the number of exceptions raised on the asset register from 27 to 14	Number of exceptions raised by the Auditor-General on asset register	The Audit finding is only due towards the end of November 2018 and as such can achievement on this target not be reported on.	Chief Financial Officer	To be determined if corrective action is required once AG report is issued.
Zero exceptions raised by the Auditor -General on contract management	Number of exceptions raised by the Auditor-General on contract management	The Audit finding is only due towards the end of November 2018 and as such can achievement on this target not be reported on.	Chief Financial Officer	To be determined if corrective action is required once AG report is issued.
OFFICE ACCOMMODATION				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
Establish new consolidated office for Engineering and Town Planning Sections by 1 April 2018	Due date compliance with the establishment of consolidated office for Engineering and Town Planning	The Infrastructure and Engineering and Planning, Development and Tourism Directorate have been accommodated in new offices as from 1 April 2018. New furniture has also been procured to facilitate improved service delivery.	Director Corporate Services	None required, target achieved. Securing additional office accommodation must be investigated.

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT				
STAFF ESTABLISHMENT				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
100% Compliance with the Employment Equity Plan targets in respect of the 3 highest categories of employment (Target employee 2 African Females)	Compliance with the Employment Equity Plan targets in respect of the 3 highest categories of employment (Target 2 African Females)	2 African Females were appointed during the year under review and the Employment Equity targets were met. The Employment Equity Plan was found not to be compliant with legislative provisions and the Equity Plan was reviewed in its totality aligned to Provincial Equity Targets. An Employment Equity Committee was also elected and an Employment Equity Manager was appointed in compliance with legislation in this regard.	Director Corporate Services	None required, target achieved.
3.2% Vacancy rate for all approved budgeted posts	% Vacancy rate for all approved budgeted posts	A vacancy rate of less than 2.13% was achieved. 106 new appointments have been made since 1 July 2017 to 30 June 2018 and a substantial improvement in appointment turnaround times have been achieved. All appointments are aligned to the approved Organogram.	Director Corporate Services	Performance claim must be subjected to Audit scrutiny

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT				
SKILLS DEVELOPMENT				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Action
100% of skills development budget spent on skills development	% of budget spent on skills development	With the adjustments budget the funding provided for Skills Development was re-allocated which resulted in over expenditure of the skills development budget. Training programs for staff at no cost to Council was presented and in-house computer training for Councillors was presented.	Director Corporate Services	Skills funding must not be re-allocated.

MUNICIPAL TRANSFORMATION AND ORGANIZATIONAL DEVELOPMENT				
PERFORMANCE MANAGEMENT				
ANNUAL TARGETS	Key Performance Indicators	Reported Achievements	Responsible Directorate	Corrective Actions
4 Performance Audit Committee meetings	Number of performance audit committee meetings held	The Audit Committee previously performed the functions of the Performance Audit Committee. A Performance Audit Committee was established, and the Committee had 3 meetings during the reporting period.	Office of the Municipal Manager	The Performance Audit Committee must meet Quarterly.

2 Institutional Performance Reports submitted to Council	Number of Institutional Performance Reports submitted to Council	Annual Performance Report submitted with the Annual Report in August 2017 and the Mid-Year performance report was submitted in January 2018.	Office of the Municipal Manager	None required, target achieved
Departmental SDBIP completed by 31 August 2017	Due date compliance for completion of Departmental SDBIP	The Departmental SDBIP was included in the SDBIP approved by the Mayor on 20 June 2017.	All Directors	Departmental SDBIP must be developed separately but in support of Institutional Targets to allow for the cascading of performance management to lower levels.

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				
ANNUAL TARGETS	Key Performance Indicator	Reported Achievements	Responsible Directorate	Corrective Actions
95% of FMG budget appropriately spent	% of FMG budget appropriately spent	As at 30 June 2018 expenditure on the FMG grant funding was 100%	Chief Financial Officer	None required, target achieved.

MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT				
FINANCIAL MANAGEMENT CAPACITY				
ANNUAL TARGETS	Key Performance Indicator	Reported Achievements	Responsible Directorate	Corrective Actions
Present 1 CPMD course to no less than 10 officials	_Number of CPMD training initiatives presented and number of staff trained in CPMD	The target was exceeded and Councillors were also afforded the opportunity to participate in CPMD programs.	Director Corporate Services	None required, target achieved.
REVENUE GENERATION AND FINANCIAL MANAGEMENT				
ANNUAL TARGETS	Key Performance Indicator	Reported Achievement	Responsible Directorate	Corrective Actions
94% revenue collected against revenue raised	% of revenue collected against revenue raised	The average revenue collection rate as at 30 June 2018 was 90.73%. It must be noted that with the adjustments budget the revenue collection target was reduced to 90% and as such the target as per the adjustments budget was achieved.	Chief Financial Officer	Target as per adjustments budget achieved. Attempts must be made to increase revenue collection to previous high levels and to maintain such levels of revenue collection.

90% of creditors paid within 30 days from date of invoice	% creditors paid within 30 days from date of invoice	As at 30 June 2018 the creditors payment period was 45 days which is equivalent to 67% of creditors being paid within 30 days of invoice. The 2016 Metro water account of R46 million influenced the payment period and if the Metro water bill is excluded from calculation the payment period for creditors is 21 days.	Chief Financial Officer	The matter of the validity of the Metro Water account must be finalized
External interest not exceeding 5% of operating expenditure	% external interest against operating expenditure	0.58% of the operating expenditure as at 30 June 2018 was paid on external interest. Target was significantly exceeded.	Chief Financial Officer	None required, target exceeded
5.24% of total operating budget allocated to repairs and maintenance	% of total operating budget allocated to repairs and maintenance	With the adoption of the 2017/18 budget, the budget allocation for repairs and maintenance was 5.24% of the operating budget.	Chief Financial Officer	Budgetary provisions for repairs and maintenance must be increased to 8%
Cost coverage equivalent to one month	Cost coverage ratio	The cost coverage as at 30 June 2018 was 1.87 months	Chief Financial Officer	None required, target exceeded
CLEAN AUDIT BY 2019				
ANNUAL TARGETS	Key Performance Indicator	Reported Achievement	Responsible Directorate	Corrective Actions
90% compliance with the Audit Corrective Action Plan towards a Clean Audit	Percentage compliance with the targets as per the Implementation report on the Audit Corrective Action Plan	Compliance with the Audit Corrective Action Plan can only be assessed on receipt of the Audit Outcomes for the 2017/18 year.	All Directors	To be determined if corrective action is required once AG report is issued.

Unqualified Audit	Audit Outcome	The Audit results shall only become available with the release of the Audit Report by the Auditor General towards the end of November 2018. An unqualified Audit was achieved for the 2016/17 year.	All Directors	To be determined if corrective action is required once AG report is issued.
STAFF EXPENDITURE				
ANNUAL TARGETS	Key Performance Indicator	Reported Achievement	Responsible Directorate	Corrective Actions
35% of operating expenditure spent on staff expenditure (budget 34.6%)	% of operating budget spent on staff expenditure	The reported achievement on staff expenditure is subject to scrutiny by the Auditor General. With the adjustments budget staff expenditure was set at 34.6% of the total operating budget.	Director Corporate Services	None required, target achieved.
CAPTIAL BUDGET EXPENDITURE				
ANNUAL TARGETS	Key Performance Indicator	Reported Achievements	Responsible Directorate	Corrective Actions
95% of capital budget spent on intended purposes	% of capital budget spent in intended purposes	Actual capital budget expenditure is subject to scrutiny by the Auditor General and such information shall only become available with the release of the Audit Report towards the end of November 2018. Signification improvements have been made in the bid adjudication process to speed-up the award of tenders and thus capital expenditure, the full impact of which shall only be known during the 2018/19 financial year.	All Directors	To be determined if corrective action is required once AG report is issued. Targets and due dates as per the Departmental Procurement Plans

				must be complied with.
95% of MIG budget appropriately spent	% of MIG budget appropriately spent	MIG expenditure for the 2017/18 year amounted to R27 584 121.85 which equates to 101.14% of the total MIG allocation. The VAT increase to 15% resulted in expenditure in excess of 100%	Director I&E	None required, target achieved.
95% of Department Energy Budget appropriately spent	% of Department Energy funding appropriately spent	The R4 200 000.00 Department of Energy funding for the 2017/18 year was spent in full. 270 additional households were connected to the electrical grid and electricity was made available to 220 erven in Pellsrus.	Director I&E	None required, target achieved

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
WARD COMMITTEES				
ANNUAL TARGETS	Key Performance Indicator		Responsible Directorate	Corrective Actions
15 ward committees with 1 meeting per quarter	Number of ward committees 1 meeting per quarter	This target was exceeded, Ward Committees on average meets once per month. All 15 Ward Committees exceeded the target of 1 meeting per quarter.	Director Corporate Services	None required, target exceeded

GOOD GOVERNANCE AND PUBLIC PARTICIPATION				
STAKEHOLDERS RELATIONS				
ANNUAL TARGETS	Key Performance Indicator	Reported Achievements	Responsible Directorate	Corrective Actions
15 wards reached through public participation programmes	Number of wards reached through public participation meetings	Public Participation meetings were held on at least two occasions in all 15 Wards for purposes of inviting community input on the budget and Integrated Development Plan.	Office of the Municipal Manager	None required, target achieved
4 Inter-Governmental Relations Meetings	Number of Inter-Governmental Relations Meetings	Inter-Governmental meetings held on 27 March 2017, and 29 September 2017 followed by an Integrated Disaster Management Meeting.	Office of the Municipal Manager	Inter-Governmental meetings must be attended

CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

INTRODUCTION

The Performance Management Section currently administers Institutional Performance and Individual Performance to the level of the Municipal Manager and Directors reporting directly to the Municipal Manager.

The purpose of the performance management section is to allow Councilors and Top Management the opportunity of oversight and timeous corrective action where it is evident that set institutional targets shall not be achieved.

In compliance with the legislative provisions does the Integrated Development Plan for the year under review form the basis of the Institutional Service Delivery and Budget Implementation Plan.

The Institutional Service Delivery and Budget Implementation plan forms the basis for the individual performance agreements of the Municipal Manager and Directors.

Performance agreements are concluded annually before 31 July with the Municipal Manager and Directors and performance reviews must be conducted on a quarterly basis with the annual performance review conducted by an Evaluation Panel appointed in terms of the Performance Management Regulations.

Performance reporting for the 2017/18 year improved substantially from the previous year where performance reporting and performance reviews were conducted out of time.

Performance bonuses are only paid after evaluation and only on approval of the evaluation results by Council and the adoption of the annual report for the period under review.

The roll out of performance plans to employees below the level of Top Management remains slow and is dependent on the development of Departmental Service Delivery and Budget Implementation Plans which was not attended to in time to ensure the effective roll out of the performance management system to lower level employees.

COMPONENT A: INTRODUCTION TO MUNICIPAL PERSONNEL

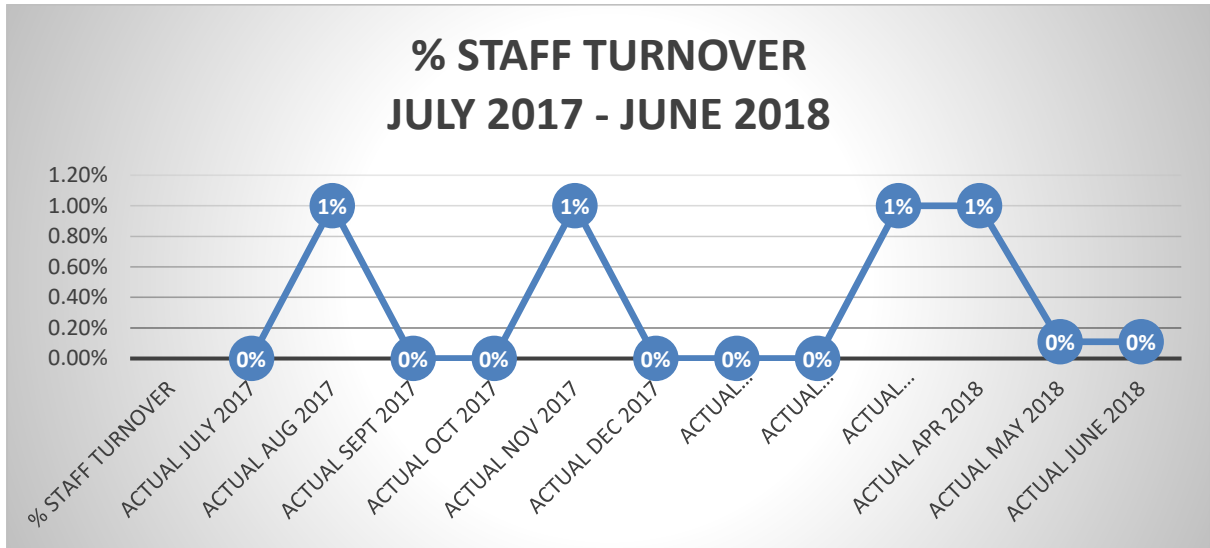
4.1 HUMAN RESOURCES

Human Resource Section: Staff turnover and vacancy rate

Job Grade	Employees	Posts	Vacancies as % of total posts	Vacancies Full Time Equivalent
0-3	0	0	0%	0
4-6	0	0	0%	0
7-9	5	5	0%	0
10-12	9	9	0%	0
13-15	1	1	0%	0
16-18	0	0	0%	0
19-20	0	0	0%	0
Total	15	15	0%	0

VACANCY RATE			
DESIGNATIONS	TOTAL APPROVED POSTS	VACANCIES (Total time that vacancies exist using fulltime equivalents) No.	VACANCIES (As a proportion of total posts in each category) %.
Municipal Manager	1	0	0%
CFO	1	0	0%
Other Section 56 Managers (excluding finance posts)	4	0	0%
Other Section 57 Managers (Finance posts)	0	0	0%
Law enforcement Officers	44	0	0%
Fire Fighters	46	0	0.5%
Senior Management Levels 14-17(excluding finance posts)	20	1	4.7%
Senior Management Levels 14-17 (Finance posts)	6	0	0%
Highly skilled supervision: levels 9-13 (excluding finance posts)	182	2	1%
Highly skilled supervision: Levels 9-13 (Finance posts)	33	0	0%

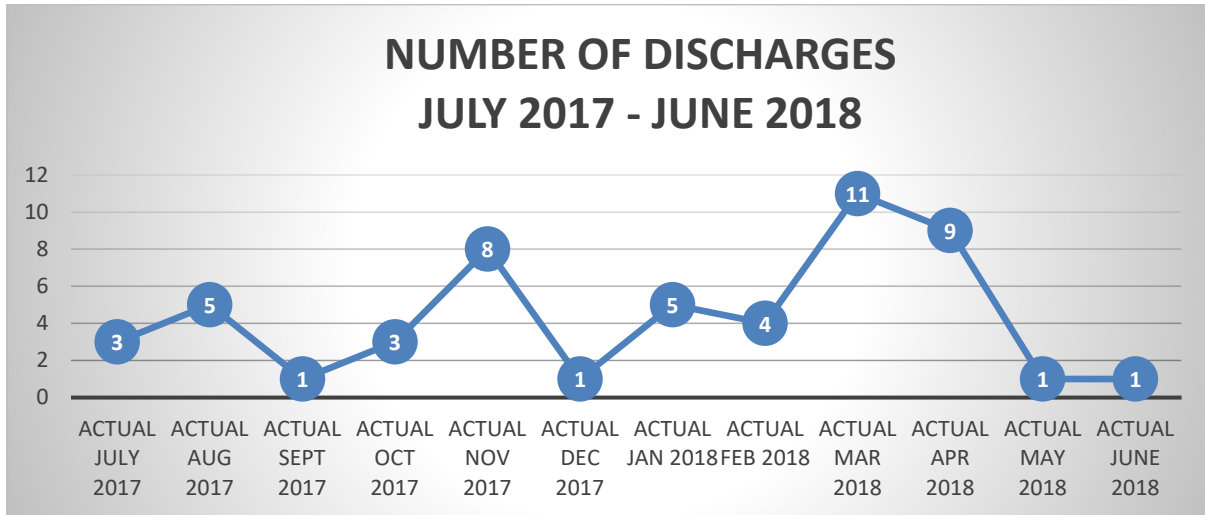
TURNOVER RATE		
Total Appointments as at 1 July 2018	Total Terminations for the year ending 30 June 2018	Turnover Rate %
873	52	5.95%



Graph 3

COMMENT ON VACANCIES AND TURNOVER:

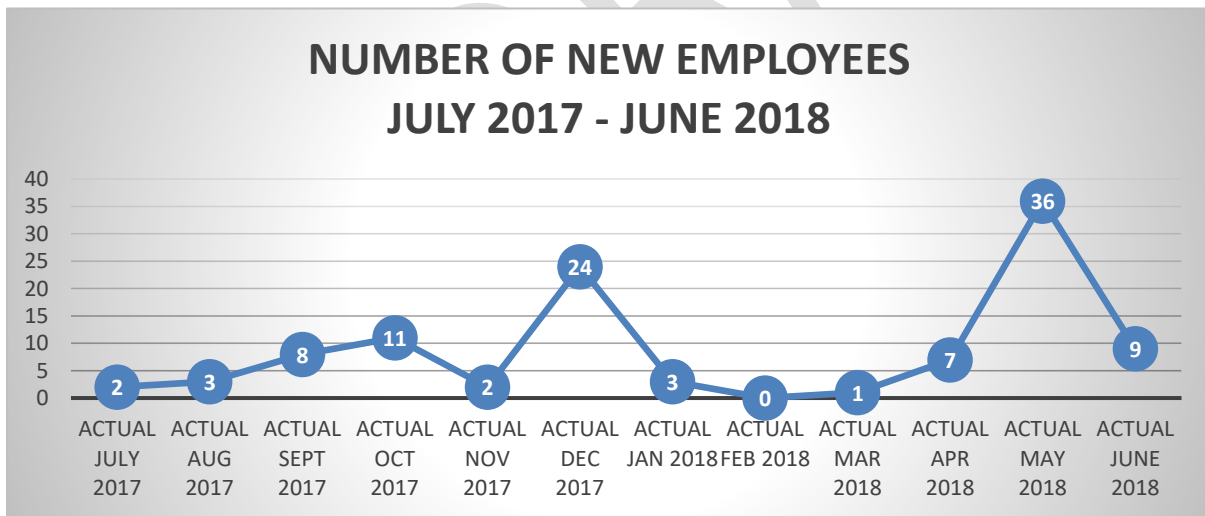
The headcount of the Municipality is an indication of a fluctuating workforce, due to factors such as new appointments, resignations, retirements, and dismissals. There was a major spike of 4.98% in permanent employees in the month of May, with an increase in the number from 823 in April to 864 in May, and to 873 in June. The number of temporary employees declined from 162 in January to only 21 in June.



Graph 5

The above graph shows the number of the terminations for the year under review.

For the reporting year –1 July 2017 to 30 June 2018, there was an overall staff increase of 11.43% i.e. 830 to 925.



Graph 6

COMPONENT B: CAPACITATING THE MUNICIPAL WORKFORCE

INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The MSA 2000 S68 (1) requires municipalities to develop their human resource capacity to a level that enables them to perform their functions and exercise their powers in an economical, effective, efficient and accountable way.

Kouga Municipality established an Employment Equity and Skills Development Section that amongst others addresses the skills development needs of the Institution.

Skills Development needs are assessed annually and is based on the results of an employee skills audit. Training needs per position/incumbent are aligned to the audits and requirements as assessed by the various Directorates. The information must be compiled in the form of an annual Work Place Skills Plan which guides and directs the implementation of skills development initiatives.

The Municipality appointed a Junior Skills Development Practitioner, and a Senior Skills Development Practitioner. The unit has been marred by underperformance and poor decision making. Not all training planned was successfully implemented. The unit has the potential to run progressive programmes that will positively contribute to changing of the organisational culture.

The following schedule reflects the skills development programmes for the 2017/18 year:

TRAINING COSTS	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Training Cost	0	0	0	0	0	0	126 656,82	86 234,16	13 442,88	126 540	0	0
Associated costs	0	0	0	0	0	0	0	0	0	0	0	0
Number of beneficiaries	110	110	110	110	110	110	115	80	211	40	45	69
Categories of Beneficiaries												
Legislators	0	0	0	0	0	0	26	0	26	29	11	1
Managers	0	0	0	0	0	0	0	0	1	0	7	6
Professionals	0	0	0	0	0	0	14	2	92	11	15	4

Technicians and Associate Professionals	0	0	0	0	0	0	0	1	5	0	7	7
Clerical Support Workers	0	0	0	0	0	0	0	2	7	0	5	6
Service & Sales Workers	0	0	0	0	0	0	0	1	6	0	0	30
Skilled Agricultural, Fishery and Related Trade Workers	0	0	0	0	0	0	0	0	0	0	0	0
Plant & Machine Operators and Assemblers	0	0	0	0	0	0	0	4	4	0	0	0
Elementary Occupations	110	110	110	110	110	110	75	70	70	0	0	15

Table 3

Exciting changes are foreseen in the skills development unit. The WSP was submitted on the 25th of April 2018. A Skills Audit was conducted and 281 employees responded to the skills audit.

**Employees attending a skills workshop****Employees enjoying the positive emotional intelligence training**



The first democratically nominated leadership of Kouga's first training committee

COMPONENT C: MANAGING THE MUNICIPAL WORKFORCE

4.3 POLICIES

The following schedule reflects the status of HR policies for the 2017/18 year:

	Policy Name	Responsible Department	KLM Unit	Status
1	Policy on the payment of Acting Allowances	Corporate Services	Human Resource	Active
2	Chronic Illness Policy	Corporate Services	Human Resource	Draft
3	Progression Policy for fire fighters	Corporate Services	Human Resource	Draft
4	EAP	Corporate Services	Human Resource	Draft
5	Gift and Reward Policy	Corporate Services	Human Resource	Draft
6	Health and Safety Policy	Corporate Services	Human Resource	Active
7	Internet and Emails Policy	Corporate Services	Human Resource	Draft
8	Medical Aid Policy	Corporate Services	Human Resource	Draft
9	Mentoring	Corporate Services	Human Resource	Draft
10	Overtime Policy	Corporate Services	Human Resource	Active

	Policy Name	Responsible Department	KLM Unit	Status
11	Recruitment and Selection Policy	Corporate Services	Human Resource	Draft
12	Ethics Policy	Corporate Services	Human Resource	Draft
13	Fraud and Anti-Corruption Policy	Corporate Services	Human Resource	Draft
14	Fraud Prevention Policy	Corporate Services	Human Resource	Draft
15	Whistle Blowing Policy	Corporate Services	Human Resource	Draft
16	Payroll Policy	Corporate Services	Human Resource	Draft
17	PMS Policy	Corporate Services	Human Resource	Draft
18	Leave Policy (Leave Management Policy)	Corporate Services	Human Resource	Active
19	Absenteeism and Reporting Absence from work Policy	Corporate Services	Human Resource	Draft
20	Exit Management Policy	Corporate Services	Human Resource	Draft
21	Sexual Harassment Policy	Corporate Services	Human Resource	Active
22	Retention Policy	Corporate Services	Human Resource	Draft
23	Scarce Skills	Corporate Services	Human Resource	Draft
24	Smoking Policy	Corporate Services	Human Resource	Draft
25	Student Assistance	Corporate Services	Human Resource	Draft
26	Succession and Career Pathing	Corporate Services	Human Resource	Active
27	Temporary Staff	Corporate Services	Human Resource	Draft
28	Subsistence and Travelling Policy	Corporate Services	Human Resource	Active
29	Transport Policy	Corporate Services	Human Resource	Active

	Policy Name	Responsible Department	KLM Unit	Status
30	Vehicle allowance policy	Corporate Services	Human Resource	Draft
31	Essential User Car Scheme Policy	Corporate Services	Human Resource	Active
32	Code of Conduct	Corporate Services	Human Resource	Active
33	Consequence Management Policy	Corporate Services	Human Resource	Draft
34	Scarce Skills Policy	Corporate Services	Human Resource	Draft
35	Demotion, Promotion and Transfer Policy	Corporate Services	Human Resource	Active
36	Policy on the maintenance of Certificates of Fitness and competence and other related post requirements	Corporate Services	Human Resource	Active
37	Policy on acceptance and performance of private work	Corporate Services	Human Resource	Active

COMMENT ON WORKFORCE POLICY DEVELOPMENT:

34 HR policies were drafted and reviewed in the year under review. Council and organised labour have been workshopped on 11 HR policies, which will go to council for adoption in the 2018/19 financial year. The adoption of these policies will ensure the Municipality adheres to the legislated prescripts as set down in collective agreements and other national acts. It will also formalise a standard set of rules and guidelines for all staff.

4.4 INJURIES & SICKNESS

COMMENT ON INJURY AND SICK LEAVE:

The Health and Safety section which resorted under Community Services, was moved to the HR section from the 1st of January 2018. This was to ensure correct alignment of

the function and that health and safety becomes fully functional. Below are some of the key achievements for the financial year:

1. Established the Health and Safety Committee
2. Trained 41 first aiders as legislated
3. Trained 8 operators as legislated
4. Issued First Aid kits to First Aiders
5. Fitted vehicles with fire extinguisher
6. Purchased First Aid kits for drivers
7. Monthly meetings of Safety Reps
8. MOU signed with Isisivana Hospital to assist with IOD's

The major achievement of the Health and Safety section was to ensure that every employee is covered for Injuries on duty.

For more than 10 years the Municipality had not paid ROE's resulting in employees not being covered by the Labour Department in terms of COIDA. At the end of October 2017, the Municipality re-commenced paying ROE's after concluding an amicable arrangement with the Labour Department, subsequently receiving a LETTER OF GOOD STANDING for the first time in more than 10 years. This has been a significant achievement for Kouga and its employees. This means all the workers are covered for Injury on Duty related issues.

At the end March 2018, all outstanding debt owed to department of Labour was paid in full. On 12 April 2018 Kouga submitted its ROE for the year and the Municipality received a letter of good standing. All Kouga employees will be covered for the entire year until April 2019.

Table 3 is the injury on duty statistics for the period October 2017 to June 2018. It must be noted that no statistics were available prior to the said reporting period.

IOD STATS FOR PERIOD OCTOBER 2017 – JUNE 2018

Table 3

MONTH	HUMANSDORP	JEFFREYS BAY	GAMTOOS	TOTAL
OCTOBER	1	3	2	6
NOVEMBER	5	1	0	6
DECEMBER	6	2	3	11
JANUARY	0	0	3	3
FEBRUARY	5	3	1	9
MARCH	6	10	1	17
APRIL	2	4	0	6
MAY	2	6	1	9
JUNE	7	3	4	14



Graph 4

Number of disciplinary matters	3	4	1	3	3	6	3	7	9	7	8	5
Number of Matters at arbitration	3	2	1	7	3	1	1	4	3	3	2	5
Number of Matter in the Labour Court	0	1	1	0	0	0	0	0	0	0	0	0
Number of Matters Finalise	0	1	2	6	4	1	4	2	5	5	5	3
Number of Grievances	0	0	0	17	10	0	0	0	2	0	0	1
Number of Grievances finalised	0	0	0	4	15	1	1	5	3	2	1	0
TOTAL	6	8	5	37	35	9	9	18	22	17	16	14

Table 5

The following schedule reflects labour related matters dealt with at the level of the South African Local Government Bargaining Council, the Commission for Conciliation Mediation and Arbitration, disciplinary hearings, Labour Court matters and grievances.

Matters for arbitration has decreased significantly due to all outstanding matters being swiftly dealt with. Grievances have also decreased significantly with only 3 formal grievances submitted since December 2017 as can be seen in table 5 underneath.

DISCIPLINARY MATTERS	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Number of disciplinary matters	3	4	1	3	3	6	3	7	9	7	8	5
Number of Matters at arbitration	3	2	1	7	3	1	1	4	3	3	2	5
Number of Matter in the Labour Court	0	1	1	0	0	0	0	0	0	0	0	0
Number of Matters Finalise	0	1	2	6	4	1	4	2	5	5	5	3
Number of Grievances	0	0	0	17	10	0	0	0	2	0	0	1
Number of Grievances finalised	0	0	0	4	15	1	1	5	3	2	1	0
TOTAL	6	8	5	37	35	9	9	18	22	17	16	14

Table 5

4.6 PERFORMANCE REWARDS

No performance rewards were considered for non-section 56/57 employees.

COMMENT ON PERFORMANCE REWARDS:

Despite the adoption of Policy on the participation of non-section 56/57 employees in the performance management system and the provision for performance rewards for such employees, no performance rewards were considered for such employees for reason that participation in the performance management system were not cascaded down to lower level employees.

The cascading of the performance management system is dependent on the development of Departmental Service Delivery and Budget Implementation Plans which should ensure that the performance of lower levels contributes towards the achievement of institutional objectives and further limits the "silo" effect by aligning departmental activities towards a common goal.

1ST DRAFT

COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

4.7 EMPLOYEE EXPENDITURE

The following schedule reflects trends in workforce expenditure over the past 8 years:

SALARY EXPENDITURE

Years	Total number of staff	Actual Operational Expenditure	Personnel expenditure (salary and salary related)	Percentage of expenditure
2010/2011	1089	R447,523,000	R182,860,683	41%
2011/ 2012	960	R553,676,22	R182,822,233	33.02%
2012/2013	922	R545,906,310	R193,299,330	35.41%
2013/2014	878	R589,244,141	R208,085,170	35.32%
2014/2015	822	R578,855,272	R212,826,380	36.77%
2015/2016	860	R619,357,681	R228,746,553	36,93%
2016/17	818	R672,685,052	R228,043,152	33.90%
2017/18	873	R653,334,034	R243,418,034,26	37.2%

Councillors

Designation	2013/14	2014/15	2015/16	2016/17	2017.18
Executive Mayor	677,826.00	718,495.00	758,012,00	819 461	826,414
Speaker	542,261.00	574,795.00	606,410.00	662 047	661,129
Mayoral Committee (Total)	2, 694, 360	3,233,232.00	3,411,060.00	3,700, 176	
Mayoral Committee (Individual)	449 060	538 872.00	568 510.00	616 696.00	619,811
MPAC Chairperson	-	-	-	343 032.00	601,628
Part-Time Councillors (Total)	4,351,641.00	4,526,508.00	4, 798 101	5, 151 225	5,492 109
Part-Time Councilors (Per Councilor)	189 201.00	196 804.00	208 613.00	223, 966.00	261,529

Senior Managers

Position/Benefit	2013/14	2014/15	2015/16	2016/17	2017/18
Municipal Manager					
Annual Remuneration	1 005 022	1 073 263	1 148 392	1 217 295	1,395,280
Performance Bonus	0	75 128.41	0	(Not eligible, did not complete performance report)	
Chief Financial Officer					
Annual Remuneration	891 957	476 260	641 667	1 100 000	R 1,317,437
Performance Bonus	60 563.88	0	33 366.68	To be considered	
Director Social Services					
Annual Remuneration	891 957	952 521	1 019 198	1 080 349	R 1,145,598
Performance Bonus	0	0	0	(Not eligible, did not complete performance report)	
Director: LED, Tourism and Creative Industries					
Annual Remuneration	891 957	952 521	1 019 198	1 080 349	R 1,145,598
Performance Bonus	60 563.88	0	69 305.46	(Not eligible, did not complete performance report)	
Director: Infrastructure, Planning and Development					
Annual Remuneration	891 957	952 521	1 019 198	1 080 349	R 1,145,598
Performance Bonus	0	0	0	To be considered	
Director: Administration, Monitoring and Evaluation					
Annual Remuneration	891 957	952 521	1 019 198	1 080 349	R 1,145,598
Performance Bonus	60 563.88	66 676.47	50 959.89	To be considered	

It must be noted that the payment of performance bonuses can only be considered on approval of the Annual Report for the performance year under review and only after Council approval for the payment of the performance bonuses. Performance bonuses are paid in the ensuing year but reflected in respect of the year the performance bonus was earned.

COMMENT ON WORKFORCE EXPENDITURE:

As per the directives of the Political Leadership, Administration made substantial attempts to reduce to workforce expenditure which is evident from the current staff salary percentage as compared to the total operating expenditure.

There has been a drastic decline in the wage bill since January 2018, with the gross wage bill for June 2018 being almost R 6 000 000 (28%) less than January 2018. This is due predominantly to savings from non-filling/delays in filling of attrition positions and reduction in the number of temporary employees.

There was a 15.35% reduction in the gross wage bill between the month of July 2017 (R19 646 008.89) and June 2018 (R16 629 244.10).

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

The Municipality moved from the Old Van der Merwe job grading system to the Task grading system in 2016, with the effect being that a huge number of employees were earning more than the evaluated job grading. Due to this fact numerous employees are on contractual to holder positions, although they will still fall in the task grade ranges.

COMPONENT A: MUNICIPAL FINANCIAL VIABILITY & MANAGEMENT

5.1. FINANCIAL HEALTH OVERVIEW

FINANCIAL PERFORMANCE IS SUBJECT TO AUDIT AND COMMENT ON FINANCIAL HEALTH CAN THUS NOT BE EXPRESSED BEFORE THE RELEASE OF THE AUDIT REPORT WHICH IS ONLY DUE AT THE END OF NOVEMBER 2018 ((INFORMATION INCLUDED IN THIS SECTION IS FROM THE 2016/17 ANNUAL REPORT)

To provide a financial overview of the significant outcomes for the 2016/17 financial year, it is necessary to compare the 2016/17 Adjustments Budget, the actual financial results, the actual cash inflows and outflows, and the actual expenditure and revenue trends for the period, 1 July 2016 to 30 June 2017.

The financial performance highlights, based on the audited results, are as follows:

5.1.1. Financial Performance

Actual operating revenue (excluding capital grants) amounted to R 639,809 million, whilst actual operating expenditure amounted to R 672,685 million, resulting in an operating deficit of R 32,876 million. The 2016/17 Adjustments Budget for operating revenue (excluding capital grants) amounted to R 639,396 million, whilst operating expenditure amounted to R 695,539 million, resulting in a budgeted deficit of R 56,143 million.

It should be noted that the 2016/17 actual operating revenue of R 677,188 million, includes an amount of R 37,379 million, which relates to capital grants recognised.

The following, however, needs to be noted:

The operating revenue for Property Rates and Service Charges was in line with the anticipated revenue in the 2016/17 Adjustments Budget, except for the water revenue.

Property Rates

Property rates revenue raised amounted to R 148,075 million (99.60%), compared to the Adjustments budgeted amount of R 148,671 million.

Service charges – Electricity Revenue

Electricity revenue raised, amount to R 237,126 million (105.98%), compared to the Adjustments budgeted amount of R 223,745 million.

Service charges – Water Revenue

Water revenue raised, amounted to R 25,497 (47.85%) million, compared to the Adjustments budgeted amount of R 53,284 million.

The Water Revenue raised was approximately R 27,787 million less than budgeted. This is attributable to actual water consumption patterns being lower than anticipated.

Service charges – Sanitation Revenue

Sanitation revenue raised, amounted to R 34,366 (92.33%) million, compared to the Adjustments budgeted amount of R 37,217 million.

Service charges – Refuse Revenue

Refuse revenue raised, amounted to R 37,079 (99.65%) million, compared to the Adjustments budgeted amount of R 37,208 million.

Property Rates and Services Revenue:

Property Rates and Services	2016/17 Adjustments Budget (including indigent subsidies)	Actuals 2016/17 (including indigent subsidies)	Variance	Indigent Subsidies
	R'000	R'000	R'000	R'000
Property Rates	148,671	148,075	596	14,842
Electricity	223,745	237,126	- 13,381	4,107
Water	53,284	25,497	27,787	14,111
Sanitation	37,217	34,366	2,851	7,462
Refuse	37,208	37,079	129	15,957
Total	500,125	482,143	17,982	56,479

Fines:

The revenue amounted to R 10,552 million, compared to the adjustments budgeted amount of R 3,459 million. The previous year's actual amounted to R 9,798 million.

The Fines Revenue raised was approximately R 7,093 million more than budgeted. This is attributed to camera fines being higher than anticipated.

Rental of facilities and equipment:

The revenue amounted to R 1,506 million, compared to the adjustments budgeted amount of R 1,200 million. The previous year's actual amounted to R0,744 million.

The income derived from this revenue source, should be further enhanced by charging market related rentals relating to all Council's properties. An investigation should be undertaken to ascertain the revenue potential of this source, including the factors that are impeding this revenue source from achieving its full potential.

Transfers recognised – Operational:

The revenue amounted to R 97,550 million (96.58%), compared to the Adjustments budget amount of R 101,004 million.

The following accounts for the performance of grants and explains the variance:

DORA Operating Grants:

1. Expanded Public Works Programme (EPWP)

This grant is to incentivise municipalities to expand work creation efforts through the use of labour intensive delivery methods.

DORA Allocation:	R 1,057,000
Amount of Grant Received:	R 1,057,000
Actual Expenditure:	R 1,057,000
Unspent as at 30 June 2017	R 0

As at 30 June 2017, the DORA allocation was fully spent.

2. Finance Management Grant

This grant is to promote and support reforms in financial management by building capacity in municipalities to implement the Municipal Finance Management Act (MFMA).

DORA Allocation:	R 1 625 000
Approved rollover:	R 800 000
Amount of Grant Received:	R 2 425 000
Actual Expenditure:	R 2 425 000
Unspent as at 30 June 2017:	R 0

As at 30 June 2017, the DORA allocation was not fully spent.

Licences and Permits:

Licences and permits revenue amounted to R 6,877 million, compared to the adjustments budgeted amount of R 8,050 million. This main reason for the variation is an under collection of vehicle licences and registrations.

Interest Earned – External Investments:

Interest earned – External investments amounted to R 7,776 million, compared to the adjustments budgeted amount of R 6,788 million. This was mainly due to additional

investments being made during the 2016/17 financial year, including slightly higher interest rates being available for investment purposes.

Interest Earned – Outstanding Debtors:

Interest earned – Outstanding debtors amounted to R 8,144 million, compared to the adjustments budgeted amount of R 7,536 million. This revenue source has increased from R 4,500 million in the 2016/17 Original Budget to R 7,536 million in the 2016/17 Adjustments Budget.

Interest is also influenced by the extent of outstanding debtors. The interest raised on outstanding debtors may not necessarily result in a cash inflow for the Municipality.

Other revenue:

Other revenue amounted to R 12,566 million, compared to the Adjustments budgeted amount of R 11,233 million. Other revenue includes the augmentation fees, building plan fees, caravan park fees and other sundry income.

The Operating Expenditure was slightly lower than anticipated in the 2016/17 Adjustments Budget.

Employee Related Costs:

Employee related costs amounted to R 228,043 million, compared to the adjustments budgeted amount of R 229,366 million.

Employee related costs were approximately R 1,323 million less than the adjustments budgeted amount.

Remuneration of Councillors:

The remuneration of councillors amounted to R 11,101 million, compared to the adjustments budgeted amount of R 10,917 million.

Remuneration of councillors were approximately R 0,184 million more than the adjustments budgeted amount.

Depreciation and Amortisation:

The Depreciation and Amortisation amounted to R 71,047 million, compared to the adjustments budgeted amount of R 83,123 million.

Depreciation and Amortisation expenditure was approximately R 12,076 million less than the adjustments budgeted amount. This is attributable to the reclassification of Property, Plant and Equipment and Investment Property between owner occupied and leased properties. Furthermore, the depreciation for Infrastructure Assets and WIP was revised to reflect the carrying values as per Asset Register.

Debt impairment:

Bad debts are written off upon Council's approval. Debt impairment amounted to R 24,779 million, compared to the adjustments budgeted amount of R 30,008 million. Debt impairment was consequently R 5,229 million less than anticipated in the 2016/17 Adjustments Budget.

Bulk Purchases:

The Bulk purchases amounted to R 220,618 million, compared to the Adjustments budgeted amount of R 221,875 million.

The Bulk purchases expenditure was approximately R 1,257 million less than budgeted.

Repairs and Maintenance:

Below is an analysis of actual repairs and maintenance expenditure by Directorate, compared to the 2016/17 Adjustments Budget.

Directorate	Approved Adjustments Budget R	Actual as at 30 June 2017 R	% of Adjustments Budget
Administration, Monitoring & Evaluation	414,680	2,343,506	565.14%
Financial Services	370,136	1,147,897	310.13%
Social Services	9,736,693	8,736,131	89.72%
Infrastructure, Planning & Development	22,551,693	21,698,869	96.22%
LED, Tourism & Industries	120,000	161,074	134.23%
Total	33,193,202	34,087,476	102.69%

Repairs and maintenance was therefore overspent by an amount of R 894,274, compared to the 2016/17 Adjustments Budget.

Finance Costs:

The finance costs amounted to R 15,491 million, compared to the Adjustments budgeted amount of R 4,463 million.

The finance costs expenditure was approximately R 11,028 million more than budgeted.

Contracted Services:

The contracted services amounted to R 13,293 million, compared to the Adjustments budgeted amount of R 14,531 million.

The contracted services expenditure was approximately R 1,238 million less than budgeted.

Grants and Subsidies Paid:

The grants and subsidies paid amounted to R 1,080 million, compared to the Adjustments budgeted amount of R 1,080 million.

The grants and subsidies paid expenditure was in line with the projected spending budgeted.

General expenses:

The under spending on General Expenditure, in the amount of R 15,897million, is attributable to the lower than anticipated spending on various expenditure items. The following table reflects the items in question:

Item Description	Approved Adjustments Budget 2016/17	Actuals as at 30 June 2017	Under/(Over) Spending
Advertising	580 000	747 843	-167 843
Agriculture Production	100 000	-	100 000
Animal Control	20 000	17 016	2 984
Audit Fees	5 000 000	4 240 533	759 467
Bank Charges	639 568	826 265	-186 697
Beach Stalls	40 000	16 000	24 000
Blue Drop	100 000	92 480	7 520
Books and Publications	20 000	-	20 000
Bush Clearing	100 000	50 350	49 650
Business Seminar and Networking Sessions	50 000	28 500	21 500
Camera Fines Commission	1 023 705	1 062 420	-38 715
Capacitation of SMME's and Cooperatives	150 000	126 228	23 772

Item Description	Approved Adjustments Budget 2016/17	Actuals as at 30 June 2017	Under/(Over) Spending
Cemetery Development	250 000	6 200	243 800
Chemicals	2 528 000	2 596 336	-68 336
Clean Up Operation	-	-287 154	287 154
Collection Charges	500 000	-	500 000
Collection Charges(Third Party Payments)	650 000	650 336	-336
Committees : Wards	1 184 500	312 589	871 911
Commonage Management	25 000	22 770	2 230
Computer Services	180 000	86 206	93 795
Congress & Delegates Expenses	1 099 740	660 360	439 380
Connection Expenses	863 390	359 560	503 830
Consultant/Professional Fees	3 873 276	2 394 205	1 479 071
Consumables	698 668	501 167	197 502
Cooperatives Support	80 000	64 478	15 522
Disaster Donations	-	-600	600
Disaster Management	250 000	37 794	212 206
E.I.A. Study	1 720 000	261 517	1 458 483
Educ. & Awareness W/Shops Beautification	20 000	-	20 000
Educational & Promotional Material	50 000	-	50 000
Educational Awareness Programme	50 000	-	50 000
Educational Tour - Expenditure	10 600	8 596	2 004
Emergency Relieve	258 000	162 484	95 516
Emerging Farmers Support	85 000	-	85 000
Employee Assistance Programme(Wellness)	100 000	23 513	76 487
Empowerment of Councillors	80 000	-	80 000
Events/Imbizos	80 000	-	80 000
Expanded Public Works Programme(Expense)	1 857 000	-	1 857 000
Festive Lights	20 370	14 150	6 220
Fisherman Stakeholders Forum	20 000	-	20 000
Fuel	7 306 181	5 369 148	1 937 033
Fuel (Small Plant)	483 338	565 232	-81 894
GENERAL EXPENSES - OTHER	29 688	21 367	8 321
Grant : MFMG (Expenditure)	1 625 000	1 456 132	168 868
Grants and Donations	100 000	-	100 000
Green Drop	50 000	-	50 000
Hand Tools	65 325	33 016	32 309
Health Days	50 000	28 700	21 300
Heritage Committee	-	20 000	-20 000
Heritage Plan	75 000	75 000	-
Hiring of Trucks and Machinery	1 710 000	3 079 339	-1 369 339
IDP Grant	60 000	714	59 286
Insurance Claims (Excess Paid)	200 000	395 965	-195 965
Internal Audit Agency	1 774 320	1 770 536	3 784
Interview Expenses	500 000	78 355	421 645
Inventory Items	406 651	146 731	259 920
Investors Imbizo	20 000	-	20 000
Job Evaluation Cost	340 000	-	340 000
Laboratorium Tests/Analysis	556 960	310 863	246 097
Launch : Local	30 000	8 550	21 450

Item Description	Approved Adjustments Budget 2016/17	Actuals as at 30 June 2017	Under/(Over) Spending
LED Strategy Review	300 000	-	300 000
Legal Expenses	1 920 000	3 286 918	-1 366 918
Licences	790 312	687 053	103 259
Life Saving Services	50 000	-	50 000
Local Aids Council	30 000	-	30 000
Lost Title Deeds	50 000	-	50 000
Medical and Safety Kits	65 440	16 238	49 203
Medical Vaccinations	350 000	338 285	11 715
Membership Fees	12 500	-	12 500
Municipal Planning Tribunal	500 000	9 676	490 324
Network Connection	101 445	26 908	74 537
Newspapers	28 170	1 601	26 569
Occupational health and safety	220 000	-	220 000
Oil	154 719	82 721	71 998
Opening of Council	180 000	135 905	44 095
Pauper Burials	36 252	-	36 252
Performance Evaluation Costs	30 000	-	30 000
Pest Control	30 000	6 940	23 060
Photocopier Charges	17 019	-	17 019
Planning Fees	201 000	146 434	54 566
Postage	1 426 000	1 109 802	316 198
Pound	20 000	-	20 000
Prepaid Finance Cost	2 602 861	3 603 436	-1 000 575
Printing and Stationery	1 087 666	664 458	423 208
Printing Newsletter	20 000	1 053	18 947
Projects	2 950	2 950	-
Public Catering Costs	200 000	195 784	4 216
Rebate : Developer Eden Glen	1 157 964	1 155 737	2 227
Rebate : Pensioners	167 063	122 667	44 395
Refuse Bins/Bags	826 427	723 084	103 343
Registration Fees	50 000	29 825	20 175
Re-location costs	50 000	-	50 000
Renewable Energy Programme Support	50 000	-	50 000
Repair and Rehab of Roads and Walkways	-	698 741	-698 741
SAMRO	25 000	-	25 000
Search Fees	84 800	72 795	12 005
Seasonal programme	698 088	481 741	216 347
Security	693 236	516 859	176 377
Sewer Masterplan	322 300	-	322 300
Shell Festival	460 000	409 574	50 426
Shortages	196	-22 042	22 238

Item Description	Approved Adjustments Budget 2016/17	Actuals as at 30 June 2017	Under/(Over) Spending
Sign Boards	44 900	5 611	39 289
Skills Development Grant	477 192	17 648	459 544
Software SLA's	2 073 325	-	2 073 325
Special Projects	375 000	384 437	-9 437
Statuary Obligations	2 247 250	2 238 873	8 377
Stock Shortages	16 399	32 255	-15 856
Strategic Planning	18 648	-	18 648
Street Lights (Eskom)	-	488 924	-488 924
Subscriptions	12 310	6 252	6 058
Subsistence & Travelling (Councillors)	94 303	-	94 303
Subsistence & Travelling (Officials)	718 345	-	718 345
Sundry Expenses	-	132 250	-132 250
Support for Rural Development Structure	100 000	44 469	55 531
Support to Humansdorp Museum	112 000	347 000	-235 000
System Training	10 000	-	10 000
Telephones	2 443 815	2 602 628	-158 813
Tourism Development	50 000	48 680	1 320
Tourism Signage	65 000	65 000	-
Trade and Investment Strategy	50 000	-	50 000
Trade Shows and Congresses	60 000	54 163	5 837
Training Programme : Arts & Crafts	100 000	100 000	-
Training Programme : Sports	100 000	99 984	16
Uniforms & Protective Material	1 745 598	1 069 741	675 857
Valuation Costs	1 000 000	120 479	879 521
Vector Control Equipment	10 000	-	10 000
Water Management Plan Implementation	150 000	131 386	18 614
Website	8 208	7 200	1 008
Woman in Business Forum	100 000	99 741	259
Wreaths	50 000	42 415	7 585
	66 982 982	51 086 065	15 896 916

Conclusion:

The Municipality recorded an actual operating deficit of R 32,876 million, compared to the adjustments budgeted deficit of R 56,143 million.

5.1.2 Statement of Financial Position

Net Assets:

Net Assets increased from R 2,098 billion (2015/16) to R 2,103 billion (2016/17) due to the following:

Non-current Liabilities:

- Long-term liabilities decreased from R 37,504 million in 2015/16 to

- R 32,567 million in 2016/17, due to the redemption of loans. No loans were taken up during the 2016/17 financial year. Because of financial affordability considerations, no further loan funding is anticipated over the 2017/18 MTREF.
- The Employee Benefit Liabilities increased during the 2016/17 financial year, based on an actuarial valuation. The liabilities consequently increased from R 91,046 million in 2015/16 to R 92,444 million in 2016/17. The Employee Benefit Liabilities consist of Post-Retirement Health Care Benefits and Ex-Gratia Pensions.
- Non-current Provisions increased from R 58,881 million in 2015/16 to R 62,466 million in 2016/17, due to the increase in Long Service Awards and Rehabilitation of Landfill Sites provisions.

The net result is that the increase in non-current liabilities, accounted for a movement of R 0,46 million in the net assets of the municipality.

Current liabilities:

Consumer Deposits

Consumer deposits increased from R 9,590 million to R 10,273 million, mainly due to an increase in applications for new water and electricity connections.

Provisions

The current provisions increased from R 22,109 million to R 22,644 million, mainly due to the leave provision being increased in the 2016/17 financial year.

Unspent conditional grants and receipts

It is to be noted that unspent conditional grants decreased from R 7,842 million in the 2015/16 financial year to R 6,727 million in the 2016/17 financial year.

It must be noted that in relation to the Non-DORA Provincial Housing grant, an amount of R 6,086 million remained unspent as at 30 June 2017, which will be spent once the bulk infrastructure is upgraded.

Payables – Exchange Transactions

Payables have decreased by R 15,295 million from R 130,622 million in 2015/16 to R 115,327 million in 2016/17. The payables from exchange transactions are significant influenced by the bulk water account the municipality received from the Nelson Mandela Bay Municipality.

According to the Nelson Mandela Bay Municipality, the Kouga municipality was incorrectly billed from December 2012 to April 2016.

Payables – Non-Exchange Transactions

Payables have increased by R 0,053 million from R 16,153 million in 2015/16 to R 16,206 million in 2016/17. The increase was due to an increase in the sundry deposits held by the municipality.

Current Portion of Long-Term Liabilities

The current portion increased by R 0,864 million from R 7,736 million in 2015/16 to R 8,600 million in 2016/17.

The net result is that the decrease in Current liabilities, accounted for a movement of R 14,275 million in the Net Assets of the Municipality.

Non-current Assets:

- Property, Plant and Equipment decreased by R 17 million from R 2,028 billion in 2015/16 to R 2,011 billion in 2016/17.
- Intangible Assets decreased by R 0,084 million from R 0,147 million in 2015/16 to R 0,062 million in 2016/17.
- Long-term receivables decreased by R 0,103 million from R 0,168 million in 2015/16 to R 0,065 million in 2016/17.

The net result is that the decrease in Non-current assets accounted for a movement of R 17,560 million in the Net Assets of the Municipality.

Current Assets:

Inventories

Inventories decreased by R 0,482 million from R 5,434 million in 2015/16 to R 4,952 million in 2016/17.

Receivables from exchange transactions

The decrease in receivables amounted to R 6,057 million, or 12.45%, when compared to the previous financial year.

Year	Gross Balances	Impairment Allowance	Carrying Amount
	R	R	R
2015/16	121,544,273	72,928,701	48,615,571
2016/17	124,533,889	81,975,109	42,558,781
Decrease	2,989,616	9,046,408	-6,056,790

Receivables from non-exchange transactions

The Receivables from non-exchange transactions increased from R 29,119 million to R 30,902 million, due to the decrease in Assessment Rates Debtors and Sundry Debtors.

Cash and Cash Equivalents

Cash and cash equivalents increased by R 5,681 million from R 78,573 million in 2015/16 to R 84,254 million in 2016/17.

The net result is that the increase in Current assets accounted for a movement R 7,834 million in the Net Assets of the Municipality

Conclusion:

The Municipality's financial position been influenced by the following factors:

- Cash and cash equivalents increased by R 5,681 (7.23%) million from R 78,573 million in 2015/16 to R 84,254 million in 2016/17.
- Current Liabilities decreased by R 14,275 million (7.36%) from R 194,052 million in 2015/16 to R 179,777 million in 2016/17.
- The continued escalation in outstanding debtors poses a risk to the municipality's financial sustainability.

5.1.3 FINANCIAL INDICATORS

The following ratios reflect the municipality's relative financial viability and sustainability:

Borrowing Management		Actuals as at 30 June 2013	Actuals as at 30 June 2014	Actuals as at 30 June 2015	Actuals as at 30 June 2016	Actuals as at 30 June 2017
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	3.79%	4.83%	4.50%	4.98%	4.43%
Borrowed funding of "own "capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.05	0.06	0.05	0.05	0.05
Liquidity						
Current Ratio	Current assets / current liabilities	0.54	0.54	0.72	0.86	0.97
Liquidity Ratio	Monetary assets / current liabilities	0.10	0.16	0.22	0.40	0.47
Revenue Management						
Annual Debtors Collection Rate	Billed Revenue / Received Revenue	96.33%	96.07%	98.91%	97.60%	95.81%

Other indicators		Actuals as at 30 June 2013	Actuals as at 30 June 2014	Actuals as at 30 June 2015	Actuals as at 30 June 2016	Actuals as at 30 June 2017
Cost coverage	(Cash and cash equivalents - Unspent Conditional Grants - Overdraft) + Short term investment)/monthly fixed operational expenditure excluding (depreciation, amortisation, provision for bad debts, impairment and loss on disposal of assets)	0.23 Months	0.25 Months	0.82 Months	1.59 Months	1.61 Months
Employee Costs	Employee Costs / Total Operating Expenditure	35.41%	35.32%	36%	36.93%	33.90%
Capital Expenditure	Capital Expenditure / Capital Budget	78.84%	21.35%	241.30%	81.97%	72.92%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	3.52%	3.81%	4.46%	4.78%	5.07%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	0.79%	0.95%	1.06%	1.46%	1.70%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	87.04%	87.21%	69.55%	84.74%	84.67%

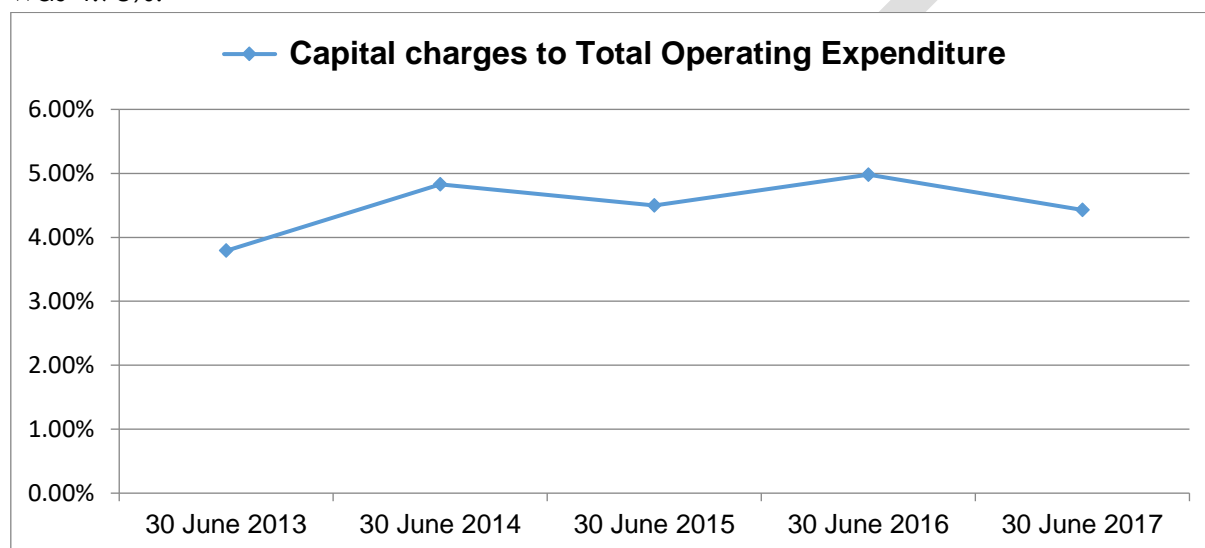
The above table is discussed in detail below.

5.1.3.1 Capital charges to Operating Expenditure

The Ratio indicates the cost required to service the borrowing. It assesses the Borrowing or Payment obligation expressed as percentage of Total Operating Expenditure.

Capital charges/Total Operating Expenditure to date

The ratio indicates that 4.43% of the Total Operating Expenditure was utilised for capital charges as at 30 June 2017, whilst the Municipality's audited ratio as at 30 June 2016 was 4.98%.



5.1.3.2 Borrowed funding of capital expenditure

This ratio indicates the proportion of borrowed funding to actual capital expenditure to date (excluding transfers and grants). The ratio also indicates the extent of capital expenditure being financed from borrowed funding compared to own and other funding sources, excluding transfers and grant funded expenditure.

The ratio is determined as follows:

Capital expenditure funded from Borrowings/Total Capital Expenditure to date (excluding transfers and grants)

As at 30 June 2017, the was 0% as no capital expenditure was funded from borrowings, whilst the Municipality's audited ratio as at 30 June 2016 was also 0%.

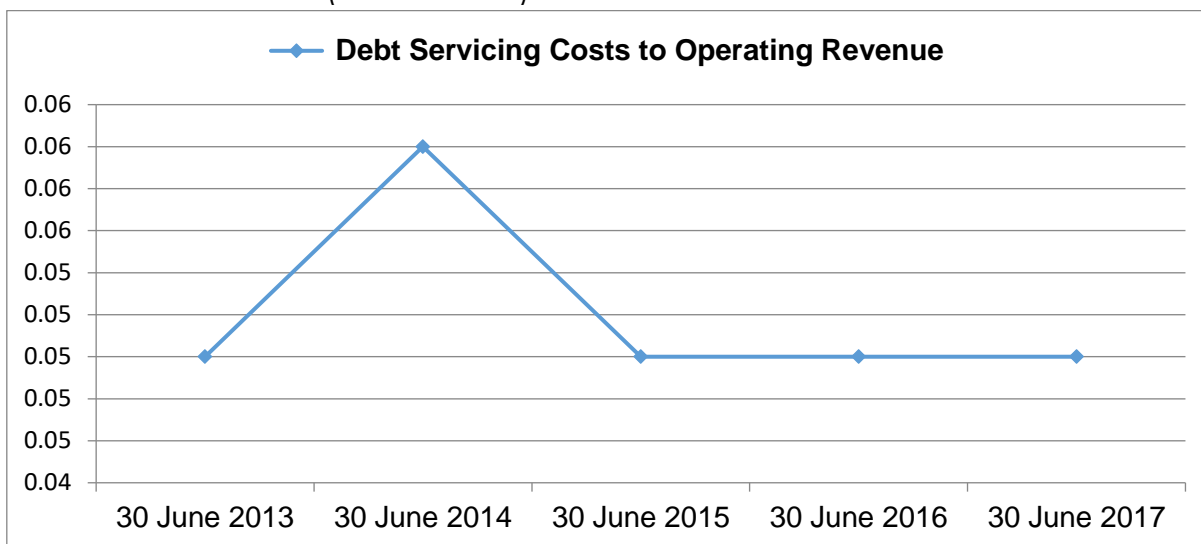
5.1.3.3 Debt Servicing Costs to Operating Revenue Ratio

This ratio indicates the proportion of debt servicing costs (interest and principal paid on borrowing) to actual operating revenue to date.

The ratio is determined as follows:

Debt Servicing Costs/Operating Revenue

As at 30 June 2017, the ratio was 0.05:1, compared to the previous financial year audited ratio of 0.05:1 (30 June 2016).



5.1.3.4 Current ratio

The Ratio assesses the Municipality's ability to meet its Short-term Liabilities (Debt and Payables) with its Short-term Assets (Cash, Inventory, Receivables etc.).

The ratio is determined as follows:

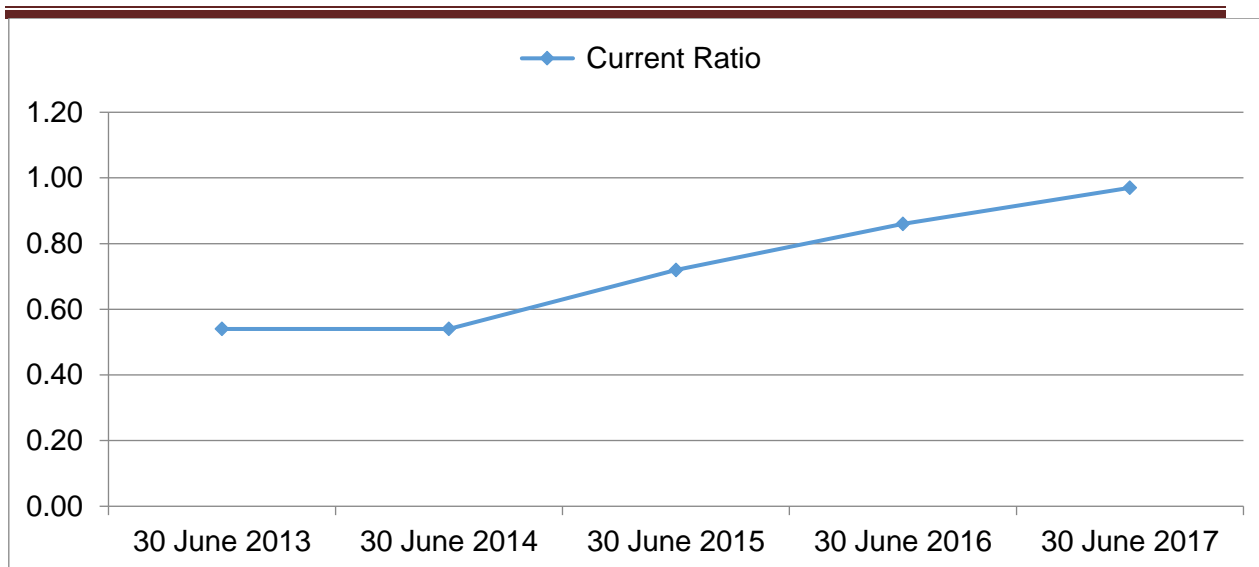
Current assets/Current liabilities

As at 30 June 2017, the Ratio was 0.97:1, whilst the Municipality's audited ratio as at 30 June 2016 was 0.86:1

In terms of the MFMA Circular No. 71, the norm is 1.5:1 to 2:1

The higher the current Ratio, the stronger the Municipality's financial capacity to meet its current obligations.

A ratio of below 1:1 would suggest that the Municipality would be unable to meet all its current obligations as and when they fall due.



5.1.3.5 Liquidity Ratio

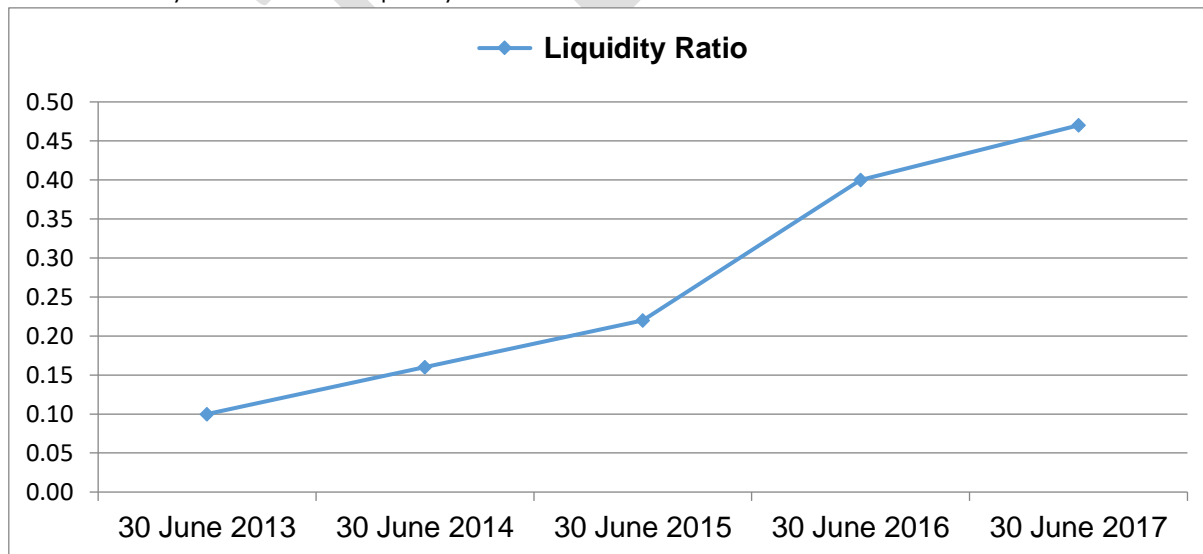
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

The ratio is determined as follows:

Monetary assets/Current liabilities

A favourable ratio would ensure that the Municipality is able to settle its short-term commitments from monetary assets. The liquidity ratio as at 30 June 2017 was 0.47:1, whilst the Municipality's audited ratio as at 30 June 2016 was 0.40:1.

The liquidity ratio is of the utmost importance to measure the financial liquidity and sustainability of the municipality.



5.1.3.6 Annual Debtors Collection Rate

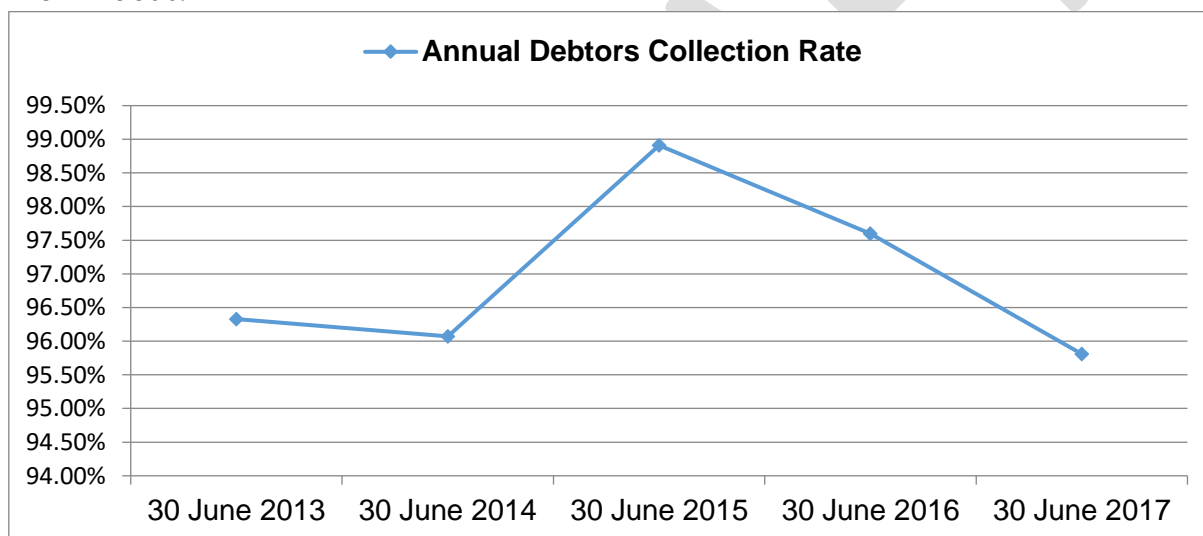
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

The ratio to determine the percentage collection rate is as follows:

Total Payments Received in Current month/Total Value of Accounts Rendered in the Previous Month X 100

Note: the reason for using the previous month's billing is due to the accounts only being payable the following month (i.e. account-holders are given one calendar month to pay their current accounts).

The average collection rate as at 30 June 2017 was 95.81%, compared to the average collection rate of 97.60% for the 2015/16 financial year. These percentages are calculated based on revenue received, compared to revenue billed on a month-to-month basis.



5.1.3.7 Cost coverage

The Ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investments, without collecting any additional revenue, during that month.

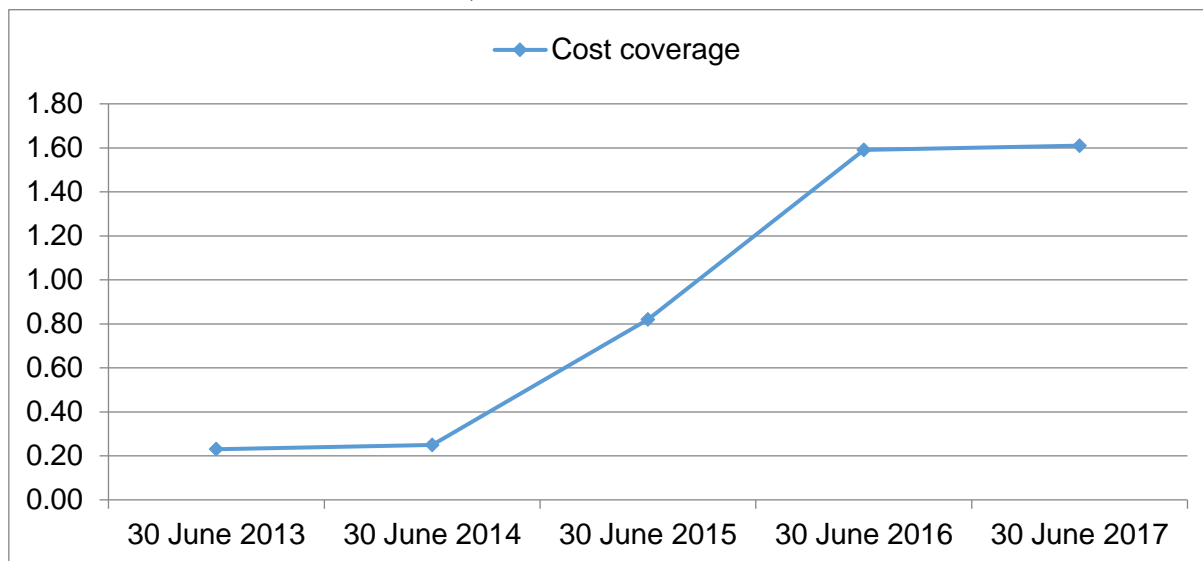
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

The ratio is determined as follows:

Cash and cash equivalents – unspent conditional grants – overdraft + short-term investments/ monthly fixed operational expenditure excluding (depreciation, amortisation, provisions for bad debts, impairment and loss on the disposal of assets)

As at 30 June 2017, the Ratio was 1.61 months, whilst the Municipality's audited ratio as at 30 June 2016 was 1.59 months.

In terms of MFMA Circular No. 71, the norm is 1 month to 3 months



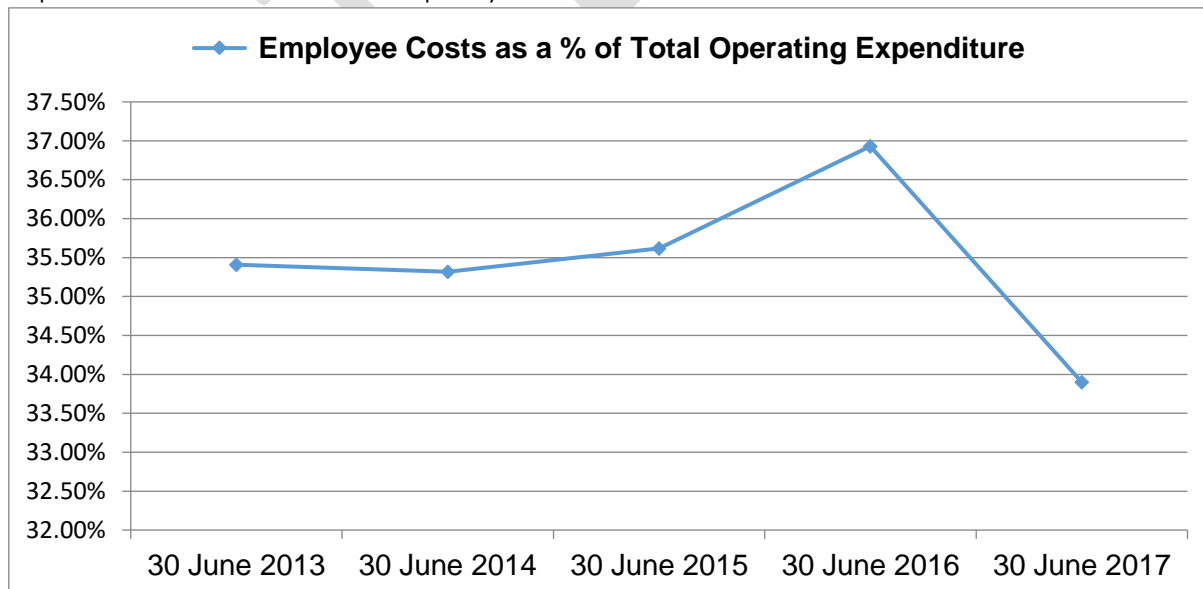
5.1.3.8 Employee costs as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the employment of human resources.

The ratio is determined as follows:

Employee Costs to date/Total Operating Expenditure to Date

As at 30 June 2017, Employee Related Costs constituted 33.90% of the Total Operating Expenditure, whilst the Municipality's audited ratio as at 30 June 2016 was also 36.93%.



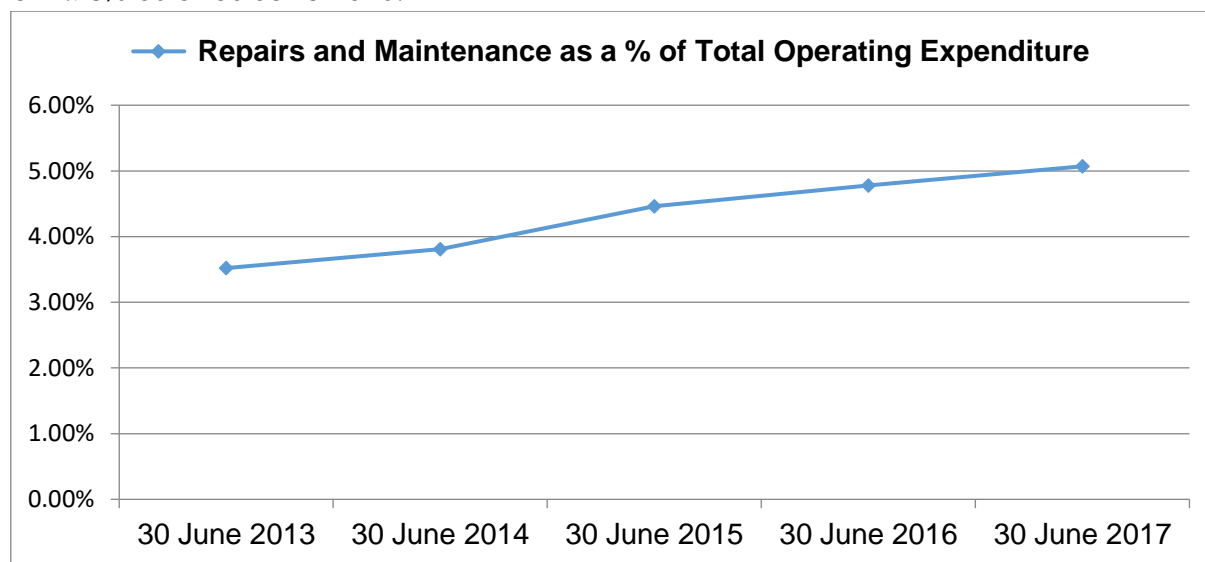
5.1.3.9 Repairs and Maintenance as a % of Total Operating Expenditure

This ratio assesses the extent to which the Municipality's Total Operating Expenditure is consumed by costs associated with the repairs and maintenance of its assets.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Total Operating Expenditure to date

As at 30 June 2017, the Ratio was 5.07%, compared to the Municipality's audited ratio of 4.78% as at 30 June 2016.



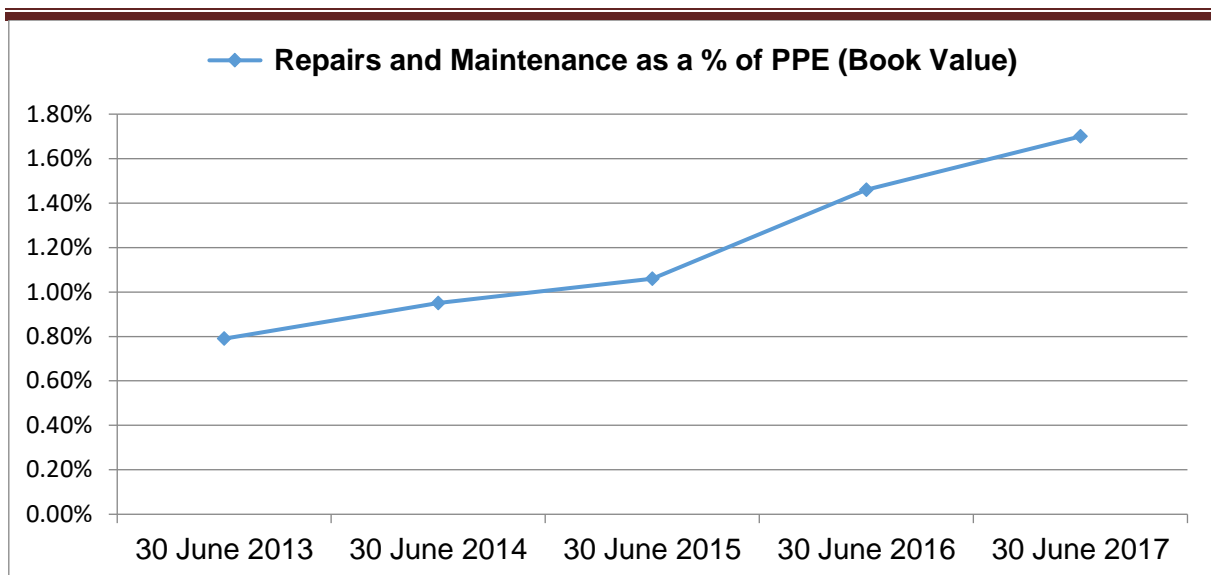
5.1.3.10 Repairs and Maintenance as a % of the book value of Property, Plant and Equipment (PPE)

The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Book value of PPE to date

As at 30 June 2017, repairs and maintenance expenditure constituted 1.70% of the book value of PPE. The Municipality's audited ratio as at 30 June 2016 was also 1.46%. In terms of the MFMA Circular No.71, the norm is 8%.



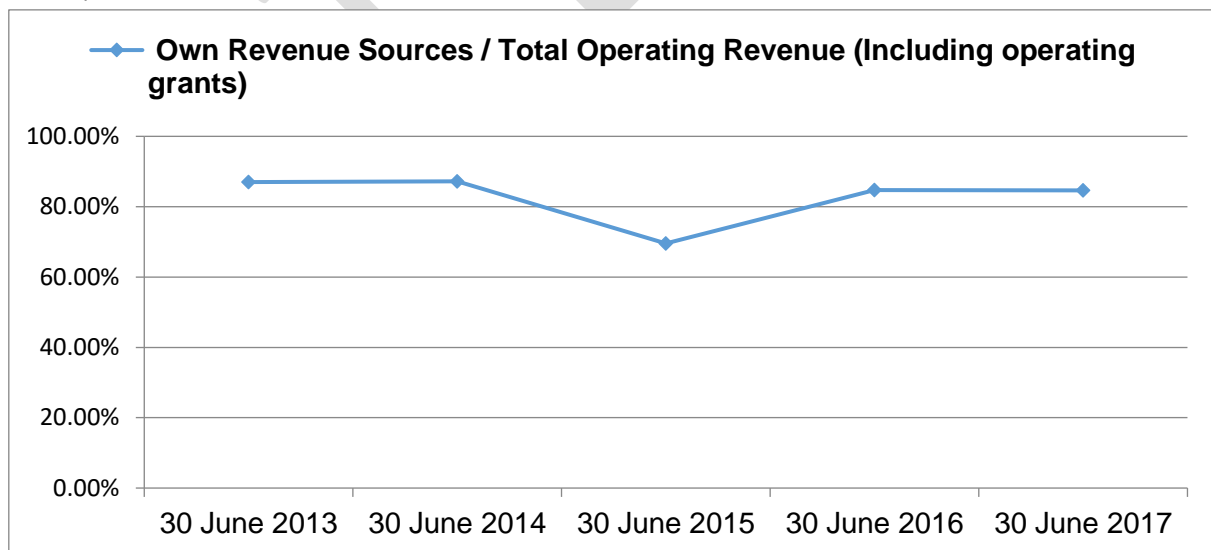
5.1.3.11 Own Revenue Generation

This ratio measures the extent to which the Municipality has control over its revenue sources, i.e. what percentage of its revenue is generated locally. The higher the ratio, the less reliant a Municipality is on Provincial and National Government to support its operations.

The ratio is determined as follows:

Own Revenue Sources / Total Operating Income (includes operating grants)

As at 30 June 2017, the Municipality's own revenue sources constituted 84.67% of its total Operating Income. The Municipality's audited ratio as at 30 June 2016 was 84.74%.



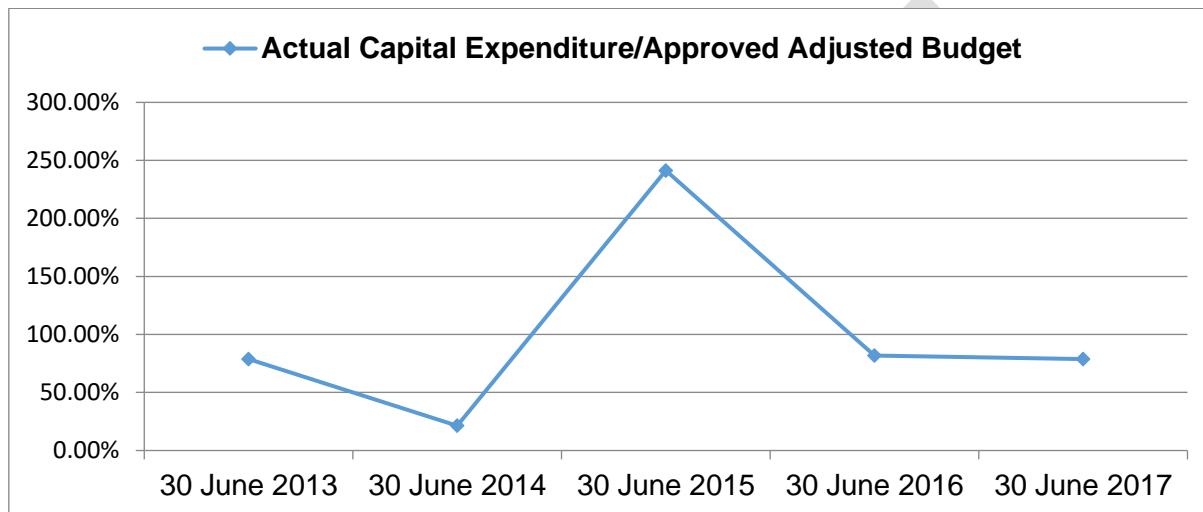
5.1.3.12 Capital Budget Spending

This ratio assesses the level of actual capital spending, compared to the budgeted capital expenditure.

The ratio is determined as follows:

Actual Capital spending / Approved Capital Budget

The actual spending as at the end of June 2017 amounted to 72.92%, compared to the 2016/17 Capital Adjustments Budget. The Municipality's audited ratio as at 30 June 2016 was 81.97%.



5.2 ARREARS IN PROPERTY RATES AND SERVICE CHARGES

(Refer to page 38 – 41 of Annual Financial Statements)

5.3 ANTI CORRUPTION STRATEGY

(The anti-corruption strategy and fraud prevention policies are both in draft format)

COMPONENT B: OTHER FINANCIAL MATTERS

5.4 SUPPLY CHAIN MANAGEMENT

AS PER THE CFO THE INFORMATION RELEVANT TO FINANCIAL ADMINISTRATION CAN ONLY BE PROVIDED ONCE THE AG HAS ISSUED THE AUDIT REPORT (INFORMATION CONTAINED IN THIS SECTION REFLECTS THE PERFORMANCE FOR THE 2016/17 YEAR)

In terms of paragraph 6 of the Supply Chain Management Policy, the Council must maintain oversight over the implementation of this policy to ensure that the Accounting Officer implements all Supply Chain Management activities in accordance therewith.

A. Compliance and Reporting

1. SARS Tax Compliance Status

The SCM Officials are required to be listed as users on the SARS E-Filing account of the municipality to verify the Tax Compliance Status of the Service Providers. SARS visited SCM on site with Budget & Treasury and completed the loading of two SCM Officials as users. Currently only one official remains in the employ of Kouga Municipality with access.

2. National Treasury Centralised Supplier Database

Supply Chain Management Officials were listed on the National Treasury Centralised Supplier Database. The municipality has been added as a supplier on the National Treasury Centralised Supplier database with the supplier number **MAAA0214163**.

3. Annual Database Advert

In May 2016 advertisements were placed in various newspapers informing existing service providers to update their database registration details and inviting new service providers to register on the municipality's supplier database and National Treasury's Supplier database.

In May 2017, Kouga Municipality migrated to the Centralised Supplier Database and a new advert was placed in the newspapers on the 20th & 21 July 2017. Service Providers were requested to update their database registration details and advised that the municipality has migrated to the Centralised Supplier Database.

4. Bid Committees

The below mentioned committees are established and functioning in accordance with the SCM Policy:

- Bid Specification Committee (BSC)
- Bid Evaluation Committee (BEC)
- Bid Adjudication Committee (BAC)

The committees are responsible to ensure that the required procurement processes are followed in respect of formal tenders.

4(a). Bid Committee Meeting held for the financial year 2016/17

	BSC	BEC	BAC
Chairperson	A. Perils	A. Koegelenberg	S. Thys
Number of meetings that took place.	20	14	15
Number of meetings cancelled	1	3	0

5. Training- Supply Chain/ Stores Section

Number of Beneficiaries	Nature of Training	Content	Competency
1	In- house training	116362- Manage a Municipality's Assets and liabilities 116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	Competent
1	In- house training	116362- Manage a Municipality's Assets and liabilities 116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	Competent
1	In- house training	116362- Manage a Municipality's Assets and liabilities 116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	Competent
1	In- house training	116362- Manage a Municipality's Assets and liabilities	Competent

Number of Beneficiaries	Nature of Training	Content	Competency
		116345- Apply the Principles of Budgeting within a municipality 116353 Participate in the design and implementation of municipal supply chain management	
1	University of Pretoria	Municipal Finance Management Programme	Provisional results received

- Training Workshops held 2016/17 financial Year

Bid Committee members-

Description	Date	Who Attended	Facilitator	Where
Training on Bid Committees- specifically- Bid Specifications	4 May 2017	Bid Committee Members and Management	Provincial Treasury	In-House
Standard for Infrastructure Procurement and Delivery Management	13-14 June 2017	A. Perils A. Koegelenberg N. Malgas-Goeda C. Groenewald	CESA	Port Elizabeth

1. Monthly and Quarterly reports

Monthly deviations reports are submitted in terms of the SCM policy for the procurement of goods and service (See 6C and 6D below).

Monthly and quarterly reports are required to be submitted to Provincial and National Treasury in respect of procurement of goods and services. These reports were submitted in terms of paragraph 6 of the Supply Chain Management Policy.

Monthly reports are submitted to the Standing Committee meetings

6A. Informal Tenders (Price Quotations) Awarded:

A Total of Fourteen (14) formal price quotations were awarded for the period 1 July 2016 to 30 June 2017, see details below:

Notice Number	Description	Winning Service Provider
31/2016	Re-Advertisement of Supply and Delivery of Wheelchairs	Maximed CC

Notice Number	Description	Winning Service Provider
39/2016	Occupational Health and Safety Training	Nosa PTY LTD and NSA Multiservices CC t/a Riverport SHE Training Academy
60/2016	Re-Advertisement of 146/2016 Manufacture, Supply and Install Security Gates and Palisade Fencing at Kouga Cultural Centre	Mdani Roof Cleaning and Painting
74/2016	Engine Overhaul of Toyota Sedan x2 – DTD514EC and DTD515EC	John Dirker Engineering
75/2016	Hire of Front End Loader	Naomi Plant Hire and Hire Trading
77/2016	Supply Network and Desktop Management Perpetual License Maintenance Renewal	Sisonke Software Solutions
137/2016	Supply of five (5) single cabs and one (1) double cab bakkie to hire for 45 days inclusive of variation order	Eco Car Hire
139/2016	Supply of two (2) vehicles suitable for traffic control to hire for 45 Days inclusive of variation order	Eco Car hire
78/2016	Engine Overhaul of Isuzu CAB LWD 2X4 – FKM547EC	Isodor Jeggels t/a Truck & Motor City
132/2016	New Electrical tariffs for 2017/18 Financial Year	Clinkscapes Maughan Brown
10/2017	Re-advertisement: Supply and Delivery of Blankets and Mattresses	Premier Attractions 528 CC t/a ZJS Distributor
44/2017	Supply and Delivery of an Electronic Binding Machine	Omni Technologies
63/2017	Engine Overhaul Tipper MAN truck	Isodor Jeggels t/a Truck & Motor City
20-23/2017	Appointment of an Accredited Recruitment Company: Recruitment of Municipal Manager	Roy Steele & Associates t/a ODS Consultants

6B. Competitive Bids awarded for the period:

A total of twenty 26 (26) bids was awarded for the Financial Year from 1 July 2016 to 30 June 2017.

1. Notice 05/2016 Provision of Maintenance and Fuel Card Services

Contractor	Amount	Date
Wesbank	R 560 563.27	22 August 2016

2. Notice 38 of 2016 Appointment of an Occupational Medical Practitioner (OMP) to Conduct Medical Surveillance on Kouga Local Municipality Employees

Contractor	Amount	Date
Poli Clinic	R 1 150.00 per employee	23 September 2016

3. Notice 59/2016 – Water Safety Plan Review, Risk Management and Incident Management Protocol for Blue Drop Programme at All Water Treatment Works

Contractor	Amount	Date
Uhambiso Consult	R 410 856.00	23 September 2016

4. Notice 58/2016 – Resealing of Roads

Contractor	Amount	Date
CCST	R 2 325 429.00	23 September 2016

5. Notice 61/2016 – Upgrading of Jeffreys Bay Water Treatment Works Phase 1

Contractor	Amount	Date
Masiphumele Trading	R 2 387 719.09	23 September 2016

6. Notice 83 of 2016 Appointment of Environmental Management Practitioner for Ocean View Housing Project

Contractor	Amount	Date
Ages Omega PTY LTD	R 286 847.00	02 February 2017

7. Notice 102 of 2016 Bulk Infrastructure Work and Electrification of 190 Sub Economic Houses at Kruisfontein in Humansdorp inclusive of Variation Order.

Contractor	Amount	Date
MDL Electrical	R 4 800 565.59	02 February 2017
Variation order	R 494 759.14	30 March 2017

8. Notice 95 of 2016 Supply and Delivery of a Surge Wave Generator

Contractor	Amount	Date
Flo Specialized Product Solutions	R 447 279.00	02 February 2017

9. Notice 80 of 2016 Various Stores Requirement

Contractor	Amount	Date
Core Bern Pty Ltd	Various Rates	17 February 2017
Premier Pipe Supply Pty Ltd	Various Rates	17 February 2017
Joat Consulting Pty Ltd	Various Rates	17 February 2017
Mso-Ndili Trading	Various Rates	17 February 2017
Nagel t/a Brilliant Paper	Various Rates	17 February 2017
Odesa Trading Pty Ltd	Various Rates	17 February 2017
ARB Electrical Wholesalers	Various Rates	17 February 2017
Herbcon Services CC	Various Rates	17 February 2017
Makwande U Khanyiselo	Various Rates	17 February 2017
Khanda Projects cc	Various Rates	17 February 2017
Midnight Star Trading 186	Various Rates	17 February 2017
Tetcon Sales & Services	Various Rates	17 February 2017
Salimode Pty Ltd	Various Rates	17 February 2017
Actom Pty Ltd	Various Rates	17 February 2017

10. Notice 82 of 2016 Standardization of Fire Hydrants

Contractor	Amount	Date
Iviwe Engineering Solutions	R 6 600.00 per unit	27 February 2017

11. Notice 79 of 2016 Supply and Delivery of Air Conditioners

Contractor	Amount	Date
V and A Airconditioning	Various rates	24 March 2017
Algoa Project Management	Various rates	24 March 2017

12. Notice 94/2016 Supply and Delivery of Desktops and Laptops

Contractor	Amount	Date
Mars Technologies	Various rates	24 March 2017
Go Computer Cash and Carry	Various rates	24 March 2017
TCL Consulting	Various Rates	24 March 2017

13. Notice 126/2017 General and Supplementary Valuations

Contractor	Amount	Date
DDP Valuers	R 3 072 146.00	30 March 2017

14. Notice 124 of 2016 Upgrading of the Cormorant Sewerage Pump Station in Jeffreys Bay

Contractor	Amount	Date
Northfield Engineering	R 1 899 060.55	11 April 2017

15. Notice 2/2017 Supply and Delivery of Skip bins

Contractor	Amount	Date
Trolley and Bin	R 348 840.00	11 April 2017

16. Notice 30 of 2017 Supply and delivery and Installation of Server for MSCOA System

Contractor	Amount	Date
Datacentric	R 497 501.60	25 May 2017

17. Notice 114 of 2016 Supply and Delivery of Mesch Truck and 21 Cubic metre Refuse Compactor Truck

Contractor	Amount	Date
Shorts Nissan – Mesch Truck	R 1 169 474.70	7 June 2017
Shorts Nissan – Refuse Truck	R2 758 401.00	7 June 2017

18. Notice 3 of 2017 Supply and Delivery of Tables and Chairs for Community Halls

Contractor	Amount	Date
Rawat Distributors - Tables	R 682.86	7 June 2017
Bokgaga IT Technologies - Chairs	R 79.99	7 June 2017

19. Notice 11 of 2017 Upgrading of Oysterbay Waste site to a Drop Off Zone

Contractor	Amount	Date
NTC General Trading	R 426 701.58	7 June 2017

20. Notice 12 of 2017 Supply and Delivery of Fire Fighting Uniforms and Protective equipment

Contractor	Amount	Date
Select PPE PTY LTD	Various Rates	30 June 2017
TR Supply t/a TR Sport		
Sparks and Ellis		
Quench Atlantic PTY LTD t/a Vanguard Fire and Safety		
Mac Net Business Development		
AJ Charnaud & Co PTY LTD		

Contractor	Amount	Date
Mabhobho Trading PTY LTD		

21. Notice 25 of 2017 Supply and Delivery of a Skip truck

Contractor	Amount	Date
Southern Ambition 1547 CC	R 990 470.00	7 June 2017

22. Notice 26 of 2017 Supply and Delivery of a New Light Delivery Vehicle

Contractor	Amount	Date
Simunye Fleet Management PTY LTD	R 276 128.39	30 June 2017

23. Notice 29 of 2017 Supply and Delivery of Grass Cutting Equipment

Contractor	Amount	Date
Tender cancelled		30 June 2017

24. Notice 31 of 2017 Supply and Delivery of a Mesch Truck and 21 Cubic metre Refuse Compactor Truck

Contractor	Amount	Date
Shorts Nissan – Mesch Truck	R 1 170 614.70	30 June 2017
Shorts Nissan – Refuse Truck	R 2 522 382.24	

25. Notice 34 of 2017 Supply and Delivery of Traffic/Law Enforcement/ Security Uniforms and Protective Clothing

Contractor	Amount	Date
Southern Ambition 1547 CC	Various Rates	30 June 2017
Sparks and Ellis	Various Rates	

26. MFMA Section 32 award for GRAP Compliant Integrated Asset Management Consultancy and Support Services

Contractor	Amount	Date
A2A Kopano Incorporated Chartered Accountants and Registered Auditors	R 741 000.00	03 May 2017

6C. Operational Deviations for the period below R30 000.00:

The breakdown per directorate for the period 1 July 2016 to 30 June 2017 is as follows:

Tota Expenditure for Operational Deviations per Directorate		
Finance	R	2 553 812,90
Social Services	R	211 050.01
Infrastructure/Planning/Development	R	89 962,53
Administration	R	1 271 028,92
LED and Tourism	R	-
Total	R	4 125 854.36

6D. Section 39 Deviations in terms of Supply Chain Management Policy

The section 39 deviations for the period amounted to R 14 086 643.64 below please find the breakdown per section and directorate:

2016/17 S39 DEVIATION TOTAL PER SECTION/ DIRECTORATE

FINANCE: FLEET AND ASSET	R 5 811 757.49
FINANCE: REVENUE SECTION	R 0,00
FINANCE - BUDGET & TREASURY	R 49 128,00
FINANCE: STORES	R 0,00
FINANCE: IT	R 35 890,00

FINANCE –TOTAL = R 5 896 775.49

INFRASTRUCTURE DEVELOPMENT & PLANNING: TECHNICAL SERVICE (ROADS/WATER/CHEMICALS/SEWERAGE/PROFESSIONAL FEES)	R 1 064 723,22
INFRASTRUCTURE DEVELOPMENT & PLANNING: ELECTRICAL	R 252 709.50
INFRASTRUCTURE DEVELOPMENT & PLANNING: HOUSING	R 181 673,25

IPD TOTAL= R 1 499 105.77

ADMINISTRATION: LEGAL FEES	R 1 121 201.27
ADMINISTRATION: SKILLS DEVELOPMENT	R 0
ADMINISTRATION: OTHER	R 45 600,00
ADMINISTRATION: HR	R 0,00
ADMINISTRATION: ARCHIVES	R 0,00

AME TOTAL= R 1 166 801.27

SOCIAL SERVICES: FIRE DEPARTMENT / DISASTER MANAGEMENT	R 129 478,65
SOCIAL SERVICES: TRAFFIC DEPARTMENT/LAW ENFORCEMENT	R 330 743,00
SOCIAL SERVICES: WASTE MANAGEMENT	R 0,00
SOCIAL SERVICES: PARKS/REFUSE	R 132 001,00

SOCIAL SERVICES TOTAL = R 592 222.65

LED/TOURISM

R 0,00

STATÉGIC TOTAL= R 0.00

TOTAL AMOUNT OF DEVIATION FOR 2016/17 FIN YR

R 9 154 905.38

1ST DRAFT

CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

INTRODUCTION

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement must be audited annually by the Auditor-General. The Kouga Municipality's financial statements were audited by the AG and was declared a fair representation of the financial position of the municipality.

1ST DRAFT

COMPONENT A: AUDITOR-GENERAL OPINION ON FINANCIAL STATEMENTS**6.1 AUDITOR GENERAL REPORT**

NOTE THAT THE AG REPORT FOR THE PERIOD ENDING 30 JUNE 2018 CAN ONLY BE INCLUDED ON RECEIPT OF SUCH WHICH IS EXPECTED TOWARDS THE END OF NOVEMBER 2018

1ST DRAFT

1ST DRAFT

6.2 AUDIT ACTION PLAN ON AUDITOR GENERAL REPORT

NOTE THAT THE AAUDIT ACTION PLAN CAN ONLY BE PREPARED AFTER RECEIPT OF THE AG REPORT

GLOSSARY

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Accountability documents	Documents used by executive authorities to give “ <i>full and regular</i> ” reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
Activities	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe “ <i>what we do</i> ”.
Adequacy indicators	The quantity of input or output relative to the need or demand.
Annual Report	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
Approved Budget	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
Baseline	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
Basic municipal service	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
Budget year	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
Cost indicators	The overall cost or expenditure of producing a specified quantity of outputs.
Distribution indicators	The distribution of capacity to deliver services.

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Financial Statements	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
General performance indicators	Key After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
Impact	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
Inputs	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
Integrated Development Plan (IDP)	Set out municipal goals and development plans.
National performance areas	Key <ul style="list-style-type: none"> • Service delivery & infrastructure • Economic development • Municipal transformation and institutional development • Financial viability and management • Good governance and community participation
Outcomes	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
Outputs	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
Performance Indicator	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)

Accessibility indicators	Explore whether the intended beneficiaries are able to access services or outputs.
Performance Information	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
Performance Standards:	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
Performance Targets:	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
Service Delivery Budget Implementation Plan	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
Vote:	<p>One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area.</p> <p>Section 1 of the MFMA defines a "vote" as:</p> <p><i>a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and</i></p> <p><i>b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned</i></p>

APPENDICES

APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

NAME OF COUNCILLOR	COMMITTEE ALLOCATED	WARD	PARTY	PERCENTAGE.OF COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER
F Campher	IPD/COMM SERVICES	Ward 4	DA	100	0
B F Rheeder	IPD/CORP SERVICES	Ward12	DA	95	1
WPD Gertenbach	IPD	Ward 3	DA	95	1
B Dhludhlu	IPD/LED	PR	DA	90	2
C Matroos	IPD	PR	ANC	76	0
A Mabukane	IPD	Ward 10	ANC	85	1
Z Mayoni	IPD/COMM SERVICES	Ward 1	ANC	71	0
EC van Lingen	Ex-officio	PR	DA	100	0
F Baxter	TOURISM	PR	DA	100	0
H Hendricks	Ex-officio	Ward 15	DA	95	1
B Williams	FINANCE/TOURISM	PR	DA	90	0
H Bornman	TCI/CORP SER/FIN/LED	Ward 11	DA	90	0
FJ Louw	TOURISM	PR	DA	90	1
VA Camealio-Benjamin	TOURISM/FINANCE	PR	ANC	95	1
S Mandeka	TOURISM	Ward 14	ANC	95	0
S Jujwana	TOURISM/CORP SERVICES	Ward 9	ANC	95	0
L Vorster	FINANCE/LED	Ward 8	DA	90	0

NAME OF COUNCILLOR	COMMITTEE ALLOCATED	WARD	PARTY	PERCENTAGE.OF COUNCIL MEETINGS ATTENDED	APOLOGIES TENDERED IN WRITING TO THE OFFICE OF THE SPEAKER
M.Dayimini	FINANCE/LED	PR	ANC	81	1
D Biggs	CORP SERVICES	PR	DA	71	0
D Benson	CORP SERVICES/ CS	PR	DA	100	0
P Nkwalase	CORP SERVICES/LED	PR	ANC	85	0
S Vumazonke	CORP SERVICES	Ward 6	ANC	90	0
N.S Botha	COMM SERVICES	PR	DA	90	0
DM Nkomo	COMM SERVICES	PR	DA	90	0
T Meleni	COMM SERVICES	Ward 2	ANC	85	0
MPeters	COMM SERVICES	13	ANC	95	0
B Carstens	LED	PR	DA	80	2
E Februarie	LED	PR	ANC	71	2
W Coenraad	COMM SERVICES/PD&T	Ward5	DA	100	0
R Jantjies	CORP SERVICES/MPAC	PR	DA	100	0
T Jantjes	COMM SERVICES/I&E	PR	DA	100	0

VOLUME II

APPENDIX B –WARD REPORTING

	WARD	WARD COMMITTEE ATTENDED	JULY 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUNE 2018
Cllr Z Mayoni	1	11	6	15	15	12	9		15	3	7	6	4	7
Cllr T Meleni	2	11	11	14	2	13	14		12	13	13	11	14	10
Cllr W Gertenbach	3	11	27	24		25	23	25	25	21	28	25	23	20
Cllr F Campher	4	12	10	14	11	4	13	4	8	12	9	11	7	11
Cllr W Coenraad	5	11	5	3	5	11	8		10	7	7	4	2	6
Cllr V Vumazonke	6	11	11	7	6	11	9		11	9	8	11	9	6

	WARD	WARD COMMITTEE ATTENDED	JULY 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUNE 2018
Cllr E Februarie	7	10	5	1	5	3	7			6	5	3	8	5
Cllr L Vorster	8	11	11	8	13	11	14		9	13	13	10	8	13
Cllr S Jujwana	9	11	11	10	6	11	10		10	13	13	12	15	6
Cllr A Mabukane	10	11	4	2	6	4	7	4	4	6	6	5	2	5
Cllr H Bornman	8	31			27	27			30	27	5	26	23	
Cllr B Rheeder	12	11	19	16	13	11	21		24	21	14	11	16	13
Cllr M Peters	13	12	5	6	6	6	8	6	1	8	7	11	9	6

	WARD	WARD COMMITTEE ATTENDED	JULY 2017	AUG 2017	SEP 2017	OCT 2017	NOV 2017	DEC 2017	JAN 2018	FEB 2018	MAR 2018	APR 2018	MAY 2018	JUNE 2018
Cllr S Mandeka	14	12	11	10	13	11	9	7	11	13	13	12	10	112
Cllr H Hendricks	15	11	17	8	13	10	14		8	14	13	10	2	12

APPENDIX C – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE

THE CHAIRPERSON OF THE AUDIT COMMITTEE HAS BEEN REQUESTED TO SUBMIT HIS RECOMMENDATIONS FOR INCLUSION IN THE ANNUAL REPORT. THE SUBMISSIONS IS BEING AWAITED

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APPENDIX D (i): REVENUE BY VOTE

Vote Description		Actual	
		2017	2016
		R	R
REVENUE BY VOTE			
Vote 1	Executive & Council	3 744	34 110
Vote 2	Finance	261 739 478	227 299 325
Vote 3	Administration, Monitoring and Evaluation	15 968	304 599
Vote 4	Led, Tourism & Creative Industries	-	1 522 946
Vote 5	Infrastructure, Planning & Development	349 545 558	374 306 706
Vote 6	Social Services	65 883 526	62 368 115
Total Revenue by Vote		677 188 273	665 835 801

APPENDIX D (ii): REVENUE BY SOURCE

Description	Actual	
	2017	2016
	R	R
Revenue by Source		
Property Rates	148 074 778	135 339 445
Service Charges	337 383 571	326 545 507
Rental of Facilities and Equipment	1 505 650	744 348
Interest Earned - External Investments	7 776 128	5 031 308
Interest Earned - Outstanding Debtors	8 144 334	3 306 788
Fines	10 551 532	9 798 101
Licences and Permits	6 877 409	6 065 570
Transfers Recognised - Operational	144 304 831	168 177 211
Public Contributions and Donations	4 000	118 424
Other Revenue	12 566 040	10 682 545
Gains on Disposal of PPE	-	26 553
Total Revenue by Source	677 188 273	665 835 801

APPENDIX E: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Name of Grant	Amount Received	Amount Spent
	R	R
FMG	2 425 000	2 425 000
DME	6 212 015	5 928 623
EPWP Incentive Grant	1 057 000	1 057 000
Department of Water Affairs - ACIP	1 931 618	1 931 618
Department of Human Settlement	7 439 664	1 827 891
Total	19 065 297	13 170 132

**APPENDIX F: CAPITAL EXPENDITURE- NEW & UPGRADE/
RENEWAL PROGRAMMES: INCLUDING MIG 2016/17**

Project Name	Project Cost	Actual Expenditure As at 30 June 2017	Funding Source
Patensie Ramaphosa Replacement of Digesters with Waterborne Sanitation	R 24,188,155.00	R 6 218 243	MIG
Upgrade of Kruisfontein WWTW (2015-2017)	R 85,678,558.90	R 25 497 421	MIG

Description	Actual	
	2017	2016
	R	R
CAPITAL EXPENDITURE PER FUNCTION		
Executive and Council	21 901	53 367
Budget and Treasury Office	214 555	108 444
Corporate Services	196 528	200 124
Community and Social Services	464 506	1 374 251
Sport and Recreation	112 225	3 786 150
Public Safety	516 978	845 202
Housing	-	10 894
Planning and Development	506 034	500 528
Environmental Protection	153 000	76 665
Electricity	8 595 795	7 668 037

Description	Actual	
	2017	2016
Water	3 145 752	30 450 318
Waste Water Management	35 938 636	40 585 724
Total Capital Expenditure	49 865 910	85 659 705

APPENDIX F (i): CAPITAL PROGRAMME BY PROJECT CURRENT YEAR

Capital Project Description	Approved Budget 2017/18	Funding Source
Transformer	2 000 000	Own
Fencing of caravan parks & camping sites	80 000	Own
Fencing of existing cemeteries	500 000	Own
Fencing of testing track	200 000	Own
Fencing: Electrical Substations	350 000	Own
Fencing: Jeffreys Bay Waterworks	600 000	Own
Fencing: Kruisfontein Reservoir	400 000	Own
Fencing: New x Loerie Sewer pump station	300 000	Own
Humansdorp - Upgrade Kruisfontein Waste Water Treatment Works	15 225 785	MIG
Informal Traders - building	58 907	MIG
Jeffreys Bay- Northern Bulk main outfall sewer -area north of R102	800 000	Own
Mini-Sports field	2 492 496	MIG
Refurbish/Replace elevated steel water tower Upper Wavecrest	2 500 000	Own
Roads upgrade	1 150 000	Own
Testing Track	400 000	Own
Transfer station Patensie	300 000	Own
Upgrade Bulk Infrastructure Kruisfontein	4 000 000	INEP
Upgrade multi - purpose centre	150 000	Own
Upgrading of Sports Facilities	4 599 045	MIG
Upgrading of the St Francis Bay Wastewater Treatment Works	8 284 068	MIG

APPENDIX F(ii): CAPITAL PROGRAMME BY PROJECT BY WARD

Summary - Capital Budget 2018/19	ANNUAL BUDGET 2018/19	Funding	WARD
Executive and Council			
Computer Equipment (ward ass)	110 000	Internal	All
Wards Capital Programmes	750 000	Internal	All
	860 000		
Corporate Services			
Furniture and Office Equipment	752 000	Internal	Kouga
Computer Equipment	157 000	Internal	Kouga
Library upgrade (phase 2)	500 000	Internal	
Main Office Building Upgrade	300 000	Internal	Kouga
Computer Software (Legal Services)	100 000	Internal	Kouga
HR System	500 000	Internal	Kouga
	2 309 000		
Finance			
Furniture and Office Equipment	115 700	Internal	Kouga
Computer Equipment	1 391 200	Internal	Kouga
Machinery and Equipment	-	Internal	Kouga
	1 506 900		

Summary - Capital Budget 2018/19	ANNUAL BUDGET 2018/19	Funding	Ward
Infrastructure and Engineering			
Computer Equipment	35 000	Internal	Kouga
Computer Equipment	50 000	MIG	Kouga
Water infrastructure boreholes	1 500 000	Internal	
Furniture and Office Equipment	198 000	Internal	Kouga
Bucket Eradication Programme	2 300 000	Internal	

Illegal electricity connections (LV Network)	1 000 000	Internal	
Machinery and Equipment	415 000	Internal	
MV Networks	8 869 565	INEP	
New over headlines 66kv overheadlines(Jbay to Melkhout)	3 000 000	Internal	
Jeffreys Bay- Northern Bulk main outfall sewer -area north of R102	1 200 000	Internal	
Fencing: New x Loerie Sewer pump station	900 000	Internal	
Fencing of Jeffreys Bay and Kruisfontein Reservoir	900 000	Internal	
Roads upgrade	2 500 000	Internal	
upgrading of infrastructure for new township establishment	500 000	Internal	
Vehicles	2 500 000	Internal	Kouga
Upgrading of the Sea Vista Wastewater Treatment Works	18 503 132	MIG	
Humansdorp - Upgrade Kruisfontein Waste Water Treatment Works	2 173 913	MIG	
	46 544 610		

APPENDIX G: AUDIT ACTION PLAN

The Audit Action Plan shall be attached after the Auditor General has issued the Audit Finding for the 2017/18 year.

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VOLUME II: ANNUAL FINANCIAL STATEMENTS

Refer to Attached Appendix **(Note Audited Financial Statements shall be attached on finalization of the Audit by the Auditor General)**.

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