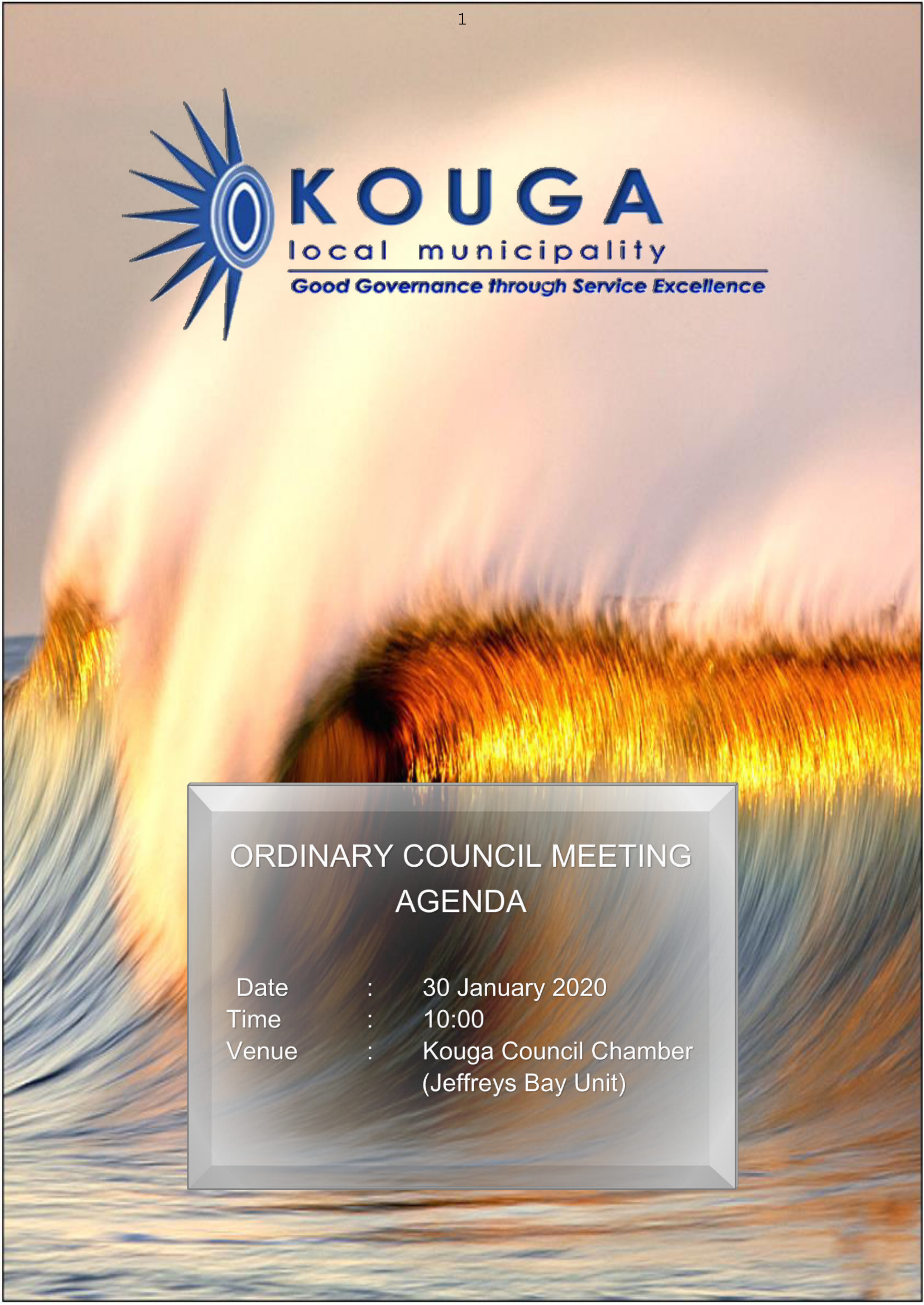
KOUGA local municipality

Good Governance through Service Excellence



ORDINARY COUNCIL MEETING AGENDA

Date : 30 January 2020
Time : 10:00
Venue : Kouga Council Chamber (Jeffreys Bay Unit)

KOUGA MUNICIPALITY (EC108) **<u>NOTICE CONVENING A MEETING</u>** **NOTICE IS HEREBY GIVEN** that an Ordinary Council Meeting will be held in the in the **<u>Kouga Council Chambers, (Jeffreys Bay Unit</u>** on **<u>DATE</u>: 30 January 2020** **<u>TIME</u>: 10:00** **<u>H. BORNMAN</u>** **SPEAKER**	**UMASIPALA I-KOUGA (EC108)** **<u>ISAZISO NGENTLANGANISO</u>** **OKU KUKWAZISA OKOKUBA** intlanganiso yesigqeba Ye-khansile **<u>eyakuba-kwikhansile yase Kouga (Jeffreys Bay)</u>** **<u>UMHLA</u>: 30 EyoMqungu 2020** **<u>IXESHA</u>: 10:00** **<u>H. BORNMAN</u>** **USOMLOMO**	**MUNISIPALITEIT KOUGA (OK108)** **<u>KENNISGEWING VAN VERGADERING</u>** **KENNIS GESKIED HIERMEE** dat 'n Gewone Raadsvergadering in die **<u>Kouga Raadsaal, (Jeffreys- baai Eenheid)</u>** gehou sal word op **<u>DATUM</u>: 30 Januarie 2020** **<u>TYD</u>: 10:00** **<u>H. BORNMAN</u>** **WOORDVOERDER**

Councillors are required to comply with the Standing Rules and Orders of Council and all its Committees By-law as promulgated in the Provincial Gazette on 22 October 2018 No.4134 and applicable to this meeting of Council. Any person who willfully contravenes any provision of these rules shall be guilty of an offence and which contravention shall be dealt with in accordance with the disciplinary procedures for Councillors.

<u>A G E N D A</u>

1. **<u>NOTICE OF MEETING</u>**

2. **<u>OPENING AND WELCOME</u>**

3. **<u>ABSENT WITH LEAVE</u>**

4. **<u>ABSENT WITHOUT LEAVE</u>**

5. **<u>PRESENTATIONS</u>**

   None

6. **<u>ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS</u>**

7. **<u>STATEMENTS OR COMMUNICATIONS BY THE SPEAKER</u>**

8. **<u>STATEMENTS OR COMMUNICATIONS BY THE EXECUTIVE MAYOR</u>**

9. **REPORT BACK: SARAH BAARTMAN DISTRICT MUNICIPALITY REPRESENTATIVES**

None

10. **REPORT BACK: INTERGOVERNMENTAL RELATIONS FORUM (IGR)**

20/01/IGR1 Minutes of the Inter-Governmental Relations Steering Committee

Pages 7-13

11. **REPORT BACK: MUNIMEC**

None

12. **DECLARATION OF INTEREST**

13. **STATUTORY MATTERS**

14. **CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING**

14.1 Minutes of the Special Council Meeting held on 25 November 2019

Pages 15-20

14.2 Minutes of the Ordinary Council Meeting held on 12 December 2019

Pages 21-49

15. **MATTERS DEALT WITH IN TERMS OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR**

(The reports by the Executive Mayor, in terms of the provisions of Section 63 of the Local Government Municipal Systems Act, 32 of 2000, on matters dealt with by the Executive Mayor in terms of delegated authority as detailed in the Minutes to be noted).

16. **REPORTS OF COMMITTEES OF COUNCIL**

16.1 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

Dealt with under the Confidential Section of the Agenda.

16.2 **KOUGA AUDIT COMMITTEE**

20/01/KAC1 Minutes of the Kouga Audit Committee (KAC)

Pages 52-58

16.3 **RULES & ETHICS COMMITTEE**

Dealt with under the Confidential Section of the Agenda.

17. **REPORT BY THE OFFICE OF THE MUNICIPAL MANAGER**

20/01/MM1 Council Resolutions of 12 December 2019

Pages 60-93

20/01/MM2 2nd Draft Annual Report (2018/2019)
(The 2nd Draft Annual Report will be circulated under separate cover)

Pages 94-96

20/01/MM3 Donation for The Biker's Festival to be held on 28 February 2020 to 01 March 2020

Pages 97-105

20/01/MM4 Application for Donation by Mighty Men Conference

Pages 106-115

18. **REPORTS BY THE EXECUTIVE MAYOR**

18.1 **REPORTS BY THE CHAIRPERSON: FINANCE**

20/01/F1 Mid-Year Financial Report for The Period July to December 2019 and Assessment of the Municipality's Financial Position as at 31 December 2019 (2019/20 Financial Year)

Pages 117-157

20/01/F2 Budget and Treasury: Withdrawals from Municipal Bank Account for the Quarter ended 31 December 2019

Pages 158-160

18.2 **REPORTS BY THE CHAIRPERSON: CORPORATE SERVICES**

None

18.3 **REPORTS BY THE CHAIRPERSON: INFRASTRUCTURE & ENGINEERING**

None

18.4 **REPORTS BY THE CHAIRPERSON: COMMUNITY SERVICES**

None

18.5 **REPORTS BY THE CHAIRPERSON: PLANNING AND DEVELOPMENT**

20/01/MM3 Council's Final Approval for Disposal & Alienation of Municipal Erven (Erf 2078, 2079, 2081, 2082, 3296 And 3297, Humansdorp Industrial 1

Pages 162-174

18.6 **REPORTS BY THE CHAIRPERSON: LOCAL ECONOMIC DEVELOPMENT & TOURISM**

None

19. **CLOSURE**

Distribution list:
Executive Mayor
Speaker
Mayoral Committee Councillors
Municipal Manager
All Directors
Relevant Managers
Committee Services

REPORTS BY INTER-GOVERNMENTAL FORUM (IGR)

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

OFFICE OF THE EXECUTIVE MAYOR

DATE: 30 JANUARY 2020 **ITEM NO: 20/01/IGR1**

MINUTES OF THE INTER GOVERNMENTAL RELATIONS STEERING COMMITTEE

1. Introduction

The purpose of this item is to refer to Council the minutes of the Inter Governmental Relations Steering Committee.

2. Background

Council is advised that the Intergovernmental Relations Steering Committee had a meeting on 28 November 2019, and the minutes of the respective meeting are attached for ease of reference.

3. Recommendation

3.1 That the minutes of the Intergovernmental Relations Steering Committee, be noted.

Item noted by : The Chairperson: IGR

MINUTES OF AN IGR STEERING COMMITTEE MEETING HELD ON THURSDAY 28 NOVEMBER 2019 AT 13:30 IN THE COUNCIL CHAMBERS, JEFFREYS BAY UNIT

PRESENT:

Cllr H. Hendricks	Executive Mayor
Ald B. Rheeder	Portfolio Councillor: Planning, Dev & Tourism
Cllr B. Williams	Portfolio Councillor: Finance
Cllr F. Baxter	Portfolio Councillor: LED & Tourism
Cllr B. Dhludhlu	Portfolio Councillor: Corporate Services
Cllr W. Gertenbach	MPAC chairperson

OFFICIALS

Ms A. Jonck	(Manager: Office of the Mayor)
Mr E. Olivier	(Manager: Strategic Projects)
Ms C. Dreyer	(Manager: IDP)
Mr T. Madatt	(Manager: Electrical)
Ms M. Jantjies	(Committee Clerk: Scribe)

STAKEHOLDERS

Please see attached Attendance Register

1. OPENING & WELCOME

The Executive Mayor read the notice convening the meeting and requested Cllr Baxter to open the proceedings in prayer. The Executive Mayor further welcomed everyone.

2. APPLICATION FOR LEAVE OF ABSENCE / APOLOGIES

The Speaker
Cllr Daniel Benson
Mr Felton – Director Infrastructure & Engineering
Mr Jamal – Manager Risk and Internal Audit
Mr Els - DEDEAT
Mr Ntuli – Department of Health
Mr Kapp DCS
Mrs Mentz – Department of Justice
Mr Booysen – Department of Justice
Mr Chilton – DWS
Ms Dlangalavu SASSA
Mr Gamiet DSRAC
Ms Rautenbach – Dept of Health
Mr Pillay – National Department of Agriculture
Ms Koba – Department of Labour
Mr Mbewu - Area Manager DSD
Mr Swarts – Program 2 Manager
Ms Nomvuso – Eskom

3. ADOPTION OF THE AGENDA

The Mayor enquired whether any stakeholder wants to add any item to the agenda.

Resolved: (28 November 2019)

1. That the Agenda of the IGR Stakeholders Forum meeting be adopted.

Proposed by: Ald B. Rheeder Seconded by: Ms A. Jonck

4. CREDENTIALS

The Executive Mayor requested that all stakeholders introduce themselves.

5. STATEMENT BY THE MAYOR

The Executive Mayor stated that the new District Development model places a lot of pressure on this forum. He further expressed the importance of the level of involvement from all stakeholders and Sector Departments on this forum.

Sector Departments are now requested to align their planning as well as the implementation of their programs. The new plan involves joint planning as well as monitoring of projects within Kouga.

The Executive Mayor mentioned that all stakeholder's infrastructure projects must become part of the municipality's IDP. The Terms of Reference might have to be amended at a later stage. The Executive Mayor reiterated the importance of all Sector department's attendance on this forum.

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

1. That the minutes of the IGR Stakeholders Forum meeting held on 21 August 2019 be confirmed and accepted.

Proposed by: Councilor B. Dhludhlu Seconded by: Councilor F. Baxter

7. MATTERS ARISING FROM THE PREVIOUS MINUTES

Cllr Dhludhlu requested feedback about the proposal that was submitted for Coastal properties. The Mayor mentioned that Mr Els is absent and requested Mr Govender to respond. Mr Govender explained that he spoke with Mr Ryan Peters and requested the relevant officials from the department to contact the municipality. He further mentioned that Ms Opperman has been in contact with him about the matter.

Cllr Dhludhlu enquired feedback pertaining to the request for extended clinic hours. The Department of Health is absent. Ms Jonck stated that the Department of Education was supposed to submit a list of unregistered learners to Department of Home Affairs.

The Executive Mayor stated that the queries will be handled in the next IGR meeting since the stakeholders are not in attendance. The Executive Mayor enquired whether any proposals were received for the Calls of Proposal that was advertised. Ms Gelderblom confirmed that numerous proposals were received.

8. <u>MATTERS FOR DISCUSSION</u>

<u>PRESENTATIONS BY STAKEHOLDERS:</u>

8.1 <u>COGTA – TERMS OF REFERENCE</u>

Mr Damane explained that the Executive Mayor is the Chairperson of the Forum providing leadership and guidance. In the absence of the Chairperson the members must select a Chairperson from amongst them.

The Chairperson determines the agenda of the meetings, identifying the needs of the Municipality enhancing service delivery. The secretariat is responsible for all secretarial duties. Sector Departments must send their presentations before - hand to the secretariat and not be longer than 15 minutes.

The Forum must have 4 quarterly meetings, these meetings to convene before the District Mayor's forum meeting. All Municipal Managers, Sector Department managers as well as District Directors to be invited to the forum meetings. Any relevant and strategic stakeholder to attend the meetings. The Sector Department must not send junior officials to attend the IGR Forum meetings. Strategic stakeholders may attend the meetings, only by invitation.

That a spreadsheet indicating attendance of Sector Department be compiled. The Executive Mayor to submit the document to the PCF. The Premier will deal with the different sector departments. Quarterly or annual evaluation of the forum must be conducted. The Executive Mayor stated that the membership list should not be standard, but it must be relevant to Kouga. All windfarms to be added as accredited members of the forum.

8.2 <u>ESKOM – Mr David Zola</u>

Mr Zola explained that his main purpose is to sensitize the municipality about an upcoming project in the area, "battery storage systems". The Melkhout substation was identified as a suitable site. It is a new project in South Africa. The project was approved, some of the timelines might change. Mr Zola stated that regular updates will be submitted to the municipality.

Mr Madatt stated that the Electrical Department is planning second phase of the 66Kv line, and they are struggling to obtain permission from Eskom for the construction of the project, as it is delaying the budget. Mr Zola confirmed that he will engage with the local office for assistance.

Cllr Gertenbach enquired how the batteries will be charged. Mr Zola explained that Eskom will charge the batteries.

Ms Radebe stated that the windfarms would like to be part of the discussion forums as they would like to prepare the communities to benefit from the opportunities presented.

The Executive Mayor stated that new developments are always welcome in Kouga area, and thanked Eskom for the investment.

8.3 <u>DEDEAT</u>

The Executive Mayor enquired whether DEDEAT was included in the energy projects (application and approval). How can the process be expedited?

Mr Govender stated that Kouga Municipality submitted late applications for Waste Management EPWP Projects. Most projects are being aligned to waste management.
Current projects; proposed Oceanview human settlement and associated infrastructure and proposed coastal protection scheme (St Francis spit).

Mr Govender stated that the draft environmental reports for projects must be submitted for review. Biodiversity & Coastal Zone Management; Biodiversity permits are issued within timeframes. Mr. Govender mentioned that a presentation was done on Sustainable Fishing: Pellsrus (19 November 2019).

Mr Govender stated that the municipality must communicate if there are any challenges regarding waste licenses. The Executive Mayor enquired whether Mr Govender is aware of the proposed Humansdorp Landfill site, waste to energy project. The windfarm is supporting the project, the project is currently at the phase where a construction company can be appointed. The project will create many jobs.

Mr Govender explained that since the municipality has a waste license for the Humansdorp landfill site, the environmental authorization may have to be amended or an EIA process will have to be followed. Mr Govender further requested the background information document in order to provide informed advise.

The Executive Mayor stated that according to Mr Preggy Pillay energy projects may be expedited on instruction by the President. The Executive Mayor further mentioned that all relevant information will be provided to Mr Govender.

Cllr Gertenbach enquired about the Seekoeiriver Estuary Management Plan as well as all other Management Plans. All Management Plans have been approved by the MEC. Mr Govender explained that the estuary management Plans have not yet been gazette.

8.5 <u>SOCIAL DEVELOPMENT</u>

The Executive Mayor requested Cllr Williams to chair the meeting. The Executive Mayor informed the meeting that Captain Swart alerted him about fraudulent activities in Humansdorp involving the sales of illegal policies.

Ms Gelderblom informed the meeting about their 16 days of activism plans. On 14 November a disability meeting was held. Ms Gelderblom requested that the municipality attend the next meeting.

Gender based violence was the theme with various workshops and dialogues. She commended the Sakhi Singamadode project in Humansdorp. A Business plan was submitted for purchasing containers. The old tomato project has also been taken over by Sakhi Singagamode. The projects secured a R3million project from IDT which will focus on homebased care as well as tutors at ECD's.

8. DEPARTMENT OF PUBLIC WORKS

EPWP Programs: The department placed 5 learners in Kouga. 2 Electrical, 2 plumbing and 1 in the mechanical field. Project will start on 2 December 2019. The contract duration is 3 years and they will receive a stipend.

Bursaries are also available from the department closing date is 13 December 2019. The application forms will be available from Ms Jonck. The presentation on land audit is available and will be given to the Executive Mayor.

9. COASTAL 6

Ms Radebe explained that she is presenting as the Chairperson of the Coastal 6 windfarms. She further stated that she only received reports from the Kouga Windfarm as well as the Jeffreys Bay Windfarm. No other reports were received.

Kouga Windfarm are offering R1.5million bursaries. An assessment and study was conducted and they are also working on a wi-fi solution for the Sea vista library. Sandwater and Kruisfontein primary will receive additional classrooms from the windfarm.

Jeffreys Bay Windfarm focuses more on agriculture. A crop production project in partnership with the Municipality was started in Hankey and Patensie. The irrigation system is already installed. The windfarm is working with Kings college to establish a crop gardening project in Oceanview, Tokyo Sexwale and Pellsrus. It is starting as a garden project at the school. It is a 3 years project where the community will be capacitated.

A 3 -year sheep farming project will also start in 2020. Scholarships are available and 3 students from Kruisfontein received agricultural scholarships for 2020. Ms Radebe stated that going forward a full report will be submitted to this forum.

Ms Radebe explained that feasibility and research are being conducted for the sheep farming project. The Executive Mayor requested that the windfarm support a cattle farming project in Kouga. Ms Radebe stated that farmers should contact them for any assistance.

The Executive Mayor stated that every school in Kouga must have a Food Gardening Project as well as a Tree Planting Project especially spekboom trees.

Resolved to Recommend (28 November 2019)

1. That the Environmental Specialist contact DEDEAT pertaining to the development of coastal properties.
2. That the dates of meetings be distributed to all members.
3. That all municipal managers, sector department managers as well as district directors be invited to the IGR meetings
4. That a spreadsheet indicating attendance of sector departments be compiled.
5. That the forum be monitored quarterly or annually.
6. That the Terms of Reference be tabled at council for approval.
7. That the IGR stakeholder membership list be updated.
8. That all Kouga schools have a food gardening and tree planting project.
9. That a cattle farming project be established in Kouga area.
10. That all sector departments submit a list of their projects to the next meeting to be added to the Kouga IDP.
11. That the National Public Works department be invited to the next meeting.

10. DATE OF NEXT MEETINGS

- 20 February 2020
- 21 May 2020
- 20 August 2020
- 19 November 2020

11. CLOSURE

The Mayor thanked everyone for their attendance and their valuable input. The Executive Mayor wished everyone a blessed festive season and a prosperous 2020 and declared the meeting closed.

The meeting adjourned at 15:25

CLLR H. HENDRICKS
CHAIRPERSON

DATE

CONFIRMATION OF PREVIOUS COUNCIL MINUTES

MINUTES OF A SPECIAL COUNCIL MEETING OF THE KOUGA MUNICIPALITY HELD AT THE KOUGA COUNCIL CHAMBER (JEFFREYS BAY UNIT) ON MONDAY, 25 NOVEMBER 2019 AT 09:00

PRESENT: Councillors	H Hendricks	(Executive Mayor)
	H Bornman	(Speaker)
	B Williams	
	F Baxter	
	BF Rheeder	(Alderman)
	B Dhludhlu	
	N Botha	
	C August	
	T Jantjes	
	L Vorster	
	R Jantjies	
	W Coenraad	
	FJ Louw	
	M Biko	
	M Dayimani	
	TN Meleni	
	P Nkwalase	
	M Peters	
	C Mandeka	
	E Februarie	
	V Vumazonke	
	P Nkwalase	
	Cllr A Mabukane	
	C Matroos	
Officials & Municipal Manager	C du Plessis	(Municipal Manager)
	N Machelesi	(Director: Community Services)
	F Mabusela	(Director: Planning, Dev & Tourism)
	V Felton	(Director: Infrastructure & Eng.)
	L Randall	(Media Liaison Officer)
	L Opperman	(Manager: Legal Services)
	B Klopper	(Committee Services)

1. **NOTICE OF MEETING**

The Speaker read the notice convening the meeting.

2. **OPENING AND WELCOME**

The Speaker welcomed all Councillors and officials and asked Cllr Meleni to open the proceedings with prayer.

3. **ABSENT WITH APOLOGY**

Cllr F Campher
D Benson
Cllr S Jujwana
Cllr W Gertenbach
Cllr S Mayoni

4. **ABSENT WITHOUT APOLOGY**

None

5. **ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS**

None

6. **PRESENTATIONS**

None

7. **STATEMENTS OR COMMUNICATIONS BY THE SPEAKER**

None

8. **STATEMENTS OR COMMUNICATIONS BY THE EXECUTIVE MAYOR**

None

9. **DECLARATION OF INTEREST**

None

10. **STATUTORY MATTERS**

11. **MATTERS DEALT WITH IN TERMS OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR**

(The reports by the Executive Mayor, in terms of the provisions of Section 63 of the Local Government Municipal Systems Act, 32 of 2000, on matters dealt with by the Executive Mayor in terms of delegated authority as detailed in the Minutes to be noted).

The Municipal Manager confirmed that to his knowledge that all reports tabled were true and correct.

12. **REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER**

19/11/MM1 APPROVAL TO EMBARK ON SECTION 55 OF THE LOCAL GOVERNMENT MUNICIPAL STRUCTURES ACT PROCESS – FOR ELECTION OF AN DEPUTY EXECUTIVE MAYOR

Cllr Februarie raised concern that approval for the election of a Deputy Executive Mayor was now been sought as the need for such was not pointed out at the time of the 2016 elections. The Accounting Officer was to raise the matter with the MEC for the appointment of a Deputy Executive Mayor and to obtain concurrence.

Cllr Oliphant was in agreement with the concern raised by Cllr Februarie and was of the opinion that the financial implications with such appointment should be applied to service delivery where needed.

The Executive Mayor stated that when the previous Executive Mayor become ill and passed away, no executive decisions could be made until such time that an Acting Executive Mayor had been appointed by Council on 20 April 2018. It was also pointed out that at the time the current Executive Mayor become ill, assistance had been requested as executive duties were outside of Kouga.

The Manager: Legal Services advised that normal procedures were that the election of the Deputy Mayor is done within 14 days after an election, but Council may follow the procedure now with the concurrence of the MEC.

The Executive Mayor requested a 15 min caucus – 09:30

Resolved (25 November 2019)

1. That the item be withdrawn and be re-submitted to the Ordinary Council meeting to be held on 12 December 2019.

19/11/MM2 AMENDMENTS TO THE 2019/20 BUDGET – APPROVAL FOR UTILISATION OF PROJECTED SAVINGS

Resolved (25 November 2019)

1. That the item be withdrawn and that a revised item be submitted to the Ordinary Council meeting to be held in December 2019.

19/11/MM3 ACCEPTANCE OF DONATION OF IMMOVABLE PROPERTY BY THE KOUGA MUNICIPALITY – ERF354 PATENSIE, ESTATE LATE HENRY DIXON DOUBELL

Cllr Oliphant stated that the donation of immovable property is appreciated but enquired whether the Municipality would be liable for any transfer costs of the land.

The Manager: Legal Services advised that there would be no transfer costs payable by the Municipality and that all costs for the transfer of the property will be paid by the deceased estate.

Resolved (25 November 2019)

1. That the acceptance of the donation of Erf 354, Patensie, situated in the Kouga Local Municipality, division Humansdorp, Eastern Cape Province, in the extent of 7 577 square meters (T16413/1976CTN), be approved.

2. That the Accounting Officer be authorised to enter into a Deed of Donation with the Estate Late Doubell for the acceptance of the donation and attend to the signature of all transfer documentation herein under the delegated powers of the Accounting Officer.

13. **REPORTS BY PORTFOLIO CHAIRPERSONS**

13.1 **REPORTS BY THE CHAIRPERSON: COMMUNITY SERVICES**

19/11/CS1 DEPARTMENT OF ENVIRONMENT, FORESTRY & FISHERIES (DEFF) REQUEST FOR FUNDING PROPOSALS

Cllr Februarie stated that he was not against the recommendation but requested clarity on the process followed and requested that a presentation be done at Council, at which time concerns may be raised.

The Director: Community Services advised that prior to the request for funding, Council's approval for funding, proposals need to accompany the application submitted to the Department of Environment, Forestry and Fisheries.

Resolved (25 November 2019)

1. That the the following projects for funding, be approved:-

   a) Separation at Source and construction of a Buy Back Centre
   b) Green deeds Job Hub and Sustainable Plastic Recycling Solution for the Upliftment of Youth Generation Project
   d) Any additional project requests for funding

2. That the submission of confirmation to DEFF's DU: Chemicals and Waste Economy regarding regarding the following, be apaproved:-

   a) That the projects are alignment to KM's IDP
   b) That a dedicated project team for each project will be appointed
   c) That KM declare and accept oversight / monitoring role of DU: Chemicals and Waste Economy
   d) That KM commit to provide monthly reports to the DU regarding the set deliverables of the initiatives/projects.

13.2 **REPORTS BY THE CHAIRPERSON: PLANNING AND DEVELOPMENT**

19/11/PD1 REVISION OF DRAFT INTEGRATED LAND USE SCHEME FOR KOUGA LOCAL MUNICIPAL AREA

Resolved (25 November 2019)

1. That approval to proceed with the review of the Draft Integrated Land Use Scheme, be approved.

2. That the establishment of a Project Committee, comprising of the following persons, be approved:-

   i. The Municipal Manager;
   ii. Manager: Legal Services;
   iii. Director: Planning, Development & Tourism (or representative);
   iv. Director: Infrastructure & Engineering (or representative);
   v. Director: Community Services (or representative);
   vi. Environmental Officer;
   vii. Other members to be co-opted, as needed;

3. That the Director: Planning, Development be nominated as Chairperson of the Project Committee

4. That, in terms of Section 18(b) of the Spatial Planning & Land Use Management By-law: Kouga Municipality, 2016, a notice be published in the Provincial Gazette in respect of the revision of the Draft Integrated Land Use Scheme for Kouga Municipality.

5. That the revision of the Draft ILUS be put on tender.

19/11/PD2 **<u>COUNCIL DISPOSAL OF FARM 335 PORTION 125 FOR FLISP AND SOCIAL HOUSING DEVELOPMENTS</u>**

The Manager: Integrated Human Settlements advised that all due processes had been followed regarding the disposal of portion 125 for FLISP Social Housing Development. He also advised that all conditions formed part of the tender document with no additional conditions when awarded.

The Manager: Integrated Humans Settlements further stated that a presentation on the Development Methodology, Financial Modelling, and Land Availability Agreement conditions with be made at the Ordinary Council meeting to be held on 12 December 2019.

Resolved (25 November 2019)

1. That Council note the award of Notice 88/2019 Farm 335 Portion 125 FLISP/Social housing development to Own Haven Housing Association.

2. That Own Haven Housing Association be invited to next Council meeting to present on Development Methodology, Financial Modelling, and Land Availability Agreement conditions (Nominal price in line with MFMA or Market Value).

3. That Council 's preferred method of alienation/ disposal be through sale of land as opposed to lease.

The meeting closed at 11:45

H BORNMAN	**DATE**
SPEAKER	

MINUTES OF AN ORDINARY COUNCIL MEETING OF THE KOUGA MUNICIPALITY HELD AT THE KOUGA COUNCIL CHAMBER (JEFFREYS BAY UNIT) ON THURSDAY, 12 DECEMBER 2019 AT 10:00

PRESENT: Councillors	H Bornman	(Speaker)
	H Hendricks	(Executive Mayor)
	B Williams	
	D Benson	
	F Baxter	
	BF Rheeder	(Alderman)
	B Dhludhlu	
	L Vorster	
	W Coenraad	
	NS Botha	
	R Jantjies	
	T Jantjes	
	WPD Gertenbach	
	C August	
	M Biko	
	M van Niekerk	
	M Dayimani	
	E Februarie	
	V Vumazonke	
	S Makasi	
	M Peters	
	P Oliphant	
	A Mabukane	
	P Nkwalase	
	J Mayoni	
	S Jujwana	
	C Matroos	
Officials &		
Municipal Manager	C du Plessis	(Municipal Manager)
	F Mabusela	(Acting Municipal Manager)
	S Thys	(CFO)
	V Felton	(Director: Infrastructure & Eng)
	K Moodley	(Director: Corporate Services)
	N Machelesi	(Director: Community Services)
	L Opperman	(Manager: Legal Services)
	L Randall	(Media Liaison Officer)
	M Rossouw	(Acting Manager: Administration)
	M Jantjies	(Committee Services)
	B de Groot	(Committee Services)

1. **NOTICE OF MEETING**

The Speaker read the notice convening the meeting.

2. **OPENING AND WELCOME**

The Speaker welcomed everyone present to the meeting. Cllr A Mabukane was requested to open the proceedings with a prayer.

The Speaker welcomed DA Councillor, Cllr M van Niekerk who was appointed in the place of Cllr F Louw. Formal procedures took place on 29 November 2019 in the Office of the Speaker.

3. **WITH LEAVE OF ABSENCE**

Cllr F Campher	-	sick leave
Cllr T Meleni	-	sick leave

4. **WITHOUT LEAVE OF ABSENCE**

None

5. **PRESENTATION: MR ANDREW WISEMAN – OWN HAVEN SOCIAL HOUSING**

History of Own Haven

- Inspired by 2nd UN World Habitat Conference in 1996,
- Dutch-based Van der Leij Foundation (now known as Intervolve) initiated a training program for the underprivileged in the townships of East London called the "High Return Housing Project" in partnership with BCM.
- The approved development included 132 project-linked low cost 'RDP' units and 318 rental apartments.
- With support of "Eigen Haard" of Amsterdam, Own Haven Housing Association was established in 2001 to manage the rental stock of the development, consisting of 318 two and three-storey walk-ups.

Establishment period – 2002 to 2007

- Growth period – 2008 to 2011
- Consolidation & refinancing period – 2012 to 2016
- The Present: scene set for aggressive growth
- Greenfields development – such as Erf 335, Kouga Municipality
- Decentralized business model
- 3rd Party management

Social Housing Programme Intent

To provide good quality affordable and well managed rental accommodation in well located parts of our cities to low and moderate income households:

- Affordable households income R2500 – R15 000 per month
- To spatially restructure 'apartheid' cities via targeted Restructuring Zones
- National programme using affordable rental accommodation to drive the economic integration of residential development within designated PRZ's

- Governed by Social Housing Act 2008, linked regulations and SH policy

Key Elements of SH Programme

Accredited SHI's - Effective and efficient non-profit businesses

- Government subsidy of capital development cost – CCG
- Affordable well-located land in Restructuring Zones – such as Erf 335
- Effective & efficient regulation of sector by SHRA to ensure compliance

Social Housing – The Benefits

- Not merely shelter
- Shifts and re-engineers the form of our cities
- Gives low- and moderate-income households access to socio-economic resources of our cities
- Serves over 5 families during building life cycle of 25 to 30 years
- Reduces infrastructure costs and creates rates and revenue streams and payments
- Offers a built form that is managed

The positive impacts of social housing

- Densification of CBD targeting transport routes
- Strategic use of municipal land to provide well-located accommodation
- Contributing to providing additional steps in the "housing ladder" of Kouga Municipality introducing social rental and FLISP ownership

Achieved through a Smart Partnership

Partnership between an accredited SHI (Own Haven) & Kouga Municipality with SHI acting as agent for delivery of socio-economic objectives. (Programmatic not ad-hoc)

- Reciprocal relationship
- Municipality provides incentives
- Regulation of SHI ensures that affordable rentals and socio-economic objectives are realized in the medium and longer term

An enabling environment

- A Social Housing Policy
- Propose formulation of a comprehensive social housing policy - acknowledging the delivery mandate of the social housing partner and the legislated, enabling mandate of the Municipality
- To deal with / address:-
- Land release process & policy (Social housing Partnership process)
- Development contribution / levies (SHI to pay for connector infrastructure)
- Plan approval fees (BNG dwelling dispensation applied)
- Appropriate Utility Tariffs (Indigent grant accessibility)
- Rates rebate for NPC / Accredited SHI (up to 100% rebate for accredited SHI's)
- Planning requirements (parking relaxation & building height)

The next steps

- Market demand – to verify demand & product preference (suggested 80/20 or 70/30 split)
- Appointment of professional team
- EIA requirements
- Rezoning & sub-division
- Detailed design & costing
- Availability of bulk infrastructure
- Packaging & funding submission – target date April 2020
- Tendering & appointment of contractor incl SMME's
- Target construction date – July 2020 & 9 months to tenanting

Concerns/Questions

- Impact on 1st time homeowners;
- Already benefitted from RDP and sold;
- Local job creation;
- Would Kouga employees benefit from housing program;
- Qualifying threshold (R2500.00);
- Default in paying rental;
- SMME's involvement;

Response/Clarification

- RDP house already received will not qualify/benefit from the rental intent in terms of the Social Housing Program;
- Integration - Applicants obtain a grant on a sliding scale from a financial institution;
- Kouga Municipality would benefit should the income fall within the bracket of R3500,00 – R5500,00 – rental based on housing ladder;
- 60% Government Grant and 40% commercial loan funded – applicants are checked to determine credibility;
- Default on rental payment – arrangements may be made – last resort will result in eviction;
- Appointed contractor would appoint sub-contractors – therefore local job creation will be considered meeting criteria;

Resolved (12 December 2019)

1. That further engagements with the relevant Directorate and Service Provider be held and that a detailed report in respect of the development program for Kouga Municipality be submitted to the Planning & Development Portfolio Committee meeting.

6. ACKNOWLEDGEMENTS, CONDOLENCES & CONGRATULATIONS

The Speaker welcomed DA Councillor, Cllr M van Niekerk who was appointed in the place of Cllr F Louw.

Birthday Wishes

Cllr W Gertenbach	-	15 December 2019
Cllr L Vorster	-	25 December 2019
Cllr P Nkwalase	-	15 January 2020

Cllr F Campher and Cllr T Meleni in prayers due to being ill.

7. **STATEMENTS OR COMMUNICATION BY THE SPEAKER**

The Speaker stated that 2019 held many challenges with achievements and thanked all Councillors for adhering to the Standing Rules of Order and for maintaining discipline in Council.

The Speaker expressed his gratitude for the positive debates and that the community's interests were prioritised and for Councillors going beyond the call of duty to solve community issues. The Speaker also thanked the DA and ANC Councillors for their positive contribution in Council and support during 2019 which is appreciated.

The Speaker wished all Councillors a safe and prosperous Festive Season.

8. **STATEMENTS OR COMMUNICATION BY THE EXECUTIVE MAYOR**

The Executive Mayor advised that a full statement reflecting challenges, achievements and goals will be submitted at the fist Council meeting to be held in 2020.

The Executive Mayor mentioned that the CFO had accepted and signed the offer of employment with Nelson Mandela Municipality and that his last working day will be on 10 January 2020. He thanked the CFO for another successful audit and that KM is left in a strong financial position and wished him well in his career.

The Executive Mayor thanked the Mayoral Committee for their support as the Advisory Team and expressed gratitude for their hard work in terms of Good Governance. The community was also thanked for their understanding during the drought and load shedding period.

The Executive Mayor thanked all Councillors and Senior Management for their hard work and wished all a prosperous Festive Season.

9. **REPORT BACK: SARAH BAARTMAN DISTRICT MUNICIPALITY REPRESENTATIVES**

None

10. **REPORT BACK: INTERGOVERNMENTAL RELATIONS FORUM (IGR)**

None

11. **REPORT BACK: MUNIMEC**

MUNIMEC Reporting: Provincial Political MUNIMEC Meeting Held On 31 October 2019 at the Osner Hotel Conference Room in East London

The Department of Public Works is in the process of transferring properties to Municipalities as well as all relevant properties to respective Municipalities and Municipalities are encouraged to take Council resolution on the matter.

There are approximately 500 properties that the Department of Public works is in the process of transferring to Municipalities that need Council resolutions.

Municipalities are requested to survey all the land in their respective areas in order to determine which properties belongs to whom. Department Public Works is urging Municipalities that have not billed to bill the Department accordingly. Municipalities are expected to register with Logis but they are battling. Municipalities are urged to resolve on the matter of transfer of properties.

Resolved (12 December 2019)

1. That it be noted that the Department of Public Works is in the process of transferring properties to all respective Municipalities.

2. That a land survey in Kouga area be undertaken, as requested by the Department of Public Works, in order to determine ownership of all land.

3. That it be noted that the Department Public Works has urged that all Municipalities who have not billed the Department, to do so accordingly.

4. That it be noted that all Municipalities are expected to register with Logis.

5. That a progress report, as contemplated above, regarding the transfer of property to Municipalities by the Department of Public Works be submitted to the next Council meeting.

12. **DECLARATION OF INTEREST**

None

13. **STATUTORY MATTERS**

14. **CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETINGS OF 30 OCTOBER 2019**

14.1 Minutes of the Ordinary Council Meeting held on 30 October 2019

The minutes of the Ordinary Council meeting held on 30 October 2019 were confirmed and accepted.

Proposed: R Jantjies Seconded: D Benson

That it be noted that the minutes of the Special Council meeting held on 25 November 2019 will be submitted to the January 2020 Council meeting for confirmation as the minutes were omitted.

15. **MATTERS DEALT WITH IN TERMS OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR**

(The reports by the Executive Mayor, in terms of the provisions of Section 63 of the Local Government Municipal Systems Act, 32 of 2000, on matters dealt with by the Executive Mayor in terms of delegated authority as detailed in the Minutes to be noted).

16. **MINUTES OF PREVIOUS MAYORAL COMMITTEE MEETING**

Minutes of the Mayoral Committee meeting held on 29 November 2019 were noted.

17. **MINUTES AND REPORTS OF COMMITTEES OF THE COUNCIL**

17.1 **MUNICIPAL PUBLIC ACCOUNTS COMMITTEE**

None

17.2 **KOUGA AUDIT COMMITTEE**

None

18. **REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER**

19/12/MM1 COUNCIL RESOLUTIONS FOR 30 OCTOBER 2019

Resolved (12 December 2019)

1, That the updated Action Sheets reflecting resolutions of the Council meeting held on 30 October 2019 be noted.

2. That all Directorates submit full status feedback/progress reports on outstanding matters as contained in the Action Sheets to the respective February 2020 Portfolio Committee meetings.

3. That a status report on the Management of the Aston Bay Hall by the Aston Bay Ratepayers Association **(19/08/CS13)** be submitted to the February 2020 Community Services Portfolio Committee meeting.

4. That a status report on the land swop of Hankey erven 668, 680, 681 & 682 owned by W&M Kleyn Boerdery (Pty) Ltd for portion of erf 17, Hankey owned by Kouga Municipality **(19/10/PD6)** be submitted to the February 2020 Community Services Portfolio Committee meeting.

19/12/MM3 REPORT ON THE PROGRESS OF THE WARD DEVELOPMENT FUND AS AT OCTOBER 2019

Resolved (12 December 2019)

1. That the report on the Progress of the Ward Development Fund, be noted.

2. That it be noted that capital funds will be transferred to operating budget with the Adjustment Budget.

3. That the remainder of the capital budget that is unspent as at 30 June 2020, be rolled over to the 20/21 budget.

19/12/MM4 MEC COMMENTS ON THE INTEGRATED DEVELOPMENT PLAN (IDP) (2017-2022): REVIEW PERIOD 2019/20

Resolved (12 December 2019)

1. That it be noted that the municipality received an overall high credibility rating from the Office of the MEC for the 2019/2020 review period.

2. That the comments of the MEC be addressed and included in the 2020/2021 IDP.

3. That consideration be given to make provision for a fully-fledged IDP unit in the review of the 2020/2021 organizational structure of the municipality.

19/12/MM5 APPROVAL TO EMBARK ON SECTION 55 OF THE LOCAL GOVERNMENT MUNICIPAL STRUCTURES ACT PROCESS – FOR ELECTION OF AN DEPUTY EXECUTIVE MAYOR

The voting process took place by show of hands

In favour	=	16
Not in favour	=	8

That it be noted that Cllrs Mayoni, Februarie and Jujwana were not present at the time of voting.

Resolved (12 December 2019)

1. That Council support the intention to elect an Executive Deputy Mayor for the Kouga Municipality Council.

2. That the Accounting Officer be authorised to approach the office of the MEC for Local Government for Eastern Cape Department Corporate Governance and Traditional Affairs to seek the approval for the election of an Executive Deputy Mayor

19/12/MM6 PURCHASE OF PORTION 77: FARM KLAARFONTEIN: THORNHILL

Resolved (12 December 2019)

1. The Municipal Manager be empowered to:

   (a) Re-negotiate with Tony Ward Family Trust for the purchasing of portion 77 of 449 Klaarefontein.

   (b) Re-negotiate the selling price of portion 77 of 449 Klaarefontein which is not to be more the R130 000 and to be in line with the value as determined by DDP Valuers.

   (b) Initiate and authorise all procedures including legal and land surveyor requirements that may be required to ensure the finalisation of the entire process to secure the land on which the elevated water tower is currently situated.

2. The revised valuation of R130,000.00 as provided by DDP Professional Valuers in June/ July 2019 be accepted and approved.

19. **REPORTS BY THE EXECUTIVE MAYOR**

19.1 **REPORTS BY THE CHAIRPERSON: FINANCE**

19/12/F1 AMENDMENTS TO THE 2019/20 OPERATING BUDGET – APPROVAL FOR UTILISATION OF PROJECTED SAVINGS

Cllr Februarie requested clarity on "Unspecified Assets" and what the urgency was to move the funds. Cllr Februarie also stated that items were budgeted for and now Council is under pressure to move funds and that the re-direction of funds should be done with the Adjustments Budget.

The Municipal Manager advised that should the re-direction of funds only take place with the Adjustments Budget, the SCM process will then be followed as funds are currently available and may be spent where needed in terms of Roads and Maintenance.

Cllr Williams stated that funds from the savings are being utilised to upgrade the entrances to Oyster Bay and Hankey.

Cllr Oliphant proposed that a maintenance programme on the expenditure be made available indicating where the funds are being spent.

Cllr Dayimani stated that no detail of where the funds are going to be utilised is contained in the report and therefore an expenditure programme/report is essential.

The Municipal Manager advised that the maintenance of roads is in need due to the recent heavy rains and currently a shortage on Roads and Maintenance is evident.

Proposal

That the redirection of funds for road maintenance be utilised in Wards 1, 6 & 7.

Proposed: M Dayimani Seconded: p Oliphant

Counter Proposal

That the recommendation as submitted to Council be accepted.

Proposed: D Benson Seconded: B Rheeder

Voting by show of hands:-

In favour = 16
Not in favour = 11

Resolved (12 December 2019)

1. That Council, by resolution taken by the majority of its full number, and in terms of Section (30)(2) of the Local Government and Municipal Structures Act No. 117 of 1998, as amended, read in conjunction with Section 28 of the MFMA 56 of 2003, approved the following proposed amendments to the 2019/20 Approved Operating Budget.

PROJECTS	**U-KEY NUMBER**	**2019/20 Approved Budget**	**Adjustments**	**2019/20 Adjusted Budget**
		R	**R**	**R**
Contractors: Maintenance of unspecified assets: Roads (Infrastructure & Engineering)	20170702071238	1,900,000	2,250,000	4,150,000
Clearing and Grass Cutting Services (Community Services)	20190911002554	0,00	350,000	350,000
Hire charges (Community Services)	201909109959521	0,00	150,000	150,000
Grant-in-Aid (Community Services)	20190910995057	0,00	250,000	250,000
Legal Costs: Legal advice and Litigation (Executive & Council)	20190710992030	5,215,600	-3,000,000	2,215,600

19/12/F2 **SUPPLY CHAIN MANAGEMENT/ STORES: S36 DEVIATIONS, MONTHLY TENDERS AND 7-DAY NOTICES FOR THE MONTH OF AUGUST 2019**

Cllr Williams advised that provision will be made on the budget to purchase compactor trucks vs the hiring of compactor trucks. Two compactor trucks were hired for the landfill sites for a period of 3 months as Council does not have sufficient equipment to service all the landfill sites in Kouga. Problems were encountered regarding the tender process and therefore compactor trucks were hired. It is envisaged that the tender process will be finalised during February 2020 for the purchase of compactor trucks.

Cllr Februarie raised concern regarding the emergency transformer for the industrial area in Humansdorp and questioned whether comparative costs were obtained and considered.

Electrical suppliers were contacted and only supplier had the required transformer in stock and due to the emergency, it was not possible to follow the normal procurement process.

Cllr Februarie raised concern that Kouga employees are not capacitated to perform repairs to burst pipes and that consultants and service providers are appointed to repairs.

The Municipal Manager advised that the pipe burst was on the main water supply line of potable water to all residents in St Francis Bay and Cape St Francis. A local service provider was appointed who had the necessary experience and resources to repair the water supply to the mentioned areas.

Cllr Dayimani enquired about the appointment of a legal panel to deal with legal matters. The Manager: Legal Services advised that the appointment of the legal panel is in process and SCM is currently busy with the procurement of the specifications of such panel.

Resolved (12 December 2019)

1. That the report on the Section 36 Deviations, monthly tenders and 7-day notices for the month of August 2019, be noted.

19/12/F3 **SUPPLY CHAIN MANAGEMENT/ STORES: S36 DEVIATIONS, MONTHLY TENDERS AND 7-DAY NOTICES FOR THE MONTH OF SEPTEMBER 2019**

Cllr Februarie requested that the water supply to areas in need be addressed.

Director: Infrastructure & Engineering advised that some areas need more water than other areas and the allocation thereof is restricted by Department Water & Sanitation. Two boreholes are linked up for the supply of water which are grant funded.

Cllr Dayimani requested an update on the status of the Suction Trucks tender.

The Municipal Manager advised that the contract is still in place with the current service provider and written notification has been forwarded to the contractor to ensure that all vehicles used to provide the services to Kouga Municipality are licenced failing which the contract will be cancelled with immediate effect.

Resolved (12 December 2019)

1. That the report on the Section 36 Deviations, monthly tenders and 7-day notices for the month of September 2019, be noted.

19/12/F4 **SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: PROGRESS FOR THE QUARTER ENDED 30 SEPTEMBER 2019**

Cllr Dayimani enquired whether the SDBIP will be updated at the time of the Adjustments Budget. The Municipal Manager confirmed that the SDBIP will be updated.

Resolved (12 December 2019)

1. That the SDBIP, for the quarter ended 30 September 2019, be noted.

19/12/F5 **REPORT ON POSSIBLE PHASING OUT OF THE ENVIRONMENTAL MANAGEMENT FEE**

Resolved (12 December 2019)

1. That a Task Team be established, consisting of representatives of the Finance and Community Services Directorates, in order to investigate and report back on the associated financial and tariff implications of the possible phasing out of the Environmental Management Fee.

2. That the following members serve on the Environmental Task Team:-

   Director Community Services
   Chief Financial Officer
   Municipal Manager
   Environmental Manager
   Cllr W Gertenbach
   Portfolio Chairperson Community Services
   Portfolio Chairperson Finance
   The Executive Mayor
   The Speaker
   Cllr M Peters
   Cllr P Oliphant

Proposed: B Williams Seconded: B Rheeder

19/12/F6 **MEMBER REPLACEMENT FOR BAD DEBT COMMITTEE**

Cllr P Nkwalase was nominated to serve on the Bad Debts Committee which was unanimously accepted.

Resolved (12 December 2019)

1. That Clr V Camelio-Benjamin be replaced on the Bad Debts Committee, with immediate effect.

2. That Cllr P Nkwalase serve on the Bad Debts Committee as replacement.

Proposed: M Dayimani Seconded: P Oliphant

19.2 **REPORTS BY THE CHAIRPERSON: CORPORATE SERVICES**

19/12/CORP7 **JOB EVALUATION SYMPOSIUM AND STATUS OF JOB EVALUATION**

Resolved (12 December 2019)

1. That the report and progress made in finalizing job descriptions and evaluations be noted.

Proposed: H Hendricks Seconded: M Dayimani

19/12/CORP9 **SDBIP REPORT AS AT 30 SEPTEMBER 2019**

Resolved (12 December 2019)

1. That progress on the SDBIP as at 30 September 2019 be noted.

19/12/CORP10 **RESIGNATION AND REPLACEMENT OF DA COUNCILLORS ON PORTFOLIO COMMITTEES AND MPAC**

Resolved (12 December 2019)

1. That, it be noted that the following resignations and replacements of DA Councillors have taken place in terms of item 1, Schedule 1 and item 11, Schedule 2 of the Local Government: Municipal Structures Act, 1998:

OUGOING COUNCILLOR	INCOMING COUNCILLOR	COMMITTEE
Cllr Aaron Nkomo	Cllr Melanie Biko	Corporate Services Portfolio Committee
Cllr Faan Louw	Cllr Marthina van Niekerk	Corporate Services Portfolio Committee
Cllr Faan Louw	Cllr Marthina van Niekerk	LED & Tourism Portfolio Committee
Cllr Faan Louw	Cllr Marthina van Niekerk	Finance Portfolio Committee – Alternate Member
Cllr Faan Louw	Cllr Marthina van Niekerk	MPAC

2. That it be noted that Cllr Faan Louw has been elected to the Sarah Baartman District Municipality and that all IEC processes have been followed.

19/12/CORP11 **COUNCIL RECESS: DELEGATED AUTHORITY: THE EXECUTIVE MAYOR**

The Executive Mayor advised of amendments to the recommendation by giving him delegated authority instead of the Municipal Manager for reason that should a notice regarding the upper limits for Councillors be received during the recess period that he may make the decision with Council's approval in terms of the delegated authority granted.

Unanimous acceptance of amendments.

Resolved (12 December 2019)

1. That it be noted that the Council will be in recess for the period 12 December 2019 to 13 January 2020.

2. That the Executive Mayor be granted delegated authority to deal with all Council affairs during the recess from 12 December 2019 to 13 January 2020, subject to the following undermentioned conditions:

   a) The Exercise of delegated authority shall exclude the passing of a by-law; approval of the budget; the imposition of rates and other taxes levies and duties; the raising of loans, the amendment of tariffs, the approval or amendment of the IDP;

   b) That the parameters of the Procurement Policy be complied with.

3. That all matters dealt with by the Executive Mayor, which would conventionally have required a resolution of the Council be submitted to Council in report format for information or review at the first Ordinary Council Meeting for 2020.

4. That the Municipal Manager consults with the Executive Mayor on matters that are of a potentially sensitive nature prior to using the authority granted of paragraphs (i) and (ii) above.

Proposed: B Dhludhlu Seconded: M Dayimani

19.3 **REPORTS BY THE CHAIRPERSON: INFRASTRUCTURE & ENGINEERING**

19/12/I&E1 RE: REDIRECT MIG FUNDING 2020/2021 FINANCIAL YEAR

The resolution was by unanimous vote.

Resolved (12 December 2019)

1. That the Council, by resolution taken by the majority of its full number, and in terms of Section 30(2) of the Local Government: Municipal Structures Act No. 117 of 1998 (as amended), read in conjunction with Section 28 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approved the following proposed amendments to the 2020/2021 Proposed Capital Budget.

   Patensie Sewage Package Plant budget will increase by R 6,241,026.68 from R 1,095,906.50 to an amended Budget of R 7,336,933.18
   Upgrade Sanitation System Old Hankey will decrease by R 3,120,513.34 from R 12,888,727.00 to an amended Budget of R 9,768,213.66
   Upgrading of Gravel Roads in Humansdorp will decrease by R 3,120,513.34 from R 12,974,561.50 to an amended Budget of R 9,854,048.16

2. That the 2020/2021 budget be adjusted as follows:

Project Name	**2020/2021 Proposed Budget**
Patensie Sewage Package Plant	R 7,336,933.18
Upgrade Sanitation System Old Hankey	R 9,768,213.66
Upgrading of Gravel Roads in Humansdorp	R 9,854,048.16

Patensie Sewage Package Plant budget will increase by R 6,241,026.68 from R 1,095,906.50 to an amended Budget of R 7,336,933.18

Upgrade Sanitation System Old Hankey will decrease by R 3,120,513.34 from R 12,888,727.00 to an amended Budget of R 9,768,213.66

Upgrading of Gravel Roads in Humansdorp will decrease by R 3,120,513.34 from R 12,974,561.50 to an amended Budget of R 9,854,048.16

19.4 **REPORTS BY THE CHAIRPERSON: COMMUNITY SERVICES**

19/12/CS4 FIRE ASSESSMENT REPORT CONDUCTED BY PHOENIX FIRE

Resolved (12 December 2019)

1. That Council note and approve the report.

2. That Council also approve the following recommendations as stipulated by the service provider.

2.1 The Kouga Fire and Rescue Control Room in Humansdorp should be provided with a suitable call and voice logger.

2.2 The Kouga Municipality should consider making suitable wide fire breaks at strategic points where veld and bush interface with the urban areas with the installation of additional Fire Hydrants in the fire break areas. This is of special importance in St. Francis Bay in the thatched roof urban areas.

2.3 One area that has a specific high fire risk, is the residential areas surrounding the Cove. The residential areas surrounding the Cove are all the thatched roof structures. In the event of a south easterly as well as a westerly wind, the fire can/will spread to the nearby residential thatched structures. An effort needs to be made to control or eliminate open fires to prevent fires and damage to surrounding residential thatched roof structures.

2.4 The Kouga Fire Department should continue to guide the home owners to improve upon their own fire protection arrangements.

2.5 The Kouga Fire Department need to arrange continuous fire prevention training with all stake holders and effected communication where possible risks are present.

2.6 The Kouga Department need to put proper Risk Reduction Plans in place.

2.7 The Kouga Fire Department should put strategic fire plans in place and each stakeholder's role needs to be clearly identified.

2.8 The Kouga Fire Department should put basic firefighting courses in place for all volunteer groups and other relevant role players.

2.9 The Kouga Fire Department should investigate the possibility of appointing retainer firefighters on a stipend basis to supplement the professional firefighters of the Kouga Municipality.

2.10 The Kouga Fire Department should investigate an Operational Agreement with The Working Water Organization to carry out risk reduction activities such as clearing alien vegetation in the Kouga Municipalities area of jurisdiction.

2.11 The Kouga Fire Department should investigate an Operational Agreement with the Working on Fire Organization to assist in clearing of bush and creating and maintaining fire breaks in high risk areas.

2.12 The Kouga Fire Department should investigate a program to refurbish, replace and maintain the water reticulation system, especially the isolating valves so that it will be fully operational. The Kouga Fire Department can than close valves in order to direct increases.

19/12/CS6 PROGRESS REPORT ON EIA FOR CEMETERIES

Resolved (12 December 2019)

1. That the progress report on the EIA on cemeteries be noted.

2. That a status report on all cemeteries be submitted to the February 2020 Portfolio Committee meeting.

19/11/CS7 REPORT ON GREENEST MUNICIPALITY COMPETITION

Resolved (12 December 2019)

1. That the report on the Greenest Municipality Competition be noted.

2. That the funds won for the Greenest Municipality Competition be used for Green initiatives and that a Business Plan be development for the utilization thereof.

19/12/CS9 PROGRESS REPORT ON THE IMPLEMENTATION OF THE SERVICE DELIVERY BUDGET IMPLEMENTATION PLAN (SDBIP) AS AT 30 SEPTEMBER 2019

Resolved (12 December 2019)

1. That the progress report on t the implementation of the SDBIP as at 30 September 2019 be noted.

19/12/CS10 REPORT ON THE FESTIVE SEASON READINESS PROGRAM: DIRECTORATE COMMUNITY SERVICES

Resolved (12 December 2019)

1. That the content of the report in preparation of the festive season 2019/20, be noted.

2. That the overtime implications during the festive season to render an acceptable level of service, be noted.

3. That a shift system for Caravan Parks, Beaches and ablution facilities cleaning in Jeffreys Bay, and St Francis Bay units, be implemented.

e.g. 3 shifts - 05h00am to 13h00pm (8 hours) - Casuals
- 07h30am to 16h15pm (8 hours) - Permanents
- 14h00pm to 22h00pm (8 hours) - Casuals

4. That it be noted that the shift system within Safety & Security section will be implemented as from 31 December 2019.

5. That the temporary closure of the Pellsrus and Paradise Lagoon areas for motor vehicles for the period: 30 December 2019 to 02 January 2020, be approved.

6. That the temporary conversion of the Diaz street to be a one-way street from the 15 December 2019 up to the 02 January 2020, be approved.

7. That the temporary road closure of following streets from the 01st December 2019 - 02 January 2020, be approved:-

   Duine Road between Da Gama Road, Tornyn Street

8. That a formal notice be published in the local newspapers and Council Notice boards of Councils intentions of the temporary closure of motor vehicle access to the Pellsrus and Paradise Lagoon picnic areas and the above street closures.

19.5 **REPORTS BY THE CHAIRPERSON: PLANNING AND DEVELOPMENT**

19/12/PD2 REPORT ON ESTABLISHMENT OF HOUSING COMMITTEES

Resolved (12 December 2019)

1. That the report on the establishment of Housing Committee members, be noted.

2. That the names of the Housing Committee members, be approved.

	KOUGA MUNICIPALITY HOUSING COMMITTEES: COMMUNITY REPS.			
No.	**NAME**	**SURNAME**	**AREA**	**WARD**
1	Mervin Chris	Barendse	PELLSRUS	**2**
2	Leonard	Perils	PELLSRUS	**2**
3	Thabo	Seli	PELLSRUS	**2**
4	Kobie	Adams	SEA VISTA	**1**
5	Faith	Vena	SEA VISTA	**1**
6	Thabo	Hermanus	KWANOMZAMO	**6**
7	Ntombizanele	Mbuqe	KWANOMZAMO	**6**
8	Clifton	Brits	KRUISFONTEIN	**4**
9	Sirwallie	Rondganger	KRUISFONTEIN	**4**
10	Siyabonga	Gosani	OCEAN VIEW	**14**

11	Noluthando	Magwa	OCEAN VIEW	**14**
12	Makhaya	Njokweni	THORNHILL	**7**
13	Gladys	Philander	THORNHILL	**7**
14	Thenjiwe	Mbenya	THORNHILL	**7**
15	Jerome	Matobielie	THORNHILL	**7**
16	Nobuhle	Langa	GOLF COURSE	**12**
17	Alec	Siziba	GOLF COURSE	**12**
18	Nomakula	Sinoko	GOLF COURSE	**15**
19	Samkelo	Langklaas	GOLF COURSE	**15**
20	Thembisa	Breakfast	GOLF COURSE	**15**
21	Vusumzi	Swartbooi	GOLF COURSE	**15**
22	Sithembiso	Ziboti	WESTON	**13**
23	Joseph	Lewis	WESTON	**13**
24	Mieta	Matross	WESTON	**13**
25	Lorriane	Oerson	WESTON	**13**
26	Japie	Dirk	PATENSIE	**10**
27	Kosie	Van Rooyen	PATENSIE	**10**
28	Shirley	Stuurman	PATENSIE	**10**
29	Emmerenthia	Grootboom	PATENSIE	**10**
30	Monde	Mketshine	PATENSIE	**10**
31	Grace	Staalmeester	ARCADIA	**5**
32	Margaret	Valgee	ARCADIA	**5**
33	Steven	Langs	ARCADIA	**5**
34	Joudi	Potgieter	ARCADIA	**5**
35	Resheen	Lucas	LOERIE	**7**
36	Andile	Mbovana	LOERIE	**7**
37	Johanna	Windvogel	LOERIE	**7**
38	Sandile	Doyi	LOERIE	**7**

19/12/PD3 **INSTITUTIONAL PERFORMANCE REPORT: 2019/20 FINANCIAL YEAR: PERIOD 1 JULY 2019 TO 30 SEPTEMBER 2019**

Resolved (12 December 2019)

1. That the content of the Quarter 1 Institutional Performance Report on the implementation of the 2019/20 Service Delivery and Budget Implementation Plan for the period 1 July 2019 to 30 September 2019, be noted.

19/12/PD4 REVIEW OF THE 2015 KOUGA MUNICIPAL SPATIAL DEVELOPMENT FRAMEWORK: PROGRESS REPORT

Resolved (12 December 2019)

1. That the progress made on the review of the Spatial Development Framework, be noted.

2. That once the scheduled consultation process has been finalised with the Services Provider, such dates be made available.

19/12/PD6 COUNCIL IN-PRINCIPLE APPROVAL OF DEVELOPMENT PROPOSAL ON PORTION OF ERF 499, HUMANSDORP AND AUTHORISATION TO ADVERTISE FOR PUBLIC PARTICIPATION

Resolved (12 December 2019)

1. That in terms of the Regulation 5(1) (b) of the Municipal Transfer Regulations (2008), Council grants in-principle approval of the project development proposal for Agri- hub and Port Terminal on a Portion of erf 499, Humansdorp.

2. That in terms of the Regulation 5(3) (b) of the Municipal Transfer Regulations (2008), Council authorises the Accounting officer to embark on a Public Participation Process on the proposed development of a Portion of erf 499.

3. That in terms of Section 14(2) (a)and (b) of the Local Government: Municipal Finance Management Act56 (2003):-

   a) Council resolve that Portion of erf 499, Humansdorp, in extent of 376.3013Ha is not required for the provision of the minimum level of basic municipal services;

   b) Council confirm that the fair market value of the asset described in (4) above and the economic and community value to be received in exchange for the asset (portion erf 499, Humansdorp) have been considered;

4. That erf 499 be subdivided into land parcels suitable for the Agri-hub precinct as follows:

   a) Agri-processing plant
   b) Port Terminal
   c) Agricultural Machinery & Technology Industry
   d) Large scale farming
   e) Green & Renewable energies in Agriculture plant

5. That a Agri-hub precinct plan be developed for the purposes stated in (d) above.

6. That the subdivided portions (as per (d) above) of a Portion of erf 499, Humansdorp, be disposed of through a competitive bidding process subject to conditions to be imposed by the Council and/or Accounting Officer according to his delegated authority.

7. That any gain or loss incurred by the Municipality in respect of the transfer of the asset be included on the adjustment budget of the municipality (section 28 of the MFMA);

8. That a Technical Working Group be established to steer the project and ensure all legislative and technical compliance.

9. That the Accounting Officer appoint a Technical Working Group as referred to in 5.8 above.

Proposed: B Rheeder Seconded: W Coenraad

19/12/PD7 <u>ENDORSEMENT AND CONDONEMENT OF THE PROCESS FOLLOWED IN ALIENATION OF MUNICIPAL ERVEN (ERVEN 2078,2079,2081,2082,3296,3297 HUMANSDORP –ZONING INDUSTRIAL 1 AND RESCINDMENT OF PREVIOUS RELATED COUNCIL RESOLUTIONS</u>

The Municipal Manager advised that all legal implications have been scrutinized by the Manager: Legal Services.

Cllr Oliphant stated that no investor is to be given preference and Council is not to be dictated by any investor. Cllr Oliphant reiterated that the bidding process may not be done for a preferred bidder or investor failing which a formal investigation will be lodged in terms of not following due processes.

Voting by show of hands followed:-

In favour of amended recommendation	=	16
Not in favour of amended recommendation	=	10

That it be noted that Cllr Mayoni was not present at the time of the voting process.

Resolved (12 December 2019)

1. Council condones and endorses the tender notice 127/2019 initiating a competitive bidding process for disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297 that was published in the absence of Council authorisation.

2. Council authorises the Accounting Officer to proceed and conclude with the disposal process as initiated

3. Council rescinds the following Council resolutions:

14/10/F27 ***<u>LAND: PROPOSED SALE OF ERVEN 2078, 2079, 2081, 2082, 2954, 3296, 3297, HUMANSDORP AND A PORTION OF THE ABUTTING STREET (HD1/3769)</u>***

Resolved: (30 October 2014)

i) That the application for the sale of Erven 2078, 2079, 2081, 2082, 2954, 3296, 3297 Humansdorp, and a portion of the abutting street, situated in the Industrial area, Humansdorp be approved.

*ii) **That Council Resolution 11/12/FAME4** dated 20 December 2011 be rescinded.*

iii) That in terms of Section 14 of the Municipal Finance Management Act, Erven 2078, 2079, 2081, 2082, 2954, 3296, 3297, Humansdorp and a portion of the abutting street, situated in the Industrial area, Humansdorp are not required for minimum basic municipal services.

iv) That all legislative requirements for the sale of the property be adhered to.

v) That all costs incurred by the sale for the relocation or installation of any services, including the consolidation of the properties, will be for the account of the purchaser.

vi) That the comments and objections from the public be taken into consideration.

vii) That where rezoning is required, it be expedited by the IPD Directorate, in terms of the preparation of a report to be presented at a National level.

11/12/FAME4 ***LEASE OF IMMOVABLE MUNICIPAL ASSETS: ERVEN 2078 AND 2081, HUMANSDORP (INDUSTRIAL AREA)***

Resolved: (20 December 2011)

i) *That the application for the lease of Erven 2078 and 2081, Humansdorp with an option to buy for the construction of an Abattoir be approved, subject to the proposed Lease Policy to be drafted, which will contain a termination and escalation clause.*

ii) *That in terms of Section 14 of the Municipal Finance Management Act, Erven 2078 and 2081, Humansdorp are not required for basic level of municipal services.*

iii) *That a fair market value of the assets and the economic and community value to be received in exchange for the assets be obtained.*

iv) *That the relevant Directorate proceeds to advertise the intention of the Council to lease Erven 2078 and 2081, Humansdorp to Eastcape Poultry Processors (Pty) Ltd. at market related value.*

v) *That the comments and objections from the public be taken into consideration.*

17/12/F12 ***LAND ADVISORY COMMITTEE MINUTES– NOVEMBER 2017***

Resolved 19 December 2017

Erven 2078, 2079, 2081, 2082, 3296, 3297 – Humansdorp Woodlands

iii) *That the purchase agreements be drawn up for the disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297 to Woodlands Dairy.*

4. In terms of the Regulation 5(1) (b) of the Municipal Approval Transfer Regulations (2008), Council grants in-principle approval for the disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp;

5. In terms of Section 14(2) (a)and (b) of the Local Government: Municipal Finance Management Act56 (2003) and clause 5.3 of Kouga Policy and Procedures for disposal of Immovable Assets (2018):-

   i. Council resolves that erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp, are not required for the provision of the minimum level of basic municipal services; and

   ii. Council confirms that the fair market value of the asset described in (4) above and the economic and community value to be received in exchange for the asset (erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp) have been considered;

19.6 **REPORTS BY THE CHAIRPERSON: LOCAL ECONOMIC DEVELOPMENT & TOURISM**

19/12/LED&T1 **INSTITUTIONAL PERFORMANCE REPORT: 2019/20 FINANCIAL YEAR: PERIOD 1 JULY 2019 TO 30 SEPTEMBER 2019**

Resolved (12 December 2019)

1. That the content of the Quarter 1 Institutional Performance Report on the implementation of the 2019/20 Service Delivery and Budget Implementation Plan for the period 1 July 2019 to 30 September 2019, be noted.

19/12/LED&T5 **LOCAL ECONOMIC DEVELOPMENT FORUM MEETING**

Resolved (12 December 2019)

1. That the report on the meeting of the Local Economic Development Forum, be supported.

19/12/LED&T6 **REQUEST FOR SPONSORSHIP FOR THE JEFFREYS BAY WINTERFEST FOR PERIOD OF THREE YEARS**

Resolved (12 December 2019)

1. That the request for sponsorship of R 1 500 000.00 annually for a period of three years (2020, 2021, and 2022) be allocated towards the Jeffreys Bay Winterfest as per Municipal Sponsorship Policy, **be withdrawn.**

20. **<u>MATTERS FOR INFORMATION</u>**

20.1 **<u>OFFICE OF THE MUNICIPAL MANAGER</u>**

19/12/MM2 <u>CALL CENTRE REPORT ON SERVICE DELIVERY REQUESTS JULY – SEPTEMBER 2019</u>

Resolved (12 December 2019)

1. That the report on the Call Centre Service Delivery Requests July – September 2019 be noted.

2. That it be noted that the above report serves at all service delivery Portfolio Committee meetings and that the relevant Directorates are requested to follow-up on pothole issues reported per ward.

3. That the option of providing a customer management centre/office be investigated where service delivery requests may be reported by the community.

20.2 **<u>FINANCE</u>**

None

20.3 **<u>CORPORATE SERVICES</u>**

19/12/CORP1 <u>MONTHLY REPORT FOR THE CORPORATE SERVICES DIRECTORATE: ADMINISTRATION SECTION</u>

Resolved (12 December 2019)

1. That the monthly report for July-September 2019, be noted.

2. That critical institutional records and information be sent to Records for capturing on the EDMRS.

19/12/CORP2 <u>REPORT ON THE PROGRESS OF REPAIRS AND MAINTENANCE FOR MUNICIPAL ADMINISTRATION BUILDINGS AND WARD COUNCILLOR OFFICES</u>

Resolved (12 December 2019)

1. That the report on the progress of repairs and maintenance for Municipal Administration Buildings and Ward Councillor offices be noted.

2. That consideration be given to allocating additional funds in the adjustments budget.

19/12/CORP5 **REPORT ON REDUNDANT ASSETS**

Resolved (12 December 2019)

1. That the report on Redundant Assets, be noted.

2. That the Assets Department update their Assets register regularly.

19/12/CORP6 **HR REPORT FOR JULY 2019 TO SEPTEMBER 2019**

Resolved (12 December 2019)

1. That the monthly HR report be noted.

2. That the statistics and monitoring movement on a monthly basis, be noted.

3. That departments monitor sick leave trends and utilize the Employee Wellness Programme (EWP) to pro-actively deal with underlying issues that may result in high absenteeism.

4. That department's pay attention to the high-risk areas and implement measures to reduce or eradicate the risks.

5. That service delivery departments monitor overtime claims over the 2019 Festive Season.

19/12/CORP8 **PUBLIC PARTICIPATION PROGRESS**

Resolved (12 December 2019)

1. That the report on the progress of Public Participation, be noted.

2. That respective Departments action the issues raised at Ward Committee meetings.

3. That the item be tabled at Top Management for Departments to give feedback.

20.4 **INFRASTRUCTURE & ENGINEERING**

None

20.5 **COMMUNITY SERVICES**

19/12/CS1 MONTHLY REPORT COMMUNITY SERVICES: JULY-SEPTEMBER 2019

Resolved (12 December 2019)

1. That the quarterly report of Community Services Directorate for July -September 2019, be noted.

19/12/CS2 REPORT ON QUALITY OF DRINKING WATER AUGUST 2019

Resolved (12 December 2019)

1. That the report on the quality of drinking water for Kouga Municipality be noted.

19/12/CS3 REPORT ON THE QUALITY DRINKING WATER SEPTEMBER 2019

Resolved (12 December 2019)

1. That the report on the quality of drinking water for Kouga Municipality be noted

19/12/CS5 LIFESAVING TRAINING REPORT

Resolved (12 December 2019)

1. That the Lifesaving Training report be noted.

2. That future lifesaving training be supported by Council.

19/12/CS8 KOUGA LIBRARIES: PROGRESS REPORT ON INSTALLATION OF COMPUTERS AND NETWORK

Resolved (12 December 2019)

1. That the report be noted.

2. That the process to install the network at the Thornhill Library, Sea Vista Library, and Tokyo Sexwale Library be prioritised.

20.6 **REPORTS BY THE CHAIRPERSON: PLANNING AND DEVELOPMENT**

19/12/PDT1 TOWN PLANNING PROGRESS REPORT: 1 AUGUST 2019 TO 30 SEPTEMBER 2019

Resolved (12 December 2019)

1. That the content in the Town Planning progress report be noted.

2. That all land use planning applications and planning issues published for public participation, be circulated to all Councillors on a monthly basis.

19/12/PD5 MONTHLY PROGRESS REPORT ON HUMAN SETTLEMENTS GRANT FUNDED PIPELINE PROJECTS

Resolved (12 December 2019)

1. That the report on the human settlements grant funded projects be noted.

20.7 **LOCAL DEVELOPMENT & TOURISM**

19/12/LED&T2 DESIGN AND CONSTRUCTION OF KOUGA MINI FRESH FOOD AND CRAFT MARKET STALL IN HANKEY

Resolved (12 December 2019)

1. That that the LED Capital Budget of R1 000 000.00 (One Million Rands only) be used for the construction costs of the Mini Fresh Produce and Craft Market Stalls, on Erf 2055 in Hankey. This is in addition to the allocated MIG funding of R1400 000.00 (One Million Four Hundred Thousand Rands Only), be supported.

2. That the LED & Tourism section be authorised to apply for further MIG funding for the construction of Jefferys Bay and other phases of the Site Development Plan in Hankey site, be supported.

19/12/LED&T3 EVENTS APPLICATIONS RECEIVED AND DISCUSSED FOR THE PERIOD 23 AUGUST 2019

Resolved (12 December 2019)

1. That the report on the Events Planning Committee on 23 August 2019, be noted.

21. **CLOSURE**

The Speaker thanked all present for their valuable input and moved onto the confidential section of the agenda.

The meeting closed at 14:30 for In Committee discussions.

______________________________ _______________________

H BORNMAN **DATE**

SPEAKER

MATTERS DEALT WITH IN TERMS OF DELEGATED AUTHORITY BY THE EXECUTIVE MAYOR

REPORTS BY THE KOUGA AUDIT COMMITTEE (KAC)

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

KOUGA AUDIT COMMITTEE

DATE: 30 JANUARY 2020 **ITEM No: 20/01/KACC1**

MINUTES OF THE KOUGA AUDIT COMMITTEE

1. Introduction

The purpose of this item is to refer to Council the minutes of the Kouga Audit Committee.

2. Background

Council is advised that the Kouga Audit Committee had a meeting on 26 June and 27 August 2019, and the Minutes of the respective meetings are attached for ease of reference.

3. Recommendation

3.1 That the minutes of the Kouga Audit Committee of 26 June 2019 and 27 August 2019, be noted.

Item prepared and approved by the Kouga Audit Chairperson

MINUTES OF A KOUGA AUDIT COMMITTEE MEETING HELD IN THE COUNCIL CHAMBERS, (JEFFREYS BAY UNIT) ON THURSDAY, 26 JUNE 2019 AT 09:00.

PRESENT	Mr J. Blignaut	(Chairperson)
	Mr R. Coetzer	(Committee Member)
COUNCILLORS	Cllr B. Williams	
	Cllr L. Vorster	
OFFICIALS	Ms K. Moodley	(Director: Corporate Services)
	Ms N. Machelesi	(Director: Community Services)
	Mr V. Felton	(Director: I&E)
	Mr S. Abrahams	(Manager: Budget & Treasury)
	Ms L. Opperman	(Manager: Legal)
	Mr A. Koegelenberg	(Manager: PMS)
	Mr F. Jamal	(Manager: Risk & Internal Audit)
	S. Mpumela	(Risk & Internal Audit
	N. Mbangi	(Risk & Internal Audit)
	Ms M Jantjies	(Scribe)
STAKEHOLDERS	Mr E. le Roux	(Provincial Treasury)
	Mr S. Budaza	(Provincial Treasury)
	Mr C. Welch	(AGSA)
	Ms N. Jam Jam	(ECCOGTA)
	Mr L. Dokwana	(ECCOGTA)
	Ms L. Mostert	(MPAC)

1. OPENING AND WELCOME

The Chairperson read the notice convening the meeting. He further welcomed everyone present and requested them to introduce themselves.

2. LEAVE OF ABSENCE

The Mayor
The CFO
The Municipal Manager

3. CONFIRMATION OF PREVIOUS MINUTES

3.1 MINUTES OF THE MEETING HELD ON 4 APRIL 2019

Resolved: (26 June 2019)

1. That the Minutes of the Kouga Audit Committee meeting held on 4 April 2019 be confirmed.

3.2 MATTERS ARISING FROM PREVIOUS MINUTES

3.2.1 APPOINTMENT OF THE THIRD COMMITTEE MEMBER

The Chairperson requested feedback on the matter. The CFO explained that the process is completed, and a recommendation will be submitted to the next Council meeting.

4. MATTERS FOR DISCUSSION

4.1 19/06/PAC1 QUARTER 3 INSTITUTIONAL PERFORMANCE REPORT: 2018/19 FINANCIAL YEAR: PERIOD 1 JULY 2018 TO 31 DECEMBER 2018

The Acting Municipal Manager requested Mr Koegelenberg to continue. Mr Koegelenberg stated that the Municipal Manager is in the process of reshuffling the Bid Committees. Mr Koegelenberg mentioned that the only issue is CAPEX.

Mr Koegelenberg confirmed that the Maintenance Expenditure is well above 80%.

Mr Welch stated that the Auditor General will need proof of all corrective measures. Mr Welch further mentioned his concern with some projects appearing in the SDBIP, but they are not noted in the Quarter 3 report. Mr Koegelenberg stated that he will investigate the matter.

The Chairperson enquired whether the alignment of the items on the SDBIP has been corrected. The Chairperson further enquired about the status of the Metro water account as well as what steps are taken with regards to CAPEX. He mentioned that the municipality are sitting on significant cash surpluses in investments.

Resolved to recommend: (26 June 2019)

i) That the content of the Quarter 3 Institutional Performance Report on the implementation of the Service Delivery and Budget Implementation Plan for the period 1 July 2018 to 31 March 2019 be noted.

4.2 19/06/KAC1 MONTHLY BUDGET STATEMENTS FOR THE PERIOD JULY 2018 TO MAY 2019 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 MAY 2019 (2018/19 FINANCIAL YEAR)

The Chairperson stated his concern with the 96% collection rate for debtors figure and mentioned that he is satisfied with the presentation of the item.

Resolved: (26 June 2019)

i) That it be noted that the Executive Mayor notes the Municipal Manager's report on the monthly budget statements, in accordance with Section 71(1) of the Municipal Finance Management Act.

ii) That the monthly budget statements accordingly be submitted to Provincial Treasury as stipulated in Section 71(1) of the MFMA.

4.3 19/06/KAC2 (a) <u>INTERNAL AUDIT PLAN</u>

<u>(b) KLM – FINAL PMS Q1-Q2 2018</u>

Mr Jamal, presented the item to the meeting. The Chairperson mentioned his satisfaction with Mr Jamal's expertise as Manager Risk and Internal Audit. He further enquired whether the department has been capacitated yet.

Resolved: (26 June 2019)

i. That the capacitation of the Risk and Internal Audit Department be expedited.

5. <u>WAY FORWARD</u>

Mr Welch stated that all information to be submitted to the Audit Strategy is required by 15 November 2019.

6. <u>DATE OF NEXT MEETINGS</u>

27 August 2019 at 09:00

7. <u>CLOSURE</u>

The Chairperson thanked all present for their input and declared the meeting closed.

The meeting terminated at 10:30

__27 August 2019__

MR. J. BLIGNAUT **DATE**
CHAIRPERSON

MINUTES OF A KOUGA AUDIT COMMITTEE MEETING HELD IN THE COUNCIL CHAMBERS, (JEFFREYS BAY UNIT) ON THURSDAY, 27 AUGUST 2019 AT 09:00.

PRESENT	Mr J. Blignaut	(Chairperson)
	Mr R. Coetzer	(Committee Member)
	Mr Y. Ngqele	(Committee Member)
COUNCILLORS	Cllr B. Williams	
	Cllr B. Dhludhlu	
	Cllr W. Gertenbach	
OFFICIALS	Mr C du Plessis	(Municipal Manager)
	Mr S. Thys	(CFO)
	Ms F. Mabusela	(Director: P, D & T)
	Mr V. Felton	(Director: I&E)
	Ms K. Moodley	(Director: Corporate Services)
	Ms L. Opperman	(Manager: Legal)
	Mr A. Koegelenberg	(Manager: PMS)
	Mr F. Jamal	(Manager: Risk & Internal Audit)
	N. Mbangi	(Risk & Internal Audit)
	Ms M Jantjies	(Scribe)
STAKEHOLDERS	Mr X. Budaza	(Provincial Treasury)
	Mr T. Gwija	(Provincial Treasury)
	Mr O. Free	(Provincial Treasury)
	Ms R. Keipiso	(ECCOGTA)
	Mr L. Dokwana	(ECCOGTA)
	Mr S. du Toit	(Nexia SAB & T)
	Ms L. Mostert	(MPAC)

1. OPENING AND WELCOME

The Chairperson read the notice convening the meeting. He further welcomed Mr Ngqele, the newly appointed committee member as well as everyone present to the first meeting of the new quarter and requested them to introduce themselves.

2. LEAVE OF ABSENCE

The Mayor
The Speaker

3. CONFIRMATION OF PREVIOUS MINUTES

3.1 MINUTES OF THE MEETING HELD ON 26 JUNE 2019

Resolved: (27 August 2019)

1. That the Minutes of the Kouga Audit Committee meeting held on 26 June 2019 be confirmed.

4. MATTERS FOR DISCUSSION

4.1 19/08/KAC1 MONTHLY BUDGET STATEMENTS FOR THE MONTH OF JULY 2019 AND FINANCIAL STATE OF AFFAIRS OF THE MUNICIPALITY AS AT 31 JULY 2019 (2019/20 FINANCIAL YEAR)

The chairperson explained since a one- month Budget report is submitted it will be discussed at the next meeting.

Resolved to recommend: (27 August 2019)

1. That the item be referred to the next meeting.

4.2 19/08/KAC2 DRAFT ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019

The CFO presented the Draft Annual Financial Statements (AFS) for the year ended 30 June 2019 to the meeting. The chairperson commended the Finance team on the excellence of the Annual Financial Statements. He further stated his satisfaction with the AFS review of the Internal Auditor.

INTERNAL AUDIT REVIEW DRAFT FINANCIAL STATEMENTS:

Mr. du Toit stated that the AFS was received on 21 August 2019, all amendments will be done afterwards. He further congratulated the Finance team on high quality statements.

Mr. du Toit explained that the findings have been classified according to the nature and potential impact on Kouga Municipality's Annual Financial Statements. The classifications used are as follows:

Low risk findings – These are typically low impact issues and may relate to spelling or other minor enhancements/omissions. However, these may also refer to presentation of the financial statements that should be rectified.

High risk findings – These are matters that are perceived to have a potentially higher impact if not corrected/addressed.

Mr. du Toit further stated that all errors are highlighted in yellow on the appendixes.

The Chairperson enquired pertaining to the implementation of the findings whether the deadline will be met. The CFO explained that the high-risk findings will be assessed first, and all necessary amendments will be addressed in the final set of statements.

Resolved: (27 August 2019)

1. That the Draft Annual Financial Statements for the year ended 30 June 2019 be noted.

5. DATE OF NEXT MEETINGS

27 November 2019 at 09:00

6. CLOSURE

The Municipal Manager stated that the Draft Annual Report as well as the Performance Report is completed, he would like the committee to schedule a Performance Audit meeting to review these documents.

The Chairperson thanked all present for their input and declared the meeting closed.

The meeting adjourned at 9:50

3 December 2019

MR. J. BLIGNAUT
CHAIRPERSON

DATE

REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER

KOUGA MUNICIPALITY (EC108)

ORDINARY COUNCIL MEETING

OFFICE OF THE MUNICIPAL MANAGER

DATE: 30 JANUARY 2020 **ITEM NO: 20/01/MM1**

COUNCIL RESOLUTIONS FOR 12 DECEMBER 2019

1. Introduction

   The purpose of this item is to provide an overview/feedback report regarding the progress of Council Resolutions.

2. Background

   The Actions Sheets reflect outstanding Council resolutions of all Directorates.

3. Recommendation

3.1 That the updated Actions Sheets reflecting resolutions of the Ordinary Council meeting for 12 December 2019 be noted.

3.2 That it be noted that the Action Sheets are referred to Top Management meetings for discussions and progress reports are to be submitted to their respective Portfolio Committee meetings.

Item prepared by: The Acting Director: Corporate Services

Item endorsed by: The Acting Chief Financial Officer

Item endorsed by: The Director: Infrastructure & Engineering

Item endorsed by: The Director: Community Services

Item endorsed by: The Acting Director: Planning, Development & Tourism

Noted by the Portfolio Chairperson

ACTION SHEET FOR EXECUTION OF RESOLUTIONS

ORDINARY COUNCIL MEETING HELD ON 12 DECEMBER 2019

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
OFFICE OF THE MUNICIPAL MANAGER – 30 JULY 2019					
19/07/MM4 **RESCISSION OF A COUNCIL RESOLUTION – 17/8/F23 OF A COUNCIL MEETING HELD ON 31 AUGUST 2017**	1. That Council rescind the Council resolution as resolved under 17/8/F23 by removing the reference made to Erf 873 Jeffreys Bay, to the effect that the Council Resolution be implemented in exclusion of the reference to Erf 873 Jeffreys Bay as reflected:- ***Erf 873 Jeffreys Bay*** • ***That processes for the renewal of the lease contract for the Jeffreys Bay Bowling Club commences in March 2018.*** • ***That the lease contracts for the Jeffreys Bay Golf Club and the Driving Range be renewed.***				

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
	• ***That the rental income complies with the MFMA.*** • ***That a termination clause be included in the lease contracts which gives Council six (6) months to terminate the lease should the property be required for development.*** 2. That Erf 873, Jeffreys Bay, in extent of 82,908ha be subdivided and rezoned for sporting facilities and that the remainder of Portion Erf 873, Jeffreys Bay, be rezoned for future development. 3. That a long-term lease agreement for the remainder of Erf 873, Jeffreys Bay, be considered after the subdivision, rezoning and public participation				Advertising Process for public participation has been commenced with Town Planning Currently Busy with Subdivision And Rezoning Process

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
	processes have been finalised. 4. That Council confirms, in terms of Section 14(2) of the Local Government: Municipal Finance Management Act, the assets herein, is not needed to provide the minimum level of basic municipal services. 5. That Council approve the advertisement inviting interested parties to lease the asset mentioned herein, and in line with the Policy and Procedures for the disposal of immovable assets, as approved by Council.				Notice inviting for proposals was advertised and will serve at the LEC meeting to be held on 17 October 2019 Process will be completed by end January 2020 LEC recommended not to make an award MM will refer item back to the LEC with recommendations
OFFICE OF THE MUNICIPAL MANAGER - 30 OCTOBER 2019					
19/10/MM5 **<u>AMENDMENT BY-LAW ON THE STANDING RULES AND ORDER FOR THE MEETINGS OF COUNCIL AND ALL ITS COMMITTEES BY-LAW</u>**	1. That the item be withdrawn and referred to the Rules & Ethics Committee meeting to be held on 15 November 2019 for discussion.				Submitted To The Rules & Ethics Committee Meeting Held On 15 November 2019

ITEM NO.	**ACTION**	**FOR DISPOSAL BY DEPARTMENT**	**DUE DATE**	**STATUS REPORT BY RELEVANT DIRECTOR**	***REPORT BACK DATE / COMPLETION DATE***
OFFICE OF THE MUNICIPAL MANAGER – 12 DECEMBER 2019					
19/12/MM5 **APPROVAL TO EMBARK ON SECTION 55 OF THE LOCAL GOVERNMENT MUNICIPAL STRUCTURES ACT PROCESS – FOR ELECTION OF AN DEPUTY EXECUTIVE MAYOR**	1. That Council support the intention to elect an Executive Deputy Mayor for the Kouga Municipality Council. 2. That the Accounting Officer be authorised to approach the office of the MEC for Local Government for Eastern Cape Department Corporate Governance and Traditional Affairs to seek the approval for the election of an Executive Deputy Mayor				A written correspondence has been addressed to the Officer of the MEC for Local Government for Eastern Cape Department Corporate Governance and Traditional Affairs to seek the approval for the election of an Executive Deputy Mayor.
19/12/MM6 **PURCHASE OF PORTION 77: FARM KLAARFONTEIN: THORNHILL**	1. The Municipal Manager be empowered to: (c) Re-negotiate with Tony Ward Family Trust for the purchasing of portion 77 of 449 Klaarefontein.				Negotiation correspondence has commenced, but the process is not finalized yet

ITEM NO.	**ACTION**	**FOR DISPOSAL BY DEPARTMENT**	**DUE DATE**	**STATUS REPORT BY RELEVANT DIRECTOR**	***REPORT BACK DATE / COMPLETION DATE***
	(d) Re-negotiate the selling price of portion 77 of 449 Klaarefontein which is not to be more the R130 000 and to be in line with the value as determined by DDP Valuers. (c) Initiate and authorise all procedures including legal and land surveyor requirements that may be required to ensure the finalisation of the entire process to secure the land on which the elevated water tower is currently situated. 2. The revised valuation of R130,000.00 as provided by DDP Professional Valuers in June/ July 2019 be accepted and approved.				

ACTION SHEET FOR EXECUTION OF RESOLUTIONS

ORDINARY COUNCIL MEETING HELD ON 12 DECEMBER 2019

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
CORPORATE SERVICES – 30 OCTOBER 2019					
19/10/CORP10 **REPORT ON ASSESSMENT OF MUNICIPAL ADMINISTRATION BUILDINGS AND COUNCILLOR OFFICES**	3. That an urgent Ward Committee Forum meeting be arranged to discuss the content of the report as well as matters of concern in all Wards.				Office of the Speaker scheduled meeting mid-January 2020

ACTION SHEET FOR EXECUTION OF RESOLUTIONS

ORDINARY COUNCIL MEETING HELD ON 12 DECEMBER 2019

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
INFRASTRUCTURE AND ENGINEERING – 28 JUNE 2019					
19/06/I&E10 **RE: LIST OF OBSOLETE EQUIPMENT (ASSETS) THAT WERE IDENTIFIED FOR AUCTION**	2. That the list of redundant / obsolete equipment be removed from the Asset Register. 3. That the redundant / obsolete equipment be done via public auction / donation, be supported. 4. That a legal opinion be obtained to establish whether employees of the Kouga Municipality may partake in the public auction and that such report be submitted to the next Council meeting.	Asset management Asset management Manager: legal services			Specification for the appointment of an auctioneer approved 27 September 2019 **ADVERTISEMENT PENDING** Officials May Partake In The Auction Process On Condition That Such Official Is On Leave – No Preference To Officials

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
					Tender for the appointment of an auctioneer will be submitted to the BAC meeting by end of Dec 2019 Redundant items for auctioning will be submitted to Council by end of March 2020
INFRASTRUCTURE & ENGINEERING – 30 OCTOBER 2019					
19/10/I&E9 **WATER CONSUMPTION: HIGHEST USERS**	1. That the item be dealt with under the confidential section of the agenda.				Dealt with under the Confidential Section of the Agenda
19/10/I&E4 **DAY TO DAY OPERATIONS OF THE FLEET SECTION WHICH RESIDES UNDER INFRASTRUCTURE & ENGINEERING DURING THE PERIOD OF JULY 2019**	1. That the outcomes of the investigation regarding the truck that fell over while off loading building sand be tabled at the next Mayoral Committee. 2. That the Speaker intervene in the investigation regarding the Councillor's involvement in the matter.	OFFICE OF THE SPEAKER			A report was submitted to PC meeting – necessary steps have been taken Speaker to implement

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
19/10/I&E5 **INTRODUCTION OF A DRAFT BY-LAW: ELECTRICITY SUPPLY BY-LAW**	1. That the report be withdrawn and be resubmitted once the by-law has been workshopped.				By-law to be reviewed at the Policy Workshop scheduled for 27 November 2019 but postponed. Will be submitted to next policy workshop on 17 January 2020

ACTION SHEET FOR EXECUTION OF RESOLUTIONS

ORDINARY COUNCIL MEETING HELD ON 12 DECEMBER 2019

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
COMMUNITY SERVICES 30 MAY 2019					
19/05/CS10 **PROGRESS REPORT ON GERMAN MISSION: KOUGA VS ILSFELD MUNICIPALITIES**	3. That the International Closing Workshop 6th Project Phase, Municipal Climate partnership to be hosted in Kouga Municipality from 9- 11 October 2019 be noted.				To be hosted 9-11 October 2019 Report on the workshop will be submitted to the Council meeting in 2020
COMMUNITY SERVICES – 29 AUGUST 2019					
19/08/CS13 **APPLICATION FOR THE MANAGEMENT OF THE ASTON BAY COMMUNITY HALL BY THE ASTON BAY RATEPAYERS ASSOCIATION**	1. That the granting of control and management of Aston Bay Community Hall to the Aston Bay Ratepayers Association be supported in principle. 2. That the intention of Council be advertised for public comments and/or objections, be supported.				Public Participation has been completed In process of drafting a Memorandum of Agreement with Legal Services

COMMUNITY SERVICES – 30 OCTOBER 2019					
19/10/CS13 **CUSTODIANSHIP: KRUISFONTEIN SPORTS FIELD**	1. That Council grants custodianship to the Kruisfontein United Rugby Club, an Eastern Cape Premier League competitor club, for the Kruisfontein Sports Field as a pilot project for a period of 9 years and 11 months. 2. That a Service Level Agreement be drawn up between the Municipality and the Kruisfontein United Rugby Club, to clarify the roles and responsibilities, including the conditions on which such custodianship is granted. 3. That the custodianship initiative be communicated to Ward 4, 5 and 15 residents through a Public Participation Process. 4. That it be noted that a legally recognised Sporting Body is to be established in Kouga and that the Kruisfontein United Rugby Club be affiliated to such controlling Body.				The notice for public participation was advertised Notice:2/2020 Advertised:9/01/ 2020 Closing 31/01/2020

ITEM NO.	ACTION	FOR DISPOSAL	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
COMMUNITY SERVICES – 12 DECEMBER 2019					
19/12/CS4 **FIRE ASSESSMENT REPORT CONDUCTED BY PHOENIX FIRE**	1. That Council note and approve the report. 2. That Council also approve the following recommendations as stipulated by the service provider. 2.1 The Kouga Fire and Rescue Control Room in Humansdorp should be provided with a suitable call and voice logger.			The Fire & Disaster department is currently in discussion with the IT department Acting Manager, Mr. A. Makomo to procure a suitable call and voice logger system. Mr. Makomo recommended that the department budget sufficiently for the system in the new financial year of 2020/21, as we do not have sufficient budget currently.	

	2.2 The Kouga Municipality should consider making suitable wide fire breaks at strategic points where veld and bush interface with the urban areas with the installation of additional Fire Hydrants in the fire break areas. This is of special importance in St. Francis Bay in the thatched roof urban areas. 2.3 One area that has a specific high fire risk, is the residential areas surrounding the Cove. The residential areas surrounding the Cove are all the thatched roof structures. In the event of a south easterly as well as a westerly wind, the fire can/will spread to the nearby residential thatched structures. An effort needs to be made to control or eliminate open fires to prevent fires and damage			The Fire & Disaster department has commenced with the bush clearing program, where emphasis is made on the reduction of fire risks, especially within the St Francis Bay area. There have been fire breaks established as well as existing fire breaks maintained. The current water infrastructure needs to be upgraded to address the water pressure supply to current and proposed additional fire hydrants in the fire break areas. To prevent people from camping out with open fires, the municipality instructed that fixed designated braai stands with chimneys and spark arrestors fitted in the chimneys be erected.	

	to surrounding residential thatched roof structures. 2.4 The Kouga Fire Department should continue to guide the home owners to improve upon their own fire protection arrangements. 2.5 The Kouga Fire Department need to arrange continuous fire prevention training with all stake holders and effected communication where possible risks are present. 2.6 The Kouga Department need to put proper Risk Reduction Plans in place.			The Fire & Disaster department attends regular meetings with the homeowner's association representatives and homeowner's insurance companies to implement fire preventative measures on their properties. The department is also in constant communication with the media platforms to distribute prevention material. The Fire & Disaster department conducts awareness programs within the community as well as media platforms. An Integrated Fire Management Plan needs to be conducted by a service provider to address the Fire Risk	

				Reduction Plan for the municipality as a whole. The department however for the interim established a Fire Risk Reduction Committee in St Francis Bay to address immediate risks.	
	2.7 The Kouga Fire Department should put strategic fire plans in place and each stakeholder's role needs to be clearly identified.			As mentioned above, the Fire & Disaster department must appoint a service provider to assist with overall fire risk management plans for Kouga Municipality. The department has established good working relationships with the public and the community with regards to fire risk reduction.	
	2.8 The Kouga Fire Department should put basic firefighting courses in place for all volunteer groups and other relevant role players.			The Fire & Disaster department has basic firefighting training programs for all volunteer groups in Kouga, of which there are volunteer groups in St Francis Bay,	

	2.9 The Kouga Fire Department should investigate the possibility of appointing retainer firefighters on a stipend basis to supplement the professional firefighters of the Kouga Municipality. 2.10 The Kouga Fire Department should investigate an Operational Agreement with The Working Water Organization to carry out risk reduction activities such as clearing alien vegetation in the Kouga Municipalities area of jurisdiction.			Humansdorp, Hankey, and Jeffreys Bay. The Fire & Disaster department is investigating the possibility of appointing reserve firefighters according to the Fire Brigade Act to supplement the professional firefighters in Kouga. The Fire & Disaster department has a verbal agreement in place with the Working for Water organization. The organization has been working on clearing alien vegetation within the St Francis Bay area to reduce fire risks for the past year. The department attends regular meetings to review work to be done as well as areas to be cleared with Working for Water. They also form	

	2.11 The Kouga Fire Department should investigate an Operational Agreement with the Working on Fire Organization to assist in clearing of bush and creating and maintaining fire breaks in high risk areas. 2.12 The Kouga Fire Department should investigate a program to refurbish, replace and maintain the water reticulation system, especially the isolating valves so that it will be fully operational. The Kouga Fire Department can than close valves in order to direct increases.			part of the Fire Risk Reduction committee in the area. The Fire & Disaster department has a signed operational agreement with the Working on Fire organization. The Working on Fire organization is in process to appoint 22 members, of which 12 are already appointed and based in St Francis Bay, to assist in bush clearing and the creating and maintaining of fire breaks in high fire risk areas.	

19/12/CS6 **<u>PROGRESS REPORT ON EIA FOR CEMETERIES</u>**	1. That the progress report on the EIA on cemeteries be noted. 2. That a status report on all cemeteries be submitted to the February 2020 Portfolio Committee meeting.				Item submitted to the February 2020 Portfolio Committee meeting.
19/11/CS7 **<u>REPORT ON GREENEST MUNICIPALITY COMPETITION</u>**	1. That the report on the Greenest Municipality Competition be noted. 2. That the funds won for the Greenest Municipality Competition be used for Green initiatives and that a Business Plan be development for the utilization thereof.				Business plan completed and submitted to the Department of Environmental Affairs 15 November 2019

ACTION SHEET FOR EXECUTION OF RESOLUTIONS

ORDINARY COUNCIL MEETING HELD ON 12 DECEMBER 2019

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
PLANNING AND DEVELOPMENT 30 MAY 2019					
19/05/PD6 **PUBLIC WORKS PROPERTIES TO BE TRANSFERRED TO KOUGA MUNICIPALITTY**	1. That Council accepts the following erven from Public Works and that they are added to the asset register of Kouga Municipality: Farm 448 portion 15 — Uitenhage RD Pellsrus: 677; 678; 733; 751 ; 753; 794;812 826; 854; 862 Humansdorp: 1 968 Thornhill: 221 ; 237 333; 334; 342;362;376;751v; 762; 763; 775; 776; 777; 778; 779; 780; 781 ; 782; 783; 784; 785; 788; 789; 790; 791 ; 792; 805; 845; 846; 849; 850; 852; 855; 857; 859; 860; 861 ; 862; 863; 865; 866; 868; 870; 874;	LEGAL SERVICES		Deed Of Donation Signed Signed Documents Will Be Provided To The Dept Public Works	In progress of being finalised State Attorney Dept Public Works Responsible For Transfer of properties Signed deed of donation was forwarded to the Dept Public Works

	875; 883; 884; 885; 886; 887; 888; 889; 891; 892; 894; 895; 897; 898; 896 2. That the Municipal Manager write a covering letter to the Department Public Works requesting the transfer of these properties. 3. That a Deed of Donation be sent to the Department Public Work for the transfer of these properties. 4. That Kouga Human Settlement Department proceed with the transfers of these erven to the owners of the properties as soon as registration to Kouga has been completed.				

PLANNING & DEVELOPMENT – 30 OCTOBER 2019					
19/10/PD3 **SELLING OF 98 HIGH WATER TABLE HUMAN SETTLEMENT ERVEN – KRUISFONTEIN**	2. That the selling price of R8 000 per erf, be supported. 3. That the sale of these erven be advertised for input from the public. 4. That the people currently occupying erven be given first option to buy the erf that they are occupying. 5. That these erven be sold voetstoots with the following recommendations by SRK Consulting included in the Deed of Sale should the owner wish to build a brick house:- • *Individual erven need to be box cut and compacted to the recommended founding depth and graded towards the stormwater network;* • *A layer of course river sand and/or gravel (± 100mm in thickness) to be placed at the base of the box cut to act as a preferential flow*				Public Participation Process to be commenced with 1st week of December 2019 Advert for public participation and objections will be advertised on 23/1/2020

	path for ground water seepage; • *A subsoil drain (at the lowest point of the erf) to be installed and connected to the stormwater network to remove excess groundwater seepage from the site; and* • *The finished floor level of the house should be at least 2 brick courses above the level of the road if the site is level; otherwise two brick courses above the highest ground level on the site."* 6. That all proceeds from the sale of the 98 high water table erven be ringfenced for projects namely the upgrading of gravel roads to paved roads.				

19/10/PDT5 **<u>TEMPORARY APPROVAL TO DERMACATE A SECTION OF PORTION 125 OF THE FARM ESTATE KLEIN ZEEKOEI RIVER NO.335 FOR NUTRITIONAL COMMUNITY VEGETABLE GARDEN IN PARTNERSHIP WITH VICTORY 4 ALL KING'S COLLEGE and JEFFERY'S BAY WINDFARM</u>**	1. That Council grants approval to demarcate a portion of land (1ha) on portion 125 of the Farm Estate Klein Zeekoei River No. 335: Ocean View for the purpose of a Nutritional vegetable garden as per proposal from King's College. 2. That it be noted that this is not a permanent approval and does not rescind any previous Council Resolutions taken on this land parcel including Council resolutions (**13/07/IPD** and **19/02/PDT**). 3. That a Land Use Application be submitted to Town Planning Department for Temporary Departure of a period not exceeding 5 years. 4. That the Accounting Officer enters into a Memorandum of Understanding / Agreement with the Victory for All Trust (King's College) pertaining the approval granted and applicable conditions, including but not limited to the validity period of the agreement (not exceeding 5 years).				Developer informed to submit land use application. Agreement will be signed after approval of land use application. Departure process in progress

	5. That a community meeting be arranged by the beneficiary of the land in order to provide information regarding to Community Vegetable Garden in Partnership with Victory 4 All King's College and Jeffery's Bay Windfarm Project.				MOU to be concluded To be confirmed
19/10/PDT **<u>LAND SWOP OF HANKEY ERVEN 668,680,681&682 OWNED BY W&M KLEYN BOERDERY (PTY)LTD FOR PORTION OF ERF 17, HANKEY OWNED BY THE KOUGA MUNICIPALITY</u>**	1. That Council approve the land swap between W&M Boerdery (PTY) Ltd and Kouga Municipality: Erf 668 Hankey South: 851m² Business 1 Erf 680 Hankey South:914 m² Residential 1 Erf 681 Hankey South:960 m² Residential 1 Erf 682 Hankey South:897 m² Residential 1 **TOTAL 3622 m²** FOR Portion of Erf 17 Hankey as indicated on the attached map.				Section 14 process was completed Information on transfer will be submitted on 21/1/2020

	2. That a Sect 14 process as stipulated in the Municipal Finance Management Act 2005 be adhered to before the transfers are effected. 3. That W&M Boerdery will be responsible for the layout plan, architectural drawings, sub-division, rezoning, registration and all other related costs incurred in respect of erven for their workers. 4. That the extent of the land to be subdivided for swop from Erf 17 should be equivalent to the combined erven to be transferred to Kouga Municipality i.e. (3622 m² in size). 5. That W&M Boerdery be responsible as the applicant, for all other necessary approvals from the Department of Agriculture and other authorities, as may be required for changes in land use. 6. That Kouga Municipality carries the cost of the transfers of the 4				

		erven to be registered to Kouga Local Municipality.				
		PLANNING & DEVELOPMENT – 12 DECEMBER 2019				
19/12/PD6 **<u>COUNCIL IN-PRINCIPLE APPROVAL OF DEVELOPMENT PROPOSAL ON PORTION OF ERF 499, HUMANSDORP AND AUTHORISATION TO ADVERTISE FOR PUBLIC PARTICIPATION</u>**	1. 2. 3.	That in terms of the Regulation 5(1) (b) of the Municipal Transfer Regulations (2008), Council grants in-principle approval of the project development proposal for Agri-hub and Port Terminal on a Portion of erf 499, Humansdorp. That in terms of the Regulation 5(3) (b) of the Municipal Transfer Regulations (2008), Council authorises the Accounting officer to embark on a Public Participation Process on the proposed development of a Portion of erf 499. That in terms of Section 14(2) (a)and (b) of the Local Government: Municipal Finance Management Act56 (2003):- a) Council resolve that Portion of erf 499,				

	Humansdorp, in extent of 376.3013Ha is not required for the provision of the minimum level of basic municipal services; b) Council confirm that the fair market value of the asset described in (4) above and the economic and community value to be received in exchange for the asset (portion erf 499, Humansdorp) have been considered; 4. That erf 499 be subdivided into land parcels suitable for the Agri-hub precinct as follows: a) Agri-processing plant b) Port Terminal c) Agricultural Machinery & Technology Industry d) Large scale farming e) Green & Renewable energies in Agriculture plant 5. That a Agri-hub precinct plan be developed for the purposes stated in (d) above.				

	6. That the subdivided portions (as per (d) above) of a Portion of erf 499, Humansdorp, be disposed of through a competitive bidding process subject to conditions to be imposed by the Council and/or Accounting Officer according to his delegated authority. 7. That any gain or loss incurred by the Municipality in respect of the transfer of the asset be included on the adjustment budget of the municipality (section 28 of the MFMA); 8. That a Technical Working Group be established to steer the project and ensure all legislative and technical compliance. 9. That the Accounting Officer appoint a Technical Working Group as referred to in 5.8 above.				

19/12/PD7 **<u>ENDORSEMENT AND CONDONEMENT OF THE PROCESS FOLLOWED IN ALIENATION OF MUNICIPAL ERVEN (ERVEN 2078, 2079, 2081, 2082, 3296, 3297 HUMANSDORP –ZONING INDUSTRIAL 1 AND RESCINDMENT OF PREVIOUS RELATED COUNCIL RESOLUTIONS</u>**	1. Council condones and endorses the tender notice 127/2019 initiating a competitive bidding process for disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297 that was published in the absence of Council authorisation. 2. Council authorises the Accounting Officer to proceed and conclude with the disposal process as initiated 3. Council rescinds the following Council resolutions:				Process being initiated
14/10/F27	***<u>LAND: PROPOSED SALE OF ERVEN 2078, 2079, 2081, 2082, 2954, 3296, 3297, HUMANSDORP AND A PORTION OF THE ABUTTING STREET (HD1/3769)</u>*** ***Resolved: (30 October 2014)*** *j) That the application for the sale of Erven 2078, 2079, 2081, 2082, 2954, 3296, 3297 Humansdorp, and a portion of the abutting street, situated in the Industrial area, Humansdorp be approved.* *ii)* ***That Council Resolution 11/12/FAME4*** *dated 20 December 2011 be rescinded.* *iii) That in terms of Section 14 of the Municipal Finance Management Act, Erven 2078, 2079,*				

2081, 2082, 2954, 3296, 3297, Humansdorp and a portion of the abutting street, situated in the Industrial area, Humansdorp are not required for minimum basic municipal services. *iv) That all legislative requirements for the sale of the property be adhered to.* *v) That all costs incurred by the sale for the relocation or installation of any services, including the consolidation of the properties, will be for the account of the purchaser.* *vi) That the comments and objections from the public be taken into consideration.* *vii) That where rezoning is required, it be expedited by the IPD Directorate, in terms of the preparation of a report to be presented at a National level.* ***11/12/FAME4 <u>LEASE OF IMMOVABLE MUNICIPAL ASSETS: ERVEN 2078 AND 2081, HUMANSDORP (INDUSTRIAL AREA)</u>*** ***Resolved: (20 December 2011)*** *i) That the application for the lease of Erven 2078 and 2081, Humansdorp with an option to buy for the construction of an Abattoir be approved, subject to the proposed Lease Policy to be drafted, which will contain a termination and escalation clause.*			

	ii) *That in terms of Section 14 of the Municipal Finance Management Act, Erven 2078 and 2081, Humansdorp are not required for basic level of municipal services.* iii) *That a fair market value of the assets and the economic and community value to be received in exchange for the assets be obtained.* iv) *That the relevant Directorate proceeds to advertise the intention of the Council to lease Erven 2078 and 2081, Humansdorp to Eastcape Poultry Processors (Pty) Ltd. at market related value.* v) *That the comments and objections from the public be taken into consideration.*			
17/12/F12	***LAND ADVISORY COMMITTEE MINUTES– NOVEMBER 2017*** ***Resolved 19 December 2017*** ***Erven 2078, 2079, 2081, 2082, 3296, 3297 – Humansdorp Woodlands*** iii) *That the purchase agreements be drawn up for the disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297 to Woodlands Dairy.*			

	4. In terms of the Regulation 5(1) (b) of the Municipal Approval Transfer Regulations (2008), Council **<u>grants in-principle approval</u>** for the disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp; 5. In terms of **Section 14(2) (a)and (b)** of the Local Government: Municipal Finance Management Act56 (2003) and **clause 5.3** of Kouga Policy and Procedures for disposal of Immovable Assets (2018):- i) Council **<u>resolves</u>** that erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp, are not required for the provision of the minimum level of basic municipal services; and ii) Council **<u>confirm</u>**s that the fair market value of the asset described in (4) above and the economic and community value to be received in exchange for the asset (erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp) have been considered;				

ACTION SHEET FOR EXECUTION OF RESOLUTIONS

ORDINARY COUNCIL MEETING HELD ON 12 DECEMBER 2019

ITEM NO.	ACTION	FOR DISPOSAL BY DEPARTMENT	DUE DATE	STATUS REPORT BY RELEVANT DIRECTOR	*REPORT BACK DATE / COMPLETION DATE*
LOCAL ECONOMIC DEVELOPMENT – 12 DECEMBER 2019					
19/12/LED&T6 **REQUEST FOR SPONSORSHIP FOR THE JEFFREYS BAY WINTERFEST FOR PERIOD OF THREE YEARS**	1. That the request for sponsorship of R 1 500 000.00 annually for a period of three years (2020, 2021, and 2022) be allocated towards the Jeffreys Bay Winterfest as per Municipal Sponsorship Policy, **be withdrawn.**				Noted

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

OFFICE OF THE MUNICIPAL MANAGER

DATE: 23 JANUARY 2020 **ITEM NO.: 20/01/MM2**

2ND DRAFT ANNUAL REPORT (2018/2019)

1. Introduction

The purpose of this item is to table the 2018/19 2nd Draft Annual Report to Council.

The 2nd Draft annual Report will be circulated separately. ***

2. Background

Section 46 of the Municipal Systems Act 32 of 2000 read with Chapter 12 of the Municipal Finance Management Act 56 of 2003 requires that a municipality must table an Annual Report consisting of:

a) A Performance Report;

b) The Financial Statements for the financial year in review;

c) An Audit Report on the Financial Statements; and

d) Any other reporting requirement in terms of other applicable legislation.

The abovementioned section also provides that Representatives of the Auditor-General and the MEC for Local Government in the Province are entitled to attend and to speak at such meetings, and the Municipal Manager must be available to respond to questions related to the annual report.

Section 46 (4)(b) of the Municipal Systems Act further provides that a copy of the report be submitted to:

a) The MEC for local government in the province;

b) The Auditor-General; and

c) Such other institutions as may be prescribed by legislation.

3. Discussion

The 1st Draft Annual Report was tabled at Council on 29 August 2019 where it was resolved:

19/08/MM5 **KOUGA MUNICIPALITY: FIRST DRAFT: ANNUAL REPORT (2018/2019)**

Resolved (29 August 2019)

1. That the First Draft of the 2018/19 Annual Report and Financial Statements be submitted to the Office of the Auditor General by not later than 31 August 2019;

2. That the First Draft of the 2018/19 Annual Report be submitted to the Municipal Public Accounts Committee for scrutiny and preparation of an Oversight Report;

3. That a work session be arranged to scrutinize the Final Draft of the 2018/19 Annual Report prior to submission to Council.

4. That the Annual Report be submitted to Council before the end of March 2020, after scrutiny by the Auditor General and the Municipal Public Accounts Committee.

The following documentation has been incorporated in the 2nd Draft 2018/19 Annual report:

i) Updated Departmental information
ii) Component J: Organisational Performance Report
iii) Volume 11: Annual Financial Statements
iv) Chapter 6: Auditor General's Report on 2018/19 Financial Statements
v) Chapter 6: Audit Action Plan on AG Findings

4. Recommendation

4.1 That the 2nd Draft of the 2018/19Annual Report be noted in terms of the provisions of Section 127(1) of the Municipal Finance Management Act (Act 56 of 2003).

4.2 That the Accounting Officer in terms of Section 127 (5) of the MFMA, and in accordance with Section 21 (A) of the Municipal Systems Act:

a) Make public the Annual Report; and

b) Invite the Local Community to submit inputs and comments on the 2nd Draft Annual Report.

c) Submit the Annual Report to:

- The Auditor-General;
- The Provincial Treasury;
- The Provincial Department for Local Government;
- Other institutions as prescribed by legislation.

4.3 That the 2nd Draft Annual Report for the 2018/19 financial year be tabled to the Kouga Audit Committee for consideration.

4.4 That an Oversight Report on the 2nd Draft 2018/19 Annual Report be prepared by the Municipal Public Accounts Committee in terms of Section 129 of the MFMA to be tabled to the Council at the end of March 2019.

Item prepared by : **The Manager: Performance Management Systems**

Item approved by : **The Municipal Manager**

KOUGA MUNICIPALITY (EC108)

ORDINARY COUNCIL MEETING

OFFICE OF THE MUNICIPAL MANAGER

DATE: 30 JANUARY 2020 **ITEM NO: 20/01/MM3**

DONATION FOR THE BIKER'S FESTIVAL TO BE HELD ON 28 FEB-1 MARCH 2020

1. Purpose

The purpose of the item is to obtain approval from Council for the donation to WOZA, the organizers of the Biker's Festival that will be held in Jeffreys Bay from 28 February to 1 March 2020.

2. Background

In August 2019 a presentation was made to Council by WOZA for the hosting of the Biker's Festival by Kouga.

The total budget for the Festival is R3 232 800 **(Annexure A).** Sponsorships were obtained to the amount of R 840 000 and the remainder of the cost is covered by an event generated income. The donation by Kouga Municipality is R100 000. The Kouga Donations Policy stipulates that:

"7.3 The amount of any one donation approved by an office bearer may not exceed the amount of R 5000.00 save for special merit cases which must be duly motivated and recorded. If the mayor intends approving an amount in excess of the said maximum amount, the mayor must refer such application to the Council for approval."

The R100 000 donation by the Municipality is thus duly submitted to Council for approval in accordance with the stipulation of the Kouga Donation Policy above.

3. Financial implications

Budget is available for this donation. R50 000 is available on the LED events budget and the other R50 000 will be funded from the following Ukey: 20190710991626 – Corporate Services. Regarding the latter a correction will be made during the Adjustment Budget where the amount from this Ukey will be re-allocated to the events budget and the amount taken from this Ukey will be supplemented.

4. Comments

4.1 The Municipal Manager

The event organizer presented his proposal to Council at a previous occasion. Funding is being made available in the Adjustments Budget to support the event.

5. Recommendation

3.1 That R100 000 donation by the Municipality to WOZA for the Biker's Fest, be approved.

Item prepared by : **Senior Admin Officer: Archives**

Item approved by : **The Municipal Manager**

Jeffrey's Bay Bike Fest SA TM

BUDGET

EASTERN CAPE
28 Feb - 1 March 2020

INCOME

	AMOUNT EX VAT
SPONSORS	
Municipal Budget Request	100,000.00
Beer Pouring Partner	100,000.00
Energy Pouring Partner	150,000.00
Wine Pouring Partner	150,000.00
Spirit Pouring Partner	150,000.00
Soft Drink Pouring Partner	50,000.00
Cellular Partner	100,000.00
Jeffery's Bay Product Owner Packages 20 x R2000	40,000.00
TOTAL SPONSOR INCOME	840,000.00
EVENT GENERATED INCOME - PROJECTED FIGURES	
Trade Exhibition Stands & Stalls	310,000.00
Event Ticket Sales	1,500,000.00
Bar Profit	750,000.00
Merchandise shirts/ pins & patches	180,000.00

Accommodation Commission	100,000.00
EVENT INCOME	2,840,000.00
TOTAL INCOME	3,680,000.00
EXPENDITURE	
Marketing	
Media Communications PR Agency - Wozani Africa Events	0.00
SA Press Clipping Service - Generic Cover Listing	0.00
Social Media Marketing - Wozani Africa Events	0.00
Bike Liaison -7 PR Activations SA - Bike Fest SA Liaison	0.00
Website, Artwork & Social Media Design - 5 event cost share portion	5,000.00
ZA Bikers Banner Adverts - 5 event cost share portion	5,000.00
ZA Bikers featured posts -10 posts - 5 event cost share portion	10,000.00
ZA Bikers Video Boost Facebook - 5 event cost share portion	6,000.00
Festival Video	8,000.00
Festival Photographer	9,000.00
4 PRE festival video clips	10,000.00
Bike SA 4 full page adverts- 5 event cost share portion	16,000.00
Radio Advertising - Sponsored Partenrship	0.00
Superbike Magazine 4 full page adverts 5 event cost share portion	15,000.00
SA Biking Council AGM	10,000.00
Biking Council Meet & Greet - Sponsor	0.00
Media & VIP Sponsor Catering - Sponsor	0.00

Radio Ad Spend - Sponsored Partnership Algoa FM DSTV Ad Spend - Sponsored Partnership	20,000.00 0.00
International Trade Show Representation (SATOUR)	0.00
MARKETING TOTAL	-
BRANDING	
Event Nationwide Corex Board Poster Campaign - Print & Flight	50,000.00
Permits, lanyards, Vip Pass, Bar, Shuttle Magnetics	3,000.00
Event Site Branding, Gazebo's, Bunting 3km, Airtec Flat Branding, Stage Branded Scrims, Festival Welcome Towers Branding, Telescopics, Pull Ups, Media Banner Wall, Event Directional Signage, Vendor Signage, Bar Tickets Jeffreys Bay Specific - 5 event cost share portion	80,000.00
BRANDING TOTAL	-
OPERATIONAL CREW	
Brand Crew & Set up/ Breakdown	50,000.00
Gate Manager	25,000.00
Safety Officer	25,000.00
Event Driver & Vehicle(management & artists)	25,000.00
Merch Staff	5,000.00
Gate /Bar/ Promo Staff	75,000.00
Assistant Manager staff overview	0.00
Artist Stage Manager & Team	40,000.00
Golf Carts	0.00

OPERATIONAL CREW TOTAL	-
TENTS, ELECTRICAL, STAGING & DECKS	
Stretch tents Main Stage & bar areas	80,000.00
Framed Tents Vendors	100,000.00
Engineers Certification	15,000.00
Diesel	75,000.00
Generator	75,000.00
Gearhouse - stage (light & sound tech on stand by with set up crew)	550,000.00
VIP Lounge Furniture	20,000.00
INFRASTRUCTURE TOTAL	-
APPAREL & DÉCOR	
T Shirts (crew & merchandise)	65,000.00
Giant Light Up Letters	20,000.00
Hay Bales x 20 Jack Daniels Area	2,000.00
Pins and Patches	50,000.00

Sundries - Cable Ties, Paint, Bin Liners etc	5,000.00
APPAREL & DÉCOR TOTAL	-
BUDWEISER BEACH STAGE	
Artists Main Stage Budget	400,000.00
ARTIST MAIN STAGE TOTAL	-
LOCAL ARTISTS	
Local Artists Budget (Artists& upcoming talent in Area)	40,000.00
Battle of bands Prize money	25,000.00
LOCAL ARTISTS TOTAL	-
ARTISTS TRAVEL & ACC	
Artists Flights & Travel Accommodation	150,000.00
ARTISTS TRAVEL AND ACCOMMODATION TOTAL	-
ACCCOMMODATION	
Media accommodation	30,000.00
Extreme zone athletes accommodation	6,000.00
Gearhouse Accommodation & Artist management team	15,000.00
ACCOMMODATION TOTAL	-
ENERGY ZONE ENTERTAINMENT	
La Riche Brothers	46,500.00
King Donut (4 shows)	52,000.00

Wheely Machine Burnout pit	5,000.00 10,000.00
Bike Raffle/ Give away	100,000.00
Moto Gp contest prize	5,000.00
Custom Bike show trophies & Prizes	5,000.00
Bikini Bike wash Area	5,000.00
Mass Ride Marshalls & Planning	10,000.00
EXTREME TOTAL	-
SAFETY & SECURITY	
Security Management	75,000.00
RTI Application	500.00
Ambulances	18,000.00
Wristbands Printed	10,800.00
Public Liability	15,000.00
Fencing	5,000.00
SAFETY & SECURITY TOTAL	-
CLEANING & WASTE MANAGEMENT	
Ablution facilities	0.00
Cleaners of facilities & general cleaning	10,000.00
WASTE MANAGEMENT TOTAL	-
EVENT MANAGEMENT	
Telephone, Printing, Acommodation & Travel	155,000.00

Event Management & Staffing	350,000.00
EVENT MANAGEMENT TOTAL	-
COMMISSIONS	
Howler Ticketing Commission average	120,000.00
Bank Charge for Cash Deposit & General Bank Charges	20,000.00
COMMISSIONS TOTAL	-
Event Contingency	19,500.00
TOTAL EXPENSES EVENT	**3,232,800.00**

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

OFFICE OF THE MUNICIPAL MANAGER

DATE: 30 JANUARY 2020 **ITEM NO: 20/01/MM4**

APPLICATION FOR DONATION BY MIGHTY MEN CONFERENCE

1. Introduction

The purpose of this item is to refer to Council the application for donation received by the Mighty Men Conference Committee. Application attached as Annexure 1.

2. Background

Council is advised that the Mighty Men Conference Committee intends hosting the Might Men Conference from 13 – 15 March 2020, on a farm situated outside Jeffreys Bay. This is an annual event that attracts participants in large numbers and which in turn gives the area an economic boost.

3. Comment: Municipal Manager

The Municipal Manager is in support of this application as it is believed that this event will have economic benefits for the residents and local businesses in the Kouga area.

4. Financial implications

The proposed donation is in the amount of R150 000.00 (One hundred and fifty thousand Rand)

5. Applicable Policy Provision

The approved Donations Policy applies in respect of the application for donation received, and Council is urged to consider the application in line with the rules and guidelines stipulated.

Guidelines to consider as provided in clause 6.1 of the Policy:

6.1 The office bearers of the Municipality may consider applications for donations received from organizations and bodies complying with the following **guidelines**:

6.1.1 the functions of the applying organization or body as well as the purpose of the donation must align with the strategic goals and objectives of the Municipality, and provided for in the approved Integrated Development Plan (IDP),

6.1.2 the organization or body operating as a legal entity according to their constitution must be based in the Kouga Municipal area or at least have a local office in the Kouga Municipal area, and

6.1.3 Non-profit organizations, educational organizations, libraries, museums, culture organizations, social clubs, community-based organizations, special needs organizations, charitable organizations serving the poor, will be considered for donations.

7. Discussion

Council is requested to consider the application, especially in light of clause 7.3 of the Donations Policy, which provides that “the amount of any one donation approved by an office bearer may not exceed the amount of R5000, save for special merit cases which must be duly motivated and recorded. Should the office bearer intend to donate an amount in excess of the R5000 threshold, the application must be referred to Council for approval.

8. Recommendation

8.1 That the application for donation be approved in the amount of R150 000 (One hundred and fifty thousand Rand).

8.2 That the Municipal Manager be authorised to enter into a written Memorandum of Agreement in respect of the donation so approved.

Item approved by The Office of the Municipal Manager

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Cape St Francis
Hankey
Humansdorp
Jeffreys Bay
Loerie
Oyster Bay
Patensie
St Francis Bay
Thornhill

Postal: PO Box 21, Jeffreys Bay, 6330
Tel: 042 200 2200 / 042 200 8300
Fax: 042 200 8606
Email: registry@kouga.gov.za
Website: www.kouga.gov.za

GRANT-IN-AID APPLICATION FORM

Name of Organization: Prov 4 23 [Mighty Men Conference Jeffreys Bay]

INSTRUCTIONS

Please indicate (mark with an "X") if your application for funding is in terms of:

Arts and Culture		Heritage and museums	
Tourism		Local Economic Development	
Sport		Other Interdenominational Men's Conference	X

NB: All the questions must be answered and if not applicable, be marked as such. Each page of the application must be initialed and the last page must be signed by at least signatories. If there is not enough space for answers, please use and attach further sheets of pages which must also be initialized by the applicant.

Applicant desiring assistance with regards to the completion of this form must contact the relevant Directorate.

Incomplete applications will not be forwarded for consideration.

CHECKLIST FOR DOCUMENTATION NEEDED.

Please make sure that the following documents are attached to the application form. (Tick with an "X" where applicable)

Copy of Organization's Registration Certificate	X
Organization's Constitution, Articles of Association or Trust Deed	
Detailed budget with Motivation [attached]	X
Business and Implementation Plan	X
Signed, audited financial statements where applicable of most recent financial statement.	Under Review

DECLARATION

Chairperson: Eugene Genis
ID number: 6611035152089

Vice Chairperson: Andre Terblanche
ID Number: 7112025269081

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SECTION A: DETAILS OF ORGANIZATION

1 Postal address: 20 Joey Faurie Drive, Paradise Beach Jeffreys Bay.
Postal code: 6332.
2 Street address: 20 Joey Faurie Drive; Paradise Beach Jeffreys Bay 6332.
3 Telephone Number: 087 944 7288
Cell Number: 082 378 3839
4 E-mail address: info@mightymoveneasterncape.co.za.
5 When was the organization formed (date?) 31/05/2017
6 Is the organization registered? Yes
Give reasons if not

7 If yes, what type of registration: (e.g. NPO, Section 21 Company, Trust, etc.)
8 Date of registration? 31/05/2017
9 Registration number: 2017/225090/08
(Please attach copy of registration certificate)
10 Details of main contact person in organization:
Name: Eugene Genis
Position: Committee Member
South African ID number: 6611035152089
Phone Number: 082 378 3839 Cell:
E-mail address: eugene@bridgepersonnel.co.za.
11 Details of second contact person in organization:
Name: Francois Rossouw Le Roux
Position: Committee Member
South African ID number: 7703075045080
Phone Number: 083 654 6255 Cell:
E-mail address: R3vervoer@gmail.com
12 Names and Positions of three other members of the Management Committee:
12.1 Name: Johann van Vuuren
Position: Committee Member Vendors
South African ID number: 6810035016084
Phone Number: 081 334 6317 Cell:
E-mail address: vanvuurenmotors@gmail.com
12.2 Name: Anton Stephanus Heyns
Position: Committee Member Security Access
South African ID number: 7210255174086
Phone Number: 082 824 6906 Cell:
E-mail address: antonheyns@gmail.com.

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Website: www.kouga.gov.za

12.3 Name: Christiaan Rudolf De Wet Vorster
Position: Committee Member Rooms & Prayer Tent.
South African ID number: 8310025040085
Phone Number: 076 835 3622 Cell:
E-mail address: christo.onestopplant@gmail.com

13 Is the organization affiliated to another organization? No

14 Is the organization an umbrella body? No
If yes, what organizations are affiliated to you? (attach a list if necessary)
N/A

15 Describe the main purpose of the organization: Mighty Men Conference Jeffreys Bay is an interdenominational event focussing on the mentoring and uplifftment of men to take up their Role and Responsibi to guide their families according to Biblical Principles.
This is based on the Restoration of the Family Unit as the foundational Building Block of the Broader community. We therefore uplift and improve the efficiency of communities whilst focussing on the Impartation and Investing in Family Units by restoring Moral Values

16 Describe the types of services that the organization provides and the people who will benefit from the services:
All men, children, women, business, economical community, farmers, schools,.
The whole community will Benefit from this Conference

17 Number of staff and voluntary workers presently employed in your organization:

PAID STAFF 0	VOLUNTEERS ± 200

No of full times staff	No of part time staff	No of full time volunteers	No of part time volunteers
0	0	14	± 200

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18 Summary of duties of staff (Name function and give summary duties):

Full time staff:

18.1.1

18.2.1 Part time staff:

Preparation of the farm & expanding the camping area
Obtaining partnership from without the community
Monitoring men, children & women
Ensuring that conference is held in safest way possible
Directing parking and controlling of traffic on farm.
Ensuring that campers are educated on the whereabouts and expectations on the camping area
Assisting with duties at the stage

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Email: registry@kouga.gov.za
Website: www.kouga.gov.za

Treasure: Johann Van Vuuren
ID Number: 8100035016084

Hereby declare under oath, on behalf of
Prov 4:23 [Mighty Men Conference Jeffreys Bay]
name of organization

That we are authorized to sign this declaration, and that to the best of my knowledge all answers to questions on and attachments to this application form are accurate. In the event that the application is successful, this organization will use the grant only for the purposed specified in the application, and will comply with all the terms and conditions as set out in the Grant-in-Aid Policy. We confirm that the organization has the power to accept grant subject to conditions and to repay the grant if the conditions are not met. We also confirm that any funds not utilized for the purpose it was granted, must be reimbursed to the Kouga Municipality as well as any unspent funds.

Date:

Signature Chairperson ....

Signature Vice Chairperson ....

Signature Treasurer....................................

PS: We humbly request a Grant of R250 000-00 (Two hundred & Fifty Thousand Rand Only) From The Kouga Municipality in terms of Assisting us with this life changing interdenominational Community Upliftment Conference where thousands of lives are changed; Families Restored, Businesses functioning and effectively any Fatherlessness minimalized

Stage/Sound/Artists	
Stage/Screens/Sound/Lighting/Video	R 420 000
Guest Speakers/Praise & Worship	R 50 000
Translation services	R 20 000.00
SUB TOTAL	R 490 000.00
Office & Marketing	
Stationary/Printing	R 8 000
Accounting	R 8 000
Printing/Advertising	R 28 000
Bank Charges	R 4 500
Team Clothing	R 8 000
SUB TOTAL	R 56 500
Operational Costs	
Fuel	R 5 000
Wages	R 10 000
Travel & Entertainment	R 8 000
Security	R 15 000
Generator Hire	R 12 000
Toilet Hire	R 36 000
Two Way Radios	R 9 000
Public Liability	R 10 000
Tents	R 25 000
Miscelaneous	R 8 000
Ambulance	R 10 000
Site Preparation	R 100 000
SUB TOTAL	R 248 000
TOTAL	R 794 500.00

Certificate issued by the Commissioner of Companies & Intellectual Property Commission on Wednesday, May 31, 2017 at 10:36

Companies and Intellectual Property Commission
a member of the dti group

Disclosure Certificate: Companies and Close Corporations

Registration Number: 2017 / 225090 / 08
Enterprise Name: PROV 4 23

ENTERPRISE INFORMATION

Registration Number	2017 / 225090 / 08
Enterprise Name	PROV 4 23 NPC
Registration Date	24/05/2017
Business Start Date	24/05/2017
Enterprise Type	Non Profit Company
Enterprise Status	In Business
Compliance Status	Compliant
Financial Year End	February
TAX Number	9593072185

Addresses

POSTAL ADDRESS
POSTNET SUITE 127
PRIVATE BAG X0002
SUNRIDGE PARK
EASTERN CAPE
6008

ADDRESS OF REGISTERED OFFICE
20 JOEY FOURIE STREET
PARADISE BEACH
JEFFREYSBAY
EASTERN CAPE
6330

ACTIVE MEMBERS / DIRECTORS

Surname and First Names	Type	ID Number / Date of Birth	Contrib. (R)	Interest (%)	Appoint. Date	Address
GENIS, EUGENE	Director	6611035152089	0.00	0.00	24/05/2017	Postal: 20 JOEY FOURIE STREET, PARADISE BEACH, JEFFREYSBAY, EASTERN CAPE, Residential: 20 JOEY FOURIE STREET, PARADISE BEACH, JEFFREYSBAY, EASTERN CAPE,
LE ROUX, FRANCOIS ROSSOUW	Director	7703075045080	0.00	0.00	24/05/2017	Postal: 96 SALIE STREET, JEFFREYSBAY, JEFFREYSBAY, EASTERN CAPE, 6330 Residential: 96 SALIE STREET, JEFFREYSBAY, JEFFREYSBAY, EASTERN CAPE, 6330
MARX, THOMAS ENGENATIUS	Director	6601025057083	0.00	0.00	24/05/2017	Postal: 22 KEMP STREET, HUMANSDORP, JEFFREYSBAU, EASTERN CAPE, 6300 Residential: 22 KEMP STREET, HUMANSDORP, JEFFREYSBAU, EASTERN CAPE, 6300

AUDITOR DETAILS

Auditor Name	Type	Status	Appointment Date	Resignation Date	Email Address

Profession Number:

Certificate issued by the Commissioner of Companies & Intellectual Property Commission on Wednesday, May 31, 2017 at 10:36

Disclosure Certificate: Companies and Close Corporations

Companies and Intellectual Property Commission
a member of the dti group

Registration Number: 2017 / 225090 / 08
Enterprise Name: PROV 4 23

CHANGE SUMMARY

2017-05-24 Registration of CC/CO on 24/05/2017.
New Company Registration - Web Services : 9999 : Ref No. : 972361888

Physical Address
the dti Campus - Block F
77 Meintjies Street
Sunnyside 0001

Postal Address: Companies
P O Box 429
Pretoria
0001

Docex: 256
Web: www.cipc.co.za
Contact Centre: 086 100 2472 (CIPC)
Contact Centre (International): +27 12 394 9500

REPORTS BY THE PORTFOLIO CHAIRPERSON: FINANCE

KOUGA MUNICIPALITY (EC108)

ORDINARY COUNCIL MEETING

FINANCE

DATE: 30 JANUARY 2020 **ITEM NO: 20/01/F1**

MID-YEAR FINANCIAL REPORT FOR THE PERIOD JULY TO DECEMBER 2019 AND ASSESSMENT OF THE MUNICIPALITY'S FINANCIAL POSITION AS AT 31 DECEMBER 2019 (2019/20 FINANCIAL YEAR)

1. Purpose

The purpose of this report is to assess the financial performance and financial position of the Municipality, as at 31 December 2019, and its consequential impact on the implementation of the approved 2019/20 Budget.

This report is submitted in compliance with Sections 72, 52(d) and 54(1)(f) of the Municipal Finance Management Act (MFMA) and the Municipal Budget and Reporting Regulations.

2. Legislative Requirements

The Municipality is required to assess on an ongoing basis whether it collects sufficient revenue to meet its commitments, such as paying Employees, Councillors, Eskom, Nelson Mandela Bay Municipality, service providers etc.

In accordance with Section 72 of the MFMA, the Accounting Officer is required to submit to the Mayor of the Municipality, National Treasury and Provincial Treasury a report on the performance of the municipality during the first half of the financial year on the state of the municipality's budget.

In accordance with Section 52(d) of the MFMA, the Executive Mayor must within 30 days of the end of each quarter, submit a report to the Council on the implementation of the budget and the financial state of affairs of the Municipality. Furthermore, section 54(1)(f) of the MFMA states that, in the case of a section 72 report, the Executive Mayor must submit the report to the Council by 31 January of each year.

3. Executive Summary

This report provides a balanced and consolidated financial performance overview to assist the Executive Mayor in his oversight role.

An analysis of the financial position and performance was undertaken to determine the relative financial strength and liquidity of the Municipality. This was complemented by analysing the cash flow position, the investment portfolio, ratios, the operating and capital budget performance for the months of July 2019 to December 2019, so as to facilitate an informed assessment of the relative liquidity and financial position of the Municipality.

The financial performance highlights are as follows:

- Operating revenue amounted to R 463,924 million, whilst operating expenditure amounted to R 414,703 million, resulting in an operating surplus of R 49,221 million.
- Capital expenditure constituted 47.51% of the 2019/20 Adjusted Capital Budget.
- Overdue consumer debts increased by R 24,646 million (16.89%) since June 2019.
- An amount of R 33,187 million is owing to creditors, of which R 31,441 million (94.74%) represents current creditors. Currently all outstanding creditors are not reflected on the creditors age analysis.
- The municipality's investment portfolio has decreased by R 10,776,878 (5.03%) since June 2019, from R 214,227,548 to R 203,450,670.

The following key financial ratios are monitored on an on-going basis:

Ratio	Actuals as at 30 June 2017	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Actuals as at 31 December 2018	Actuals as at 31 December 2019	Approved Budget 2019/20
Current Ratio	0.97:1	1.58:1	1.44:1	1.66:1	1.36:1	0.99:1
Liquidity Ratio	0.47:1	0.75:1	0.87:1	1.08:1	0.96:1	0.38:1
Cost Coverage (Excluding unspent conditional grants)	1.62 months	1.73 months	1.90 months	2.49 months	1.81 months	1.01 months
Debtors Collection Rate	95.81%	90.73%	97.62%	93.24%	92.64%	96%
Capital Expenditure	72.92%	72.98%	44.59%	35.20%	47.51%	95%

4. <u>Detailed Reports</u>

In order to comply with Schedule C of the Municipal Budget and Reporting Regulations, the following detailed schedules are attached for the period, ending 31 December 2019:

Annexure "A1" – Operating Revenue and Expenditure Performance

Annexure "A2" - Capital Budget Performance

Annexure "A3"- Projected Cash Flow Statement

Annexure "A4" – Municipal Monthly Budget Tables

Annexure "A5"- Analysis of Municipality's Statement of Financial Performance

i. Overview of Outstanding Consumer Debtors
ii. Overview of Creditors position
iii. Investment portfolio
iv. Grants receipts and Expenditure
v. Councillors & Employee benefits
vi. Key performance Indicators

5. <u>Recommendation</u>

5.1 That the Municipal Manager's report on the Mid-year Budget and Performance Assessment of the municipality, in accordance with Section 72(1)(a) of the MFMA, be noted.

5.2 That the Executive Mayor's report on the implementation of the budget and the financial state of affairs of the municipality, in accordance with Sections 52(d), 54(1)(f) and 72 of the MFMA, be noted.

5.3 That an Adjustments Budget, based on the realistically anticipated revenues, in line with section 18 of the MFMA, be tabled by the Executive Mayor to the Council.

5.4 That the 2019/20 Adjustments Budget be tabled by the Executive Mayor to the Council on 28 February 2020.

5.5 That the Mid-year report accordingly be submitted to National Treasury and Provincial Treasury, in line with Section 72(1) (b) of the MFMA.

Drafted by Acting Manager Budget & Treasury:

Z Gongqoba

Approved by Acting CFO:

Ms. N Mathe:..

Endorsed by Acting Municipal Manager:

Mrs F.F Mabuselo:..

Noted by Portfolio Councillor:..

Annexure "A1"

OVERVIEW OF OPERATING REVENUE AND EXPENDITURE PERFORMANCE FOR THE PERIOD JULY TO 31 DECEMBER 2019.

Below is an analysis of the operating revenue and expenditure performance

Description	Approved Budget 2019/20	Actuals as at 31 December 2019	%
R thousands			
Revenue By Source			
Property rates	196 717	128 407	65.27%
Service charges - electricity revenue	277 068	119 861	43.26%
Service charges - water revenue	76 105	30 244	39.74%
Service charges - sanitation revenue	46 346	26 263	56.67%
Service charges - refuse revenue	53 732	27 044	50.33%
Rental of facilities and equipment	4 037	335	8.29%
Interest earned - external investments	10 375	8 385	80.82%
Interest earned - outstanding debtors	8 439	6 042	71.59%
Fines, penalties and forfeits	6 397	1 363	21.31%
Licences and permits	16 568	10 959	66.15%
Transfers and subsidies	133 112	99 773	74.95%
Other revenue	7 797	5 248	67.31%
Total Revenue (excluding capital transfers and contributions)	**836 693**	**463 924**	**55.45%**
Expenditure By Type			
Employee related costs	290 942	152 088	52.27%
Remuneration of councillors	13 063	6 223	47.64%
Debt impairment	26 336	–	0.00%
Depreciation & asset impairment	85 101	36 763	43.20%
Finance charges	2 201	1 226	55.68%
Bulk purchases	271 623	140 550	51.74%
Other materials	29 621	14 420	48.68%
Contracted services	80 814	22 084	27.33%
Other expenditure	97 436	41 349	42.44%
Total Expenditure	**897 137**	**414 703**	**46.23%**
Surplus/(Deficit)	**(60 444)**	**49 221**	

The statement of financial performance indicates a surplus of R 49,221 million.

Below is a discussion of the significant revenue variations:

Revenue Variations

Property Rates

As at 31 December 2019, the Municipality has recognised 65.27% of its property rates revenue, compared to the budget. This is influenced by annual property rates raised in July 2019, amounting to R 74,414 million.

Service Charges – Water

This is influenced by the reversal of accrued water revenue amounting to R 7,615 million, recognised in the 2018/19 Annual Financial Statements.

Rental of Facilities

This relates to the rental of municipal buildings, community halls and other municipal facilities. The revenue is influenced by the extent of rental agreements.

Interest earned – external investments

This is influenced by the extent of the municipality's investment portfolio, amounting to R 203,451 million.

Interest earned – outstanding debtors

this is influenced by overdue debtors, amounting to R 170,530 million.

Fines, penalties and forfeits

Fines, penalties and forfeits are largely influenced by the lower than anticipated revenue from traffic fines.

Licences and permits

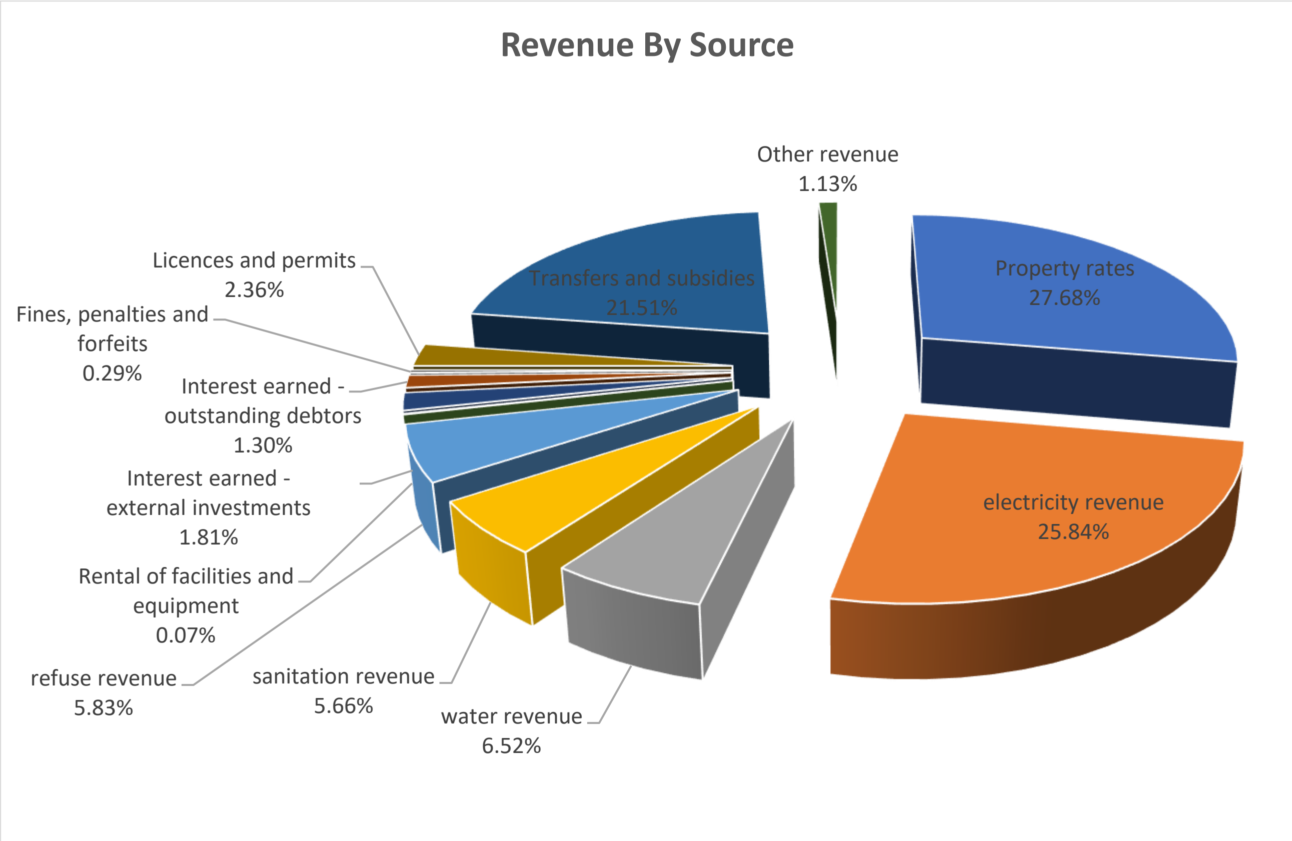
This is largely influenced by the extent of vehicle registrations.

Transfers and Subsidies

Transfers and subsidies received mainly represents the Equitable Share Allocation in the amount of R 93,704 million.

Other revenue

Other revenue is largely influenced by insurance claims.



Expenditure Variations

Bad Debts

Bad debts are written off upon Council approval.

Contracted Services

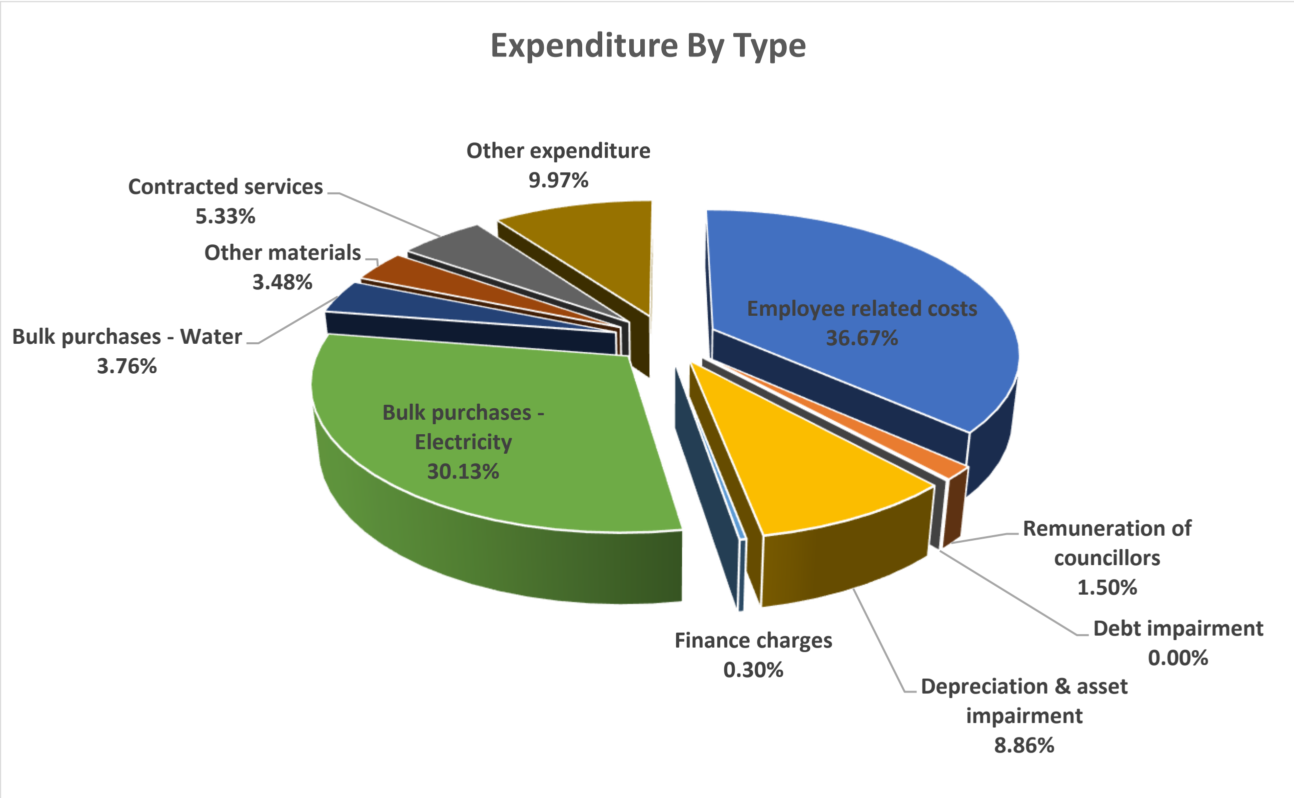
Contracted services mostly relate to outsourced work, in relation to the maintenance of municipal infrastructure assets and includes consultation fees.

The contracted services are broken down as follows:

Item Description	Approved Budget 2019/20	Actuals as at 31 December 2019	%
Business and Advisory:Qualification Verification	650 000	572 700	88.11%
Clean up Operation	275 000	26 600	9.67%
Consultancy and professional services	17 308 644	4 424 058	25.56%
Contractors:Employee Wellness	175 000	3 520	2.01%
Dune Stabilisation	1 631 200	408 494	25.04%
Laboratory Services:Water	672 161	244 328	36.35%
Legal Cost:Collection	1 578 000	228 274	14.47%
Legal Cost:Legal Advice and Litigation	5 032 000	1 167 167	23.19%
Maintenance of Buildings and Facilities	5 804 527	2 683 024	46.22%
Maintenance of Electrical Infrastructure	2 887 440	1 198 260	41.50%
Maintenance of Municipal Equipment	697 560	178 071	25.53%
Maintenance of roads	7 805 000	160 969	2.06%
Maintenance of Sewerage Infrastructure	1 575 200	1 027 546	65.23%
Maintenance of vehicles	6 875 338	4 009 924	58.32%
Maintenance of Water Infrastructure	1 332 300	805 413	60.45%
Occupational Health and Safety	385 000	12 290	3.19%
Other Contracted Services	4 790 526	526 394	10.99%
Outsourced Services:Catering Services	646 884	151 992	23.50%
Outsourced Services:Cleaning Services	500 000	-	0.00%
Outsourced Services:Drivers Licence Cards	850 000	211 088	24.83%
Outsourced Services:Internal Auditors	552 600	27 074	4.90%
Outsourced Services:Medical Health Surveillance	500 000	81 510	16.30%
Outsourced Services:Security Services	2 020 083	226 516	11.21%
Outsourced Services:Traffic Fines Management	1 578 000	75 912	4.81%
Outsourced Services:Transport Services	649 380	44 252	6.81%
Special Rating Area	7 337 700	3 589 075	48.91%
Structural: New Building Offices	1 600 000	-	0.00%
Tourism - Grant-in-aid	3 000 000	-	0.00%
Valuer: Evaluation Roll	2 104 000	-	0.00%
	80 813 543	**22 084 450**	**27.33%**

It is to be noted that contracted services budget has been amended as follows:

Item Description	Approved Budget 2019/20	Virements	Adjusted Budget 2019/20	Actuals as at 31 December 2019	%
Contracted Services	80,813,543	-3,056,098	77,757,445	22,084,450	28.40%


Expenditure By Type
Other expenditure
9.97%
Contracted services
5.33%
Other materials
3.48%
Bulk purchases - Water
3.76%
Employee related costs
36.67%
Bulk purchases -
Electricity
30.13%
Remuneration of
councillors
1.50%
Debt impairment
0.00%
Finance charges
0.30%
Depreciation & asset
impairment
8.86%

Repairs and Maintenance

Below is an analysis of actual repairs and maintenance expenditure by Directorate, compared to the 2019/20 Approved Budget.

Item Description	Approved Budget 2019/20	Actuals as at 30 November 20	%
Corporate Services			
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	20 000	1 551	7.75%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	300 000	189 841	63.28%
	320 000	**191 391**	**59.81%**
Executive & Council			
Expenditure:Operational Cost:Advertising, Publicity and Marketing:Gifts and Promotional Items	50 000	23 955	47.91%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	10 520	2 942	27.97%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	210 400	114 371	54.36%
	270 920	**141 268**	**52.14%**
Finance			
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	94 680	20 218	21.35%
Expenditure:Inventory Consumed:Materials and Supplies	173 580	-	0.00%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	418 200	53 458	12.78%
	686 460	**73 677**	**10.73%**
Infrastructure & Engineering			
Expenditure:Operational Cost:Hire Charges	3 075 800	884 850	28.77%
Expenditure:Inventory Consumed:Materials and Supplies	12 440 964	6 139 924	49.35%
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	264 000	158 599	60.08%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	17 355 640	4 742 183	27.32%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	252 560	121 412	48.07%
	33 388 964	**12 046 969**	**36.08%**
Planning, Development and Tourism			
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	20 000	12 684	63.42%
Expenditure:Inventory Consumed:Materials and Supplies	52 600	-	0.00%
	72 600	**12 684**	**17.47%**
Community Services			
Expenditure:Contracted Services:Contractors:Maintenance of Buildings and Facilities	3 556 521	1 691 054	47.55%
Expenditure:Contracted Services:Contractors:Maintenance of Equipment	150 000	-	0.00%
Expenditure:Inventory Consumed:Materials and Supplies	1 350 120	749 688	55.53%
Expenditure:Contracted Services:Contractors:Maintenance of Unspecified Assets	3 896 192	2 410 633	61.87%
	8 952 833	**4 851 375**	**54.19%**
Total	**43 691 777**	**17 317 363**	**39.64%**

It is to be noted that actual repairs and maintenance expenditure constituted 39.64% of the 2019/20 Approved Budget.

Annexure "A2"

CAPITAL BUDET PERFORMANCE

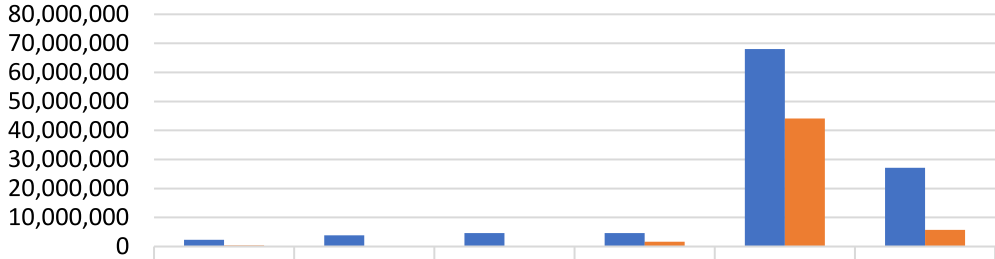
Below is an analysis of the capital expenditure compared to the 2019/20 Adjusted Capital Budget.

Projects	Funding	Approved Budget 2019/20	Adjustments	Adjusted Budget 2019/20	Actuals as at 31 December 2019	% of Budget
EXECUTIVE & COUNCIL						
Computer Equipment	Internal	190 000	-	190 000	15 722	8.27%
Furniture and Equipment	Internal	260 000	-	260 000	118 191	45.46%
Ward Councilors Capital (Markets)	Internal	750 000	1 067 695	1 817 695	313 937	17.27%
		1 200 000	**1 067 695**	**2 267 695**	**447 850**	**19.75%**
CORPORATE SERVICES						
Biometric system	Internal	130 000	120 000	250 000	-	0.00%
Buildings	Internal	1 000 000	20 489	1 020 489	172 425	16.90%
Computer Equipment	Internal	198 000	140 582	338 582	1 606	0.47%
EDMS	Internal	540 506	670 494	1 211 000	-	0.00%
Fencing of main building	Internal	-	120 000	120 000	-	0.00%
Furniture and Equipment	Internal	550 000	166 571	716 571	143 636	20.04%
Library upgrade û Corporate Services	Internal	100 000	356 689	456 689	31 914	6.99%
Software upgrade	Internal	300 000	-	300 000	-	0.00%
Vehicle	Internal	250 000	-	250 000	-	0.00%
		3 068 506	**1 594 825**	**4 663 331**	**349 581**	**7.50%**
FINANCE						
Cibex Software	Internal	600 000	-	600 000	-	0.00%
Computer Equipment	Internal	300 000	-	300 000	46 883	15.63%
Container (Assets)	Internal	50 000	- 25 000	25 000	-	0.00%
Machinery and Equipment	Internal	-	93 535	93 535	-	0.00%
Containers (SCM)	Internal	100 000	56 465	156 465	-	0.00%
Disaster Recovery Server	Internal	-	644 106	644 106	-	0.00%
DOT MATRIX PRINTER	Internal	-	197 489	197 489	-	0.00%
Fencing (Stores)	Internal	150 000	- 150 000	-	-	
Filing system (SCM)	Internal	350 000	-	350 000	-	0.00%
Furniture and Equipment	Internal	300 000	- 19 000	281 000	81 359	28.95%
Office upgrade ICT	Internal	-	153 950	153 950	70 130	45.55%
Shelving (SCM)	Internal	200 000	-	200 000	-	0.00%
Vehicle	Internal	300 000	344 000	644 000	-	0.00%
WIFI Solution	Internal	250 000	-	250 000	-	0.00%
		2 600 000	**1 295 545**	**3 895 545**	**198 371**	**5.09%**
PLANNING,DEVELOPMENT & TOURISM						
Arts and Creative Industries	DISTRICT	100 000	-	100 000	-	0.00%
Computer Equipment	Internal	60 000	73 300	133 300	41 188	30.90%
Computer Software and Applications	Internal	300 000	- 73 300	226 700	92 919	40.99%
Furniture and equipment	Internal	200 000	-	200 000	-	0.00%
Land acquisition housing projects	Internal	1 700 000	-	1 700 000	1 533 043	90.18%
LED Capital Projects	Internal	1 000 000	-	1 000 000	-	0.00%
Mini Fresh Food and Craft Markets in Jeffrey's Bay & Hankey	MIG	1 220 951	-	1 220 951	-	0.00%
		4 580 951	**-**	**4 580 951**	**1 667 151**	**36.39%**
COMMUNITY SERVICES						
Fencing - Hdorp	Internal	1 300 000	342 064	1 642 064	558 000	33.98%
Machinery and Equipment	Internal	1 400 000	383 637	1 783 637	535 177	30.00%
Vehicle	Internal	2 300 000	1 143 845	3 443 845	1 510 212	43.85%
Furniture and Equipment	Internal	350 000	78 100	428 100	93 740	21.90%
Bins _with_wheels (from CP22 & CP23 EM)	Internal	2 000 000	-	2 000 000	2 000 000	100.00%
Life Gaurds Beach Tower	Internal	100 000	- 3 788	96 212	96 212	100.00%
Upgrading of Sports Facilities	MIG	5 564 599	-	5 564 599	385 163	6.92%
Upgrading of Kwanomzamo Sports Facility	MIG	5 413 043	-	5 413 043	-	0.00%
Computer Equipment	Internal	300 000	-	300 000	242 521	80.84%
Fencing Fire Station Hankey (from CP23 EM)	Internal	300 000	- 130 000	170 000	17 760	10.45%
Weston Library Upgrade	Internal	-	11 900	11 900	11 800	99.16%
Vehicle	DISTRICT	1 965 100	1 700 000	3 665 100	-	0.00%
Upgrading of Yellow Woods	Internal	150 000	- 150 000	-	1 746	
Upgrading of play parks	Internal	200 000	-	200 000	28 650	14.33%
Upgrading of Pellsrus, Kabeljous, Cape St Francis Beach parks	Internal	450 000	-	450 000	267 015	59.34%
Vehicles	Internal	1 150 000	-	1 150 000	-	0.00%
Upgrading of sport & recreation facilities	Internal	500 000	-	500 000	-	0.00%
HYDRAULICS RESCUE EQUIPMENT	Internal	-	260 655	260 655	28 048	10.76%
		23 442 742	**3 636 413**	**27 079 155**	**5 776 045**	**21.33%**

Projects	Funding	Approved Budget 2019/20	Adjustments	Adjusted Budget 2019/20	Actuals as at 31 December 2019	% of Budget
INFRASTRUCTURE & ENGINEERING						
Furniture and Equipment	Internal	10 000	-	10 000	-	0.00%
Computer Equipment	Internal	25 000	-	25 000	-	0.00%
Machinery and equipment	Internal	330 000	-	330 000	263 185	79.75%
Vehicles	Internal	2 600 000	5 085 469	7 685 469	6 541 584	85.12%
Energy and Demand Side Management	energy	3 478 261	-	3 478 261	- 1 726 153	-49.63%
New overheadlines 66kv overheadlines(Jbay to Melk	Internal	1 800 000	-	1 800 000	-	0.00%
Outfall Sewers Capital	Internal	-	882 619	882 619	347 617	39.38%
Upgrading of the Ses Vista Wastewater Treatment Wo	MIG	13 011 229	-	13 011 229	9 049 354	69.55%
Upgrading of Gravel Roads in Jeffreys Bay	MIG	363 655	-	363 655	-	0.00%
Patensie Sewage Package Plant	MIG	5 650 392	-	5 650 392	175 161	3.10%
Upgrade Sanitation System Old Hankey	MIG	434 783	-	434 783	-	0.00%
LV Networks (Informal Areas, Electrification/illeg	Internal	1 000 000	-	1 000 000	-	0.00%
Pump Station Capital	Internal	750 000	-	750 000	-	0.00%
Security Camera	Internal	200 000	-	200 000	-	0.00%
Fencing of Jeffreys Bay and Kruisfontein Reservoir	Internal	1 500 000	-	1 500 000	1 147 760	76.52%
Roads Capital	Internal	1 500 000	-	1 500 000	-	0.00%
Bucket Eradication Programme	Internal	2 300 000	2 131 523	4 431 523	1 145 442	25.85%
St Francis bulk main outfall sewer	Internal	500 000	-	500 000	-	0.00%
Sewer REPLACE OLD PUMPS	Internal	750 000	-	750 000	47 936	6.39%
Electrcial replacement of old and dangerous swith gear Saffery Sub	Internal	2 000 000	-	2 000 000	-	0.00%
Electrcial Replacement of old mv cables to main sub staion Humansdorp	Internal	1 200 000	-	1 200 000	-	0.00%
Electrcial supply of tri switches St francis Bay	Internal	200 000	-	200 000	-	0.00%
Electrcial Supply auto recloser St Francis Bay	Internal	400 000	-	400 000	-	0.00%
Electrical Mini sub station 22 000/11000/400 St Francis Bay	Internal	700 000	-	700 000	-	0.00%
Electrcial 5 MV 22000/11000 transformer	Internal	1 400 000	-	1 400 000	-	0.00%
Electrical Oil circuit breakers replacement with vacuum or gas breakers	Internal	800 000	-	800 000	-	0.00%
Purchase storage containers (3)	Internal	200 000	-	200 000	38 478	19.24%
KwaNomzamo Wastewater Treatment Works	WSIG_NT	8 695 652	-	8 695 652	299 269	3.44%
Humansdorp, Kruisfontein and Osean View Electrification	INEP	5 219 130	-	5 219 130	146 263	2.80%
High Mast Lights	Internal	1 200 000	-	1 200 000	-	0.00%
CONCRETE POLES	Internal	-	197 246	197 246	171 518	86.96%
SOLAR LIGHTS	Internal	-	753 449	753 449	332 093	44.08%
conversion from conventional meter to pre paid meter and moving of	Internal	-	195 888	195 888	170 337	86.96%
purchase of mini sub station 11000/400,22000/400	Internal	-	591 557	591 557	508 597	85.98%
RETICULATION REPLACE PIPELINES (PATENSIE)	WSIG_NT	-	-	-	1 471 993	
RETICULATION REPLACE PIPELINES (HANKEY)	WSIG_NT	-	-	-	382 375	
CAPE ST FRANCIS WATER SUPPLY	WSIG_DWS	-	-	-	477 006	
DEVELOP NATURAL SPRINGS AND CONVEYANCE (HUMANSDORP	WSIG_NT	-	-	-	6 615 342	
HANKEY WATER SUPPLY	WSIG_DWS	-	-	-	5 238 590	
HUMANSDORP WATER SUPPLY	WSIG_DWS	-	-	-	89 219	
REFURBISH AND UPGRADE WATER TREATMENT WORKS (JEFFR	WSIG_NT	-	-	-	9 642 304	
PATENSIE WATER SUPPLY	WSIG_DWS	-	-	-	280 210	
WATER CONSERVATION AND DEMAND MANAGEMENT	WSIG_NT				232 457	
JEFFREYS BAY WATER SUPPLY	WSIG_DWS	-	-	-	987 355	
		58 218 102	**9 837 751**	**68 055 853**	**44 075 295**	**64.76%**
		93 110 301	**17 432 229**	**110 542 530**	**52 514 293**	**47.51%**
Internally generated funds		41 993 506	15 732 229	57 725 735	18 768 381	32.51%
Transfers recognised - capital		51 116 795	1 700 000	52 816 795	33 745 911	63.89%
Total		**93 110 301**	**17 432 229**	**110 542 530**	**52 514 293**	**47.51%**

It is to be noted that capital expenditure as at 31 December 2019 amounted to 47.51%, compared to the adjusted capital budget of R 110,542,530.

Capital Expenditiure



	Executive & Council	Finance	Corporate Services	Planning, Development and Tourism	Infrastructure and Engineering	Community Services
Approved Budget 2019/20	2,267,695	3,895,545	4,663,331	4,580,951	68,055,854	27,079,155
Actuals as at 31 December 2019	447,850	198,371	349,581	1,667,151	44,075,295	5,776,045

Annexure "A3"

PROJECTED CASH FLOW STATEMENT FOR THE 2019/20 FINANCIAL YEAR

Projected Cash Flow Statement as at 31 December 2019

The purpose of the cash flow statement is to compare the cash inflows (receipts) with the cash outflows (payments), so as to ascertain the adequacy of the cash inflows to cover the cash outflows.

Table C7 Monthly Budget Statement – Cash Flow – M06 December 2019

Description R thousands	Ref 1	2018/19 Audited Outcome	Budget Year 2019/20 Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			188 848		13 624	123 621	188 848	(65 228)	-35%	(158 496)
Service charges			435 121		33 502	210 603	435 121	(224 517)	-52%	(244 242)
Other revenue			34 799		1 871	39 420	34 799	4 621	13%	303 191
Government - operating			133 112		41 646	99 534	133 112	(33 578)	-25%	27 316
Government - capital			58 063			20 768	58 063	(37 295)	-64%	3 583
Interest			18 476		4 213	15 810	18 476	(2 666)	-14%	8 031
Dividends			–			–	–	–		–
Payments										
Suppliers and employees			(783 499)		(65 074)	(453 027)	(783 499)	(330 472)	42%	(783 410)
Finance charges			(2 201)		(182)	(1 213)	(2 201)	(988)	45%	(2 201)
Transfers and Grants			–			–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		**–**	**82 720**	**–**	**29 600**	**55 516**	**82 720**	**27 203**	**33%**	**(846 228)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables			–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets			(93 110)		(32 567)	(62 391)	(93 110)	(30 719)	33%	(110 393)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**–**	**(93 110)**	**–**	**(32 567)**	**(62 391)**	**(93 110)**	**(30 719)**	**33%**	**(110 393)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits			–	–			–	–		–
Payments										
Repayment of borrowing			(7 999)		(683)	(3 902)	(7 999)	(4 097)	51%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		**–**	**(7 999)**	**–**	**(683)**	**(3 902)**	**(7 999)**	**(4 097)**	**51%**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD		**–**	**(18 389)**	**–**	**(3 651)**	**(10 777)**	**(18 389)**			**(956 620)**
Cash/cash equivalents at beginning:		–	84 707			214 228	84 707			214 228
Cash/cash equivalents at month/year end:		–	66 318	–		203 451	66 318			(742 393)

Annexure "A4"

MUNICIPAL MONTHLY BUDGET TABLES

1. MONTHLY BUDGET TABLES

The seven main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section of the report. These tables set out the Municipality's 2019/20 budget performance for the period July 2019 to December 2019 and are to be noted. Each table is accompanied by explanatory notes.

Table C1 Monthly Budget Statement Summary – M06 December 2019

Description	2018/19	Budget Year 2019/20							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	–	196 717	196 717	11 414	128 407	98 358	30 048	31%	196 717
Service charges	–	453 251	453 251	35 970	203 412	226 625	(23 214)	-10%	453 251
Investment revenue	–	10 375	10 375	2 269	8 385	5 187	3 197	62%	10 375
Transfers and subsidies	–	133 112	133 112	41 851	99 773	66 556	33 217	50%	133 112
Other own revenue	–	43 238	43 238	2 835	23 947	21 619	2 328	11%	43 238
Total Revenue (excluding capital transfers and contributions)	**–**	**836 693**	**836 693**	**94 339**	**463 924**	**418 346**	**45 577**	**11%**	**836 693**
Employee costs	–	290 942	290 942	24 468	152 088	145 469	6 619	5%	290 942
Remuneration of Councillors	–	13 063	13 063	1 043	6 223	6 531	(309)	-5%	13 063
Depreciation & asset impairment	–	85 101	85 101	6 127	36 763	42 550	(5 787)	-14%	85 101
Finance charges	–	2 201	2 201	195	1 226	1 101	125	11%	2 201
Materials and bulk purchases	–	301 244	302 218	23 876	154 970	151 108	3 861	3%	302 218
Transfers and subsidies	–	–	250	–	–	125	(125)	-100%	250
Other expenditure	–	204 586	203 527	15 535	63 433	101 762	(38 328)	-38%	203 527
Total Expenditure	**–**	**897 137**	**897 301**	**71 245**	**414 703**	**448 647**	**(33 944)**	**-8%**	**897 301**
Surplus/(Deficit)	**–**	**(60 444)**	**(60 608)**	**23 094**	**49 221**	**(30 301)**	**79 521**	**-262%**	**(60 608)**
Transfers and subsidies - capital (monetary alloc	–	58 063	58 063	4 543	27 971	29 032	(1 061)	-4%	58 063
Contributions & Contributed assets	–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**	**78 461**	**-6183%**	**(2 545)**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**	**78 461**	**-6183%**	**(2 545)**
Capital expenditure & funds sources									
Capital expenditure	**–**	**93 110**	**110 543**	**28 320**	**52 514**	**25 399**	**27 116**	**107%**	**110 543**
Capital transfers recognised	–	51 117	52 817	23 969	33 746	26 408	7 338	28%	52 817
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	**–**	**41 994**	**57 726**	**4 351**	**18 768**	**25 310**	**(6 542)**	**-26%**	**57 726**
Total sources of capital funds	**–**	**93 110**	**110 543**	**28 320**	**52 514**	**51 719**	**796**	**2%**	**110 543**
Financial position									
Total current assets	–	173 204	–		288 461				173 204
Total non current assets	–	2 317 635	–		2 261 606				2 317 635
Total current liabilities	–	175 225	–		212 867				175 225
Total non current liabilities	–	184 979	–		179 799				184 979
Community wealth/Equity	**–**	**2 130 635**	**–**		**2 157 400**				**2 130 635**
Cash flows									
Net cash from (used) operating	–	82 720	–	29 600	55 516	82 720	27 203	33%	(846 228)
Net cash from (used) investing	–	(93 110)	–	(32 567)	(62 391)	(93 110)	(30 719)	33%	(110 393)
Net cash from (used) financing	–	(7 999)	–	(683)	(3 902)	(7 999)	(4 097)	51%	–
Cash/cash equivalents at the month/year end	**–**	**66 318**	**–**	**–**	**203 451**	**66 318**	**(137 133)**	**-207%**	**(742 393)**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	29 618	6 762	5 294	4 502	16 329	3 398	18 974	115 270	200 148
Creditors Age Analysis									
Total Creditors	31 441	1 188	575	11	18	41	19	(106)	33 187

Explanatory notes to Table C 1 – Monthly Budget Summary

The aim of the Budget Summary is to provide a concise overview of the actual budget performance from all of the major financial perspective (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the actual amounts spent compared to the monthly budget projections within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance.

Table C2 Monthly Budget Statement – Financial Performance (standard classification) – M06 December 2019

Description	Ref	2018/19	Budget Year 2019/20							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		**–**	**339 475**	**339 475**	**55 856**	**235 591**	**169 738**	65 854	39%	**339 475**
Executive and council		–	27	27	–	4	14	(10)	-73%	27
Finance and administration		–	339 448	339 448	55 856	235 588	169 724	65 864	39%	339 448
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**–**	**14 266**	**14 266**	**397**	**5 957**	**7 133**	(1 176)	-16%	**14 266**
Community and social services		–	2 479	2 479	23	1 948	1 239	709	57%	2 479
Sport and recreation		–	7 867	7 867	236	3 166	3 933	(767)	-20%	7 867
Public safety		–	1 984	1 984	1	12	992	(980)	-99%	1 984
Housing		–	–	–	–	–	–	–		–
Health		–	1 936	1 936	136	831	968	(137)	-14%	1 936
Economic and environmental services		**–**	**19 616**	**19 616**	**1 321**	**14 209**	**9 808**	4 401	45%	**19 616**
Planning and development		–	6 667	6 667	392	4 825	3 334	1 491	45%	6 667
Road transport		–	11 844	11 844	903	8 796	5 922	2 874	49%	11 844
Environmental protection		–	1 105	1 105	25	588	552	36	7%	1 105
Trading services		**–**	**521 398**	**521 398**	**41 308**	**236 137**	**260 699**	(24 562)	-9%	**521 398**
Energy sources		–	293 789	293 789	21 778	120 479	146 895	(26 416)	-18%	293 789
Water management		–	87 929	87 929	6 356	51 027	43 965	7 063	16%	87 929
Waste water management		–	83 574	83 574	8 700	36 005	41 787	(5 782)	-14%	83 574
Waste management		–	56 106	56 106	4 474	28 626	28 053	573	2%	56 106
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**–**	**894 756**	**894 756**	**98 882**	**491 894**	**447 378**	**44 517**	**10%**	**894 756**
Expenditure - Functional										
Governance and administration		**–**	**222 961**	**222 875**	**18 126**	**89 947**	**111 436**	(21 489)	-19%	**222 875**
Executive and council		–	45 089	45 108	4 931	21 503	22 553	(1 050)	-5%	45 108
Finance and administration		–	177 872	177 748	13 195	68 444	88 873	(20 429)	-23%	177 748
Internal audit		–	–	20	–	–	10	(10)	-100%	20
Community and public safety		**–**	**85 190**	**87 040**	**8 035**	**42 441**	**43 519**	(1 079)	-2%	**87 040**
Community and social services		–	10 612	10 612	705	4 300	5 306	(1 005)	-19%	10 612
Sport and recreation		–	44 086	44 836	4 402	21 086	22 418	(1 332)	-6%	44 836
Public safety		–	22 264	22 264	1 914	12 412	11 132	1 280	12%	22 264
Housing		–	3 228	4 328	340	1 984	2 164	(180)	-8%	4 328
Health		–	4 999	4 999	674	2 658	2 500	158	6%	4 999
Economic and environmental services		**–**	**116 851**	**116 936**	**8 751**	**50 186**	**58 468**	(8 282)	-14%	**116 936**
Planning and development		–	34 459	34 444	2 237	13 951	17 222	(3 271)	-19%	34 444
Road transport		–	80 642	80 642	6 459	35 500	40 321	(4 821)	-12%	80 642
Environmental protection		–	1 751	1 851	55	735	925	(190)	-21%	1 851
Trading services		**–**	**467 649**	**467 049**	**36 328**	**232 104**	**233 524**	(1 420)	-1%	**467 049**
Energy sources		–	285 024	285 024	20 092	142 399	142 512	(113)	0%	285 024
Water management		–	80 898	78 888	6 812	36 317	39 444	(3 127)	-8%	78 888
Waste water management		–	51 081	52 591	5 348	29 365	26 295	3 069	12%	52 591
Waste management		–	50 646	50 546	4 076	24 024	25 273	(1 249)	-5%	50 546
Other		**–**	**4 486**	**3 401**	**5**	**26**	**1 700**	**(1 675)**	**-98%**	**3 401**
Total Expenditure - Functional	3	**–**	**897 137**	**897 301**	**71 245**	**414 703**	**448 647**	**(33 944)**	**-8%**	**897 301**
Surplus/ (Deficit) for the year		**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**	**78 461**	**-6183%**	**(2 545)**

Explanatory notes to Table C2 – Budgeted Financial Performance (revenue and expenditure by standard classification)

The standard classification refers to a modified Government Finance Statistics (GFS) reporting structure. The aim of the standard classification approach is to ensure that all municipalities report their operations in one common format, to facilitate comparison across all municipalities.

Table C3 Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote – M06 December 2019

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 - EXECUTIVE COUNCIL	–	–	–	–	–	–	–		–
Vote 2 - FINANCIAL SERVICES	–	333 857	333 857	55 668	234 142	166 929	67 213	40.3%	333 857
Vote 3 - CORPORATE SERVICES	–	27	27	–	270	14	256	1896.7%	27
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	–	4 052	4 052	202	1 840	2 026	(186)	-9.2%	4 052
Vote 5 - INFRASTRUCTURE AND ENGINEERING	–	468 908	468 908	37 025	211 196	234 454	(23 257)	-9.9%	468 908
Vote 6 - COMMUNITY SERVICES	–	20 256	20 256	1 213	11 887	10 128	1 759	17.4%	20 256
Vote 7 - COMMUNITY SERVICES (CONTINUED)	–	67 656	67 656	4 774	32 559	33 828	(1 268)	-3.7%	67 656
Total Revenue by Vote	**–**	**894 756**	**894 756**	**98 882**	**491 894**	**447 378**	**44 517**	**10.0%**	**894 756**
Expenditure by Vote									
Vote 1 - EXECUTIVE COUNCIL	–	43 826	43 076	4 226	19 233	21 538	(2 305)	-10.7%	43 076
Vote 2 - FINANCIAL SERVICES	–	93 059	93 059	7 261	33 100	46 529	(13 428)	-28.9%	93 059
Vote 3 - CORPORATE SERVICES	–	51 140	51 140	3 377	20 698	25 570	(4 871)	-19.1%	51 140
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	–	22 412	22 412	1 374	8 883	11 206	(2 323)	-20.7%	22 412
Vote 5 - INFRASTRUCTURE AND ENGINEERING	–	515 897	515 897	39 952	249 277	257 948	(8 670)	-3.4%	515 897
Vote 6 - COMMUNITY SERVICES	–	54 604	54 604	4 971	26 967	27 302	(334)	-1.2%	54 604
Vote 7 - COMMUNITY SERVICES (CONTINUED)	–	116 198	117 113	10 084	56 544	58 556	(2 012)	-3.4%	117 113
Total Expenditure by Vote	**–**	**897 137**	**897 301**	**71 245**	**414 703**	**448 647**	**(33 944)**	**-7.6%**	**897 301**
Surplus/ (Deficit) for the year	**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**	**78 461**	**-6182.9%**	**(2 545)**

Explanatory notes to Table C3 – Budgeted Financial Performance (revenue and expenditure by municipal vote)

The purpose of the format in which the monthly budget reporting table is represented, is to enable the Council to enforce a vote in accordance with the municipality's organisational structure, so as to assign responsibility for the revenue and expenditure recorded against these votes to the Municipal Manager and Directors concerned.

Operating revenue and expenditure is thus presented by "vote". A "vote" is defined as one of the main segments into which a budget of a municipality is divided into, for the appropriation of funds.

Table C4 Monthly Budget Statement – Financial Performance (revenue and expenditure) – M06 December 2019

Description	Ref	2018/19	Budget Year 2019/20							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates			196 717	196 717	11 414	128 407	98 358	30 048	31%	196 717
Service charges - electricity revenue			277 068	277 068	21 705	119 861	138 534	(18 673)	-13%	277 068
Service charges - water revenue			76 105	76 105	6 046	30 244	38 053	(7 808)	-21%	76 105
Service charges - sanitation revenue			46 346	46 346	4 013	26 263	23 173	3 090	13%	46 346
Service charges - refuse revenue			53 732	53 732	4 207	27 044	26 866	178	1%	53 732
Service charges - other			–	–	–	–	–	–		–
Rental of facilities and equipment			4 037	1 024	44	335	512	(177)	-35%	1 024
Interest earned - external investments			10 375	10 375	2 269	8 385	5 187	3 197	62%	10 375
Interest earned - outstanding debtors			8 439	8 439	952	6 042	4 220	1 822	43%	8 439
Dividends received			–	–	–	–	–	–		–
Fines, penalties and forfeits			6 397	6 397	198	1 363	3 199	(1 835)	-57%	6 397
Licences and permits			16 568	16 568	1 142	10 959	8 284	2 675	32%	16 568
Agency services			–	–	–	–	–	–		–
Transfers and subsidies			133 112	133 112	41 851	99 773	66 556	33 217	50%	133 112
Other revenue			7 797	10 810	498	5 248	5 405	(157)	-3%	10 810
Gains on disposal of PPE			–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**–**	**836 693**	**836 693**	**94 339**	**463 924**	**418 346**	**45 577**	**11%**	**836 693**
Expenditure By Type										
Employee related costs			290 942	290 942	24 468	152 088	145 469	6 619	5%	290 942
Remuneration of councillors			13 063	13 063	1 043	6 223	6 531	(309)	-5%	13 063
Debt impairment			26 336	26 336	–	–	13 168	(13 168)	-100%	26 336
Depreciation & asset impairment			85 101	85 101	6 127	36 763	42 550	(5 787)	-14%	85 101
Finance charges			2 201	2 201	195	1 226	1 101	125	11%	2 201
Bulk purchases			271 623	271 623	20 414	140 550	135 812	4 739	3%	271 623
Other materials			29 621	30 594	3 462	14 420	15 297	(877)	-6%	30 594
Contracted services			80 814	77 757	7 310	22 084	38 878	(16 794)	-43%	77 757
Transfers and subsidies			–	250	–	–	125	(125)	-100%	250
Other expenditure			97 436	99 433	8 225	41 349	49 715	(8 367)	-17%	99 433
Loss on disposal of PPE			–	–	–	–	–	–		–
Total Expenditure		**–**	**897 137**	**897 301**	**71 245**	**414 703**	**448 647**	**(33 944)**	**-8%**	**897 301**
Surplus/(Deficit)		**–**	**(60 444)**	**(60 608)**	**23 094**	**49 221**	**(30 301)**	**79 521**	**(0)**	**(60 608)**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)			58 063	58 063	4 543	27 971	29 032	(1 061)	(0)	58 063
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		–	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**			**(2 545)**
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**			**(2 545)**
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**			**(2 545)**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**–**	**(2 381)**	**(2 545)**	**27 637**	**77 192**	**(1 269)**			**(2 545)**

Explanatory notes to Table C4 – Budgeted Financial Performance (revenue and expenditure)

The Financial Performance Budget is required to be approved concurrently by revenue source and expenditure type, so as to ensure consistency with annual reporting format requirements. A key aim is to facilitate comparison between the monthly results, the monthly budget-to-date projections and the original budget, so as to assess performance

Table C5 Monthly Budget Statement – Capital Expenditure (municipal vote, standard classification and funding) – M06 December 2019

Vote Description	2018/19	Budget Year 2019/20							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 - EXECUTIVE COUNCIL	–	1 200	2 268	151	448	1 069	(621)	-58%	2 268
Vote 2 - FINANCIAL SERVICES	–	2 600	3 896	56	198	605	(407)	-67%	3 896
Vote 3 - CORPORATE SERVICES	–	3 069	4 663	33	350	805	(455)	-57%	4 663
Vote 4 - PLANNING, DEVELOPMENT & TOURISM	–	4 581	4 581	93	1 667	1 277	390	31%	4 581
Vote 5 - INFRASTRUCTURE AND ENGINEERING	–	58 218	68 056	27 426	44 078	9 249	34 829	377%	68 056
Vote 6 - COMMUNITY SERVICES	–	5 915	7 906	154	975	3 347	(2 372)	-71%	7 906
Vote 7 - COMMUNITY SERVICES (CONTINUED)	–	17 528	19 174	407	4 798	9 047	(4 249)	-47%	19 174
Total Capital single-year expenditure	–	93 110	110 543	28 320	52 514	25 399	27 116	107%	110 543
Total Capital Expenditure	**–**	**93 110**	**110 543**	**28 320**	**52 514**	**25 399**	**27 116**	**107%**	**110 543**
Capital Expenditure - Functional Classification									
Governance and administration	**–**	**8 169**	**13 210**	**239**	**2 697**	**6 605**	(3 908)	-59%	**13 210**
Executive and council		1 065	2 223	147	443	1 111	(669)	-60%	2 223
Finance and administration		6 969	10 913	88	2 250	5 456	(3 206)	-59%	10 913
Internal audit		135	75	4	4	38	(34)	-90%	75
Community and public safety	**–**	**21 843**	**24 395**	**562**	**3 608**	**12 123**	(8 515)	-70%	**24 395**
Community and social services		950	1 100	–	254	475	(221)	-46%	1 100
Sport and recreation		15 228	15 546	544	1 462	7 773	(6 311)	-81%	15 546
Public safety		3 965	6 049	18	359	3 025	(2 666)	-88%	6 049
Housing		1 700	1 700	–	1 533	850	683	80%	1 700
Health		–	–	–	–	–	–		–
Economic and environmental services	**–**	**5 325**	**5 325**	**93**	**309**	**2 662**	(2 353)	-88%	**5 325**
Planning and development		3 331	3 331	93	179	1 665	(1 486)	-89%	3 331
Road transport		1 994	1 994	–	129	997	(867)	-87%	1 994
Environmental protection		–	–	–	–	–	–		–
Trading services	**–**	**57 774**	**67 612**	**27 426**	**45 901**	**33 806**	12 095	36%	**67 612**
Energy sources		19 432	21 171	566	(397)	10 585	(10 983)	-104%	21 171
Water management		11 446	12 231	20 961	28 085	6 116	21 969	359%	12 231
Waste water management		24 896	32 211	5 898	16 213	16 105	108	1%	32 211
Waste management		2 000	2 000	–	2 000	1 000	1 000	100%	2 000
Other		–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	**–**	**93 110**	**110 543**	**28 320**	**52 514**	**55 196**	**(2 682)**	**-5%**	**110 543**
Funded by:									
National Government		49 052	49 052	23 969	33 746	24 526	9 220	38%	49 052
Provincial Government		–	–	–	–	–	–		–
District Municipality		2 065	3 765	–	–	1 883	(1 883)	-100%	3 765
Other transfers and grants		–	–	–	–	–	–		–
Transfers recognised - capital	**–**	**51 117**	**52 817**	**23 969**	**33 746**	**26 408**	**7 338**	**28%**	**52 817**
Public contributions & donations		–	–	–	–	–	–		–
Borrowing		–	–	–	–	–	–		–
Internally generated funds		41 994	57 726	4 351	18 768	25 310	(6 542)	-26%	57 726
Total Capital Funding	**–**	**93 110**	**110 543**	**28 320**	**52 514**	**51 719**	**796**	**2%**	**110 543**

Explanatory notes to Table C5 – Budgeted Capital Expenditure by vote, standard classification and funding

Table C5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding necessary to fund the capital budget, including information on capital transfers from national and provincial departments

Table C6 Monthly Budget Statement – Financial Position – M06 December 2019

Description	Ref	2018/19	Budget Year 2019/20			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
ASSETS						
Current assets						
Cash			6 632		16 677	6 632
Call investment deposits			59 686		186 774	59 686
Consumer debtors			67 067		42 284	67 067
Other debtors			33 150		33 473	33 150
Current portion of long-term receivables			3		3	3
Inventory			6 666		9 249	6 666
Total current assets		–	**173 204**	–	**288 461**	**173 204**
Non current assets						
Long-term receivables			16		13	16
Investments					–	
Investment property			354 389		242 552	354 389
Investments in Associate					–	
Property, plant and equipment			1 961 428		2 018 797	1 961 428
Agricultural					–	
Biological assets					–	
Intangible assets			1 802		244	1 802
Other non-current assets					–	
Total non current assets		–	**2 317 635**	–	**2 261 606**	**2 317 635**
TOTAL ASSETS		–	**2 490 839**	–	**2 550 067**	**2 490 839**
LIABILITIES						
Current liabilities						
Bank overdraft					–	
Borrowing			7 999		9 067	7 999
Consumer deposits			15 241		17 378	15 241
Trade and other payables			127 481		156 774	127 481
Provisions			24 505		29 649	24 505
Total current liabilities		–	**175 225**	–	**212 867**	**175 225**
Non current liabilities						
Borrowing			15 602		111 162	15 602
Provisions			169 378		68 637	169 378
Total non current liabilities		–	**184 979**	–	**179 799**	**184 979**
TOTAL LIABILITIES		–	**360 204**	–	**392 666**	**360 204**
NET ASSETS	2	–	**2 130 635**	–	**2 157 400**	**2 130 635**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)			2 130 635		2 157 400	2 130 635
Reserves		–				
TOTAL COMMUNITY WEALTH/EQUITY	2	–	**2 130 635**	–	**2 157 400**	**2 130 635**

Explanatory notes to Table C6 – Budgeted Financial Position

i. The table represents Assets less Liabilities as Community Wealth. The order of items within each group is also aligned to the convention of showing items in order of liquidity; i.e. assets readily converted to cash or liabilities immediately required to be met from cash appear first.

ii. Any movement on the Budgeted Financial Performance or the Capital Budget will invariably impact on the Budgeted Financial Position.
For example, the collection rate assumption will impact on the cash position of the municipality and consequently inform the level of cash and cash equivalents at year end.
Similarly, the collection rate assumption informs the budget provision for bad debts. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as compliance assessment is directly informed by forecasting the statement of financial position.

Table C7 Monthly Budget Statement – Cash Flow – M06 December 2019

Description	Ref	2018/19	Budget Year 2019/20							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates			188 848		13 624	123 621	188 848	(65 228)	-35%	(158 496)
Service charges			435 121		33 502	210 603	435 121	(224 517)	-52%	(244 242)
Other revenue			34 799		1 871	39 420	34 799	4 621	13%	303 191
Government - operating			133 112		41 646	99 534	133 112	(33 578)	-25%	27 316
Government - capital			58 063			20 768	58 063	(37 295)	-64%	3 583
Interest			18 476		4 213	15 810	18 476	(2 666)	-14%	8 031
Dividends			–			–	–	–		–
Payments										
Suppliers and employees			(783 499)		(65 074)	(453 027)	(783 499)	(330 472)	42%	(783 410)
Finance charges			(2 201)		(182)	(1 213)	(2 201)	(988)	45%	(2 201)
Transfers and Grants			–			–	–	–		–
NET CASH FROM/(USED) OPERATING ACTIVITIES		–	**82 720**	–	**29 600**	**55 516**	**82 720**	**27 203**	**33%**	**(846 228)**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		–	–	–	–	–	–	–		–
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables			–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	–	–	–		–
Payments										
Capital assets			(93 110)		(32 567)	(62 391)	(93 110)	(30 719)	33%	(110 393)
NET CASH FROM/(USED) INVESTING ACTIVITIES		–	**(93 110)**	–	**(32 567)**	**(62 391)**	**(93 110)**	**(30 719)**	**33%**	**(110 393)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits			–	–			–	–		–
Payments										
Repayment of borrowing			(7 999)		(683)	(3 902)	(7 999)	(4 097)	51%	–
NET CASH FROM/(USED) FINANCING ACTIVITIES		–	**(7 999)**	–	**(683)**	**(3 902)**	**(7 999)**	**(4 097)**	**51%**	–
NET INCREASE/ (DECREASE) IN CASH HELD		–	**(18 389)**	–	**(3 651)**	**(10 777)**	**(18 389)**			**(956 620)**
Cash/cash equivalents at beginning:		–	84 707			214 228	84 707			214 228
Cash/cash equivalents at month/year end:		–	66 318	–		203 451	66 318			(742 393)

Explanatory notes to Table C7 – Budgeted Cash Flow Statement

- **i.** The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.
- **ii.** It reflects the expected cash inflows versus outflows that are likely to result from the implementation of the budget.

Annexure "A5"

ANALYSIS OF THE MUNICIPALITY'S STATEMENT OF FINANCIAL POSITION

In this section the Municipality's Debtors, Creditors and Investments will be analysed. These components have a significant impact on the Municipality's financial position.

1. Overview of outstanding Consumer Debtors (Inclusive of VAT)

Below is an analysis of the outstanding consumer debtors as at 30 June 2019, compared to the position as at 31 December 2019.

Debtors' Age Analysis (Inclusive of VAT) as at 30 June 2019

Description	Budget Year 2018/19								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	8 079	1 885	1 407	1 463	1 386	1 158	7 243	22 495	45 116
Trade and Other Receivables from Exchange Transactions - Electricity	15 574	1 126	646	474	465	291	1 941	5 553	26 069
Receivables from Non-exchange Transactions - Property Rates	7 749	672	489	399	332	292	6 910	16 661	33 504
Receivables from Exchange Transactions - Waste Water Management	4 548	915	665	654	604	538	3 205	9 498	20 626
Receivables from Exchange Transactions - Waste Management	4 044	968	864	820	789	768	4 178	13 431	25 861
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	62	121	96	125	143	150	1 692	19 388	21 776
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(11 847)	487	418	318	405	308	2 686	8 364	1 139
Total By Income Source	**28 208**	**6 174**	**4 585**	**4 254**	**4 123**	**3 503**	**27 855**	**95 390**	**174 092**
2017/18 - totals only									–
Debtors Age Analysis By Customer Group									
Organs of State	857	397	360	202	240	84	1 885	1 921	5 945
Commercial	5 199	340	176	125	140	81	588	2 630	9 278
Households	22 153	5 437	4 049	3 927	3 743	3 338	25 383	90 839	158 869
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**28 208**	**6 174**	**4 585**	**4 254**	**4 123**	**3 503**	**27 855**	**95 390**	**174 092**

Debtors' Age Analysis (Inclusive of VAT) as at 31 December 2019

Description	Budget Year 2019/20								
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
Debtors Age Analysis By Income Source									
Trade and Other Receivables from Exchange Transactions - Water	9 124	2 142	1 607	1 504	2 427	1 184	6 640	27 697	52 325
Trade and Other Receivables from Exchange Transactions - Electricity	16 298	1 172	739	431	1 979	228	1 103	6 479	28 428
Receivables from Non-exchange Transactions - Property Rates	10 307	956	710	570	8 178	260	1 197	19 994	42 172
Receivables from Exchange Transactions - Waste Water Management	5 372	977	778	700	1 167	565	2 933	11 712	24 204
Receivables from Exchange Transactions - Waste Management	4 391	1 025	940	876	843	759	4 121	16 450	29 404
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	72	93	134	130	563	152	1 296	23 076	25 515
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–
Other	(15 946)	398	388	291	1 172	250	1 684	9 861	(1 901)
Total By Income Source	**29 618**	**6 762**	**5 294**	**4 502**	**16 329**	**3 398**	**18 974**	**115 270**	**200 148**
									–
Debtors Age Analysis By Customer Group									
Organs of State	1 209	498	445	241	772	31	108	3 113	6 418
Commercial	2 949	258	159	123	360	71	519	2 919	7 357
Households	25 460	6 006	4 690	4 138	15 197	3 297	18 347	109 238	186 373
Other	–	–	–	–	–	–	–	–	–
Total By Customer Group	**29 618**	**6 762**	**5 294**	**4 502**	**16 329**	**3 398**	**18 974**	**115 270**	**200 148**

The aforementioned analysis indicates that from 30 June 2019 to 31 December 2019, the overdue debts have increased from R 145,884 million to R 170,530 million, as follows:

R thousands	OVERDUE AMOUNTS AS AT		
Debtors Age Analysis By Income Source	**30-Jun-19**	**31-Dec-19**	**Difference**
Trade and Other Receivables from Exchange Transactions - Water	37 037	43 202	6 165
Trade and Other Receivables from Exchange Transactions - Electricity	10 495	12 130	1 634
Receivables from Non-exchange Transactions - Property Rates	25 755	31 865	6 110
Receivables from Exchange Transactions - Waste Water Management	16 078	18 832	2 755
Receivables from Exchange Transactions - Waste Management	21 817	25 013	3 196
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–
Interest on Arrear Debtor Accounts	21 714	25 443	3 729
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–
Other	12 987	14 045	1 058
Total By Income Source	**145 884**	**170 530**	**24 646**
	–	–	
Debtors Age Analysis By Customer Group	–	–	
Organs of State	5 088	5 209	121
Commercial	4 080	4 408	329
Households	136 716	160 913	24 197
Other	–	–	
Total By Customer Group	**145 884**	**170 530**	**24 646**

2. Overview of Creditors position

Below is an analysis of the status of the major creditors

Description	Budget Year 2019/20								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	19 727	–	–	–	–	–	–	–	**19 727**
Bulk Water	1 265	2	–	4	–	–	11	(178)	**1 104**
PAYE deductions	3 869	–	–	–	–	–	–	–	**3 869**
VAT (output less input)	–	–	–	–	–	–	–	–	**–**
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	**–**
Loan repayments	–	–	–	–	–	–	–	–	**–**
Trade Creditors	6 581	1 186	575	7	18	41	8	72	**8 486**
Auditor General	–	–	–	–	–	–	–	–	**–**
Other	–	–	–	–	–	–	–	–	**–**
Total By Customer Type	**31 441**	**1 188**	**575**	**11**	**18**	**41**	**19**	**(106)**	**33 187**

The above amounts represent invoices still to be paid. The major creditors as at 31 December 2019 are as follows:

Eskom	R 19,727 million
NMBM	R 1,104 million
SARS (PAYE)	R 3,869 million
Other Creditors	R 8,486 million
TOTAL	**R 33,187 million**

It is to be noted that the Eskom amount of R 19,727 million, represents the current account for December 2019, which will be fully paid on 21 January 2020.

The PAYE deductions represent employee related costs for the month of December 2019, with the amounts in question being paid on 6 January 2020 to SARS.

3. Investment Portfolio

Below is an analysis of the Investment Portfolio as at 31 December 2019.

	Balance as at 30 June 2019	INVESTED	INTEREST	WITHDRAWN	CHARGES	Balance as at 31 December
Standard Bank	19 896 645	-	642 952	-	-	20 539 598
ABSA	27 519 504	-	886 848	-	-	28 406 352
Nedbank	20 827 601	-	678 304	-	-	21 505 905
RMB	110 820 349	25 379 073	3 406 649	45 564 008	-	94 042 063
INVESTEC	21 562 503	-	717 299	-	-	22 279 802
Total	**200 626 602**	**25 379 073**	**6 332 052**	**-45 564 008**	**-**	**186 773 719**
INVESTMENT	**Balance as at 30 June 2019**	**INVESTED**	**INTEREST**	**WITHDRAWN**	**CHARGES**	**Balance as at 31 December**
General Account	90 965 278	3 609 073	3 031 623	-	-	97 605 973
Conditional Grants	109 654 154	21 770 000	3 300 203	45 564 008	-	89 160 350
Housing Funds	7 170	-	226	-	-	7 396
Total	**200 626 602**	**25 379 073**	**6 332 052**	**-45 564 008**	**-**	**186 773 719**
Bank	13 600 946	3 076 005				**16 676 951**
Total	**214 227 548**	**28 455 078**	**6 332 052**	**-45 564 008**	**-**	**203 450 670**

The decrease in the investment portfolio since 30 June 2019 amounts to R 10,776,878. The following analysis indicates the extent to which the investments are committed:

Cash backed Reserves

Bank Balances and Cash	R 16,676,951
Short-term Investment Deposits	R 186,773,719
	R 203,450,670

Application of Cash

Unspent Conditional Grants	89,167,746
Internally Generated Funds	38,957,354
Outstanding Creditors Liability	33 186 677
	161,311,777
Reserves in excess of Commitments	**R 42,138,893**

The cash backed reserves exceed the commitments at this stage by an amount of R 42,138,893. It should be noted that the excess of reserves over commitments as at 31 December 2019, is mainly due to an amount of R 41,646 million in respect of the Equitable share allocation received on 02 December 2019, but not yet fully spent.

These funds are already committed towards spending in the 2019/20 Operating budget.

4. Allocation and Grants receipts and expenditure for the 2019/2020 financial year

Supporting Table SC6 Monthly Budget Statement – transfers and grant receipts – M06 December 2019

Description	Budget Year 2019/20							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
RECEIPTS:								
Operating Transfers and Grants								
National Government:	129 297	129 297	41 646	96 934	96 934	–		129 297
Operational Revenue:General Revenue:Equitable Share	124 938	124 938	41 646	93 704	93 704	–		124 938
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule	1 000	1 000	–	700	700	–		1 000
Local Government Financial Management Grant [Schedule 5B]	1 770	1 770		1 770	1 770	–		1 770
Municipal Infrastructure Grant [Schedule 5B]	1 589	1 589	–	760	760	–		1 589
Provincial Government:	2 050	2 050	–	2 050	2 050	–		–
Sports and Recreation	2 050	2 050	–	2 050	2 050	–		–
District Municipality:	1 765	1 765	–	1 310	1 310	–		3 815
Environmental Health Subsidy	1 765	1 765	–	1 310	1 310	–		3 815
Other grant providers:	–	–	–	266	–	266		–
Skills Development Grant	–	–	–	266	–	266		–
Total Operating Transfers and Grants	133 112	133 112	41 646	100 560	100 294	266	0.3%	133 112
Capital Transfers and Grants								
National Government:	56 098	56 098	–	19 938	19 938	0	0.0%	56 098
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	10 002	6 002	–	1 500	1 500	–		6 002
Municipal Infrastructure Grant [Schedule 5B]	36 096	36 096		14 438	14 438	–		36 096
Energy Efficiency and Demand Side Management Grant	–	4 000	–	2 000	2 000	0	0.0%	4 000
Water Services Infrastructure Grant [Schedule 5B]	10 000	10 000	–	2 000	2 000	–		10 000
District Municipality:	1 965	1 965	–	–	–	–		1 965
Fire Services Subsidy	1 965	1 965	–	–		–		1 965
Total Capital Transfers and Grants	58 063	58 063	–	19 938	19 938	0	0.0%	58 063
TOTAL RECEIPTS OF TRANSFERS & GRANTS	191 175	191 175	41 646	120 498	120 232	266	0.2%	191 175

Below is an analysis of the spending associated with the grants as at 31 December 2019:

Supporting Table SC7 Monthly Budget Statement – transfers and grants expenditure – M06 December 2019

Description	Budget Year 2019/20							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
EXPENDITURE								
Operating expenditure of Transfers and Grants								
National Government:	**129 297**	**129 297**	**278**	**126 884**	**127 479**	**(595)**	**-0.5%**	**63 978**
Operational Revenue:General Revenue:Equitable Share	124 938	124 938	–	124 938	124 938	–		60 748
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 000	1 000	131	442	1 175	(732)	-62.3%	2 350
Local Government Financial Management Grant [Schedule 5B]	1 770	1 770	–	522	384	138	35.8%	768
Municipal Infrastructure Grant [Schedule 5B]	1 589	1 589	147	982	982	–		112
Provincial Government:	**2 050**	**2 050**	**–**	**2 050**	**2 050**	**–**		**–**
Sports and Recreation	2 050	2 050	–	2 050	2 050	–		–
District Municipality:	**1 765**	**1 765**	**–**	**1 310**	**1 310**	**–**		**–**
Environmental Health Subsidy	1 765	1 765	–	1 310	1 310	–		–
Other grant providers:	**–**	**–**	**–**	**266**	**266**	**–**		**–**
Skills Development Grant	–	–	–	266	266	–		–
Total operating expenditure of Transfers and Grants:	**133 112**	**133 112**	**278**	**130 510**	**131 105**	**(595)**	**-0.5%**	**63 978**
Capital expenditure of Transfers and Grants								
National Government:	**49 052**	**49 052**	**23 969**	**35 485**	**25 358**	**10 127**	**39.9%**	**50 715**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	8 697	5 219	45	146	2 610	(2 463)	-94.4%	5 219
Municipal Infrastructure Grant [Schedule 5B]	31 659	31 659	4 390	9 610	16 661	(7 051)	-42.3%	33 322
Energy Efficiency and Demand Side Management Grant	–	3 478	13	13	1 739	(1 726)	-99.3%	3 478
Water Services Infrastructure Grant [Schedule 5B]	8 696	8 696	19 521	25 716	4 348	21 368	491.5%	8 696
District Municipality:	**1 965**	**1 965**	**–**	**–**	**1 883**	**(1 883)**	**-100.0%**	**3 765**
Fire Services Subsidy	1 965	1 965	–	–	1 883	(1 883)	-100.0%	3 765
Total capital expenditure of Transfers and Grants	**51 017**	**51 017**	**23 969**	**35 485**	**27 240**	**8 245**	**30.3%**	**54 481**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**184 128**	**184 128**	**24 247**	**165 995**	**158 345**	**7 650**	**4.8%**	**118 458**

Note: The equitable share allocation is utilised to fund indigent household's subsidies granted to qualifying households, with the remainder being used to support the Municipality's operations.

Grants received from National Government

DORA Operating Grants

Financial Management Grant (FMG)

The purpose of 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 1,770,000
Amount of Grant Received:	R 1,770,000
Expenditure to date:	R 547,507
Unspent as at 31 December 2019:	R 1,222,493

The spending of the grant amounted to 30.93% as at 31 December 2019, compared to the amount of the grant received.

Expanded Public Works Programme (EPWP)
The purpose of this grant is to provide Expanded Public Works Programme (EPWP) incentive funding to expand job creation efforts in specific focus areas, where labour intensive methods can be maximised.

DORA Allocation:	R 1,000,000
Amount of Grant Received:	R 700,000
Expenditure to date:	R 442,427
Unspent as at 31 December 2019:	R 257,573

The spending of the grant amounted to 63.20% as at 31 December 2019, compared to the amount of the grant received.

<u>DORA Capital Grants</u>

Municipal Infrastructure Grant (MIG)
The purpose of this grant is to provide specific capital finance for eradicating basic municipal infrastructure backlogs.

DORA Allocation:	R 37,684,750
Amount of Grant Received:	R 15,198,000
Expenditure to date:	R 11,051,130
Unspent as at 31 December 2019:	R 4,146,870

The spending of the grant amounted to 72.71% as at 31 December 2019, compared to the amount of the grant received.

Integrated National Electrification Programme (INEP)
The purpose of this grant is to implement the Integrated National Electrification Programme (INEP) by providing capital subsidies to municipalities to address the electrification backlog of occupied residential dwellings, and the installation of bulk infrastructure.

DORA Allocation:	R 6,002,000
Amount of Grant Received:	R 1,500,000
Expenditure to date:	R 168,203
Unspent as at 31 December 2019:	R 1,331,797

The spending of the grant amounted to 11.21% as at 31 December 2019, compared to the amount of the grant received.

Energy Efficiency and Demand Side Management Grant (EEDSM)
The purpose of this grant is to implement energy efficiency measures within municipality's own operations.

DORA Allocation:	R 4,000,000
Amount of Grant Received:	R 2,000,000
Expenditure to date:	R 14,925
Unspent as at 31 December 2019:	R 1,985,075

The spending of the grant amounted to 0.75% as at 31 December 2019, compared to the amount of the grant received.

Water Services Infrastructure Grant (Kwanomzamo Wastewater Treatment Works)
The purpose of this grant is to upgrade and refurbish the existing Kwanomzamo Wastewater Treatment Works located in Humansdorp. Decommissioning and dismantling of disused equipment; emptying and cleaning of out structures; site measurements; design.

DORA Allocation:	R 10,000,000
Amount of Grant Received:	R 2,000,000
Expenditure to date:	R 344,160
Unspent as at 31 December 2019:	**R 1,655,840**

The spending of the grant amounted to 17.21% as at 31 December 2019, compared to the amount of the grant received.

Water Services Infrastructure Grant (Drought Funding)
The purpose of this grant is to implement the meter and internal leak audit, repairs of leaks and water meters, reticulation pipe replacement and reservoir level control.

Unspent Grant as at 30 June 2019	R 98,017,338
Expenditure to date:	R 29,229,380
Unspent as at 31 December 2019:	**R 68,787,958**

The spending of the grant amounted to 29.82% as at 31 December 2019, compared to the amount of the grant received.

5. Councillor and employee benefits

Below is an analysis of Councillor and employee benefits:

Table SC8 Monthly Budget Statement – Councillor and staff benefits – M06 December 2019

Summary of Employee and Councillor remuneration	Budget Year 2019/20							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							**%**	
Councillors (Political Office Bearers plus Other)								
Basic Salaries and Wages	8 800	8 800	700	4 177	4 400	(222)	-5%	8 800
Pension and UIF Contributions	–	–	–	–	–	–		–
Medical Aid Contributions	–	–	2	11	–	11	#DIV/0!	–
Motor Vehicle Allowance	2 889	2 889	233	1 394	1 445	(50)	-3%	2 889
Cellphone Allowance	1 374	1 374	107	640	687	(47)	-7%	1 374
Housing Allowances	–	–	–	–	–	–		–
Other benefits and allowances	–	–	–	–	–	–		–
Sub Total - Councillors	**13 063**	**13 063**	**1 043**	**6 223**	**6 531**	**(309)**	**-5%**	**13 063**
Senior Managers of the Municipality								
Basic Salaries and Wages	7 445	7 445	450	2 891	3 723	(832)	-22%	7 445
Pension and UIF Contributions	23	23	1	5	11	(6)	-57%	23
Medical Aid Contributions	–	–	–	–	–	–		–
Overtime	–	–	–	–	–	–		–
Performance Bonus	169	169	275	413	84	329	390%	169
Motor Vehicle Allowance	804	804	55	331	402	(71)	-18%	804
Cellphone Allowance	7	7	1	3	4	(1)	-19%	7
Housing Allowances	–	–	–	–	–	–		–
Other benefits and allowances	51	51	5	24	26	(1)	-4%	51
Payments in lieu of leave	1 663	1 762	–	4	881	(877)	-100%	1 762
Long service awards	–	–	–	–	–	–		–
Post-retirement benefit obligations	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality	**10 162**	**10 260**	**786**	**3 671**	**5 130**	**(1 459)**	**-28%**	**10 260**
Other Municipal Staff								
Basic Salaries and Wages	171 169	171 169	15 115	88 254	85 584	2 670	3%	171 169
Pension and UIF Contributions	29 339	29 339	2 525	15 096	14 669	427	3%	29 339
Medical Aid Contributions	15 119	15 119	1 265	7 502	7 560	(58)	-1%	15 119
Overtime	27 259	27 259	2 578	13 227	16 416	(3 190)	-19%	32 833
Performance Bonus	–	–	–	–	–	–		–
Motor Vehicle Allowance	7 551	7 551	753	4 373	3 775	598	16%	7 551
Cellphone Allowance	1	1	–	–	0	(0)	-100%	1
Housing Allowances	992	992	67	406	496	(90)	-18%	992
Other benefits and allowances	27 830	27 830	887	18 041	11 128	6 913	62%	22 256
Payments in lieu of leave	18	18	178	731	9	722	7963%	18
Long service awards	1 403	1 403	313	788	702	86	12%	1 403
Post-retirement benefit obligations	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff	**280 681**	**280 681**	**23 682**	**148 417**	**140 339**	**8 078**	**6%**	**280 681**
Total Parent Municipality	**303 906**	**304 005**	**25 512**	**158 311**	**152 001**	**6 310**	**4%**	**304 005**
TOTAL SALARY, ALLOWANCES & BENEFITS	**304 005**	**304 005**	**25 512**	**158 311**	**152 001**	**6 310**	**4%**	**304 005**
TOTAL MANAGERS AND STAFF	**290 843**	**290 942**	**24 468**	**152 088**	**145 469**	**6 619**	**5%**	**290 942**

6. Key performance indicators

The table below reflects the key performance indicators as per the 2019/20 Budget and the associated performance to date.

Borrowing Management		**Actuals as at 30 June 2016**	**Actuals as at 30 June 2017**	**Actuals as at 30 June 2018**	**Actuals as at 30 June 2019**	**Approved Budget 2019/20**	**Actuals as at 31 December 2019**
Capital Charges to Operating Expenditure	Interest & principal paid/Total Operating Expenditure	3.67%	2.51%	1.78%	1.29%	1.14%	1.23%
Borrowed funding of "own" capital expenditure	Borrowings/Capital expenditure excl. transfers & grants	0%	0%	0%	0%	0%	0%
Debt Servicing Costs to Operating Revenue	Debt Servicing Costs / Total Operating Revenue - Conditional Grants	0.04	0.03	0.02	0.01	0.01	0.01
Liquidity							
Current Ratio	Current assets / current liabilities	0.85	0.97	1.58	1.44	0.99	1.36
Liquidity Ratio	Monetary assets / current liabilities	0.40	0.47	0.75	0.87	0.38	0.96
Revenue Management							
Annual Debtors Collection Rate	Billed Revenue / Receipted Revenue	97.60%	95.81%	90.73%	97,62%	96%	92.64%

Other indicators		Actuals as at 30 June 2016	Actuals as at 30 June 2017	Actuals as at 30 June 2018	Actuals as at 30 June 2019	Approved Budget 2019/20	Actuals as at 31 December 2019
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)	1.60	1.62	1.73	1.90	1.01	1.81
Employee Costs	Employee Costs / Total Operating Expenditure	35.62%	33.39%	33.21%	33.39%	32.42%	36.67%
Capital Expenditure	Capital Expenditure / Capital Budget	81.97%	72.92%	72.98%	44.59%	95%	47.51%
Repairs and Maintenance as % of Total Operating Expenditure	Repairs and Maintenance / Total Operating Expenditure	4.61%	4.94%	3.82%	5.63%	4.87%	4.18%
Repairs and Maintenance as % of PPE (Book Value)	Repairs and Maintenance / Net PPE	1.17%	1.65%	1.41%	2.29%	2.23%	0.86%
Own Revenue Sources / Total Operating Revenue (Including operating grants)	Own Revenue Sources / Total Operating Revenue (Including Conditional Grants)	74.74%	78.69%	80.22%	75.36%	84.09%	78.49%

The above table is discussed in detail below.

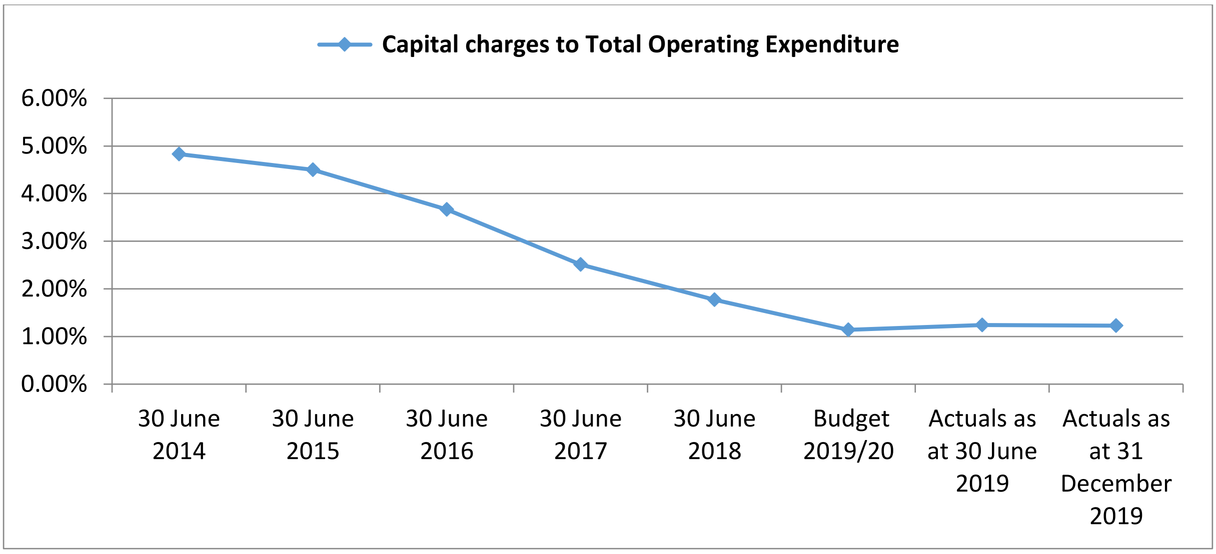
5.1. Borrowing Management

5.1.1. 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 1.23% of the Total Operating Expenditure was utilised for capital charges as at 31 December 2019, compared to the budgeted ratio of 1.14%.



5.1.2. 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)

The ratio is 0% as no capital expenditure was funded from borrowings, which is in line with the budgeted target as per the 2019/20 Operating Budget as no borrowing is planned for the 2019/20 to 2021/22 financial years.

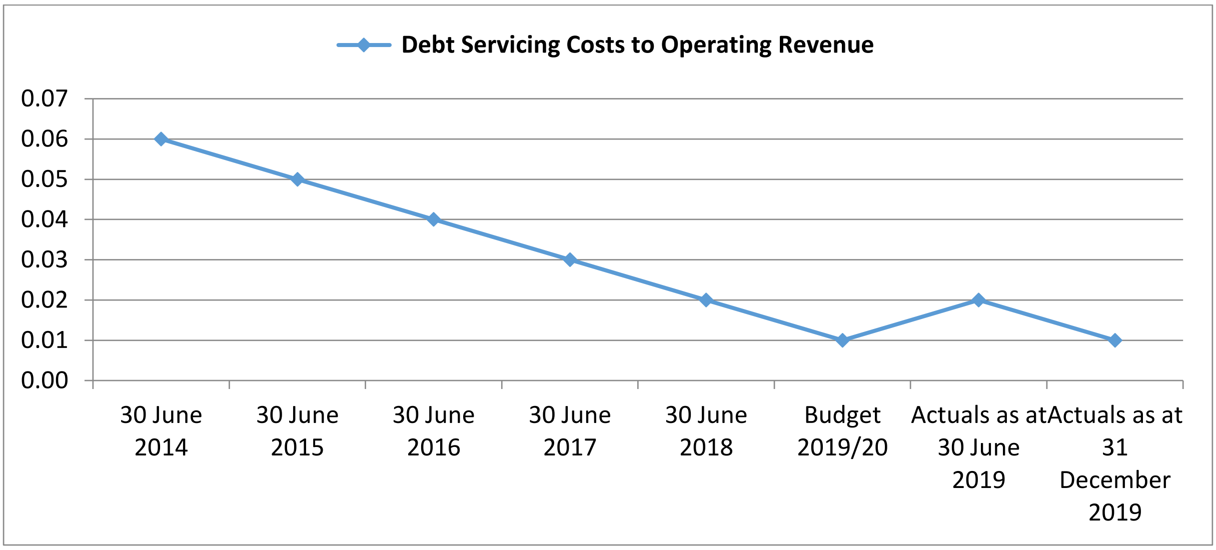
5.1.3. Debt Servicing Costs to Operating Revenue Ratio

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 31 December 2019, the ratio was 0.01:1, compared to the budgeted ratio of 0.01:1.



5.2. Liquidity

5.2.1. 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:

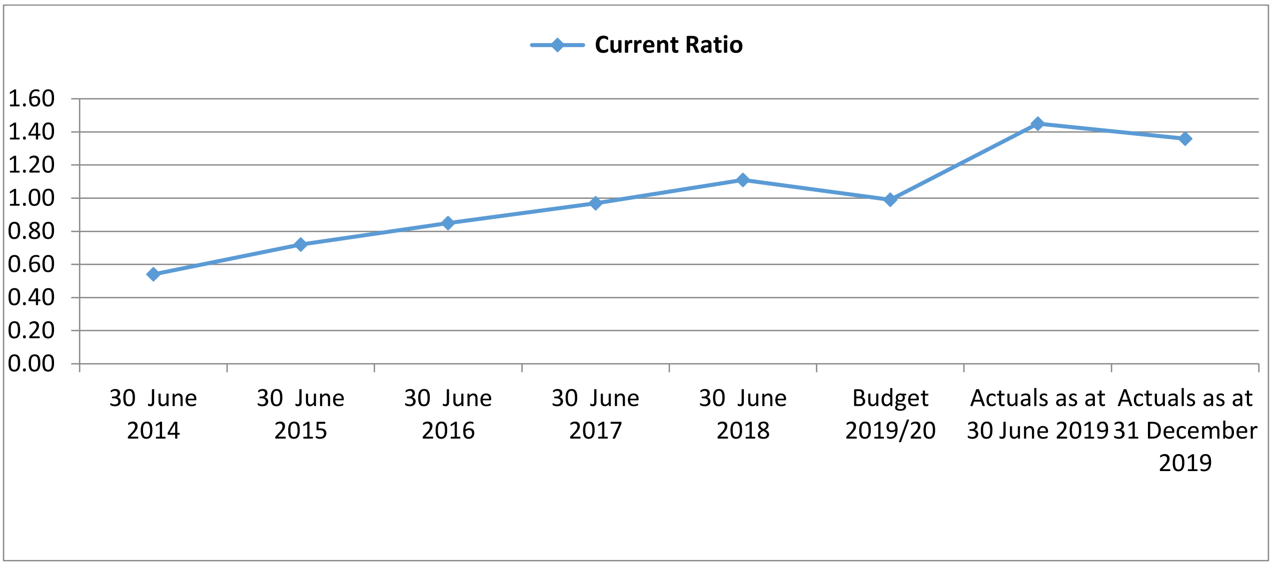
Current assets/Current liabilities

The ratio as at 31 December 2019 was 1.36:1, compared to the budgeted ratio of 0.99:1.

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 of its current obligations as and when they fall due.



5.2.2. Liquidity Ratio

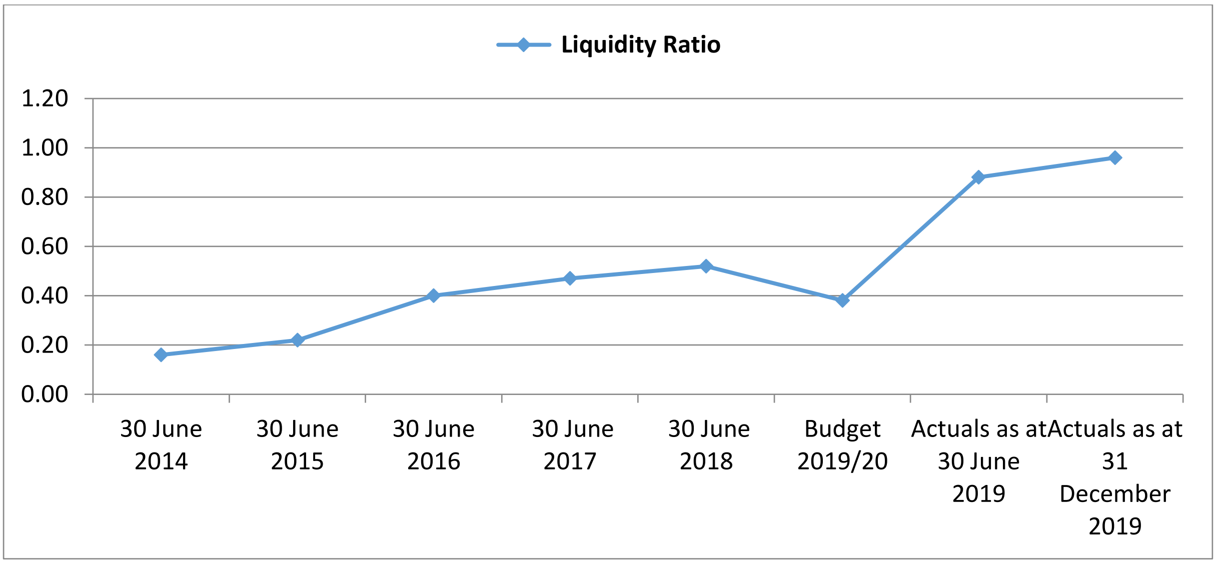
The liquidity ratio assesses a Municipality's ability to meet its short-term commitments from Monetary Assets.

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 31 December 2019 was 1.15:1, compared to the budgeted ratio of 0.38:1.

The liquidity ratio is of the utmost importance to measure the financial liquidity and sustainability of the municipality.



5.3. Revenue Management

5.3.1. Annual Debtors Collection Rate

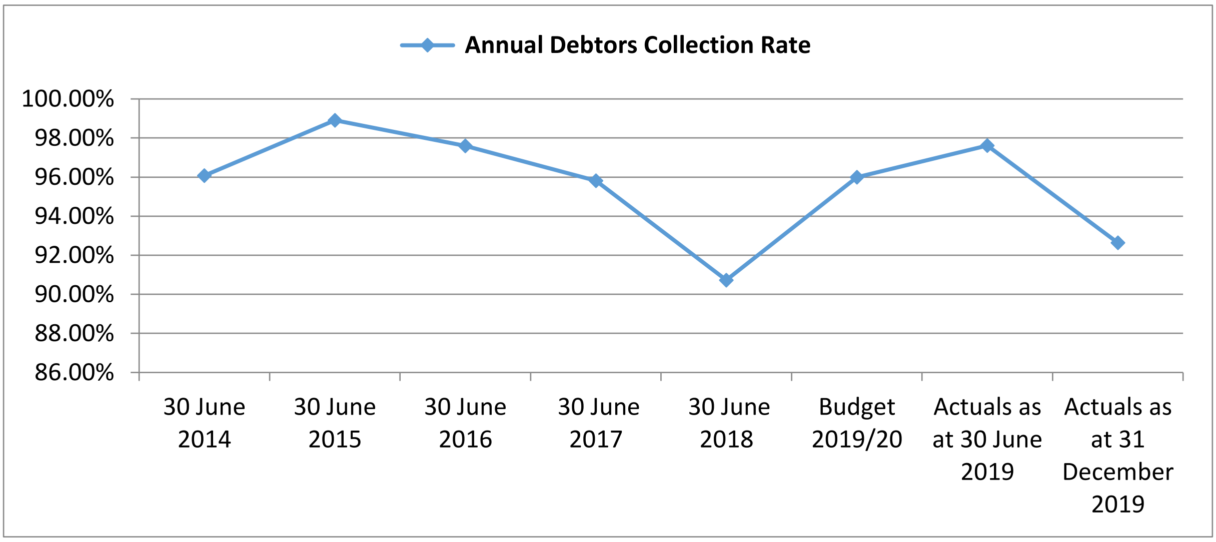
This ratio assesses the actual cash collected, compared to the monetary value of the municipal accounts rendered for municipal rates and services.

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. accountholders are given one calendar month to pay their current accounts).

The average collection rate as at 31 December 2019 was 92.64%, compared to the budgeted collection rate of 96%. The collection rate of 92.64% as at 31 December 2019 is influenced by the annual property rates raised in July 2019, but not yet paid. The collection rates have been calculated, based on the revenue receipted, compared to the revenue billed on a month – to - month basis.



5.4. Other indicators

5.4.1. 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 particular month.

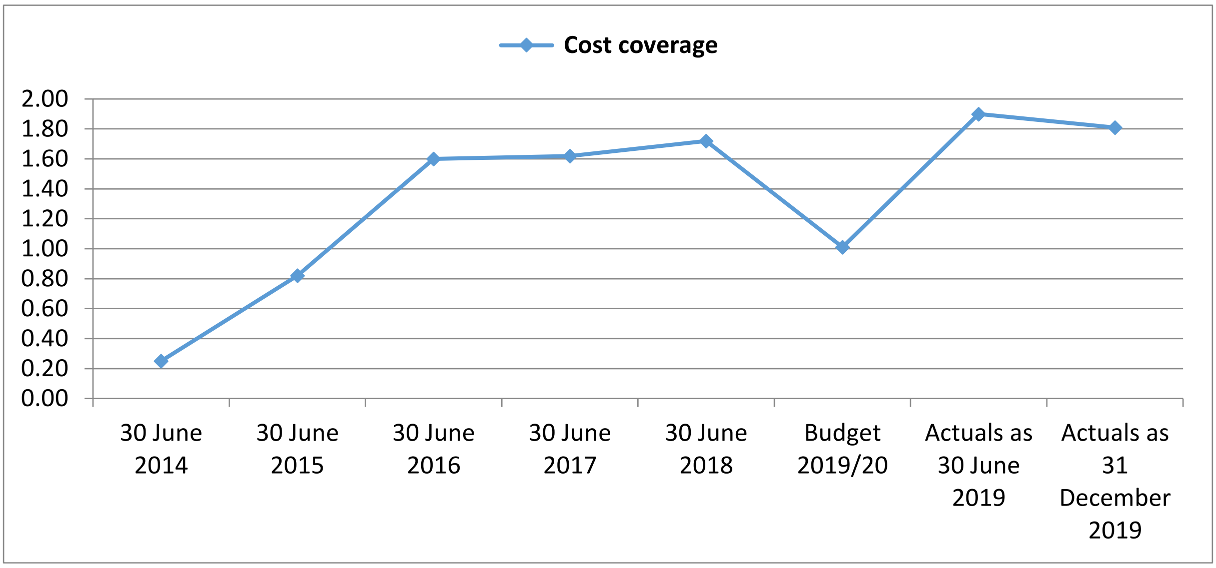
The Ratio is adjusted for Unspent Conditional Grants as the cash is not available for normal day-to-day operational expenditure, but rather reserved for Grant related expenditure.

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 31 December 2019, the Ratio was 1.81 months, compared to the budgeted ratio of 1.01 months.

In terms of MFMA Circular No. 71, the norm is 1 month to 3 months



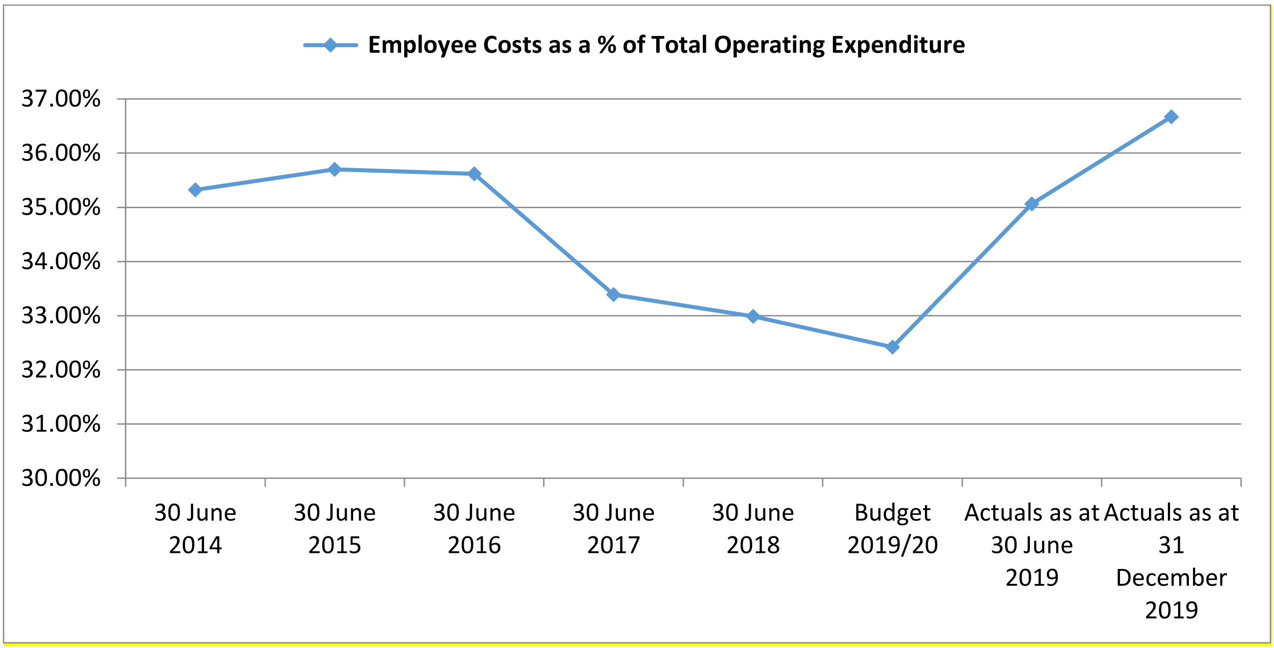
5.4.2. Employee costs as a % of Total Operating Expenditure

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 31 December 2019, Employee Related Costs constituted 36.67% of the Total Operating Expenditure, compared to the budgeted ratio of 32.42%.



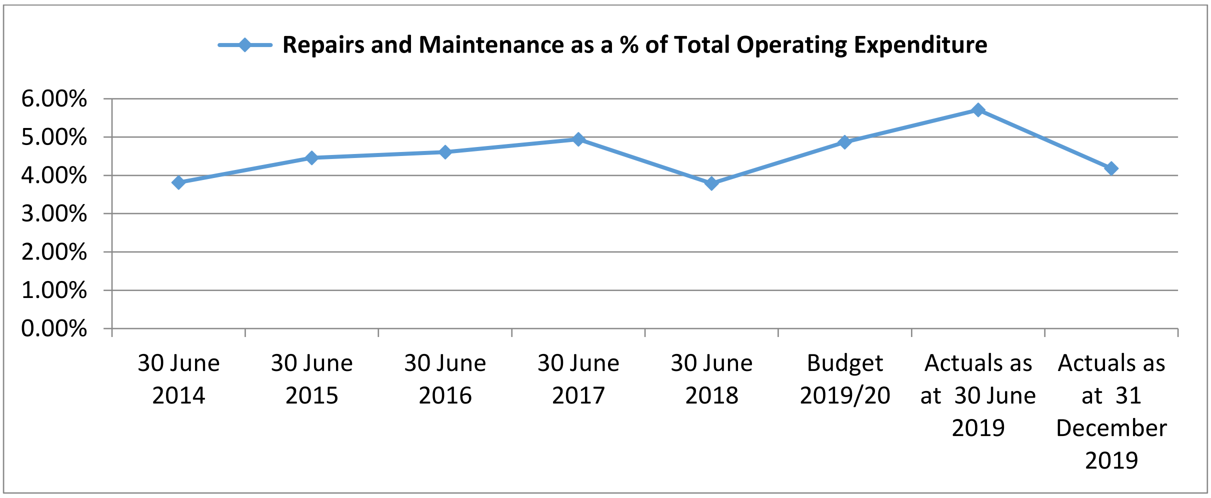
5.4.3. Repairs and Maintenance as a % of Total Operating Expenditure

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 31 December 2019, the ratio was 4.18%, compared to the budgeted ratio of 4.87%.



5.4.4. Repairs and Maintenance as a % of the book value of Property, Plant and Equipment (PPE)

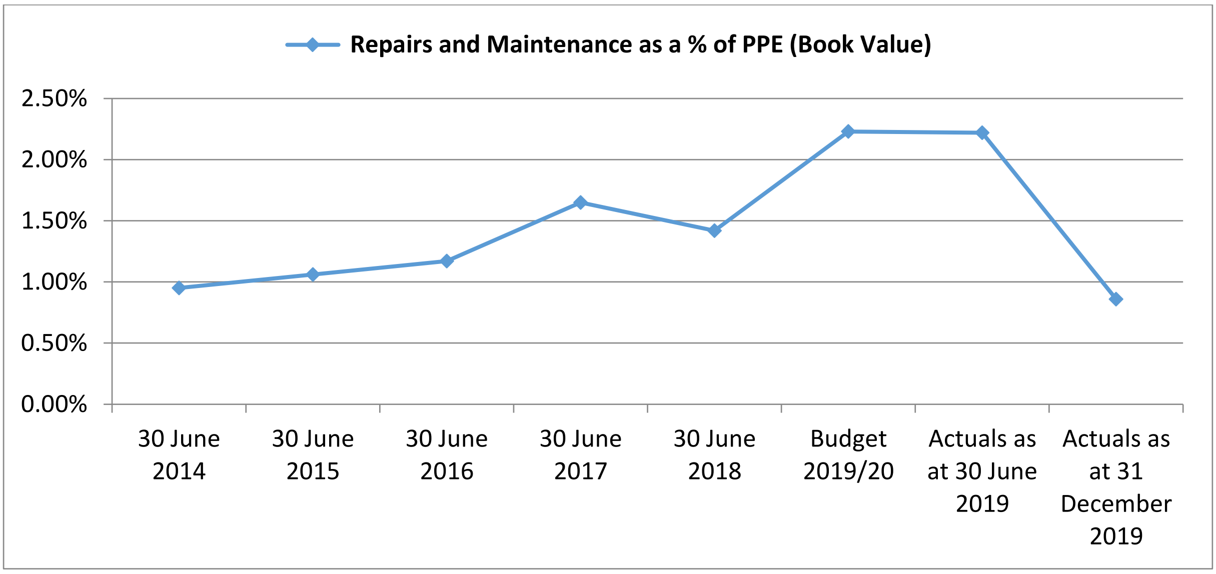
The Ratio measures the level of repairs and maintenance to ensure adequate maintenance to minimise breakdowns and interruptions in service delivery.

The ratio is determined as follows:

Repairs and maintenance expenditure to date / Book value of PPE to date

As at 31 December 2019, repairs and maintenance expenditure constituted 0.86% of the book value of PPE, compared to the budgeted ratio of 2.23%.

In terms of the MFMA Circular No.71, the norm is 8%.



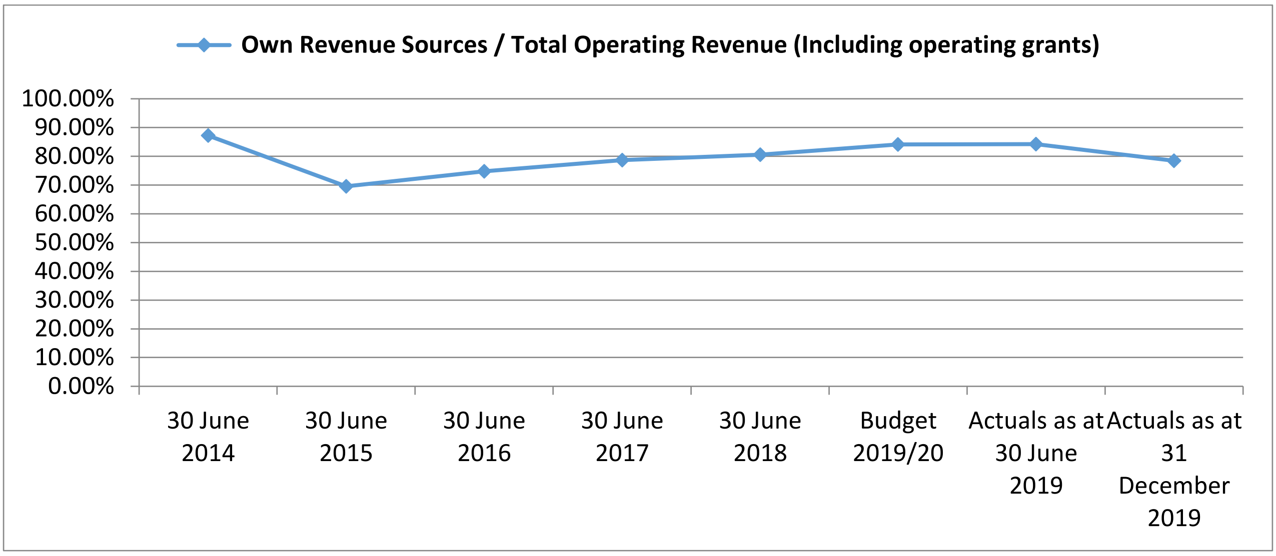
5.4.5. Own Revenue Generation

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 31 December 2019, the Municipality's own revenue sources constituted 78.49% of its total Operating Income, compared to the budgeted ratio of 84.09%.



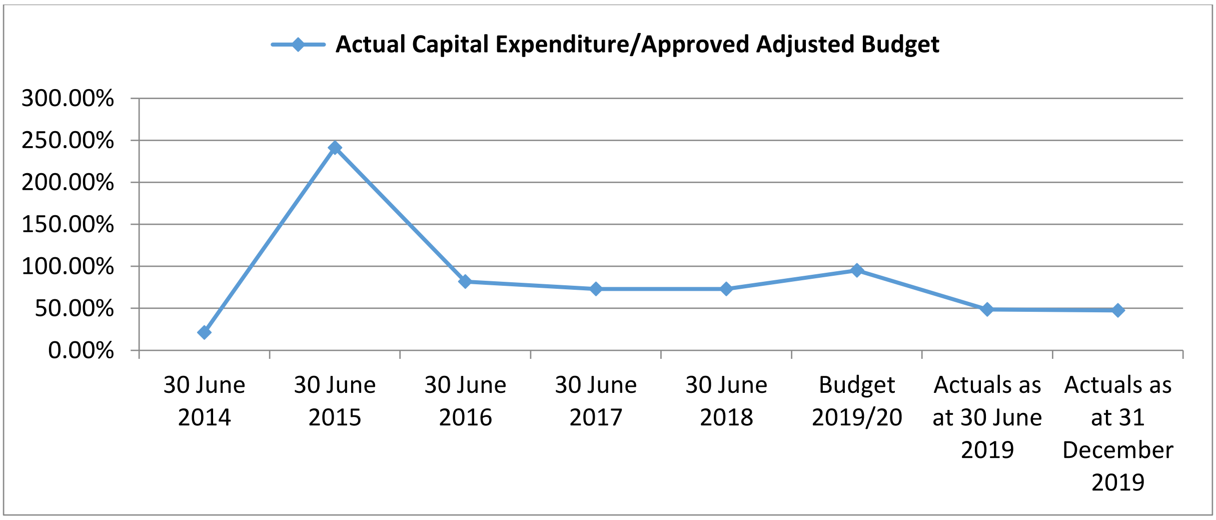
5.4.6. Capital Budget Spending

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 December 2019 amounted to 47.51% compared to the budgeted ratio of 95%.



KOUGA MUNICIPALITY (EC108)

ORDINARY COUNCIL MEETING

FINANCE

DATE: 30 JANUARY 2020 **ITEM NO.: 20/01/F2**

BUDGET AND TREASURY: WITHDRAWALS FROM MUNICIPAL BANK ACCOUNT FOR THE QUARTER ENDED 31 DECEMBER 2019

1. Purpose

The purpose of this report is to report on specific withdrawals from the municipal bank account in terms of the Municipal Finance Management Act, No. 56 of 2003.

2. Legislative Requirements

Section 11(4) of the MFMA**:**

"The accounting officer of a municipality must within 30 days after the end of each quarter –
a) table in the municipal council a consolidated report of all withdrawals made in terms of subsection 1(b) to (j)during that quarter; and
b) submit a copy of the report to the relevant provincial treasury and the Auditor-General"

Attached as annexure "A" the withdrawals from municipal bank account report for the quarter ended 31 December 2019.

The following information should be noted for the quarter ended 31 December 2019:

Section 11(1)(b): Expenditure that were authorised in terms of section 26(4) of the MFMA

No withdrawals

Section 11(1) (c): Unforeseeable and unavoidable expenditure

No withdrawals

Section 11(1) (d): Withdrawals in respect of Trust, and so forth

No withdrawals

Section 11(1) (e): Third party payment of monies received on behalf of a person or state body

As per attached Annexure "A"

Section 11(1) (f): Monies erroneously deposited into the municipal bank account

No withdrawals

Section 11(1) (g): Guarantees, sureties and security deposits refunded

No withdrawals

Section 11(1) (h): Cash management and investment

As per attached Annexure "A"

Section 11(1) (i): Increased expenditure in terms of section 31 of MFMA

No withdrawals

Section 11(1) (j): Other purposes as prescribed

No withdrawals

3. Recommendation

3.1 That the Municipal Manager's report on the withdrawals that were made in terms of section 11(1) (b) to (j) of the MFMA for the quarter ended 31 December 2019, be noted.

3.2 That the report accordingly be submitted to the Provincial treasury and Auditor-General as determined by section 11(4) (b) of the MFMA.

Drafted by Acting Manager Budget & Treasury:

Z Gongqoba

Approved by Acting CFO:

Ms N Mate..

Endorsed by Acting Municipal Manager:

Mrs F.F Mabusela:..

Noted by Portfolio Councillor:..

<table>
<tr><td colspan="3">PROVINCIAL TREASURY
Withdrawals from Municipal Bank Accounts in accordance with section 11(1)(b) to (j)</td></tr>
<tr><td>NAME OF MUNICIPALITY:</td><td colspan="2">KOUGA LOCAL MUNICIPALITY (EC108)</td></tr>
<tr><td>QUARTER ENDED:</td><td colspan="2">31 DECEMBER 2019</td></tr>
<tr><td>MFMA section 11(1) Only the accounting officer or the chief financial officer of the municipality acting on the written authority of the accounting officer may withdraw money or authorize the withdrawal of money from any of the municipality's bank accounts, and may do so only-</td><td>Amount</td><td>Reason for withdrawal</td></tr>
<tr><td>(b) to defray expenditure authorized in terms of section 26(4)</td><td>R 0.00</td><td></td></tr>
<tr><td>(c) to defray unforeseeable and unavoidable expenditure authorized in terms of section 29(1)</td><td>R 0.00</td><td></td></tr>
<tr><td>(d) in the case of a bank account opened in terms of section 12, to make payments from the account in accordance with subsection (4) of that section</td><td>R 0.00</td><td></td></tr>
<tr><td>(e) to pay over to a person or organ of state money received by the municipality on behalf of that person or organ of state, including – i. money collected by the municipality on behalf of that person or organ of state by agreement; or
ii) any insurance or other payments received by the municipality for that person or organ of state</td><td>R 4,809,310</td><td>Motor registration transaction fees.</td></tr>
<tr><td>(f) to refund money incorrectly paid into a bank account</td><td>R 0.00</td><td></td></tr>
<tr><td>(g) to refund guarantees, sureties and security deposits</td><td>R 0.00</td><td></td></tr>
<tr><td>(h) for cash management and investment purposes in accordance with section 13</td><td>R 203,450,670</td><td>Transferred to investment accounts (Call Accounts).</td></tr>
<tr><td>(i) to defray increased expenditure in terms of section 31; or</td><td>R 0.00</td><td></td></tr>
<tr><td>(j) for such other purposes as may be prescribed</td><td>R 0.00</td><td></td></tr>
<tr><td rowspan="3">(4) the accounting officer must within 30 days after the end of each quarter –
a) table in the municipal council a consolidated report of all withdrawals made in terms of subsection (1) (b) to (j) during that quarter; and
b) submit a copy of the report to the relevant provincial treasury and the Auditor-General</td><td>Name and Surname:</td><td>Nomfundo Mate</td></tr>
<tr><td>Acting Chief Financial Officer</td><td></td></tr>
<tr><td>Date:</td><td>2020-01-13</td></tr>
<tr><td>Telephone Nr.</td><td>Fax Nr.</td><td>E-mail</td></tr>
<tr><td>042 – 200 2166</td><td>0865224251</td><td>zgongqoba@kouga.gov.za</td></tr>
<tr><td colspan="3">The completed form must be submitted within 30 days after the end of each quarter to Errol Le Roux at the Provincial Treasury. Tel: 041 1010 825, Fax 041 10101 815 and email: Errol.leroux@ectreasury.gov.za</td></tr>
</table>

REPORTS BY THE PORTFOLIO CHAIRPERSON: PLANNING AND DEVELOPMENT

KOUGA MUNICIPALITY (EC 108)

ORDINARY COUNCIL MEETING

PLANNING & DEVELOPMENT

DATE: 30 JANUARY 2020 **ITEM NO: 20/01/PD1**

COUNCIL'S FINAL APPROVAL FOR DISPOSAL AND ALIENATION OF MUNICIPAL ERVEN (ERF 2078, 2079, 2081, 2082, 3296 AND 3297 HUMANSDORP) – INDUSTRIAL 1

1. Introduction

The purpose of this item is to request Council's consideration and final approval for the disposal and alienation of municipal erven known as erf 2078, 2079, 2081, 2082, 3296 and 3297 Humansdorp. The erven referred to herein are zoned at Industrial 1.

2. Background

On 12 December 2019, under Council item 19/12/PD7, Council resolved as follows:

19/12/PD7 ***ENDORSEMENT AND CONDONEMENT OF THE PROCESS FOLLOWED IN ALIENATION OF MUNICIPAL ERVEN (ERVEN 2078,2079,2081,2082,3296,3297 HUMANSDORP –ZONING INDUSTRIAL 1 AND RESCINDMENT OF PREVIOUS RELATED COUNCIL RESOLUTIONS***

Resolved (12 December 2019)

1. Council condones and endorses the tender notice 127/2019 initiating a competitive bidding process for disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297 that was published in the absence of Council authorisation.

2. Council authorises the Accounting Officer to proceed and conclude with the disposal process as initiated

3. Council rescinds the following Council resolutions:

14/10/F27 ***LAND: PROPOSED SALE OF ERVEN 2078, 2079, 2081, 2082, 2954, 3296, 3297, HUMANSDORP AND A PORTION OF THE ABUTTING STREET (HD1/3769)***

Resolved: (30 October 2014)

k) That the application for the sale of Erven 2078, 2079, 2081, 2082, 2954, 3296, 3297 Humansdorp, and a portion of the abutting street, *situated in the Industrial area, Humansdorp be approved.*

ii) ***That Council Resolution 11/12/FAME4*** *dated 20 December 2011 be rescinded.*

iii) *That in terms of Section 14 of the Municipal Finance Management Act, Erven 2078, 2079, 2081, 2082, 2954, 3296, 3297, Humansdorp and a portion of the abutting street, situated in the Industrial area, Humansdorp are not required for minimum basic municipal services.*

iv) *That all legislative requirements for the sale of the property be adhered to.*

v) *That all costs incurred by the sale for the relocation or installation of any services, including the consolidation of the properties, will be for the account of the purchaser.*

vi) *That the comments and objections from the public be taken into consideration.*

vii) *That where rezoning is required, it be expedited by the IPD Directorate, in terms of the preparation of a report to be presented at a National level.*

11/12/FAME4 LEASE OF IMMOVABLE MUNICIPAL ASSETS: ERVEN 2078 AND 2081, HUMANSDORP (INDUSTRIAL AREA)

Resolved: (20 December 2011)

i) *That the application for the lease of Erven 2078 and 2081, Humansdorp with an option to buy for the construction of an Abattoir be approved, subject to the proposed Lease Policy to be drafted, which will contain a termination and escalation clause.*

ii) That in terms of Section 14 of the Municipal Finance Management Act, Erven 2078 and 2081, Humansdorp are not required for basic level of municipal services.

iii) That a fair market value of the assets and the economic and community value to be received in exchange for the assets be obtained.

iv) That the relevant Directorate proceeds to advertise the intention of the Council to lease Erven 2078 and 2081, Humansdorp to Eastcape Poultry Processors (Pty) Ltd. at market related value.

v) That the comments and objections from the public be taken into consideration.

17/12/F12 LAND ADVISORY COMMITTEE MINUTES– NOVEMBER 2017

Resolved 19 December 2017

Erven 2078, 2079, 2081, 2082, 3296, 3297 – Humansdorp Woodlands

iii) That the purchase agreements be drawn up for the disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297 to Woodlands Dairy.

4. *In terms of the Regulation 5(1) (b) of the Municipal Approval Transfer Regulations (2008), Council* ***grants in-principle approval*** *for the disposal of erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp;*

5. *In terms of* ***Section 14(2) (a)and (b)*** *of the Local Government: Municipal Finance Management Act56 (2003) and* ***clause 5.3*** *of Kouga Policy and Procedures for disposal of Immovable Assets (2018):-*

   i) Council ***resolves*** *that erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp, are not required for the provision of the minimum level of basic municipal services; and*

ii) *Council **confirm**s that the fair market value of the asset described in (4) above and the economic and community value to be received in exchange for the asset (erven 2078, 2079, 2081, 2082. 3296 and 3297, Humansdorp) have been considered;*

On 09 January 2020, negotiation regarding the selling price were entered into and the parties agreed to the purchase price of R11 400 000,00 (Eleven million four hundred thousand Rand) for all the erven, and which price is in line with the fair market value, considered by Council under Council resolution 19/12/PD7. Attached is the correspondences as communicated between the parties herein (Annexure A) for Councils consideration.

3. Financial Implication

Council is advised that the successful bidder herein will bear all cost related to the disposal and alienation of the erven herein, and therefor there is no cost implications for Council.

4. Recommendation

4.1 That Council approves the disposal and alienation of the following erven:
Erf 2078,2079,2081,2082,3296 and 3297 Humansdorp at the selling price of R11 400 000,00(Eleven million four hundred thousand Rand).

4.2 That the Accounting Officer be authorised to enter into a Deed of Sale for the alienation and disposal of Erf 2078,2079,2081,2082,3296 and 3297 Humansdorp with the successful bidder as per the outcome of the competitive bidding tender process followed under Tender Notice 127 of 2019.

Item prepared by : Acting Director Planning, Development & Tourism

Item noted by the Portfolio Chairperson

KOUGA
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Cape St Francis
Hankey
Humansdorp
Jeffreys Bay
Loerie
Oyster Bay
Patensie
St Francis Bay
Thornhill

Postal: PO Box 21, Jeffreys Bay, 6330
Tel: 042 200 2200 / 042 200 8300
Fax: 042 200 8606
Email: registry@kouga.gov.za
Website: www.kouga.gov.za

10 January 2020

Woodlands Dairy
4 Boog Street
Humansdorp
6300

For attention: Owen Gush
Via email: ogush@woodlandsdairy.co.za

IN RE: ALIENATION OF MUNICIPAL ERVEN (ERVEN 2078,2079,2081,2082,3296,3297 HUMANSDORP

TENDER NOTICE NO.127/2019

The above matter as well as the meeting on 9 January 2020 refers.

As discussed, the purpose of the meeting was to negotiate on the selling price in respect of the erven advertised on tender notice 127/2019. As you are aware your company submitted a bid in the amount R5 000 000, and which bid was found to be below the market value.

You are advised that Section 14 of the Local Government Municipal Finance Management Act provides that the **Municipal Council must consider the fair market value of the property** or the economic and community value to be received in exchange for the property.

It is our submission that the fair market value for the subject properties is in the amount of R11 390 000. For ease of reference we attach the current municipal valuations on which the fair market value is based.

We trust that you will consider our asking price herein favourably and that this tender process can be finalized swiftly and amicably.

Kind regards

ACTING MUNICIPAL MANAGER
MRS. FEZEKA MABUSELA

Annexure 3: VALUATION CERTIFICATES

KOUGA local municipality
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Land Parcel

26 Nov 2019 11:53

Erf	2078 of Humansdorp	**Zoning: Financials**	GIND
Address	Unknown	**Zoning**	LUPO (Section 8) Zoning Scheme - Industrial 1
SG Number	C03400050000207800000		
Municipality	Kouga	**Land Usage: Financials**	
Township/Holding: Title Deed	Humansdorp	**Ward: Financials**	
		Ward: Demarcation Board	
Suburb: Financials	Humansdorp (30003)		
Extent	1.7204Ha	**Sources**	Deeds Office, Surveyor General, Financials
Extent (SG)	1.7189Ha		
Extent (Title Deed)	1.7204 H	**Effective**	
Centroid	34.01870388598716S 24.773329003666156E		
Sectional Title	No		

Valuations and Surveys

Project	Category / Usage	H Area	Status	Current Value
Interim Valuation 2011-01	Unknown (As Per MPRA)	Unknown	Valued	5,763,000.00
2008 GV (from TruVal data)	Sect 8(2)(h) - Municipal (As Per MPRA)	INDUSTRIAL	Valued	6,098,000.00
2013 - 2018_DDP Valuation Roll as Printed	2h-04 (Municipal-Public Roads) (Kouga)	Unknown	Valued	3,500,000.00
2018 General Valuation	MUNICIPAL PROPERTIES (GV2018)	Unknown	Valued	3,400,000.00

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Land Parcel

26 Nov 2019 11:54

Erf	2079 of Humansdorp	Zoning: Financials	AUTH
Address	Unknown	Zoning	LUPO (Section 8) Zoning Scheme - Authority
SG Number	C03400050000207900000	Land Usage: Financials	
Municipality	Kouga	Ward: Financials	
Township/Holding: Title Deed	Humansdorp	Ward: Demarcation Board	
Suburb: Financials	Humansdorp (30003)	Sources	Deeds Office, Surveyor General, Financials
Extent	9790sqm	Effective	
Extent (SG)	7845sqm		
Extent (Title Deed)	9790 SQM		
Centroid	34.01819023478153S 24.7755405198236E		
Sectional Title	No		

Valuations and Surveys

Project	Category / Usage	H Area	Status	Current Value
2008 GV (from TruVal data)	Sect 8(2)(h) - Municipal (As Per MPRA)	INDUSTRIAL	Valued	3,280,000.00
2013 - 2018_DDP Valuation Roll as Printed	2h-04 (Municipal-Public Roads) (Kouga)	Unknown	Valued	1,958,000.00
2018 General Valuation	MUNICIPAL PROPERTIES (GV2018)	Unknown	Valued	2,000,000.00

KOUGA local municipality
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Land Parcel

26 Nov 2019 11:54

Erf	2081 of Humansdorp	Zoning: Financials	GIND
Address	Unknown	Zoning	LUPO (Section 8) Zoning Scheme - Industrial 1
SG Number	C03400050000208100000	Land Usage: Financials	
Municipality	Kouga	Ward: Financials	
Township/Holding: Title Deed	Humansdorp	Ward: Demarcation Board	
Suburb: Financials	Humansdorp (30003)	Sources	Deeds Office, Surveyor General, Financials
Extent	1.4519Ha	Effective	
Extent (SG)	1.4519Ha		
Extent (Title Deed)	1,4519HA		
Centroid	34.018852706645426S 24.775054692787958E		
Sectional Title	No		

Valuations and Surveys

Project	Category / Usage	H Area	Status	Current Value
2008 GV (from TruVal data)	Sect 8(2)(h) - Municipal (As Per MPRA)	INDUSTRIAL	Valued	4,864,000.00
2013 - 2018_DDP Valuation Roll as Printed	2h-04 (Municipal-Public Roads) (Kouga)	Unknown	Valued	2,541,000.00
2018 General Valuation	MUNICIPAL PROPERTIES (GV2018)	Unknown	Valued	2,600,000.00

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Land Parcel

26 Nov 2019 11:55

Erf	2082 of Humansdorp	**Zoning: Financials**	GIND
Address	Unknown	**Zoning**	LUPO (Section 8) Zoning Scheme - Industrial 1
SG Number	C03400050000208200000	**Land Usage: Financials**	
Municipality	Kouga	**Ward: Financials**	Kouga 15
Township/Holding: Title Deed	Humansdorp	**Ward: Demarcation Board**	
Suburb: Financials	Humansdorp (30003)	**Sources**	Deeds Office, Surveyor General, Financials
Extent	1.2880Ha	**Effective**	
Extent (SG)	4262sqm		
Extent (Title Deed)	1.2880H		
Centroid	34.01899872738661S 24.776462253766592E		
Sectional Title	No		

Valuations and Surveys

Project	Category / Usage	H Area	Status	Current Value
Interim Valuation 2009-01	Sect 8(2)(c) - Business & Commercial (As Per MPRA)	INDUSTRIAL	Valued	8,092,000.00
Interim Valuation 2011-01	Unknown (As Per MPRA)	Unknown	Valued	3,956,000.00
2008 GV (from TruVal data)	Sect 8(2)(h) - Municipal (As Per MPRA)	INDUSTRIAL	Valued	8,000,000.00
2013 - 2018_DDP Valuation Roll as Printed	2h-04 (Municipal-Public Roads) (Kouga)	Unknown	Valued	2,400,000.00
2018 General Valuation	MUNICIPAL PROPERTIES (GV2018)	Unknown	Valued	2,400,000.00

DDP

Valuation Certificate

This certificate has been prepared on instruction received from Kouga Municipality, as represented by Vuyisani Dala for a market related certificate.

Property Description:

Erf 3296 Humansdorp Eastern Cape

Definition of Market Value:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

I, the undersigned, **D.P.D van Vuuren**, consider this valuation to be a true reflection and a fair assessment of the subject property as on the date of valuation.

R 470 000.00 (Four Hundred and Seventy Thousand Rand Only)

Professional Valuer
(SACPVP Reg. Nr: 5675/3)

Date: 27 August 2019

Caveats

This valuation certificate has been prepared on the basis that full disclosure of all information and factors, which may affect the valuation should have been made ourselves and we cannot accept any liability or responsibility whatsoever for the valuation, unless such full disclosure has been made.

We have assumed that the property and its value are unaffected by any statutory notice, and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful.

Neither the valuer, nor DDP Valuers (Pty) Ltd or any employee, have any present or contemplated interest in this or any other properties or any other interests which would affect the statements or values contained in this valuation report.

All figures quoted are exclusive of Value Added Tax.

Our Ref.: KMEC P81

www.ddp.co.za

DDP

Valuation Certificate

This certificate has been prepared on instruction received from Kouga Municipality, as represented by Vuyisani Dala for a market related certificate.

Property Description:

Erf 3297 Humansdorp Eastern Cape

Definition of Market Value:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.'

I, the undersigned, **D.P.D van Vuuren**, consider this valuation to be a true reflection and a fair assessment of the subject property as on the date of valuation.

R 520 000.00 (Five Hundred and Twenty Thousand Rand Only)

Professional Valuer
(SACPVP Reg. Nr: 5675/3)

Date: 27 August 2019

Caveats

This valuation certificate has been prepared on the basis that full disclosure of all information and factors, which may affect the valuation should have been made ourselves and we cannot accept any liability or responsibility whatsoever for the valuation, unless such full disclosure has been made.

We have assumed that the property and its value are unaffected by any statutory notice, and that neither the property not its condition, not its use, not its intended use, is or will be unlawful.

Neither the valuer, nor DDP Valuers (Pty) Ltd or any employee, have any present or contemplated interest in this or any other properties or any other interests which would affect the statements or values contained in this valuation report.

All figures quoted are exclusive of Value Added Tax. **Our Ref.: (KMEC P82)**

www.ddp.co.za

Lee-ann Opperman

From: Yolande Rens <yrens@woodlandsdairy.co.za>
Sent: Monday, 13 January 2020 09:10
To: Lee-ann Opperman
Cc: Karen Kannigadu
Subject: RE: Tender Notice No. 127/2019

Hi Lee-Ann

Owen and Mr Gutsche had a meeting this morning regarding Tender no 127/2019.

Mr Gutsche is in agreement to offer R11.4 million for the land.

Can you please start preparing the necessary documents.

Kind regards

WOODLANDS DAIRY
www.woodlandsdairy.co.za

Yolande Rens
Executive PA to CFO (Owen Gush)
Executive PA to CIO (A. Benting)
Executive PA to GM: Logistics (L. Simon)
Tel: +27 42 2003 449
Mobile: +27 82 745 7328
Fax-to-email: +27 86 5050 302
Email: yrens@woodlandsdairy.co.za
Boog Street, PO BOX 4, Humansdorp, 6300

First Choice
www.firstchoice.co.za

From: Lee-ann Opperman [mailto:lopperman@kouga.gov.za]
Sent: 13 January 2020 07:53 AM
To: Yolande Rens <yrens@woodlandsdairy.co.za>
Cc: Owen Gush (Woodlands) <OGush@woodlandsdairy.co.za>
Subject: FW: Tender Notice No. 127/2019

Good morning Yolande

I trust that you are well.

I would like to confirm whether you have received the email below.

Looking forward to hearing from you.

Kind regards/ Groete

Mrs. / Mev. Lee-Ann Opperman
Manager: Legal Services/ Bestuurder: Regsdienste
Tel: 042 2002 200
Ineternal ext. /Interne uitbreiding 2015

Cell / Sel 081 217 6587

From: Lee-ann Opperman
Sent: Friday, 10 January 2020 13:13
To: Yolande Rens <yrens@woodlandsdairy.co.za>
Cc: Owen Gush (Woodlands) <OGush@woodlandsdairy.co.za>; Fezeka Mabusela <fmabusela@kouga.gov.za>
Subject: Tender Notice No. 127/2019

Dear Ms. Rens

Kindly find attached the correspondence for the attention of Mr. Gush.

Kind regards/ Groete

Mrs. / Mev. Lee-Ann Opperman
Manager: Legal Services/ Bestuurder: Regsdienste
Tel: 042 2002 200
Ineternal ext. /Interne uitbreiding 2015
Cell / Sel 081 217 6587