KOUGA
local municipality
Good Governance through Service Excellence

SPECIAL COUNCIL MEETING

SUPPLEMENTARY AGENDA

Date	:	31 March 2021
Time	:	10:00
Venue	:	Virtual Meeting

KOUGA MUNICIPALITY (EC108)	UMASIPALA I-KOUGA (EC108)	MUNISIPALITEIT KOUGA (OK108)
NOTICE CONVENING A MEETING	**ISAZISO NGENTLANGANISO**	**KENNISGEWING VAN VERGADERING**
NOTICE IS HEREBY GIVEN in terms of the amended Directions on Municipal Operations and Governance, in terms of Section 27(2) of the Disaster Management Act, 2002, that a virtual Council Meeting will be held on	**OKU KUKWAZISA** malunga neZikhokelo eziLungisiweyo ekuSebenzeni koMasipala kunye noLawulo ngokweMigagqo yeCandelo lama 27(2) loMthetho woLawulo lweNtlekele ka 2002, ukuba kubanjwe intlanganiso ebonakalayo yesigqeba Ye khansile	**KENNIS GESKIED HIERMEE** ingevolge die gewysigde Aanwysings Vir Munisipale Bedrywighede En Bestuur, Ingevolge Artikel 27 (2) van die Wet op Rampbestuur, 2002, dat 'n virtuele raadsvergadering gehou sal word op
DATE: 31 March 2021	**UMHLA: 31 EyoKwindla 2021**	**DATUM: 31 Maart 2021**
TIME: 10:00	**IXESHA: 10:00**	**TYD: 10:00**
H. BORNMAN **SPEAKER**	**H. BORNMAN** **USOMLOMO**	**H. BORNMAN** **SPEAKER**

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.

SUPPLEMENTARY AGENDA

1. **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).

2. **REPORTS BY THE EXECUTIVE MAYOR**

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

21/03/MM2 Review of the Draft IDP for 2021/22 (2017-2022 5-Year Cycle)

Pages 7-456

21/03/MM3 Service Delivery and Budget Implementation Plan: 2019/20 Financial Year: Amendment of SDBIP Targets following the Mid-Year Performance Assessment

Pages 457-580

4. **REPORTS BY THE PORTFOLIO CHAIRPERSONS**

4.1 **REPORTS BY THE CHAIRPERSON: FINANCE**

21/03/F1 Draft Medium-Term Revenue and Expenditure Framework (MTREF) - Budget for 2021/22 to 2023/24 Financial Years

Pages 582-693

21/03/F2 Adoption of the Proposed Property Rates Tariffs For The 2021/22 Financial Year

Pages 694-696

21/03/F3 Revision Of Fees And Charges For The 2021/22 Financial Year: Sports And Recreation

Pages 697-698

21/03/F4 Revision Of Fees And Charges For 2021/22 Financial Year: National Traffic, Licensing Services And Protection Services

Pages 699-700

21/03/F5 Revision Of Fees And Charges For The 2020/21 Financial Year: Fire Fighting Services

Pages 701-705

21/03/F6 Revision Of Fees And Charges For The Hiring Of Municipal Facilities: 2021/22 Financial Year

Pages 706-716

21/03/F7 Community Services Directorate: Revision Of Tariffs, Fees And Charges For The 2021/22 Financial Year

Pages 717-725

21/03/F8 Proposed Water And Sanitation Tariff Increases For 2021/22 Financial Year

Pages 726-758

21/03/F9 Electricity Tariff Increases: 2021/22 Financial Year

Pages 759

21/03/F10 Fees And Charges For Electricity Services In Respect Of The 2021/22 Financial Year

Pages 760-765

21/03/F11 Finance Directorate: Revision Of Fees And Charges For The 2021/22 Financial Year

Pages 766-767

21/03/F12 Revision Of Various Tariffs: Planning, Development And Tourism For The 2021/22 Financial Year

Pages 768-773

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

21/03/CORP2 Cell Phone Policy and Cell Phone Allowance Scheme

Pages 775-789

5. **CLOSURE**

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

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

REPORTS BY THE OFFICE OF THE MUNICIPAL MANAGER

KOUGA MUNICIPALITY (EC 108)

SPECIAL COUNCIL MEETING

OFFICE OF THE MUNICIPAL MANAGER

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/MM2**

REVIEW OF THE DRAFT IDP FOR 2021/22 (2017-2022 5-YEAR CYCLE)

1. Introduction

The purpose of this report is to table the 4th Review of the 2017-22 Integrated Development Plan, review period 2021/22 for consideration by Council.

2. Legislative requirements

Section 34 of the Local Government Municipal Systems Act, 32 of 2000 prescribes that:

"Annual review and amendment of integrated development plan – A municipal council -

(a) must review its integrated development plan –

(i) annually in accordance with an assessment of its performance measurements in terms of section 41: and

(ii) to the extent that changing circumstances so demand; and

(b) may amend its integrated development plan in accordance with a prescribed process.

The legal framework, contents, processes and procedures relating to the IDP originates from Chapter 5 of the Municipal Systems Act, Act 32 of 2000 read with sections 21(1)(a) and (b); 22(a)(i) and (ii) and 17(3)(d) of the Municipal Finance Management Act, Act 56 of 2003 (MFMA) as well as section 17(3)(d) of the MFMA stipulates that any proposed amendments to the IDP following the annual review of the IDP in terms of section 34 of the Systems Act, must be tabled by the Mayor together with the budget. T

The tabling of the budget must be done 90 days before the start of the new budget year in terms of section 16 of the MFMA. Section 22 stipulates that the annual budget and other documents referred to in section 17(3) must be made public and the local community must be invited to submit representations in connection with the budget.

3. Background

3.1 Integrated Development Planning

Integrated development planning is regulated by Chapter 5 of the Local Government Municipal Systems Act, Act 32 of 2000. Section 25(1) requires each municipal council to adopt a single, inclusive and strategic plan (IDP) for the development of the municipality within a prescribed period after the start of its elected term.

The IDP-

- is adopted by the council within one year after a municipal election and remains in force for the council's elected term (a period of 5 years);
- is drafted and reviewed annually in consultation with the local community as well as interested organs of state and other role players;
- guides and informs all planning and development, and all decisions with regard to planning, management and development;
- forms the framework and basis for the municipality's medium term expenditure framework, annual budgets and performance management system; and
- seeks to promote integration by planning the economic, ecological and social pillars of sustainability without compromising the institutional capacity required in the implementation, and by coordinating actions across sectors and spheres of government.

3.2 Spatial Development Framework

Kouga Municipality has amended and adopted the Municipal Spatial Development Framework (SDF) on 26 February 2021, in terms of the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013) (SPLUMA), and the Municipal Land Use Planning By-aw.

Section 12(5) and (6) of SPLUMA states that:

- 12(5) A municipal Spatial Development Framework must assist in integrating, coordination, aligning and expressing development policies and plans emanating from the various sectors of the spheres of government as they apply within the municipal area.
- 12(6) Spatial development frameworks must outline specific arrangements for prioritising, mobilising, sequencing and implementing public and private infrastructural and land development investment in the priority spatial structuring areas identified in spatial development frameworks.

3.2.1 *Amendments to the SDF*

The amendment process largely focused on updating outdated information contained in the SDF and addresses the following issues:

- The 2015 SDF Implemetation Plan required the municplaity to administor land applications in term of the repealed planning ordinance. The SDF was amended to align with the newly adopted Intergrated Land Use Scheme (ILUS) and compliance with the new Spatial Planning & Land Use Management Act of 2003.

- The SDF was amended to allow additional uses that are compatible with the immediate environment, therefore, encouraging mixed uses. This is aimed at reducing redtape when considering land use applications.

- Accommodating Urban Growth – In Jeffreys Bay and Humansdorp, inclusionary housing at appropriate densities is proposed to accommodate the estimated population growth. The medium-term residential growth focus is directed to the vacant land situated within existing settlement areas. This is to integrate the diverse communities whilst efficiently using the existing infrastructure.

- The SDF identifies priority intervention areas on which precinct plans must be developed. This helps guide land use decisions by proposing guidelines and parameters that are site specific.

- The vision is amended to acknowledge the unique character of all setllement areas. This will allow appropriate densities for major nodes and secondary nodes.

The amended Spatial Development framework is attached to the IDP as Annexure 1.

3.3 **IDP Process Plan**

28. *(1) Each municipal council, within a prescribed period after the start of its elected term, must adopt a process set out in writing to guide the planning, drafting, adoption and review of its integrated development plan.*
    (2) The municipality must through appropriate mechanisms, processes and procedures established in terms of Chapter4, consult the local community before adopting the 10 process.
    (3) A municipality must give notice to the local community of particulars of the process it intends to follow.

This report is the fourth (4th) review of the 2017/22 Integrated Development Plan of the Kouga Municipality. The process started with the adoption of the IDP Process Plan on 28 August 2021, Council Resolution no. 21/08/MM2 which included all the different processes and timeframes to be followed.

The process plan also made provision for compliance timeframes of the financial reporting cycles as well as performance management. The Process Plan was amended with the declaration of a national lockdown to the Covid-19 Pandemic.

3.4 Community Participation

16. (1) A municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose
(a) encourage, and create conditions for, the local community to participate in the affairs of the municipality, including in—

(i) the preparation. implementation and review of its integrated development plan in terms of Chapter 5;
(ii) the establishment, implementation and review of its performance management system in terms of Chapter 6;
(iii) the monitoring and review of its performance, including the outcomes and impact of such performance;

(iv) the preparation of its budget; and

(v) strategic decisions relating to the provision of municipal services in terms of Chapter 8;

(b) contribute to building the capacity of—

(i) the local community to enable it to participate in the affairs of the municipality; and
(ii) councillors and staff to foster community participation; and

(c) use its resources, and annually allocate funds in its budget, as may be appropriate for the purpose of implementing paragraphs (a) and (b).
(2) Subsection (1) must not be interpreted as permitting interference with a municipal council's right to govern and to exercise the executive and legislative authority of the municipality.

Community involvement/public participation processes were seriously hampered due to the strict Covid-19 regulations and innovative measures were used to reach the public in order to present this final review of the 5-year IDP. The National Disaster Regulations was amended to allow for submission of the IDP and Budget without the opportunity for public engagement through public gatherings. However, the municipality electronically advertised the approved draft IDP of 2020/21 for public inputs and comments, through all the available social media platforms in the municipal area and on the municipal website.

The municipality also made available comment boxes and flash disks for inputs and comments. The local radio station, Oasis FM was also used as a platform for community involvement. Due to the lack of public gatherings, a limited number of submissions were made. The Ward Committees also played a crucial role with ward-based planning and inputs from the different wards.

3.5 **Amendments to the Final 2017/22 IDP:**

An amended process plan sets out the following:

- The scope of application of the IDP and an explanation of the IDP cycle;
- The applicable legislative framework;
- A stakeholder analysis which identifies public participation platforms;
- Sector alignment and sector plan to the IDP/SDF;
- Roles and responsibilities;
- The annual revision;
- A detailed programme and time schedule which demonstrates the integration of the budget;
- The Council Resolution adopting the process plan. The municipality's overall performance attained for the 2019/20 financial year as well as the mid-year performance for 2019/20 financial year;
- Comments from the MEC for Local Government and Traditional Affairs and other stakeholders; and
- Changing circumstances in the municipal area.

4. Community Involvement

According to the Local Government Systems Act, Act 32 of 2000, Section 16, a municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance by encouraging and create conditions for the local community to participate in the affairs of the municipality.

The municipality take cognizance of the importance of community participation and therefore schedule at least 2 rounds of public meetings in all wards and certain towns in the municipal area. The 1st round of meetings, according to the process plan, was held form 28 October 2019 to 26 November 2019.

There was a marked increase in the attendance of meetings by the public. However, ward 1 and ward 6 meetings did not take place. The meetings started at 18:00 at night and most of the meetings ended at 21:00. It is requested that councillors and management be visible at public meetings and encourages the community to attend the meetings that can make a difference in their lives and participation in decision making.

5. Financial Implications

None.

6. IDP and Budget Steering Committee meeting

A Final IDP and Budget Steering Committee Meeting was held on 16 March 2021 to align the IDP and Budget. The following was considered:

- Inputs and comments by the public;
- Consolidated list of ward priorities; and
- Review of the top municipal priorities for the year 2021/22.

7. Comments from Departments

7.1 Director Infrastructure and Engineering

Noted.

7.2 Director Community Services

Noted.

7.3 Director Corporate Services

Noted.

7.4 Director Planning, Development and Tourism

The item is supported with amendments to the SDF section.

7.5 Chief Financial Officer

The item is supported together with the Budget Report that is circulated separately.

7.6 Acting CCO

Noted.

7.7 Comment from the Municipal Manager

The item is supported.

8. Recommendation

8.1 That the **Draft 2021/22 IDP** of the 2017/22 Integrated Development Plan be accepted in terms of the provisions of Chapter 5, Section 25 of the Local Government Municipal Systems Act, 32 of 2000.

8.2 That the **Draft IDP 2021/22** document be submitted to the MEC and relevant stakeholders within 10 days of acceptance by Council in terms of Chapter 5, Section 32(1)(a) of the Municipal Systems Act, Act 32 of 2000.

8.3 That the **Draft 2021/22 IDP** be made public on the municipal website within 10 days of acceptance by the Council in terms of Chapter 4, Section (17)(2)(b) of the Municipal Systems Act, Act 32 of 2000.

8.4 That the public be invited to submit inputs and comments on the Draft IDP for 2021/22 in terms of Chapter 5, Section 21(1)(a)(b)(C) of the Municipal Systems Act, Act 32 of 2000.

Item prepared by	**:**	**The Manager: IDP**	Colleen Dreyer
Approved by	**:**	**The Municipal Manager**	

KOUGA
local municipality
Good Governance through Service Excellence

2021/22 REVIEW

FINAL REVIEW OF THE 2017/22 5 YEAR PLAN

4TH GENERATION IDP

KEEP KOUGA SERVICED

KEEP KOUGA CLEAN

KEEP KOUGA GREEN

KEEP KOUGA SAFE

KEEP KOUGA SMART

KEEP KOUGA GROWING

DRAFT

INTEGRATED DEVELOPMENT PLAN (2017/2022)

DRAFT

REVIEW 2021/22

ADOPTED BY COUNCIL ON

31 MARCH 2021

RESOLUTION NO.

21/03/MM2

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LIST OF ABBREVIATIONS

AG	**Auditor-General**
B2B	**Back to Basics Approach**
CAPEX	**Capital Expenditure**
CBD	**Central Business District**
CBP	**Community Based Planning**
CFO	**Chief Financial Officer**
CIP	**Capital Infrastructure Plan**
CMC	**Circuit Management Centre**
COGTA	**Department of Co-operative Governance**
CRU	**Community Residential Units**
DEA	**Department of Environmental Affairs**
DEAP	**Department of Environmental Affairs and Development Planning**
DM	**District Municipality**
DORA	**Division of Revenue Act**
DWA	**Department of Water Affairs**
EE	**Employment Equity**
EPWP	**Expanded Public Works Programme**
FLISP	**Financial linked Individual Subsidy Programme**
FPA	**Fire Protection Association**
GAMAP	**Generally Accepted Municipal Accounting Practice**
GRAP	**Generally Recognized Accounting Policies**
HR	**Human Resources**
HSP	**Human Settlement Plan**
IDP	**Integrated Development Plan**
IFRS	**International Financial Reporting Standards**
IHRP	**Integrated Human Resources Plan**
IMFO	**Institute for Municipal Finance Officers**
INEP	**Integrated National Electrification Programme**
ISDF	**Integrated Strategic Development Framework**
KI	**Kilolitre (1,000 litre)**
KPA	**Key Performance Area**
KPI	**Key Performance Indicator**

KSC	**Kouga Sports Council**
KWH	**Kilowatt-hour**
LED	**Local Economic Development**
LM	**Local Municipality**
LLF	**Local Labour Forum**
MAYCO	**Mayoral Committee**
MBRR	**Municipal Budget and Reporting Regulations**
MFMA	**Municipal Finance Management Act (Act no. 56 of 2000)**
MIG	**Municipal Infrastructure Grant**
MEC	**Member of Executive Council**
MI	**Megalitre (1 000 000 litres)**
MM	**Municipal Manager**
MSA	**Municipal Systems Act (Act no 32 of 2000)**
MSCOA	**Municipal Regulations on a Standard Chart of Accounts**
MTREF	**Medium Term Revenue & Expenditure Framework**
NDP	**National Development Plan**
NDPG	**Neighbourhood Development Program Grant**
NERSA	**National Energy Regulator of South Africa**
NGM	**New Generation Mindset**
NGO	**Non-Government Organisation**
NHBRC	**National Home Builders Regulatory Council**
NMU	**Nelson Mandela University**
NPO	**Non-Profit Organisation**
NSUP	**National Support Upgrading Programme**
NT	**National Treasury**
OPEX	**Operating Expenditure**
OTP	**Office the Premier**
PDFP	**Private Development Funding Program**
PDI	**Previously Disadvantaged Individual**
PDP	**Provincial Development Plan**
PMS	**Performance Management System**
P-MTSF	**Provincial Medium-Term Strategic Framework**
PSDF	**Provincial Spatial Development Framework**
PSP	**Provincial Strategic Plan**
PPP	**Public-Private Partnership**
PT	**Provincial Treasury**
R	**Rand (currency)**
ROD	**Record of decision-making**
SASSA	**South African Social Security Agency**
SALGA	**South African Local Government Organisation**
SCM	**Supply Chain Management**
SDBIP	**Service Delivery and Budget Implementation Plan**
SDF	**Spatial Development Framework**
SH	**Social Housing**
SHRA	**Social Housing Regulatory Authority**
STATSSA	**Statistics South Africa**
UISP	**Upgrading of Informal Settlements Programme**
WSP	**Workplace Skills Plan**
WTW	**Water Treatment Works**
WWTW	**Wastewater Treatment Works**

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PREFACE

The document represents the 4th and final review of the 2017/22 Integrated Development Plan (IDP) adopted by Council on 31 May 2017.

The IDP is mechanism and instrument which seeks to give meaning to developmental local government, where people themselves are active participants in the identification of needs, priorities and strategies for the reconstruction and development of communities.

Why is the IDP necessary?

- It enables the municipality to manage the process of fulfilling its developmental responsibilities.
- Through the IDP, the municipality is informed about the problems affecting its residents, it is thus able to develop and implement appropriate strategies and projects to address the problems.
- It helps to make more effective use of scarce resources.
- Helps to attract additional funds.
- Helps to strengthen democracy and hence institutional transformation because its decisions are made in a democratic and transparent manner, rather than just by a few.
- Promises intergovernmental coordination.

The 2017/22 Vision, Mission and Strategic objectives adopted by the Kouga Municipality after interactions with stakeholders, was reviewed and no amendments were made to our strategic direction.

For the 2021/22 IDP review our:

- Vision (remains unchanged)
- Mission statement (remains unchanged)
- Strategic objectives (remains unchanged)

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SYNOPSIS: STRATEGIC DIRECTION FOR THE 2021/22 IDP REVIEW

OUR VALUES, VISION, MISSION AND STRATEGIC OBJECTIVES REMAIN UNCHANGED - REVIEW PERIOD: 4th REVIEW – 2021/22

IDP 2017-2022

Vision

Good Governance through Service Excellence

Mission

- To create a government that addresses the needs and respects the values of Ubuntu in our communities.
- To create a better life for all through delivering inclusive and affordable services to residents.
- To create a safe environment with diverse opportunities for economic growth and development.
- To create a responsive, accountable and caring government for all its people.
- To create an efficient, well-managed, corruption free and legally compliant municipality.
- To create and maintain an effectively governed administration that is committed to financial sustainability.

Strategic Goals

1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.
2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.
3. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.
4. Create an enabling environment for active public participation and an administrative culture characterised by accountability, transparency and efficiency.
5. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government.

OUR VALUES

people 1st
performance through people

- Service excellence
- Accountability and transparency
- Morality and honesty
- Equity, dignity and respect
- Freedom and fairness
- Integrity, professionalism and discipline
- Empathy and compassion

Figure 1: Values, Vision and Mission *(Source: Kouga IDP 2017)*

In delivering on our 5 strategic objectives the 2021/22 IDP Review process identified the following priorities to be addressed:

PRIORITY	HOW WILL IT BE ADDRESSED IN THE CURRENT 5 YEAR CYCLE	IDP PROGRAMME / LINKAGE
Bucket eradication in the whole of the Kouga municipal area	• Identify area with the most need • Develop and implementation plan • Make adequate funding available to complete the programme at the end of the cycle	• KPA1 – Basic Service Delivery • IDP01 • Directorate I & E
Increasing housing opportunities	• Identify land for subsidised housing opportunities • Consider developing more serviced sites with the housing development site • Identify land for emergency housing • Promoting densification and integration of subsidised housing	• KPA2 – Human Settlements • IDP13 • KFA20 • Development of Integrated Human Settlements • Spatial Planning
Fire Prevention and Bush Clearing	• Identification of overgrown areas i.e. Paradise Beach and St Francis Bay • Establish Fire Risk Prevention Committees in the whole of the Kouga area	• KPA1 – Basic Service Delivery • KFA9 – Disaster Management
Formalization of illegal electricity connections	• Develop an implementation plan for the formalization of illegal electricity connections • Adequate budget to be provided in the 2020/21 budget	• KPA1 – Basic Service Delivery • KFA3 – Energy supply, efficiency and infrastructure
Stimulate the informal economy in disadvantaged areas	• Review the informal trading by-law and policy • Identify spatially trading areas • Implement SMME support development Programmes (Youth and Women) • Drafting of a Poverty Alleviation Policy linked to the LED Strategy	• KPA2 – LED • KFA28 – Economic Development and Poverty Alleviation

Table 1: Strategic objectives for 2020/21

FOREWORD BY THE EXECUTIVE MAYOR

It is my privilege to present to you the fourth review of Kouga Municipality's Integrated Development Plan (IDP) for the cycle 2017 to 2022.

As announced in my State of the Municipality Address (SOMA) earlier this year, the strategic focus areas of the municipality for 2021/2022 will be guided by seven narratives. These are:

- Keep Kouga Serviced
- Keep Kouga Clean
- Keep Kouga Green
- Keep Kouga Safe
- Keep Kouga Smart
- Keep Kouga Growing, and
- Keep Kouga Caring

Our plans to **Keep Kouga Serviced** in 2021/2022 include bringing even more boreholes online to achieve water security in the region.

To date, more than 40 exploratory boreholes were drilled at five Kouga towns. Viable boreholes were connected at Oyster Bay, Jeffreys Bay, Patensie, and St Francis Bay, while more boreholes will be connected in Hankey, Humansdorp and Cape St Francis.

We will also install additional container ablution facilities in areas where the bucket system is still in use – the highest priority in the IDP. Several container ablution facilities were already delivered across Kouga, including to residents in Thornhill, Stofwolk in Hankey and Maak 'n Las in Humansdorp.

Further plans include the rollout of electricity to areas that never had access to power, including Stofwolk in Hankey, as well as the establishment of two additional cemeteries in Hankey.

The biggest capital project is the resealing and repair of roads across the Kouga region. Apart from the resealing of 12km of road during the 2019/ 2020 financial year, more than R8 million had been budgeted for the resealing of roads in the current financial year, ending on June 30, 2021.

To show how serious we are about fixing roads, an additional R20.5 million has been secured in the adjustment budget to continue with the resealing programme – effectively addressing the inherited R500 million backlog in road maintenance. This will also have a positive benefit on the cost of repairing potholes in the future.

This will ensure that several roads across the Kouga region will be resealed, which in turn will have a positive benefit on the cost of repairing potholes in the future.

We are, however, not ignoring the fact that there are many roads in Kouga that need pothole repairs. The roads maintenance materials have, therefore, been increased by an additional R1,5 million.

Our newly launched Waste Management and Recycling Programme, together with the regular clearing of illegal dump sites and awareness drives, will strengthen effort to **Keep Kouga Clean**.

With the aim of raising awareness of climate change and the role one of us can play to slow it down and minimise the impact on communities, we have launched an innovative, sustainable urban food garden initiative at the end of last year which will see 30 illegal dumping sites being turned into community "Gardens of Hope".

Other current projects include the monitoring and management of the Seekoei Estuary at Jeffreys Bay, strengthening the St Francis spit to prevent the sea from breaking through to the canals, and the removal and rehabilitation of encroaching dunes at Oyster Bay.

The establishment of an and integrated intelligent operation centre in Humansdorp earlier this year, will assist to **Keep Kouga Safe**, while fibre will be rolled out as a fifth utility as part of our efforts to Keep **Kouga Smart**.

To **Keep Kouga Growing** is a non-negotiable – especially now in view of the economic impact of the COVID-19 lockdown.

Recent economic investments include the launch of a mobile biochar plant in Humansdorp earlier this year, creating jobs and enhancing water security, while reversing land degradation.

The Tavcor Group, one of the oldest motor groups in the Southern Cape and Port Elizabeth, has also recently moved into the Kouga region. The branch is currently run remotely with plans to have a physical address soon.

We have shown ourselves to be a region that stands together during times of adversity. I am confident that, as long as we keep on caring for each other as we have done since the outbreak of the COVID-19 pandemic, we will persevere and, ultimately, emerge stronger and more united than ever before.

In closing, I would like to extend my heartfelt gratitude to the municipal administration and workforce for their ongoing commitment towards service excellence no matter the obstacles or risk to themselves.

It is you and our communities that have made Kouga one of the best regions to live in in South Africa. Together, we remain on course to achieve freedom, fairness and opportunity for all while respecting and celebrating our diversity.

COUNCILLOR HORATIO HENDRICKS
EXECUTIVE MAYOR
31 March 2021

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EXECUTIVE SUMMARY BY THE MUNICIPAL MANAGER

The Integrated Development Plan (IDP) is the principal strategic planning instrument which guides and informs all planning budgeting, management, and decision-making processes in a municipality. The IDP therefore ultimately enhances integrated service delivery and development and promotes sustainable, integrated communities, providing a full basket of services.

The Local Government: Municipal Systems Act, No 32, 2000 (MSA) mandates Municipalities to review Integrated Development Plans annually in accordance with an assessment of its performance measurements.

With this the 4th and final IDP review of the current 5-year IDP year cycle, we have made steady progress in attaining our 5 strategic objectives and we remain committed to deliver quality basic municipal services to our community.

However, this review of the IDP occurred during a time of global uncertainty as a result of the COVID-19 Pandemic with its devastating impact. The Covid-19 pandemic was declared a national state of disaster by the President of South Africa. The National State of Disaster on Covid-19 came amidst South Africa's dire economic conditions with already high levels of unemployment and uncertainty in the job market. The lock down also had a devastating effect on our economic activity especially in the tourism sector. People were left with having no or little income to provide for themselves and their families.

The municipality established workstreams consisting of relevant departments i.e. Environmental Health Practitioners, OHS in liaison with other sector departments in an effort to curb the spread of Covid-19. The impact of Covid- 19 is actively monitored on an ongoing basis and regular feedback given to the broader public as we strive to fulfill our service delivery priorities. Work programs also had to be adjusted, having some employees working from home and regular closing of offices for decontamination purposes.

The spread of the virus impacts severely on the municipal budget and prescribes certain methodologies to be utilised. The municipality has shown a decline in revenue collection due to the loss of income since businesses, households and communities is reeling from the economic outfall caused by the severe regulations enforced due to the pandemic. The National State of Disaster will affect our financial management responsibilities for the 2021/22 review and the years beyond. Sound financial measures was enforced by management with the support of Council. The Council has also embarked on a comprehensive review of the 2020/21 budget and has tabled and approved an Adjustment budget on 26 February 2021.

The public participation processes were seriously hampered due to the strict Covid-19 regulations and innovative measures were used to reach the public in order to present this final review of the 5-year IDP. The National Disaster Regulations was amended to allow for submission of the IDP and Budget without the opportunity for public engagement through public gatherings. However, the municipality electronically advertised the approved draft Budget, the amendments to the IDP for public comments through all the available social media platforms in the municipal area and on the municipal website.

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The municipality also made available comment boxes and flash disks for inputs and comments. As a result of the lack of public gatherings a limited number of submissions were made. The Municipality has received 4 unqualified audits with findings during the five-year period and as a remedy for findings, we will work harder and smarter to receive a clean audit in the next few years.

The demands made on our services with the increase in indigent, unemployed and the number of businesses struggling during this pandemic means that the 2021/22 financial year will see the single biggest challenge. We should reflect on what needs to be done to ensure our ongoing financial sustainability, progress towards growth and developing and providing a basic level of support for the most vulnerable in our towns.

Bucket eradication remains a challenge for the municipality due to rapid migration patterns and remains the top priority for the municipality. The biggest cut of the capital budget for the 2021/22 financial year remains the maintenance and upgrading of roads.

The IDP for 2021/22 sets out to deliver the following objectives:

1. A sustainable financial system that is able to ensure the effective operation of the municipality.
2. A capital budget program of R61 012 540 geared at addressing the worst infrastructure backlogs such as roads.
3. A program of indigent and support to the most vulnerable households in the municipality.
4. An adequate basket of basic services that meets the minimum requirements.
5. An environment that is conducive for recovering, renewing and re-opening of the economy, especially tourism and unemployment in the municipality.

A number of challenges still remain:

1. The constant demand for low-cost housing.
2. An increasing percentage of households on the indigent program (households earning less than R3600)
3. Dependence on grant funding for infrastructure upgrades
4. High unemployment

The IDP sets out to maintain the current standard of good governance, achieving the target of a clean audit, the delivery of infrastructure services based on the internal funds and grants received, the provision of basic services and the maintenance of the financial stability that is the backbone of the municipality's capacity to perform.

The Kouga municipality was also hit hard with Covid-19 fatalities. One (1) councillor and four (4) employees succumbed to the virus. I would like to convey my heartfelt condolences to the families of the deceased.

My sincere appreciation to Council, the administration, and all external role-players for your valued contribution as we venture into the unchartered waters of Covid 19. My sincere appreciation to the Executive Mayor, Horatio Hendricks, the council and senior management who helped to formulate the strategic direction of this review period and the many staff who execute their duties with diligence and pride.

CHARL DU PLESSIS
MUNICIPAL MANAGER
31 March 2021

AMENDED CHAPTERS IN THE 2017-2022 IDP (4TH AND FINAL REVIEW)

The Kouga Council adopted amendments to the 2017-2022 IDP: 4th and final review and the Spatial Development Framework (SDF) on 26 February 2021. The amended SDF forms part of the municipality's fourth generation IDP 2017-2022 amendment.

Chapter 1 Legal context		*States the introduction and background by noting the legal context of the IDP, explaining the five-year IDP process and the key timeframes followed.*
Chapter 2 Municipal profile		*Provides a municipal development profile with an overview of the municipal area and highlights the key socio-economic data that informs the development needs in Kouga, also the physical perspective of the Kouga area.*
Chapter 3 Public Participation		*Introduces the reader to the consultation process and inputs of the ward. The municipality intends to strengthen partnerships with role players to assist and support ward committees and sector interest groups with their social needs.*
Chapter 4 Situational analysis per national KPA's		*Reflects on the institutional arrangements in the municipality and gives a situational analysis of our performance against the five national key performance areas.*
Chapter 5 Intergovern-mental relations /alignment		*Reflects on the alignment of the strategic policy directives of national and provincial government and also reflects on the state of the nation address by the president of South Africa as well as the state of the municipal address by the executive mayor of Kouga Municipality.*
Chapter 6 Strategic directives		*States the council's strategic direction, detailing the vision, mission, strategic goals and values that will pursued during the 5 years.*
Chapter 7 Performance management		*Deals with performance management, performance indicators and targets met or planned for the next financial year. The final 2021/22 SDBIP for approval by mid-July.*
Chapter 8 Budget		*Details the progress of projects, MIG Projects, sector department grant funding and capital budget for 2021/22.*

Figure 2: Amended Chapters

ANNUAL IDP ASSESSMENT FOR THE REVIEW PERIOD 2020/21

The Eastern Cape Government annually assesses the Draft IDP's of municipalities and a report which encapsulates the comments of the MEC for COGTA are issued to all municipalities in the Eastern Cape. The Assessment for the municipality took place from
The overall findings on the Final IDP 2020/21 of the Kouga Local Municipality can be summarized as follows:

- The municipality has tabled, adopted and submitted its 2020/21 Reviewed Integrated Development Plan for assessment.
- The municipality has conformed to the council approved IDP Process Plan.
- The municipality has conformed to the core components of the IDP as prescribed by Section 26 of the Municipal Systems Act (MSA), 2000 as amended.
- The municipality will refer to its Individual Assessment Report, however a summary of salient issues of the gaps identified per KPA during the assessment will be provided.

The municipality's IDP for 2020/21 was assessed from 18 September 2020 to 21 October 2020. The assessment was one virtually due to Covid-19 regulations. The following table reflects the comments made on the IDP:

NO.	KPA	INPUT/COMMENT	DATE
1.	**KPA1 Spatial Planning**	• Page numbers of SPLUMA are not reflected in IDP assessment document. • GIS not mentioned in IDP. • No Land invasion Policy • Not all municipal by-laws are reflected in IDP. • No Land Audit.	18 September 2020
2.	**KPA1 Basic Services and Infrastructure**	• Municipality to indicate that electrical connections for informal settlements, new connections, and new developments form part of backlogs. • Water Services Plan not updated. • No infrastructure maintenance plan. • RAMS – Municipality claiming it is completed, but there is no information in IDP. • Storm water Master Plan is not revised. • Municipality to engage with SBDM roads network. • No Coastal Zone Management Plan/Policy	29 September 2020
3.	**KPA4 Good Governance and Public Participation**	• Nothing is reflected on Disaster Recovery Policy. (e.g. - If offices are destroyed by a fire, and is there an alternative and will it be ready the next day) • Archive Management and Record Keeping is not reflected.	21 October 2020
4.	**KPA5 Institutional Transformation and Organisation Development**	• Nothing is reflected on scares and critical skills. • Critical should also be listed in WSP and Skills Audit. • Annual Review dates of HR Policies are not reflected. • Include the same table for OHS for Wellness Program.	21 October 2020

Table 2: Responses to MEC comments

The table below illustrates the comparative ratings of the review periods 2017/18, 2018/19 and 2019/20.

KPA	RATINGS 2017/18 IDP REVIEW	RATINGS 2018/19 IDP REVIEW	RATINGS 2019/20 IDP REVIEW	RATINGS 2020/21 IDP REVIEW
Basic Service Delivery	High	Medium	High	High
Financial Planning and budgets	Medium	High	High	High
Local Economic Development	High	High	High	High
Good Governance & Public Participation	High	High	High	High
Municipal Institutional Arrangements	Medium	Medium	High	High
Overall Rating	High	High	High	High

Table 3: KPA Comparative ratings

The municipality received an overall **HIGH** rating from the Office of the MEC which places the municipality in a benchmarking category. All 6 key performance areas received a high score. This is a significant progress from the previous years as can be seen in the table above. The municipality maintained a trend of **HIGH** scoring over the period of its IDP assessment cycle of the 2017-22 IDP.

MEC COMMENTS/FINDINGS OF THE FINAL IDP 2020/21

KPA 1: Service Delivery and Infrastructure

No.	Findings	Response
1.	The municipality needs to develop the land audit report and land invasion policy to better understand the situation in their municipality.	*Land Audit and Land Invasion policies will be reflected in the 2022/23 FY*
2.	The municipality did not budget for the non-motorized transport.	*Plans and budget for non-motorized transport will be considered in the 2022/23 FY*
3.	The municipality does not have the safety plans.	*A planning Safety summit was held in November 2020 to start the establishment of a Community Safety Forum. Plans will be developed accordingly.*
4.	The Spatial Development Plan informed by disaster vulnerability and risk assessment reports was approved on the 12 June 2020 as council resolution not reflected on the IDP. Disaster Management by-laws adopted but still need to be reviewed. The Chief Fire Officer is not appointed. Fire services tariffs are reviewed annually. The municipality does not have plans to deal with veld and forest fires, oil spillages or floods in place.	*The SDF was adopted on 26 February 2020. Disaster Management By-laws will be reviewed by the Sarah Baartman District Municipality. The municipality has a Chief Fire Officer as reflected in the IDP.* *We have the National Veld and Forest Act and uses the oil spillage and emergency response guidebook for oil spillages. The SBDM is responsible for chemical spillage. Floods no, but it will be addressed in the new draft disaster risk management plan.*
5.	There are contradictory statements within the IDP document about when last was the Water Service Development Plan (WSDP) prepared and adopted by council. Maintenance plan needs to be developed as it is very important for budgeting correctly more especially now that there are water shortages due to drought.	*Dept of Water and Sanitation appointed a service provider to update the WSDP and develop a water master plan. These processes are done electronically on a web-based portal of DWS. In progress.*
6.	While the Sarah Baartman District Municipality has an adopted AQMP, it has not yet cascaded to its Local Municipalities. The DEDEAT regional office is willing to assist also where possible to ensure your municipality has developed this plan.	*Noted, the Municipality will engage DEDEAT regarding the support offered.*
7.	The municipality has to prioritise the development of a Climate Change Response	*Kouga Municipality had plans to develop a Climate Change Strategy during the financial year 2019/2020 and*

	Strategy which there is an indication of its intention to undergo that exercise however it reflects projects which would respond to the impacts of climate change. The municipality need to systematically develop resilience to the impacts of climate change and in this regard the impacts of drought and water scarcity is the priority followed by agricultural resilience. It is also recommended that the Regional DEDEA office to provide support to Kouga Local Municipality in the development of their CCRS.	*funds had to be used for COVID-19. The municipality will welcome the assistance of DEDEAT in developing the strategy. The Municipality will engage Regional DEDEA for assistance and support.*
8.	The municipality does have an Environmental unit but no plans to protect and rehabilitate the natural environment.	*Kouga Municipality advocates for environmental protection and rehabilitation. However, the municipality has been faced with Environmental Risks which needed to be prioritised while in the process of developing sector. The municipality has also launched two programs under environmental protection in response to climate change resilience – Keep Kouga Green and Keep Kouga Clean. Due to limited resources not all protection and rehabilitation can take place. Plans will be developed in the 2022 FY.*

Table 4: KPA1 – Findings Service Delivery and Basic Services

KPA2: Local Economic Development

No.	Findings	Response
1.	The municipality should use the most current data to analyse socio economic profiles e.g. 2018 socio economic data is available from IHS Global Insight and Quantec. Caption of graphs and tables to be reflected on socio – economic information.	*The SBDM has indicated that it will be advertising for formal quotes in this financial year or the next financial year to subscribe Quantec or Global Insight. They will try and get ten user licences so each IDP Manger in each LM will have access – all depends on cost.*

Table 5: KPA3 – Findings Local Economic Development

KPA3: Financial Planning and Budgeting

No.	Findings	Response
1.	The municipality must reflect in the IDP if they do have the separate bank account for projects, if not separate bank account must be opened for conditional grants.	*The municipality do have separate bank accounts for conditional grant projects.*
2.	The municipality must spend 100% of its capital budget.	*The municipality has implemented mechanisms to try and achieve a 100% spending on its capital budget. It is also included in the directors' performance agreements.*
3.	The municipality does not have an accurate data in place for billing. The municipality should develop data cleansing strategies and bill its consumers on a monthly basis and must be reflected as such in the IDP.	*The municipality bills all consumers on a monthly basis. Data cleansing occurs on a continuous basis through customers query processes to ensure all customers are billed.*

Table 6: KPA1 – Findings Financial Planning and Budgeting

KPA4: Good Governance and Public Participation

No.	Findings	Response
1.	The IDP has been well articulated when it comes to Good Governance and Public participation issues.	*Noted.*

Table 7: KPA4 – Findings Good Governance and Public Participation

KPA5: Municipal Institutional Transformation and Organisational Development

No.	Findings	Response
1.	The municipality must reflect on the critical and scarce skills that are a challenge to the municipality.	*At this stage, the Municipality does not have an issue recruiting scarce skills positions as Kouga has become an employer of choice.*

Table 8: KPA5 – Findings Municipal Transformation and Organisational Development

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MUNICIPAL SCAN – JANUARY 2021		
ISSUES	**STATUS:**	**COMMENTS**
Organizational Structure in place (Organogram	√	*Organizational structure is reviewed annually.*
Organizational Structure costed	√	*Organizational structure is costed annually during the budget process.*
Total staff establishment (posts on organogram)	√	*1754*
Vacancies Organizational Structure (including frozen)	√	*802*
Filled positions	√	*952*
Salary % of operating budget and total budget	√	*35%*
Free basic services (12kl water, 50 units electricity only for qualifying indigent households)	√	*Equitable Share recipients are reviewed annually.*
By-laws (general, gazetted and website)	√	*By-laws are in place and is up for review by the Sarah Baartman District Municipality.*
Internal Audit and Risk Management	√	*Internal Audit and Risk Management Unit is in place and functional*
Audit, MPAC and Oversight Committee	√	*Audit, MPAC and Oversight Committees are in place and functional*
Revenue Collection	√	*91%*
Annual Financial Statements	√	*Yes, annually*
Annual Budget, consisting of operating (inclusive of asset maintenance budget) and capital budget	√	*Yes, annually*
Audit Inspection and Report tabled	√	*Yes, annually*
MFMA Implementation (Sec 71 reporting)	√	*Yes, quarterly*
GRAP /MSCOA Compliance and Committees	√	*Yes*
SCM (Compliance and Committees)	√	*Yes, in place*
Procurement Framework	√	*Yes, in place*
Financial Delegations	√	*Yes, in p lace*
Asset Register (barcoding system)	√	*Yes, in place*
MM appointed	√	*Yes*
CFO appointed	√	*Yes*
Job Evaluations and Job Descriptions	√	*Partially completed*
Information Management System in place	√	*Yes*
Delegations Register	√	*Yes*
Performance Managed System (PMS)	√	*Yes*
Skills Development Plan	√	*Yes, reviewed annually*
Employment Equity Plan	√	*Yes, reviewed annually*
Occupational Health and Safety	√	*Yes*

Communication Strategy / Plan	**No**	*Priority for 2021/22 review.*
Indigent Policy, register and committee	**√**	*Yes*
Good Governance Survey	**√**	*Yes, conducted annually*
Customer Care Strategy	**No**	*Priority for 2021/22 Review*
HIV/Aids Plan (Institutional and SPU)	**No**	*Priority for 2021/22 Review*
Special Programmes (Youth, Gender, Disability)	**No**	*Priority for 2021/22 Review*
Disaster Management Plan	**√**	*To be reviewed by Sarah Baartman District Municipality*
Project Management Unit	**√**	*Yes, and functional*
Ward Committee System	**√**	*Yes, and functional*

Table 9: Municipal Scan 2020

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SERVICE DELIVERY PERFORMANCE HIGHLIGHTS DURING THE 2019/20 FINANCIAL YEAR

- **Provision of integrated and sustainable HUMAN SETTLEMENTS:**
  - ***491*** State subsidised housing units provided.
  - ***0*** Social housing units provided.
  - ***491*** Erven provided with permanent water and sanitation services.
  - ***162*** Households relocated from stressed informal settlements.
  - ***Kruisfontein 391*** project completed.
  - ***Pellsrus 220 project*** 61 houses handed over.
  - ***Ocean View 1500*** installation of services at 1300 sites.

- **Provision of quality potable WATER and reliable water supply:**
  - ***29447*** number of households (both formal) have access to a basic level of water supply (including households within a 200 m radius of a standpipe).
  - ***Pressure Valves*** installed in Aston Bay, Pellsrus and Ocean View.
  - ***Water supply line*** at Mountain View, an informal settlement in Hankey.
  - ***Fencing and gates*** installed at the Jeffreys Bay Reservoir, Hankey Reservoir.
  - ***Ground Water Development*** in the St Francis Bay area.
  - ***Jeffreys Bay Water Treatment Works*** upgraded.
  - ***Kruisfontein Water Treatment Works*** upgraded.
  - Replace ***main water line from reservoirs*** to Ramaphosa Village in Patensie.
  - Replace ***internal water line*** in Hankey Town .
  - Replace ***water rising main*** from sump to Reservoirs in Oyster Bay.
  - ***201 plastic water tanks*** were installed in informal areas to mitigate the Covid-19 pandemic.

- **Provision and maintenance of ROADS:**

  11 737m of roads were resealed during the 2019/2020 financial year.
  1 972m of gravel roads were surfaced during the 2019/2020 financial year.

- **Provision of SANITATION services:**
  - ***33134*** number of households (both formal and informal) have access to a basic level of sanitation.
  - ***Fencing and gates*** installed at the Loerie Pump station.
  - ***Fencing and gates installed*** at the entire Kruisfontein Waste Treatment Works.
  - ***Commission*** St Francis Bay Wastewater Treatment Works.
  - ***Water supply line*** at Mountain View, an informal settlement in Hankey

- **Provision of ELECTRICITY and energy:**
  - ***237* sub-economical** and ***150* economic** electricity connections were provided.
  - ***Electrification*** of Kruisfontein 391 housing project.
  - ***Electrification*** of 200 plots at Donkerhoek and Arcadia in Humansdorp.
  - ***Electricity Networks upgraded*** at Humansdorp and St Francis Bay.
  - ***1000 LED streetlights*** installed.
  - ***24 solar public lights of which 12 are equipped with security cameras*** has been procured.

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- **Provision of solid WASTE and ENVIRONMENT management services:**
  - ***11880 wheelie bins*** distributed.
  - ***Community Works Programme*** to clean illegal dumping sites, verges and sidewalks.
  - ***Placed 2nd*** in the East Cape Greenest Municipality competition.
  - ***Launched a Kouga Green Campaign*** with 60 school children as ambassadors.

- **Provision of recreational facilities and PUBLIC AMENITIES**
  - ***5*** beaches were upgraded **(Kabeljouws, Dolphin, St Francis Bay, Cape St Francis Bay, Oyster Bay)** through the provision of either revetments / parking areas / walkways / security cameras / picnic facilities and/or dune stabilisation.
  - ***2*** open spaces were upgraded **(Pellsrus Gym Park + Loerie Play park)** through the provision of either outdoor gym equipment / fencing / pathways / benches and/or playground infrastructure.
  - ***2*** cemeteries were upgraded **(Loerie + C-Place Cemeteries)** through either the construction of berms / installation of cameras / upgrade of the sewerage system and/or the provision of fencing.
  - ***100 %*** *or* ***(1)*** completion of library restoration /upgrade (**Weston Library)**
  - ***Newton Hall, Kwanomzamo Hall, Kruisfontein Hall, Pellsrus Hall, Katriena Felix Hall, Dan Sandi Hall and Vusumzi Landu Hall*** revamped.
  - ***Kruisfontein, Phillipsville, Tokyo Sexwale, Pellrus and Patensie Sports fields and clubhouses*** upgraded.

- **Response time to emergencies/SAFETY**

ACTIVITY	TOTAL
Traffic emergencies response time	**20 minutes**
Fire emergencies response time (Ave 72.31%)	**15 minutes**
Fires and incidents	**186**
Building plans scrutinized	**528**
Fire safety inspections	**64**
Certificates issued for storage of flammable liquid or dangerous substances	**16**
Controlled burn permits	**21**
Public awareness training sessions	**22**
Special fire safety awareness duties	**10**
local young candidates received internationally recognised lifesaving award	**22**
Fire risk notices	**57**
Notices and fines issued	**1434**
Driving under the influence of alcohol arrests	**4**
Taxis impounded for driving without licences	**30**
Animals impounded	**63**
Traffic signage, speed humps, street name boards, pedestrian crossings	**434**

Table 10: Response time to emergencies

- fire safety consults regarding fire safety requirements have been conducted.
- A Fire Risk Reduction committee was established to address the fire risks within the Kouga jurisdiction. R1 million has been donated by Santam Insurance to assist in clearing dense fire risk areas.
- A permanent Working on Fire team is based in Sta Francis Bay, assisting the municipality with clearing on public spaces.
- Two (2) firefighting vehicles, one (1) disaster vehicles, and one (1) lifesaving vehicle have been procured. Hollard Insure has worked in collaboration with the municipality to inspect, maintain, and restore fire hydrants throughout the whole Kouga area.

- More than 100 disaster volunteers have been contractually appointed to assist with the implementation of COVID-19 regulations in all areas within Kouga. Several JOC meetings have been held to address pressing COVID-19 matters.
- Humansdorp Fire Station Fenced

➢ **Number of BUILDING PLANS**

TOWN PLANNNING ACTIVIES FOR 2020/21	
TYPE OF ACTIVITY	**NUMBERS APPROVED**
Rezoning	**4**
Subdivisions	**8**
Consent Uses	**3**
Removal of restrictive conditions	**8**
Departures	**47**
Secondary Use	**1**
Occupational Practice	**9**
Number of applications approved	**974**
Value of building plans approved	**R713 975 800**

Table 11: Number of building plans

➢ **LAW ENFORCEMENT ACTIVITIES**

ACTIVITIES	NO OF TRANSGRESSIONS
Stray animals impounded	**63**
Illegal electricity connections	**5**
Illegal water connections	**0**
Illegal hawking	**34**
Illegal building activities	**20**
Liquor trading hours	**25**
Covid 19 Lockdown regulations	**420**
Roadblocks	**16**
Joint operations	**14**

Table 12: Law Enforcement activities

- Public complaints desk to improve service delivery was established.
- Removing of illegal taxi rank at the Shoprite
- Upgraded the Traffic Department building
- Hankey learners licence section in operation

➢ **LED and TOURISM initiatives**

- ***Upgrading of ablution facilities*** Kabeljous, Thecoma Street, Pagoda Street, Magna Tubes, Supertubes, Dolphin Beach, the old Friendly Car Park, Pellsrus, Aston Bay, Paradise Lagoon, Dawn View and in the greater St Francis Bay area.
- ***Upgrade of public toilets*** in Hankey and Patensie CBD's.
- ***Upgrading of ablution facilities, braai stands, benches and waste containers installed*** at Kabeljous and Pellrus Parks.
- ***New fencing and flood lights and upgrading of ablution facilities*** at Yellowwoods in Hankey.
- ***Fencing and upgrading of ablution facilities*** Loerie Play Park and Patensie Park.
- ***Upgrading of Chalets and repair of access gate*** at Pellsrus Caravan Park.
- ***Upgrading of ablution facilities, braai stands, electrical gate and fence erected*** at the Jeffreys Bay Caravan Park.
- ***Opening of KFC in Humansdorp*** created 40 job opportunities.

➢ COMPLAINTS REGISTER / CALL CENTRE

43893 Incidences reported.

39568 incidences resolved.

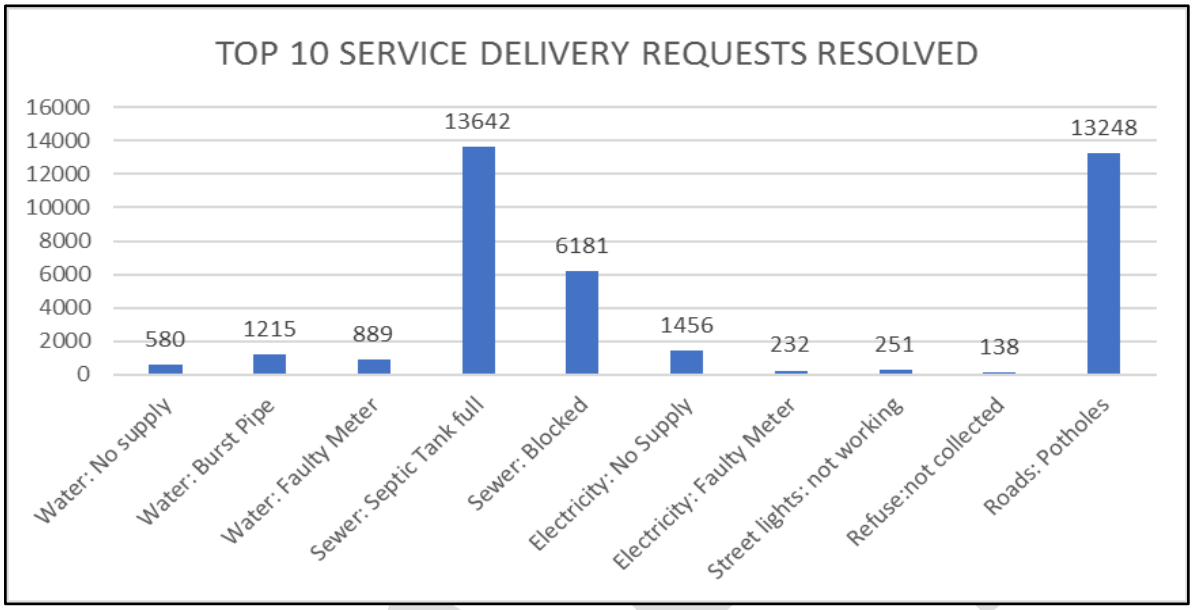

Figure 3: Top ten service requests

➢ FLEET MANAGEMENT

Total Job cards opened from 1 July 2019 to 31 December 2020

The mechanical workshop is fully operational with qualified and experienced staff.

Undermentioned are the successes of the Fleet Management Section:

- 3890 Jobs booked into the workshop and completed.
- Quantity of current fleet in Kouga Municipality are 198 operational units.
- New vehicles procured for the period of 1 July 2019 to 31 December 2020:
  1. 10 x Toyota Hilux 1ton L.D.V's for Infrastructure& Engineering and Revenue.
  2. 8 x Bell T.L.B's for Infrastructure& Engineering and Community services.
  3. 1 x Ford Ranger 4x4 for the lifesavers, Community services.
  4. 1 x Ford Ranger 4x4 for the Disaster management, Community services.
  5. 2 x Nissan MP 200 light delivery vehicles for Infrastructure & Engineering.
  6. 3 x Volkswagen Polo's for protection services, Traffic.
  7. 1 x 4x4 Quad bike for the lifesavers, Community services.
  8. 2 x Fire trucks 6000l Tanker and 2.5 ton 4x4 rural Fire fighting truck for the Fire department, Community services.
- Total new acquisitions for the **1 July 2019 to 31 December 2020** = 28 units
- For the period of 01/07/2019 to 31/12/2020 – 45 vehicles had been refurbished.
- Three old hydraulic platforms had been refurbished. 01/07/2019 to 31/12/2020
- Vehicle parks had been erected in Humansdorp and Hankey for safe keeping of vehicles.
- The workshop upgraded to a higher standard by rebuilding the engines of L.D.V's ourselves.

➢ **Provision of solid WASTE and ENVIRONMENT management services:**

- 30054 number of households within the urban edge are receiving a weekly domestic waste collection service.
- Oyster Bay Dune rehabilitation and Brander street removal of sand
- Artificial breach at Seekoei Estuary Mouth
- Rehabilitation of the St Francis Bay Spit – rock revetment
- Keep Kouga Clean and Green Campaign ongoing
- Covid-19 education and awareness campaigns conducted at schools, creches, informal traders, taxi ranks and council offices.
- Approved projects for 2018 – 2021 by the Department of Environmental Affairs (Working for the Coast, EPWP, Youth Community Outreach Programme - Green Good Deeds: Thuma Mina)
- **240litre Wheelie Bins were rolled out to:**

2019/20		2020/21	
Hankey	**2314**	Jeffreys Bay	8956
Loerie	**474**	Oyster Bay	402
Thornhill	**403**	Cape St Francis	559
Patensie	**712**	St Francis Bay	1963
Humansdorp	**5710**	-	-
	9613		**11880**

Table 13: Wheelie bins rolled out

- Increased the recycling volumes by the appointed recycling service provider
- Acquisition of bush fire fighting vehicle for the Jeffreys bay area - Nissan Patrol 4x4
- Adopt an entrance campaign through Public Private Partnership with Woodlands, Marina Martinique and working with "Dorp van Drome" to beautify the area
- Drop off Zones have been upgraded in Oyster bay, St Francis Bay and Jeffreys Bay. The municipality is also reopening the Paradise Beach Drop off zone which was closed after the floods.
- The municipality has partnered with FOSTER to protect the nature reserves in Cape St Francis. Additional properties have been identified of high ecological and biodiversity importance and will be consolidated into the Erma Booysen Nature Reserve.
- New entrance signs for landfills and drop off sites as well as additional no dumping signs erected.
- **OPERATION COCA – MAAK SKOON** - Kouga households had an opportunity to shape up for the summer holidays and to get rid of any unwanted items and waste they had at home that cannot be put out for standard refuse collection. This included building rubble, electronic waste, garden refuse and even old furniture and run from 2 November to 3 December 2020.
- **PLOT CLEARING** - A draft Bush Clearing Policy was workshopped and has been finalised and it includes the clearing of private plots.
- The Mayor participated in recognising the good work the reclaimers and the recycling company do on the Humansdorp landfill by reducing waste on the landfill by handing out hampers to the reclaimers donated by Extreme Recycling.
- Beautifying of the waste trucks by private sector and donation of vouchers to some of the waste staff at a function attended by the Mayor at Mentorskraal.
- The Environmental Health Practitioners embarked on a Covid Compliance and hygiene education and awareness program in line with Global Handwash Day program which is celebrated annually.

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- Information Sharing Session with Funeral Undertakers & Cemetery Caretakers on Management of Human Remains in the context of Covid-19
- Minster of Health' visit to Kouga Municipality
- Waste recycling site was established in Loerie by a private recycler with the support from KM and a local farmer.
- Tree planting is ongoing and over 500 trees were planted
- Community Services department is working with animal care organisations such as the SPCA, St Francis and Jeffreys Bay Animal Rescue. The St Francis Bay Animal Rescue has started a project "Chain Free Sea Vista" and to date 20 dogs were freed from chains and the properties fenced. SFAR managed to sterilize 20 cats and dogs per month and Jeffreys Bay Animal rescue does 20 sterilisations per week.
- Evaluations at ECDC premises were conducted by Environmental Health Practitioners in terms of the Standards for ECDC premises.
- Evaluations at Packhouse premises, Supermarkets, Butcheries, Spaza Shops and restaurants premises opening for sit down diners were conducted by the EHP's in terms of Regulation R638: Regulations governing the General Hygiene of Food Premises and the Transport of Food and related matters. The premises were also inspected to ensure their Covid-19 readiness prior opening for sit down after the lockdown period.
- Water Samples at identified points as well as Tankers & JoJo tanks used for the provision of drinking water and safe water for practicing health and hygiene practices during the Covid 19 Lockdown were collected for bacteriological as well as chemical analysis
- The Environmental Health Practitioners are monitoring Covid--19 funerals for compliance to the Lock down Regulations. These funerals are also monitored to ensure compliance with the guidelines for the management of Covid-19 human remains.
- Procurement of 10 Skip Bins

➢ **Provision of recreational facilities and PUBLIC AMENITIES**

- **10** x Ablution facilities along the beach were upgraded **(Kabeljouws, Dolphin, St Francis Bay, Cape St Francis Bay, Oyster Bay, Paradise Beach, Pellsrus, Pagoda, Tecoma and Supertubes** (Landscaping, beautification, installation of benches and ballads, painting of umbrellas, concreting around braai stands, fencing, painting of ablution facilities inside and out, installation of burglars and painting)
- **2 x** open spaces were upgraded **(Verbena Crescent and Supertubes walkways)** through the provision of pathways
- **3 x** cemeteries were upgraded **(Loerie + C-Place Cemeteries, BB Keet Cemetery)** (renovation of ablution facility, installation of alarm system at C- Place Cemetery)
- **100 %** or **(1)** completion of library restoration /upgrade (**Weston Library)**
- **6 x Community Halls** revamped **Newton Hall, Kwanomzamo Hall, Kruisfontein Hall, Pellsrus Hall, Dan Sandi Hall and Vusumzi Landu Hall**.
- **4 x Tokyo Sexwale, Pellrus and Patensie Sports fields, and Thornhill clubhouses** upgraded.
- Environmental Impact assessment for new Cemeteries (Thornhill, Patensie and Hankey) approved
- Blue Flag Beach status awarded for 2020/21 Season
- Painting of 3 libraries (Humansdorp town, Ukhanyiso and 7nde Laan Container Libraries)
- Procurement of 2 x Chippers
- Procurement of a jack hammer + a generator to improve operations at cemeteries
- Procurement of 14 x Outdoor benches and 19 x bins
- Yellow woods and Jeffreys Bay Caravan Parks Fenced and upgraded

- 10 Open spaces cleared to curb crime (5 Open spaces were cleared: Seetuin Road erf 5083 in Jeffreys bay, St Francis drive erf 998 in St Francis bay, Reservoir Road erf 552 in St Francis bay, St Francis Drive erf 3395 in St Francis bay, Sunset Drive erf, 3376, St Francis Bay, The Sands (Blackberry Str, erf 8431) in Jeffreys bay, Boskloof (Boskloof Lane, erf 689/6) in Humansdorp, C-Place (Lantern Str, 966 erf) in Jeffreys Bay, St Francis Drive erf 3395 in Humansdorp, Felix Street Erf , Panorama

➢ **Response time to emergencies/SAFETY**

- **20 minutes** average response time for traffic emergencies within the Kouga municipal area (from control centre receiving notification of emergency to dispatched officer arriving at the scene).
- **15 Minutes** average response time to fire emergencies within the Kouga municipal area (from control centre receiving notification of emergency to dispatched officer arriving at the scene). This calculation is based on one (1) month and may differ from month to month due to the distance in travel to attend to incidents in Kouga area. An average of 72.31% was achieved for responding to a scene within 15 minutes for July 2020 – December 2020.
- **186 fires & incidents** have been attended to.
- **528 building plans** have been scrutinized for fire protection compliance.
- **64 fire safety inspection**s of buildings have been conducted.
- fire safety consults regarding fire safety requirements have been conducted.
- **16 certificates** for the storage of flammable liquid or dangerous substances have been issued.
- **21 controlled burn permits** have been issued to landowners. 1 November 2020 – 31 January 2021, is a fire prohibition period, therefore no burn permits are issued during that time.
- **22 public awareness** training sessions were held.
- **10 special fire safety** awareness duties were conducted.
- A Fire Risk Reduction committee was established to address the fire risks in Kouga.
- **Twenty-two (22) local young candidates** passed the examination and received the internationally recognised Lifesaving Award.
- **57 fire risk** notices have been issued.
- ***1434*** notices and fines issued.
- ***4 arrests*** for driving under the influence of alcohol.
- ***30 taxis impounded*** for driving without licences.
- ***63 animals*** impounded.
- ***434 New speed humps, street name boards and pedestrian crossings*** installed.
- A permanent Working on Fire team is based in St Francis Bay, assisting the municipality with clearing on public spaces.
- **Two (2) firefighting vehicles, one (1) disaster vehicle**s, and **one (1) lifesaving vehicle** have been procured.
- More than **100 disaster volunteers** have been contractually appointed to assist with the implementation of COVID-19 regulations in all areas within Kouga. Several JOC meetings have been held to address pressing COVID-19 matters.
- Humansdorp Fire Station was fenced.

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SERVICE DELIVERY HIGHLIGTHS DURING THE 5 YEARS IN REVIEW (2017-2022)

ELECTRICITY

DONKERHOEK

- 1 596 Households have since August 2016, received access to electricity at a cost of R30 million (including bulk upgrades).
- 220 Pellsrus Housing Project were electrified.
- 160 Ocean View transit site were electrified.
- 239 informal settlements in Jeffreys Bay, including No-R10 were electrified.
- 150 at Ebumnyameni, near completion.
- 391 Kruisfontein RDP housing project were electrified.
- 306 at Donkerhoek, Kruisfontein Phase 2B were electrified.
- 100 households in Mooi Sig (Donkerhoek) were electrified.
- 30 emergency houses in Humansdorp were electrified.

LED Street Lights

ROADS

HANKEY
Repairing potholes

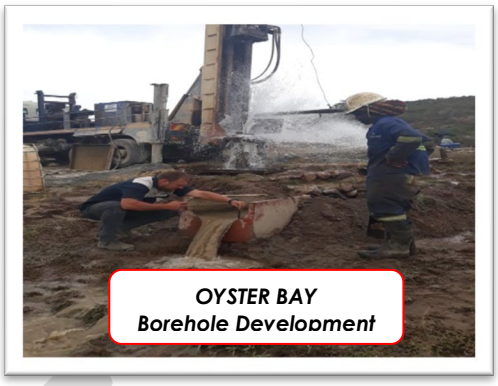
- Constructed the first eco-friendly road, incorporating waste plastic. The road was officially opened in Jeffreys on 19 December 2019.
- The road won two Eco-Logic awards in 2020. Gold for Eco-Innovation and silver for Eco-Build.
- 2 roads in Nerina and Felix Streets in Humansdorp were tarred in 2019/20.
- R9,2 million spent on gravel road upgrades.
- Almost 12km of roads were resealed during 2019/20 at a cost of more than R17 million.
- R12 million spent on resealing of 211 646 square metres during the first three years of governance.
- Potholes repairs accelerated in 2019/20.
- 70 temporary workers were employed for the pothole programme.
- 32 permanent employees were trained on pothole repairs.
- 15 378 potholes fixed in 2019/20 compared to 7785 in 2018/19.
- 9720 potholes repaired from July to December 2020.
- R380 million for road rehabilitation.
- R114 million for periodic maintenance.
- R44 million for special maintenance.

PATENSIE
Resealing of roads

JEFFREYS BAY
1ST "Plastic Road in Africa
Gold Eco Ward

WATER

- Local state of disaster declared in 2017 due to the prolonged drought.
- Water rationing at Hankey and Patensie since August 2018.
- R152,2 million secured in drought disaster funding and used to augment the water supply to all Kouga towns.
- New boreholes developed in Oyster Bay, Jeffreys Bay, Patensie, Hankey, Humansdorp and St Francis Bay in progress.
- Jeffreys Bay Water Treatment Works upgraded at a cost R35 million.
- Leaks repaired, meters audited, and old pipes replaced.
- Bottled water drives and awareness campaigns.



OYSTER BAY Borehole Development

Repairing leaks

Replacing old pipes

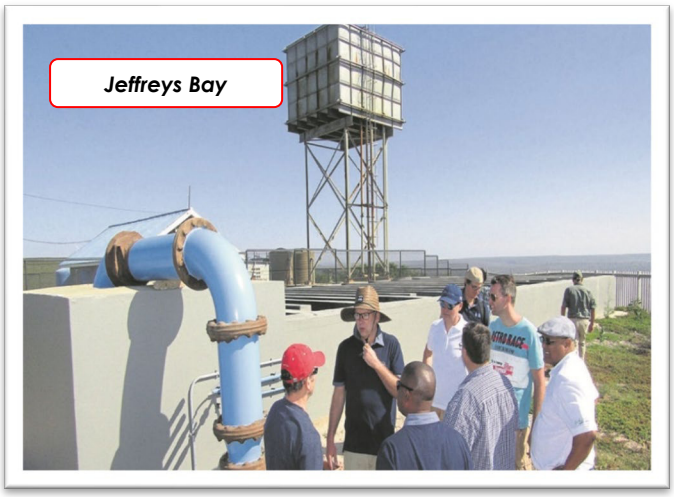
WASTE WATER AND SANITATION

- The municipality has opened two (2) state-of-the-art waste water treatment works to unlock development in Humansdorp and St Francis.
- The Sea Vista Waste Water Treatment Works (WWTW) at St Francis Bay build at a cost of R31 million. The upgrade has more than doubled the plant's capacity, paving the way for the unlocking of the long-awaited Sea Vista 2 000 RDP housing project.

Sea Vista Sewer Plant Station

Sanitation

- The Patensie Waste Water Treatment Works is nearing completion, the upgrade of the KwaNomzamo Waste Water Treatment Works already has a contractor on site. This plant needs some serious intervention, after it was vandalised in 2016.



- Several container ablution facilities were delivered to Kouga. Twenty (20) containers have been purchased and six have already been delivered to residents in Thornhill, Stofwolk in Hankey and Maak-`n-Las in Humansdorp.
- Chemical toilets were also installed at the new section of Donkerhoek in Humansdorp.
- The operating expenditure in the adjustment budget has been increased by R9.6 million, that includes the hiring of additional tankers and jetting trucks at a cost of R5.5 million.

- Local labour totalling 44 639 hours.
- 10% of contract subcontracted to local Exempted Micro Enterprises.
- Kruisfontein Waste Water Treatment Works built at a cost of R85,6 million.
- Local labour totalling 34 000 hours.
- 4 employees were trained top operated the plant.
- At least 5 800 households expected to benefit.

FLEET REPLACEMENT PLAN

- 60 new vehicles and plant purchased over the past four years.
- Recent purchases included 10 new 4 x 4 and 4 x 2 bakkies for the electrical and waste water teams as well as 2 new fire trucks.
- Almost 130 vehicles and plant have been refurbished by the municipal fleet section over the past four years, including cherry pickers and sewer tankers.

WASTE / REFUSE

- Humansdorp and Hankey landfill sites upgraded.
- New drop-off zones opened at Jeffreys Bay, St Francis Bay and Oyster Bay.
- 2 new compactor trucks added to fleet.
- More than 21 000 wheelie bins distributed.
- Official recycler appointed.
- Recycling facilities established at waste sites and drop-off zones.
- Recycling bins distributed to schools and creches.

Wheellie bin out-roll

New grass cutting material and equipment

- Coco-maak-skoon initiative to help residents get rid of unwanted goods and waste that would usually not collected by refuse collectors.
- Refuse trucks were given a festive face-lift.
- New equipment procured to improve grass and tree maintenance along sidewalks and at public areas including parks, halls, and sport facilities.
- 38 brush cutters, 20 industrial lawn movers, 12 grass blowers, 3 telescopic pruners and 2 wood chippers were procured.
- Ongoing clearing of dumping hotspots.
- Awareness campaigns to encourage behavioural change.

Tree Planting

PUBLIC AMENITIES

- The Kwanomzamo Community Hall was repaired at a cost of R1,5 million was reopened in November 2020.
- New furniture purchased for hall.
- Upgrades to several public amenities, including halls, parks and public toilets, are systematically upgraded.

Kwanomzamo Community Hall

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UPGRADE OF TOILETS IN HANKEY

SAFETY AND SECURITY

Public Safety Summit – September 2020

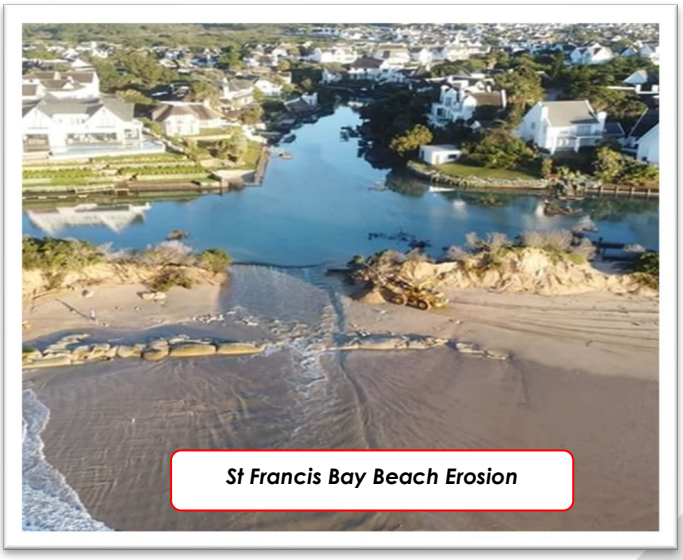
- First Public Safety Summit held in September 2020 to lay the groundwork for the compilation of Public Safety Plans and establishment of Public Safety Forums.
- CCTV security cameras installed at Jeffreys Bay beachfront.
- Support for neighbourhood watches.
- Joint traffic and law enforcement operations.
- The municipality has partnered with Santam to accelerate bush-clearing in areas at high risk of fires.

Road Safety

Fire Safety Training

- The municipality has joined hands with Fire Killa to pilot a new type of fire extinguisher designed specifically for informal settlements.
- The municipality has partnered with Hollard Insurance to inspect and maintain fire hydrants across the region.
- 3 new fire trucks procured at a cost of almost R6 million.

ENVIRONMENTAL MANAGEMENT



St Francis Bay Beach Erosion

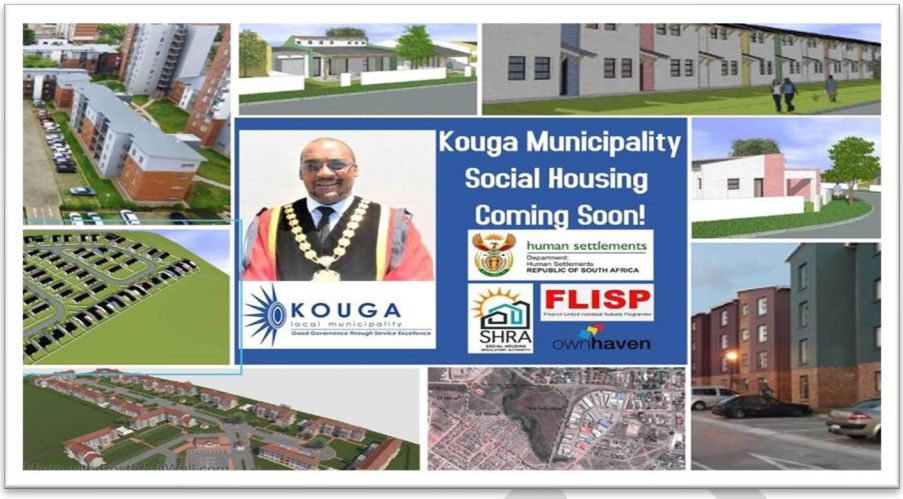
- Keep Kouga Clean campaign launched in 2017.
- Awareness drives at schools and communities.
- Joint clean-ups and ongoing partnerships with businesses and community groups to beautify and maintain town entrances and public areas.
- Kouga Green Campaign launched in February 2020.
- Rock revetments constructed at St Francis Bay to strengthen the spit that separates the ocean from the canals.
- Environmental approvals and funding being secured for long-term solution (groynes).

- 1 000 LED streetlights and floodlights retrofitted with energy and planet saving LED lights in 2019/20.
- Management plan compiled for Seekoei Estuary and Paradise Causeway. Joint steering committee oversees implementation.
- More than 100 delegates from 9 countries attended the 1st International Climate Change workshop in Kouga in 2019.
- The workshop was a continuance of Kouga's climate change partnership with the German Municipality Ilsefeld.

Seekoei River Estuary – Paradise Beach Causeway

ILLEGAL DUMPING SITES BEING TURNED INTO COMMUNITY "GARDENS OF HOPE"

HUMAN SETTLEMENT



- First RDP houses built in more than a decade.
- Internal services and top structures completed for Kruisfontein 391 and Pellsrus 220.
- Internal bulk services completed for Ocean View 1500.
- Hankey 990 – advanced planning phase (Stofwolk).
- The municipality has also purchased land in Kwanomzamo and Loerie for housing projects.
- 1 827 historic title deeds delivered to the rightful beneficiaries during the first phase in 2018 and 2019.
- Second phase under way, with 110 title deeds distributed thus far in 2020/2021.
- Kouga is one of six municipalities countrywide and the only one in the Eastern Cape selected to participate in the Social Housing Regulatory Authority's (SHRA) Municipal Support Programme.
- At least 1500 housing units to be built over 5 years.
- Own Haven Social Housing Institute was appointed in October 2019 for the implementation of the first Social Housing and FLISP projects in the region.

PLANNING, LED AND TOURISM

- The compilation of a precinct plan for the development of the Jeffreys Bay Central Business District (CBD) and main beachfront area is under way to grow investment and business opportunities.
- Renewed drive to support local SMME's, including changes to the Supply Chain Management Policy.
- Recent SMME projects included the construction of play parks across the region and temporary shelters in Hankey.
- 1793 building plans approved since July 2017.
- Estimated cost of R1 266 591 830 building plans approved.
- Light up Kouga campaign was launched to stimulate tourism, encouraging businesses and homeowners to decorate their property.
- A roadblock was held along the N2 to welcome visitors to Kouga to raise awareness of the drought and encourage compliance with Covid-19 protocols.

- Payment relief options rolled out for residents and businesses to help mitigate the economic impact of the lockdown on the region.
- Jeffreys Bay crowned Kwêla Town of the Year in 2018.
- Patensie crowned Kwêla Eastern Cape Town of the Year 2019.
- Drive to establish Kouga as the Events Capital of the world.

COMMUNICATION

- Call centre and link app launched in 2017 improved responses to service requests/complaints.
- Number of service requests and complaints received during 2018/19 and 2019/20 totalled 76 159 of these 70 434 were resolved during the same period. This is a success rate of 92.5%.
- Kouga has become the first municipality in the Eastern Cape to launch a virtual portal for the submission of building plans.
- The portal (OVVIO) can be accessed through the municipality's website and allows those who made submissions to track the progress of their applications.
- The Kouga Council has been conducting its meetings virtually since the Covid-19 lockdown.
- New systems introduced, leading to significant savings on telephone and paper costs.
- Monthly phone bill of R230 000 slashed to R16 000 through the introduction of a new PABX system
- Electronic agendas introduced for Council, Mayoral Committee and Portfolio Committees.
- Estimated paper saving of R2 million per year.
- Introduced a digitalisation strategy to address ICT shortcomings, including outdated system and lack of integration.

WARD BASED PRIORITIES REPORTING DURING THE 2020/21 FINANCIAL YEAR

Ward 1 – Councillor Z Mayoni

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Potable and quality drinking water	***Additional boreholes were drilled***	**Infrastructure & Engineering Services**
2	Land for housing and associated bulk services	***Council is awaiting transfer of land from Public works to KLM Provision of bulk services is not a HS competency***	**Planning, Development and Tourism**
3	Initiate economic and social development projects	***Ongoing***	**Planning, Development and Tourism**
4	Address sewer and storm water problems in Umzamowethu and Sea Vista	***Unfunded. Placed on 5-year IDP***	**Infrastructure & Engineering Services**
5	Upgrading of sports field in Umzamowethu	***There is no proper sports field, but grass cutting is being done on the existing piece of land on a quarterly basis. Council to engage the adjacent farmer to extend the current piece of land to develop a proper sports field.***	**Community Services**
6	Finalisation of construction works of the fire station building in Oyster Bay	***Project terminated***	**Community Services**
7	Initiate street naming project in Sea Vista	***Policy on street Naming adopted by Council in January 2021. Ward Cllr or Ward committee should initiate the application for street naming as per policy procedure.***	**Planning, Development and Tourism**

Table 14: Ward 1 priority reporting

Ward 2 – Councillor R Dennis

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Address sewer spillings in Pellsrus, Mandela Bay and Tokyo Sexwale	***Internal capital funds identified to appoint a PSP***	**Infrastructure and Engineering**
2	Eradication of bucket system in Tokyo Sexwale	***Placed on 5-year IDP – unfunded project***	**Infrastructure and Engineering**
3	Eradication of illegal dumping sites	***Illegal dumping sites were identified and will be rehabilitated. Daily cleaning of illegal dumping sites is continuing (1 completed). New program introduced where waste warriors do education and awareness to reduce illegal dumping.***	**Community Services**

4	Upgrading of ablution facilities at Pellsrus Beach	***Upgrading has started by erecting extra braai stands, repairing old braai stands, erecting fence in front as well as around the ablution facilities, new bollards were planted, ablution facility was repaired.***	**Community Services**
5	Non-compliance of liquor trading hours at taverns	***Monitored on a monthly basis.***	**Community Services/Liquor Board**
6	Upgrading of Pellsrus cemetery	***Roman Street and Duine Rd Cemeteries were fenced and cleaned regularly .***	**Community Services**

Table 15: Ward 2 priority reporting

Ward 3 – Councillor W Gertenbach

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Replace the water pipeline in Mimosa Street	***Tender to appoint PSP advertised on 2/08/2020. Bid process to follow.***	**Infrastructure and Engineering**
2	Concrete curbing along roads/streets and stormwater drains	***Unfunded***	**Infrastructure and Engineering**
3	Building of community hall	***Unfunded***	**Community Services**
4	Resurface one (1) kilometre of road in the ward per year	***Unfunded***	**Community Services**
5	Subsidised wi-fi for residents in Wavecrest	***Unfunded***	**Finance (ICT)**
6	Replacement of dilapidated electrical meter boxes	***Ongoing programme starting with critical boxes across Kouga.***	**Infrastructure and Engineering**
7	Improve reception of cellphones in lower Wavecrest	***Not our mandate***	**Corporate Services**

Table 16: Ward 3 priority reporting

Ward 4 – Councillor F Campher

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Construction of access road from Kruisfontein to N2 Road	***Unfunded***	**Department of Roads**
2	Upgrading of stormwater drainage in Smith Street	***Unfunded***	**Infrastructure and Engineering**
3	Erection of a mobile clinic	***Not our mandate. But will engage Provincial Department of Health.***	**Dept. of Health**
4	Construction of a multi-purpose centre and indoor sports centre	***Not our mandate. But will engage Provincial Department of Social Development.***	**Dept. of Social Development**
5	Paving of roads in Kruisfontein Proper	***Unfunded***	**Infrastructure and Engineering**

6	Upgrade stormwater drainage in Kruisfontein Proper	***Unfunded***	**Infrastructure and Engineering**
7	Sector department assistance with estates and subdivision of erven in "Die Berg" Kruisfontein Proper	***Will engage with the Provincial Department of Rural Development and Land Reform.***	**Planning, Development and Tourism**
8	Closure of "Die Vlei" in Kruisfontein		**Community Services**

Table 17: Ward 4 priority reporting

Ward 5 – Councillor W Coenraad

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Installation of a waterborne system in Bo-blok, Johnsons Ridge and Hobson Street	***Unfunded***	**Infrastructure and Engineering**
2	Paving of Roads	***Unfunded***	**Infrastructure and Engineering**
3	Identification of suitable land for development of a cricket pitch. (not country club)	***Planning department to identify suitable land.***	**Planning, Development and Tourism**
4	Skills Development Centre	***Not our mandate. But will engage Provincial Department of Trade and Industries.***	**Dept of Trade and Industries**
5	High Mast lights at the entrance of Vaaldam	***Tender awarded for high mast lights in the area***	**Infrastructure and Engineering**
6	Construction of sidewalks	***Unfunded***	**Infrastructure and Engineering**

Table 18: Ward 5 priority reporting

Ward 6 – Councillor V Vumazonke

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Construction of houses	***Unfunded, no human settlements projects are planned due to insufficient bulk infrastructure***	**Dept of Human Settlements**
2	Paving of roads	***Unfunded***	**Infrastructure and Engineering**
3	Widening of entrance road to Kwanomzamo	***Unfunded***	**Infrastructure and Engineering**
4	Upgrading of Kwanomzamo sports field	***MIG funding – in progress.***	**Community Services**
5	Pegging of housing sites	***All informal settlements are pegged with access to basic services***	**Planning, Development and Tourism**

Table 19: Ward 6 priority reporting

Ward 7 – Councillor E February

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Formalization of Tjoksville in Thornhill	***Informal settlement will be upgraded under the approved NUSP Program***	**Infrastructure and Engineering**
2	Acquire land for housing	***Land was acquired in 2018/19 and 19/20 FY . Transfer in progress***	**Planning, Development and Tourism**
3	Initiate skills development programmes in construction in Loerie and Thornhill	***Training was implemented in Thornhill in 2019. Due to Covid-19, the training was not implemented in 2020.***	**Planning, Development and Tourism**
4	Upgrading of roads in Loerie and Thornhill	***Unfunded***	**Infrastructure, Development and Tourism**
5	Installation of bulk infrastructure	***Unfunded***	**Infrastructure and Engineering**
6	Construction of houses in Loerie and Thornhill	***Not our mandate. But will engage Provincial Department of Human Settlements.***	**Dept of Human Settlements**
7	Identify land for commonages in Loerie and Thornhill	***Refer to Land administration and LED***	**Planning, Development and Tourism**
8	Upgrading of old and existing cemeteries in Loerie and Thornhill	***Continuous cleaning of cemeteries. EIA approved for new cemeteries (Thornhill)***	**Community Services**
9	Upgrading of the sports fields in Loerie and Thornhill	**Loerie sports field will be upgraded through MIG funding. Thornhill was done through MIG funding and council upgraded the Thornhill sports field clubhouse. (2019/20).**	**Community Services**

Table 20: Ward 7 priority reporting

Ward 8 – Councillor L Vorster

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Water leaks – Nel van der Poll, Plataan Ave., Kameeldoring and Seetuin roads	***Investing groundwater – ongoing***	**Infrastructure and Engineering**
2	Replacement of water pipes and road repairs in China Berry Streets	***Unfunded***	**Infrastructure and Engineering**
3	Fire breaks between golf course, Myrtle Street, the Sands and Karee Street	***Ongoing***	**Infrastructure and Engineering**
4	Fire hydrants along Noorsekloof nature Reserve and Camphortree Avenue	***Unfunded***	**Infrastructure and Engineering**
5	Speedhumps in Myrtle, Flamboyant, Dogwood, Salie and Broom Streets	***Unfunded***	**Infrastructure and Engineering**
6	Clearing of stormwater drains in Leadwood and Magnolia Streets	***Ongoing***	**Infrastructure and Engineering**

7	Clearing of overgrown POS and private plots	***Phase one of the project has started and some of the plots were cleared in Ward 8. POS programme is ongoing. Plots were cleared in Ward 8 and it is a continuous programme.***	**Community Services**

Table 21: Ward 8 priority reporting

Ward 9 – Councillor S Jujwana

PRIORITY	DESCRIPTION	PROGRESS	MANADATE / FUNCTION
1	Construction of houses	***Awaiting funding approval for provision of 990 service sites***	**Dept of Human Settlements**
2	Paving of tar roads (Poplar/Geelhout/ and Protea Streets)	***Unfunded***	**Infrastructure and Engineering**
3	Installation of high mast lights in Phillipsville	***To be placed on next high mast light tender***	**Infrastructure and Engineering**
4	Re-direct sewer overflow behind Centerton sports field	***Unfunded***	**Infrastructure and Engineering**
5	Construction of a new library	***Not our mandate. But will engage Provincial DSRAC.***	**DSRAC**
6.	New Cemetery	***EIA approved for new cemetery in Hankey***	**Community Services**

Table 22: Ward 9 priority reporting

Ward 10 – Councillor A Mabukane

PRIORITY	DESCRIPTION	PROGRESS	MANDATE / FUNCTION
1	Fencing of cemetery	***EIA approved for new cemetery (Patensie)***	**Community Services**
2	Acquire land for housing	***Refer to Land administration dept***	**Planning, Development and Tourism**
3	Construction of 2000 houses	***Not our mandate. But will engage Provincial Department of Human Settlements.***	**Dept of Human Settlements**
4	Investigate the land at the post office and Tolbos for housing	***Refer to Land administration and planning dept***	**Planning, Development and Tourism**
5	Erection of streetlights and high mast lights	***To be included in the next round of high mast tenders***	**Infrastructure and Engineering**

Table 23: Ward 10 priority reporting

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Ward 11 – Councillor H Bornman

PRIORITY	DESCRIPTION	PROGRESS	MANDATE / FUNCTION
1	Upgrade sewer pump station and line from La Mer to Koraal Street	***Tender advertised for appointment of PSP on 7/08/2020. Bid process to follow***	**Infrastructure and Engineering**
2	Revitalisation of CBD and beachfront	***The Jeffreys Bay CBD Precinct Plan project is in progress. Service Provider appointed and the inception meeting held. Initial proposals discussed at Top management/ Mayco.***	**Planning, Development and Tourism**
3	Installation of walkways, benches and lights from Dolphin Beach to caravan park	***Unfunded***	**Infrastructure and Engineering**
4	Paving of Erf 107 opposite Spur for parking	***Unfunded***	**Infrastructure and Engineering**
5	More playparks to be provided at beach and open spaces	***Play parks prioritised through Ward Development Fund***	**Community Services**

Table 24: Ward 11 priority reporting

Ward 12 – Alderman B Rheeder

PRIORITY	DESCRIPTION	PROGRESS	MANDATE / FUNCTION
1	Fire prevention in Cape St Francis, St Francis Bay and Paradise Beach and fire breaks	***Completed with Santam funding projects.***	**Community Services**
2	Upgrading of internal roads and storm water system in all areas Ward 12	***Unfunded***	**Infrastructure and Engineering**
3	Installation of water borne sewer system for St Francis Bay and paradise Beach	***Unfunded***	**Infrastructure and Engineering**
4	Construction of spit and rock revetment at St Francis Bay Beach	***Unfunded***	**Infrastructure and Engineering**
5	Urgent structural maintenance to the bridge and fire breaks at the canals	***Unfunded***	**Infrastructure and Engineering**
6	Tarring/re-tarring of internal roads in Cape St Francis	***Unfunded***	**Infrastructure and Engineering**
7	Construction of houses in lower golf course in Kwanomzamo	***Not our mandate. But will engage Provincial Department of Human Settlements..***	**Dept of Human Settlements**
8	Installation of high mast lights in lower golf course in Kwanomzamo	***To be address under new tender***	**Infrastructure and Engineering**

9	Replacement of asbestos water pipes in Paradise Beach and St Francis Bay	***Unfunded***	**Infrastructure and Engineering**
10	Request for a container to run a soup kitchen and other activities in lower golf course		**Planning, Development and Tourism**

Table25 : Ward 12 priority reporting

Ward 13 – Councillor M Peters

PRIORITY	DESCRIPTION	PROGRESS	MANDATE / FUNCTION
1	Installation of internal sewer system for Weston	***Unfunded***	**Infrastructure and Engineering**
2	Formalisation of Stofwolk	***Unfunded***	**Infrastructure and Engineering**
3	Construction of 196 houses		**Dept of Human Settlements**
4	Identify land for cemetery and land for future development	***Land identified for cemeteries throughout Kouga and submitted to relevant departments***	**Planning, Development and Tourism**
5	Construction of community hall in Rosedale	***Unfunded***	**Community Services**
6	Tarring and paving of roads	***Unfunded***	**Infrastructure and Engineering**
7	Removing old water pipes in Patensie Town	***Unfunded***	**Infrastructure and Engineering**
8	Erection of play parks for children		**Infrastructure and Engineering**
9	Outdoor gym		**Infrastructure and Engineering**

Table 26 : Ward 13 priority reporting

Ward 14 – Councillor S Makhasi

PRIORITY	DESCRIPTION	PROGRESS	MANDATE / FUNCTION
1	Formalisation of informal settlements	***Unfunded. Identified Informal settlement will be upgraded under the approved NUSP Program***	**Planning, Development and Tourism**
2	Construction of ablution facility at the Aston Bay Beach	***Unfunded***	**Infrastructure and Engineering**
3	Upgrading of sewer system in Aston Bay and Ocean View	***Unfunded***	**Infrastructure and Engineering**
4	Installation of storm water drainage system in Aston Bay and old Ocean View Housing Project	***Unfunded***	**Infrastructure and Engineering**

5	Replacement of asbestos water pipes in Aston Bay	***Unfunded***	**Infrastructure and Engineering**
6	Improve low water pressure in Aston Bay	***Unfunded***	**Infrastructure and Engineering**
7	Construct acceptable speed humps in Ocean View	***Unfunded***	**Infrastructure and Engineering**

Table 27: Ward 14 priority reporting

Ward 15 – Councillor H Hendricks

PRIORITY	DESCRIPTION	PROGRESS	MANDATE / FUNCTION
1	Upgrade internal sewer system from town to upper golf course	***Unfunded***	**Infrastructure and Engineering**
2	Provision of internal reticulated sewer system for Graslaagte and Moeras River	***Unfunded***	**Infrastructure and Engineering**
3	Construction of multi-purpose centre at the Country Club	***Application was sent to DSRAC and wind farms***	**Dept of Social Services**
4	Installation of high mast lights in Arcadia	***To be addressed in future financial years***	**Infrastructure and Engineering**

Table 28: Ward 15 priority reporting

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CHAPTER 1: INTRODUCTION AND BACKGROUND

1.1 INTRODUCTION

Integrated Development Planning (IDP) is a process whereby a municipality prepares its strategic development plan for a five-year cycle directly linked to the term of office of its Council. The IDP is the centre of the system of developmental local government in South Africa and represents the driving force for making municipalities more strategic, inclusive, responsive and performance-driven in character.

The 5-year IDP and this subsequent 2021/22 review has been developed to respond to the needs identified by the Kouga community, as well as the institutional requirements that will enable the municipality to address these needs. The IDP also aligns the National, Provincial and District Planning Frameworks to ensure a holistic and integrated approach to development within the municipality.

The 2020/21 IDP Review is a plan, which will inform our communities on how the Kouga Municipality will utilize its resources for the coming 2021/22 financial year in order to deliver on the adopted 5-year IDP of 2017-2022. It also serves as an institutional learning process where internal and external role-players meet and discuss the successes and challenges of the past year.

1.2 LEGISLATIVE FRAMEWORK

The following legislation defines the nature of the IDP:

1. **Constitution of the Republic of South Africa Act 108 of 1996**
   - The Act stipulates that a municipality must give priority to the basic needs of its communities and promote their social and economic development to achieve a democratic, safe and healthy environment.

2. **Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000)**
   - This Act stipulates the need for a municipality to develop and adopt and IDP, which should be reviewed annually. In addition, it outlines the IDP process and components.

3. **Municipal Finance Management Act, 2003 (Act No 56 of 2003)**
   - This Act makes provision for alignment between the IDP and the municipal Budget. The Service Delivery and Budget Implementation Plan is the mechanism that ensures that the IDP and the Budget are aligned.

4. **Local Government: Municipal Planning and Performance Management Regulations, 2001**
   - The institutional framework for the implementation of the IDP.
   - Investment and development initiatives in the municipality.
   - Key performance indicators and other important statistical information.
   - Financial plan; and
   - The Spatial Development Framework.

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5. **Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013)(SPLUMA)**
   - to provide for the establishment, functions and operations of Municipal Planning Tribunals.
   - to provide for the facilitation and enforcement of land use and development measures.
   - to provide alignment between the Integrated Development Plan and the Spatial Development Framework.
   - to provide for matters connected therewith.

The IDP is compiled for a 5-year period and reviewed annually within the 5-year period in terms of Chapter 5 of the Local Government: Municipal Systems Act (MSA) (Act 32 of 2000).

Section 34 of the MSA states as follows:

(a) must review its integrated development plan-
   (i) annually in accordance with an assessment of its performance measurements in terms of section 41; and
   (ii) to the extent that changing circumstances so demand; and

(b) may amend its integrated development plan in accordance with a prescribed process.

The latest results from Statistics South Africa Census 2011, Community Survey, and the non-financial census of municipalities are the key sources of data used in the IDP.

1.3 IDP PROCESS

Two processes are identified during compilation:

Drafting of the master plan – this refers to the compilation of a long-term strategic plan for the municipal area (2017-2022) as prescribed in Section 25 of the MSA. This plan is not annually amended since it is a long-term plan and not an operational plan.

On 31 May 2017 (CR 17/05/AME + SP3) Council adopted the 5-year IDP for 2017-2022 cycle as its *"single, inclusive* and *strategic plan"* that will guide and inform the development of the municipality.

Annual Planning – this refers to the review of the IDP as referred to in Section 34 of the MSA. This document represents our **4th and final review** of the adopted 2017/2022 IDP in terms of Section 34.

During August 2020, the Kouga Municipal Council approved the IDP Process Plan and Budget Schedule, detailing the process for the IDP review and budget development for 2021/22.

The municipality consulted with all stakeholders during the consultation process. The municipality takes particular pride in our efforts to ensure that members of the public participate in the planning and development in their wards and the broader community. The inputs of the ward committees in all fifteen wards, councillors and officials were taken into account during this process.

The municipality interacts with other spheres of government to further enhance intergovernmental relations. The needs expressed by the community are dynamic and by virtue of the changing nature, it has to be reviewed regularly.

The municipal council ensures that its oversight role is sufficiently mandated by the populace voice of the public through a well-functioning Ward Committee System, robust public participation and regular communication through public meetings, community newspapers, Kouga newsletter, radio, and other print media and electronic media including the municipal website.

To guide this IDP review process the Executive Mayor, as part of his responsibilities in terms of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) (Structures Act) conducted a strategic workshop to review the 5-year vision, mission and strategic objectives of the IDP.

1.4 ANNUAL REVIEW OF THE IDP

In accordance with section 34 of the Municipal Systems Act the IDP has to be reviewed annually in order to:

- Ensure its relevance as the municipality's strategic plan.
- Inform other components of the municipal business process including institutional and financial planning and budgeting; and
- Inform the cyclical inter-governmental planning and budgeting cycle.

For the IDP to remain relevant the municipality must assess implementation performance and achievement of its strategic objectives. In the light of this assessment the IDP is reviewed to reflect the impact of successes as well as corrective measures to address problems. The IDP is also reviewed in the light of changing internal and external circumstances that impact on the priority issues, outcomes and outputs in the IDP.

The figure below illustrates the **5-YEAR IDP CYCLE** and the four (4) annual reviews within the cycle:

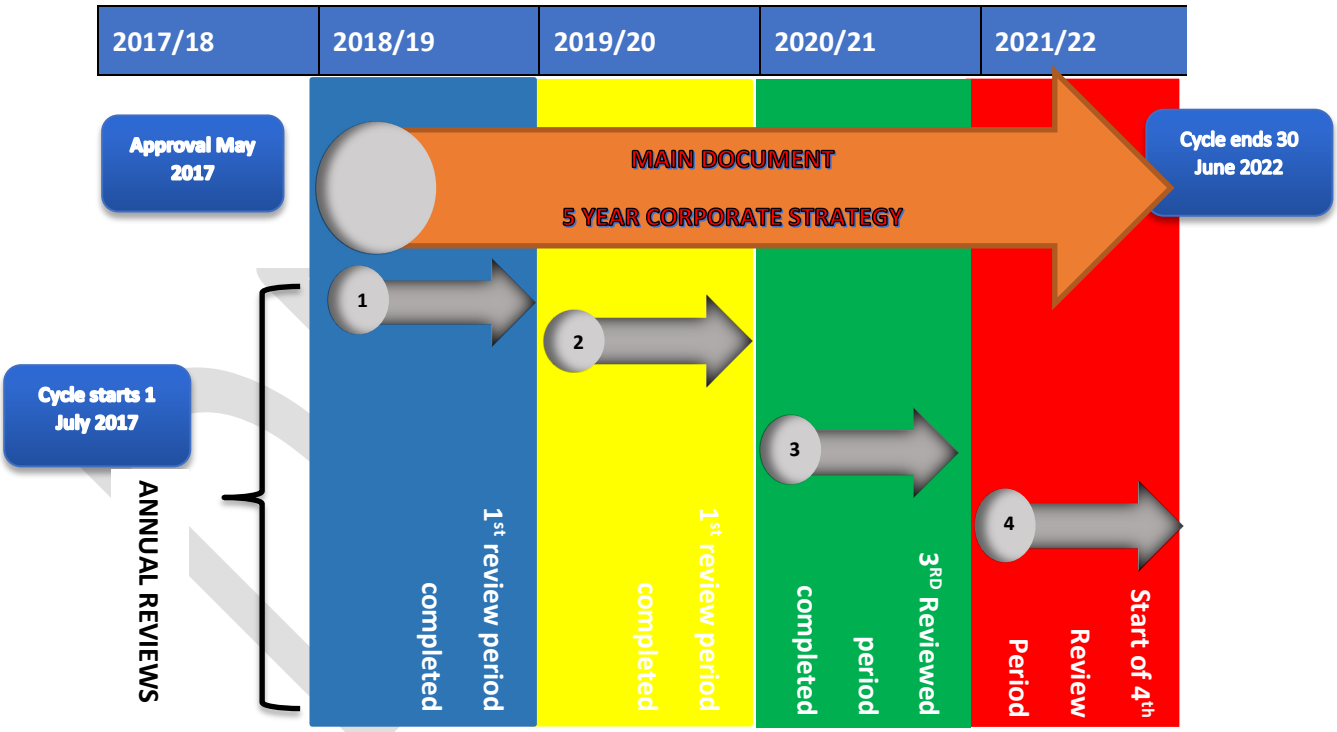

FIGURE 4: 5 Year Corporate Strategy

Review of the Spatial Development Framework

It is critical to note that Section 12(5) and (6) of SPLUMA states that:

- 12(5) *"A municipal spatial development framework must assist in integrating, coordinating, aligning and expressing development policies and plans emanating from the various sectors of the spheres of government as they apply within the municipal area."*
- 12(6) *"Spatial development frameworks must outline specific arrangements for prioritising, mobilising, sequencing and implementing public and private infrastructural and land development investment in the priority spatial structuring areas identified in spatial development frameworks.*

The municipality has established a project steering committee responsible for the compilation/review of the SDF in the year 2020. The SDF was finally adopted by Council on 26 February 2020, Council Resolution …….

Institutional Plan to develop the IDP Review for 2021/22

The diagram below illustrates the central role of the IDP as envisaged in the Municipal Systems Act. It is informed by a leadership agenda, as contained in national and provincial policy documents, as well as needs of local citizens and public, private and community organizations:

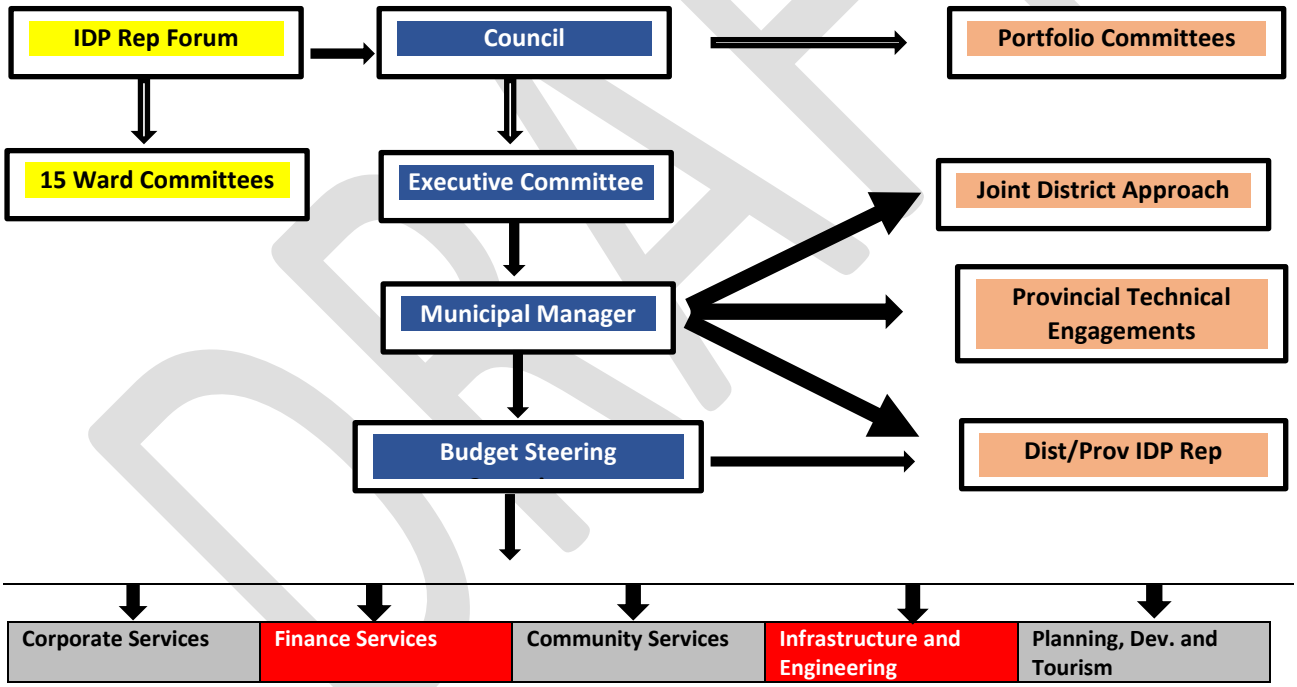

Figure 5: Institutional Plan

The key elements for the 2021/22 IDP Review include:

- An assessment of the existing level of development in the municipality.
- Reviewed strategic priorities and objectives of the council.
- Development strategies which must be aligned with National and Provincial sector plans and planning requirements.
- Operational strategies
- Financial Plan with budget projection for at least next 3 years.
- Update of the ward profiles reflecting reviewed priority ward projects.
- Update the sector plans and report on the progress of implementation.

- Alignment of the annual financial planning with the priority service delivery and development issues of communities.
- Key performance indicators and performance targets determined in terms of Section 41 of the Municipal Systems Act.

Management and Mayoral Committee Strategic Planning Session

The Municipal Manager and the top management team (directors) presented their 2021/22 strategic goals/targets verses budget to the Mayoral Committee. Management had the opportunity to convince the Mayoral Committee why the prioritisation of the one project is more important than the other.

IDP / BUDGET / PERFORMANCE / RISK ALIGNMENT

The strategic alignment concerning the Budget (Chapter 8) and the final 2021/22 SDBIP (Chapter 8). The nature of the alignment is depicted on the figure below:

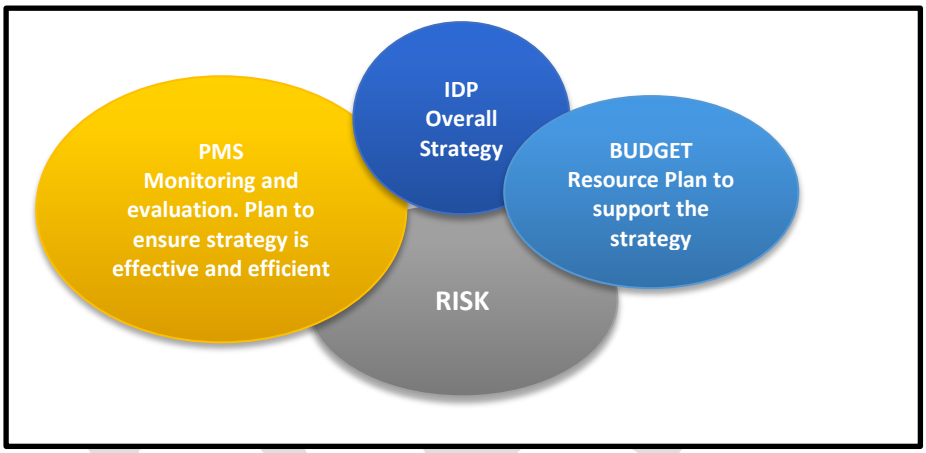

Figure 6: strategic alignment

1.4.2 4th year IDP review process followed

Drafting an IDP requires a comprehensive planning process and the involvement of a wide range of internal and external role-players. Such processes have to be properly organised and prepared. The preparation process is referred to as the "Process Plan" and should contribute to the institutional readiness of the municipality to draft or review the IDP.

The Process Plan was compiled in terms of section 28 and 29 of the Municipal Systems Act, No. 32 of 2000, which specifies that (i) each municipal council must adopt a process set out in writing to guide the planning, drafting, adoption and review of its IDP and (ii) that the process must be in accordance with a predetermined programme specifying timeframes for the different steps.

Furthermore, Chapter 4 and section 21(1) of the Municipal Finance Management Act, No. 56 of 2003 (MFMA) specifies that the mayor of a municipality must at least 10 months before the start of the budget year, table in the municipal council a time schedule outlining key deadlines for the preparation, tabling and approval of the annual budget and the annual review of the integrated development in terms of section 34 of the Municipal Systems Act.

The Municipal Council adopted a process plan by **resolution 20/08/MM2 on 28 August 2020** that sets out the methods and approach during the IDP planning process for the 2020/21 IDP Review. The Kouga Municipality IDP Process Plan is attached as "**ANNEXURE A".**

The approved process plan was disseminated to the relevant role-players and key stakeholders to engage meaningfully with the process and to allow proper planning between and within the different sectors. The process plan can be viewed on the municipal website at www.kouga.gov.za.

Key deliverables were:

- Tabled the IDP Process Plan for the 2020/21 IDP Review on **28 August t2020**
- **29 September 2020 – 9 October 2020** Provincial government IDP Assessment of 2020/21 IDP Review
- During **November 2020** ward committees finalised their reviewed ward priorities and ward specific requests for 2021/22.
- **19 March 2021** Mayoral directional speech on strategic direction for 2021/22 IDP Review.
- A municipal strategic workshop was held 24 March 2021 to determine the strategic direction for the 2021/22 IDP Review.
- On **31 March 2021,** the Draft IDP Review 2021/22, Draft 2020/21 MTREF Budget and Draft top layer SDBIP 2021/22 were tabled in Council.
- The Final amended IDP was tabled in Council on**……**, Council Resolution 20/06/MM.

1.5 LINKAGE BETWEEN IDP, BUDGET, PERFORMANCE MANAGEMENT AND RISK MANAGEMENT

*The **IDP** sets out the objectives of the municipality (strategic plan).*

***Budget** allocates available money to meet the objectives of the IDP.*

*Service Delivery Implementation Plan **(SDBIP)** measures **performance** on attainment of the objectives in the IDP and Budget.*

*The annual performance on attainment of the objectives in the IDP and Budget is reported in the Municipality's **Annual Report**.*

Figure 7: Linkage between IDP, Budget and PMS

The performance of the municipality is reported in the Quarterly and Mid-yearly Performance Assessment Reports as well as in the Annual Report.

In addition to the above, Risk Management forms an integral part of the internal processes of the municipality. It is a systematic process to identify, evaluate and address risks on a continuous basis before such risks can impact negatively on the service delivery capacity of the Kouga Municipality. If properly executed risk management provides reasonable assurance that the institution will be successful in achieving its objectives as set out in the IDP.

1.6 THE ORGANISATION

The Governance Structure of Kouga Municipality is informed by the Municipal Structures Act, No. 117 of 1998 which stipulates the roles and responsibilities that each structure within the municipality should perform.

Political Structure

The Kouga Municipality is governed by the Democratic Alliance (DA). The political structure of the Kouga Municipality comprises of the Council, the Executive mayoral Committee, the Portfolio Committees, and the Municipal Public Accounts Committee.

The Council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion. Apart from their functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

The Council

Kouga Municipality comprises of **29 elected councillors,** made up of **15 Ward Councillors** and **14 Proportional Representation (PR) councillors**. The **Speaker** presides at meetings of the Council. Of the 29 councillors serving Kouga, 24% are female and 76% are male. The DA has the largest number of seats (17), followed by the ANC (12). The table below illustrate the narrative:

POLITICAL PARTY	ALLOCATION OF SEATS	GENDER DISTRIBUTION	
		MALE	FEMALE
Democratic Alliance	17	13	4
African National Congress	12	8	4
TOTAL	29	21(72%)	8 (28%)

Table 29: The Council

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The Executive Mayor and Executive Mayoral Committee

Figure 1: Mayoral Executive Committee

Front: Mayoral Committee member Daniel Benson (***Community Services***), ***Executive Mayor*** Horatio Hendricks, ***Speaker*** Hattingh Bornman.

Back: Mayoral Committee members Timothy Jantjies (***Corporate Services***), Brenton Williams (***Finance***), Fred Ben Rheeder (***Planning and Development***), Willem Gertenbach ***(Infrastructure and Engineering***), Frances Baxter (***LED and Tourism***).

The Executive Mayor of the municipality, Cllr Horatio Hendricks, assisted by the Executive Mayoral Committee heads the executive arm of the Council. The Executive Mayor is at the center of the system of governance since the executive powers are vested in him to manage the day-to-day affairs of the municipality. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation.

Although responsible for the strategic direction and performance of the municipality, the Executive Mayor operates in concert with the Executive Mayoral Committee comprising of the following members Portfolio:

- Planning, Development and Tourism
- Infrastructure and Engineering
- Community Services
- Corporate Services
- Finance

Portfolio Committees

Section 80 committees are permanent committees that specialize in a specific functional area of the municipality and in some instances make decisions on specific functional issues. They advise the executive committee on policy matters and make recommendations to the Council. Section 79 committees are temporary and appointed by the executive committee as and when needed. They are usually set up to investigate a particular issue and do not have any decision-making powers. Just like Section 80 committees, they can also make recommendations to Council. Portfolio Committees meet on a monthly basis and consider reports and recommendations from the various departments to the Mayoral Committee. The following committees have been established:

- Infrastructure and Engineering Portfolio Committee chaired by Councill W Gertenbach
- Corporate Services Portfolio Committee chaired by Councillor Jantjies
- Planning and Development Portfolio Committee chaired by Alderman B Rheeder
- Community Services Portfolio Committee chaired by Councillor D Benson
- Finance Portfolio Committee chaired by Councillor B Williams
- Tourism and Development portfolio Committee chaired by Councillor F Baxter

The Administration

The administrative part of the Kouga Municipality is headed by the Municipal Manager, Mr Charl du Plessis, who reports directly to the Executive Mayor and appoints an Executive Team to assist him in running the administration. He is, *inter alia*, responsible for implementing the IDP, which is the institution's five-year service delivery plan. The Executive Team comprise of 6 Senior Managers, each responsible for a portfolio, which largely matches the corresponding political portfolio.

The municipality has an approved organisational structure. About 90% of the placement process has been completed. Funding in order to secure the required staff capacity is being made available subject to affordability and whether posts are of a critical nature. The filling of all other vacancies on the structure will be rolled out as the budget is made available by Council.

The performance agreements for 2020/21 have been submitted to the Department of Cooperative Government and Traditional Affairs. The approved organisational structure provides a solid basis to ensure that Kouga Management practices and procedures are efficient and functional so that its work can be performed, and its goals can be met.

The top-level employees (Sec56 and S57) are:

Name	Position	Gender
Charl du Plessis	**Municipal Manager**	*Male*
Riaaz Lorgat	**Chief Financial Officer**	*Male*
Victor Felton	**Director: Infrastructure & Engineering**	*Male*
Nomvula Machelesi	**Director: Community Services**	*Female*
Fezeka Mabusela	**Director: Planning & Development**	*Female*
Krishen Moodley	**Director: Corporate Services**	*Female*

Table 30: Top level employees

THE STRUCTURE BELOW DEPICTS KOUGA MUNICIPALITY'S TOP LEVEL ORGANIZATIONAL STRUCTURE:

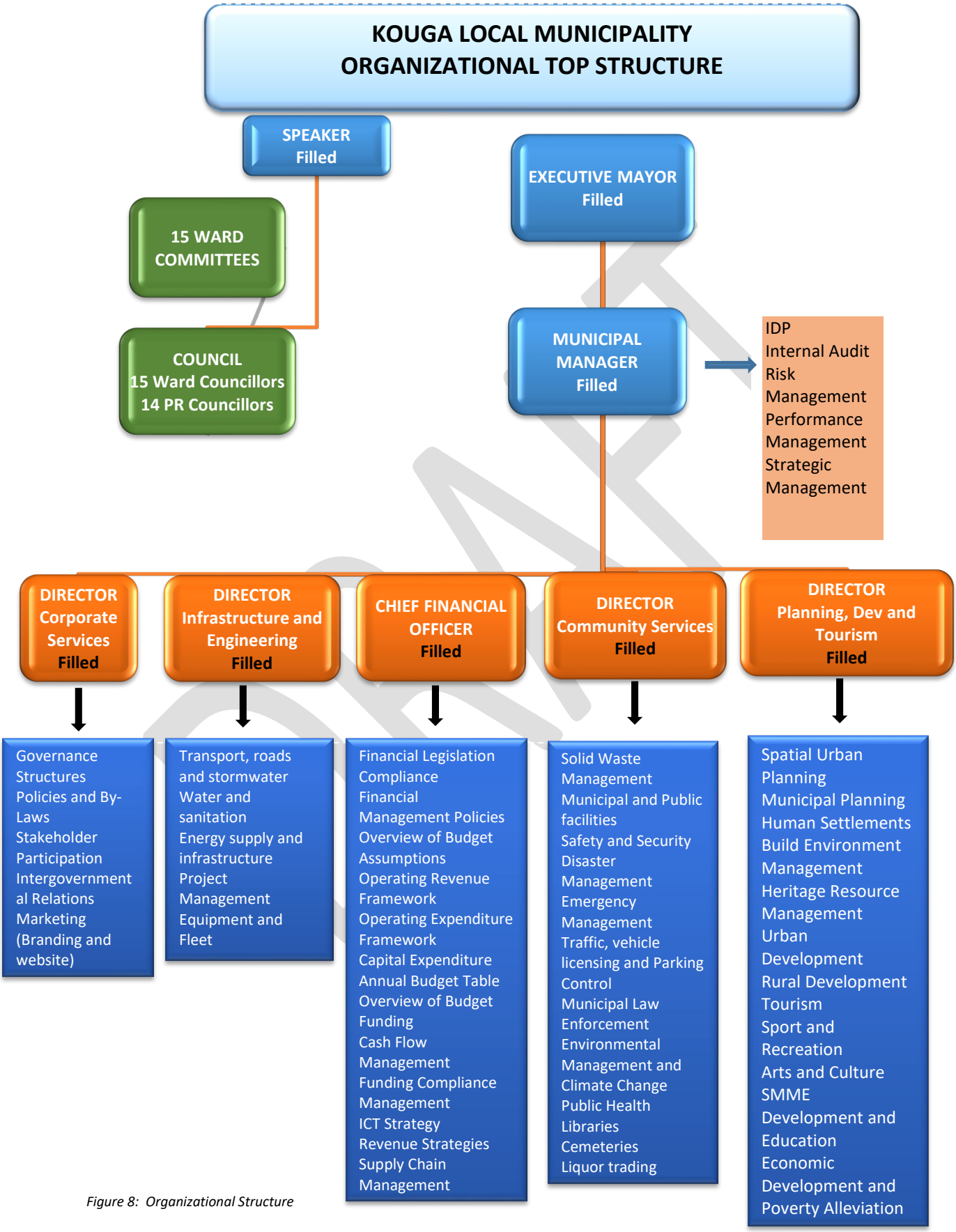

Figure 8: Organizational Structure

1.10 SECTOR PLAN ALIGNMENT

The Sector Plans focus on specific sectors within the context of local government. The alignment of sector plans and key policy documents between all spheres of government is important in ensuring integration of programmes ad maximum utilization of available resources. Each sector plan is championed by a specific department within a directorate of the municipality and normally forms the basis of the directorate's contribution towards achieving the strategic objectives of Council.

Purpose of the plan and status of the sector plans are depicted in the table below:

SECTOR PLAN	PURPOSE OF PLAN	ROLE/CONTRIBUTION TO IDP STRATEGY	STATUS OF PLAN	PLANNED ACTIVITY / OUTPUT
SPATIAL DEVELOPMENT FRAMEWORK	To make spatial provision for IDP and other strategic planning objectives of the municipality in line with the principles of sustainable development	The contribution of the SDF to the IDP strategy is to address the spatial requirements of issues identified through the IDP process. The SDF is the spatial component of the IDP as required in terms of the Municipal Systems Act.	Yes. SDF in place. Reviewed SDF was adopted by Council on 26 February 2021.	The output of an approved SDF is a spatial strategy guiding the assessment and approval of land use applications in the municipal area. The municipality is in the process to review the existing approved SDF.
PERFORMANCE MANAGEMENT PLAN	Facilitate a performance driven culture and accountable municipality.	To set performance indicators and targets that will measure the effectiveness and efficiency of the municipality in implementing the IDP Objectives.	Plan approved and in the process of being implemented. The PMS is reviewed annually to incorporate the annual SDBIP .	Quarterly performance reports, mid-year performance assessment reports, annual report, individual performance evaluations, quarterly performance audit report will be guided by the Performance Management System Framework.
LONG TERM FINANCIAL PLAN	A financial plan that will ensure the financial viability of the municipality to give effect to the strategic objectives of Council as portrayed in the IDP	The financial plan will ensure financial sustainability of the municipality in the realization of the IDP objectives.	The Plan still need to be drafted and will be undertaken in conjunction with the development of a long-term vision for the Kouga Municipality.	To be developed
HUMAN RESOURCE MANAGEMENT PLAN	To ensure that HR serve and support the municipality in achieving its strategic objectives through proper HR practices such as recruitment, training, performance management, health and safety, personnel administration and labour relations	Good Governance and transformation	In Place. Reviewed annually.	To be developed
ASSET MANAGEMENT PLAN	To record all assets of the municipality and make recommendations for the optimal economic utilisation of such assets	To preserve municipal assets and to optimally utilize these assets	Plan in place.	Bar coding Asset Register Land Audit

INTEGRATED INFRASTRUCTURE MAINTENANCE PLAN	A 5-year Infrastructure Maintenance Plan to upgrade and maintain existing infrastructure in the municipality	Maintenance and upgrade of municipal infrastructure	No plan in place. Plan to be developed. Funding has been requested for the 20/21 financial year.	To be developed
INTEGRATED INFRASTRUCTURE INVESTMENT PLAN	A 5-year Infrastructure Investment Plan to invest in new infrastructure in the municipality	Investment in new infrastructure	Yes. Document in place. Plan need to be updated.	To be reviewed
WATER AND SEWER MASTER PLAN	Determine the future capacity of adequate sustainable water sources and the capacity of the sewer reticulation system to accommodate future development	Provides current and future needs regarding required upgrading of water and sewer infrastructure network.	In place for Humansdorp is the Sewer Master Plan. As soon as funds are identified for the Sewer Master Plan, it will be rolled out to the rest of the Kouga area. Water Master Plan not done. Funds need to be identified.	Plan to be developed for the entire municipal area.
WATER SERVICES DEVELOPMENT PLAN	To co-ordinate the provision and demand of bulk potable water to different consumers in the municipality	Strategic objectives of the IDP are supported through the provision of water and sanitation services	The WSDP was approved in May 2011. Review period 2020/2	Wil be reviewed in the 2021/22 review period.
INTEGRATED WASTE MANAGEMENT PLAN	To integrate and optimise waste management, to maximise efficiency and minimise the associated environmental impacts and financial costs, and to improve the quality of all residents in the municipality	To ensure that the residents of Kouga live in a clean and healthy environment	Reviewed and adopted in June 2016 for the period 2016-2020. Plan to reviewed in 2022.	The Plan will address all areas of waste management – from waste prevention and minimization (waste avoidance) to its collection, treatment, recovery, final disposal and advance technology.
STORM WATER MASTER PLAN	To map out a 5-year master plan to implement storm water networks in Kouga Municipality and to maintain the existing storm water infrastructure	Provides the needs regarding required upgrading of stormwater network in towns as specified.	Storm water Master Plan completed and adopted by Council on 29 May 2015 under item 15/05/IPD11.	Will be reviewed in the 2021/22 review period.
ELECTRICITY MASTER PLAN	To map out a 5-year master plan to expand and improve the electrical network for the municipality and to maintain the existing electrical infrastructure.	To investigate means to reduce the town's energy usage by implementing green and alternative energy projects.	No plan in place. Plan to be developed. Funds still need to be identified.	To be developed during the 2021/22 review period.
PAVEMENT MANAGEMENT SYSTEM	To map the condition of roads, calculate backlogs, propose remedial actions, do cost estimates for budgeting and setting of priorities.	Provides current and future needs regarding required maintenance	Plan was developed by Sarah Baartman District Municipality. To be reviewed.	The Plan requires a review during the 2021/22 review period.

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INTEGRATED TRANSPORT PLAN	To co-ordinate the priorities for transport and traffic patterns in the municipality and ensure that provision is made for infrastructure for public transport.	To provide current and future needs regarding required upgrading of road infrastructure network.	Document was developed by Sarah Baartman District Municipality. To be reviewed.	The local Integrated Transport Plan for the Sarah Baartman District Municipality is up for review for the 2020/21 period.
INTEGRATED COASTAL MANAGEMENT PLAN	To promote the ecological, economical and sustainable use of coastal resources and ensure that coastal management is people centred.	The coastal management plan addresses the coastal requirements. The coastal management plan also advice in terms of municipal planning and development of the coast	The Department of Environmental Affairs has appointed a consultant to develop a District Coastal Management Plan. Once the plan has been approved then only can a local plan be developed.	The Plan has been approved and adopted by Council in June 2020.
DISASTER MANAGEMENT PLAN	A plan to pro-actively identify risks and prevent disasters from happening or minimising the impact of such disasters if it cannot be avoided.	Disaster Management is an integral part of the IDP to ensure a safer community	SBDM appointed a service provider (SRK Consulting) to draft a Disaster Risk Management plan for Kouga.	Awaiting final draft to be approved by Council.
RURAL DEVELOPMENT STRATEGY	Planning for development of rural settlements and facilitate land reform projects.	To facilitate land reform projects	Currently busy compiling a Rural Development Strategy. In draft form.	Will be submitted to Council for adoption in 2021/22 review period.
LOCAL ECONOMIC DEVELOPMENT STRATEGY (LED)	Strategy to create a conducive environment for all stakeholders to stimulate economic growth and create decent job opportunities.	Outlines how Council can create and enable the environment for economic growth that will benefit. all the citizens, especially those that are poor.	Economic Development Strategy will be developed in the 2020/21 review period.	In the process to be developed.
HUMAN SETTLEMENT PLAN	To prioritise the housing needs in the municipality and co-ordinate the implementation of different housing options in line with the National and Provincial Housing Policy.	To address the housing needs of Kouga inhabitants as identified within the IDP by facilitating and providing access to housing opportunities within the municipal jurisdiction area	Document in place. Department of Human Settlement will review Kouga's human settlement plan.	Roll out of housing projects as per housing business plan
PERFORMANCE MANAGEMENT POLICY FRAMEWORK	Establishing a culture of performance throughout the whole organisation.		Document in Place.	
RISK MANAGEMENT PLAN	To identify potential risks in all systems and procedures of the municipality and develop proactive risk reduction strategies.		Drafting of a Risk Management Plan a priority for 2020/21.	To be completed in 2021/22
LAW ENFORCEMENT STRATEGY	To change the behaviour of road users and to ultimately decrease	To ensure safety for the residents of Kouga	To be developed 2021/22.	To establish a Safety Committee

	road fatalities and crime within the municipality			
COMMUNICATION STRATEGY	To develop an approach of continued interaction and communication between the municipality and a wide range of internal and external stakeholders.		Still in draft form.	Project priority for 2021/22
INTEGRATED HIV/AIDS PLAN	To facilitate awareness and pro-active strategies to combat HIV/Aids and provide support to people infected and affected by HIV/Aids.		In the review process.	Project priority for 2021/22
EMPLOYMENT EQUITY PLAN	To ensure that targets are being set for transformation of the staff structure of the municipality to reflect the demographic composition of the area.	Transformation	5-year plan is in place. The Plan is being reviewed annually. Employment Equity Committee is in place.	Continuous application of targets during recruitment and selection process to reach targets as set out in the Employment Equity Plan and report. Continuous appointment of competent staff members within the goals of the EE Plan. Approval of EE Plan and annual submission of plan.
WORKPLACE SKILLS PLAN	To co-ordinate training and capacity building of municipal staff as per their personal career objectives. To plan, budget and implement staff training activities.	Transformation	The Annual Training Report and Workplace Skills Plan are submitted to the LGSETA annually.	The WSP is developed according to the needs that are identified by employees. Implementation of the WSP activities and submission of Annual Training reports to the LGSETA
TOURISM ROUTES PLAN	To ensure that the sustainable development of the Kouga Tourism route meets the economic and social development objectives of rural tourism development in the area.	Contributes to Local Economic Development and Job Creation.	A review of the Tourism Sector Plan and Tourism Route Plan is due, and we are planning to do the review in the new financial year.	To be reviewed in the 2019/20 financial year.
KOUGA HERITAGE PLAN	To manage the heritage assets in the Kouga municipal area in line with current legislation provided together with local, provincial and national spheres of government, as well as stakeholders in the private sector, while partnering with local community stakeholders.		The final draft was submitted to the Kouga Council for approval at end of 2016; after which a workshop was requested for deeper discussions before final approval can be granted. The final approval is expected by no later than June 2018.	Draft to be submitted to Council during the 2021/22 review period.

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BIODIVERSITY STRATEGY	This forms an input to all planning and policies and protects the integrity of the biodiversity and ensures sustainability.	Protects the integrity and sustainability of the municipality and the environment. Ensures participative Greener Governance.	To be developed 2021/2022	The strategy informs the SDF, other policies, plans and assists in evaluating development applications.
AIR QUALITY MANAGEMENT PLAN	The Air Quality Management Plan is a legislative requirement and forms an input to the Environmental Management Plan.	Protects the integrity and sustainability of the municipality and the environment. Ensures participative Greener Governance.	To be developed in 2021/2022	Baseline air quality assessment must be undertaken to assess and evaluate the current air quality status. Establish an Air Quality Task Team.
ENVIRONMENTAL MANAGEMENT SYSTEM	The Environmental Management System (EMS) Plan integrates environmental functions of all sections and ensures compliance with environmental legislation.	Protects the integrity and sustainability of the municipality and the environment. Ensures participative Greener Governance.	To be developed in 2021/2022	A plan should be developed during the 2021/2022 review period.
PUBLIC PARTICIPATION POLICY	To facilitate democracy by enabling broad but structured community and sector participation in council affairs.	In the spirit of participative governance in general and participation in the IDP specifically, to enable community and sector participation in the drafting, monitoring and review of the municipal IDP and Budget.	Policy in Place	To be reviewed during the 2021/22 FY.
WASTEWATER RISK ABATEMENT PLAN	Outlines Council's vision and plan to attend to all risks which might emanate from wastewater treatment facilities and have an adverse impact on the natural environment	Strategic objectives of the IDP are supported through the provision of water and sanitation services	Plan to be developed in order to form part of the Best Practices approach methodology of the municipality to achieve Green Drop Status.	The document will be a live document and the department will give feedback to the Department of Waste and Sanitation on an annual basis.

Table 31 : Sector Plans

The following sector plans were developed during the 2017-2022 IDP period: (5 year)

- Spatial Development Plan
- Asset Management Plan
- Electricity Master Plan
- Estuary Management Plan
- Human Resource Management Plan
- Skills Development Plan
- Employment Equity Plan

CHAPTER 2: SITUATIONAL ANALYSIS

2.1 GEOGRAPHY

The Kouga Local Municipality is in the Eastern Cape Province and is one of 7 local municipalities located within the Sarah Baartman District Municipal area. It is situated west of Nelson Mandela Bay Metropolitan Municipality (Port Elizabeth, Uitenhage and Despatch). It forms part of the Sarah Baartman District Municipality. The municipality is responsible for basic service provision to the demarcated area as illustrated in the map below.

Area	2 669.82km²
Population	***98 558 (Census 2011)***
	112 941 (Community Survey 2016)
Electoral Wards	15
Erven	31 717
Farm Portions	3 796
Primary Nodes	Jeffreys Bay, Humansdorp, St Francis Bay, Hankey, Patensie
Secondary Nodes	Loerie, Thornhill, Sunnyside, Oyster Bay, Andrieskraal and Matjiesfontein

Map 1 : of Kouga Local Municipality ***Source (Kouga GIS)***

The area is approximately 80km west of Port Elizabeth and includes the coastal zone between the Van Stadens River in the east and the Tsitsikamma River in the west and inland stretches towards the Baviaanskloof Mountains in the north. The municipality is characterised by 3 topographical regions, i.e. the coastal region (including the towns of Jeffreys Bay, St Francis Bay, Cape St Francis, and Oyster Bay), the Gamtoos River Valley (including the towns of Hankey, Patensie, Loerie and Thornhill) and Humansdorp and surrounding commercial farming area.

2.2 TOPOGRAPHY AND CLIMATE

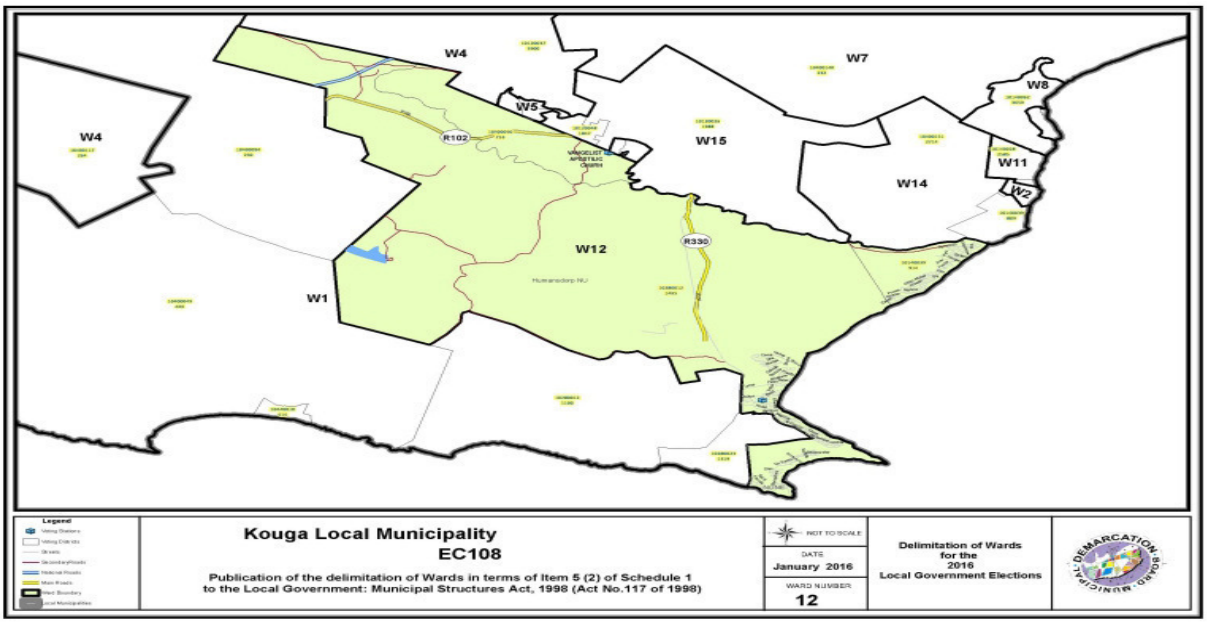
Kouga is largely an urban area, with three main topographical regions. The coastal region stretches from the Van Stadens River in the east to the Tsitsikamma River in the west. This zone includes the towns of Jeffreys Bay, St Francis Bay, Cape St Francis and Oyster Bay. The coast serves as a major tourism attraction.

The Gamtoos River Valley is characterised by wide, fertile flood plains associated with low-lying land. Steep and less-fertile slopes flank the Valley. The towns of Hankey, Patensie, Loerie and Thornhill are focal points of this high-potential agricultural region. The Humansdorp area, including Kruisfontein, is characterised by moderate slopes in the south, with steeper slopes towards the north and north-west.

THE FOUR MAIN RIVERS IN THE AREA ARE – the Kromme, Seekoei, Kabeljauws and Gamtoos – are tidal rivers. The Kromme River and Gamtoos River are significant sources of water supply. Ground water is another major component of domestic water supply. Aquifers are also utilised in the agricultural sector for irrigation. There are numerous areas of wetland adjacent to the region's rivers and on the coastal platform.

THESE WETLANDS are extremely sensitive to disturbances such as agricultural activities and development. The wetlands accommodate high species diversity and fulfil natural water purification and flood retention roles. The climate of the Kouga region is subtropical, which makes the area conducive to a range of outdoor activities and various types of agricultural production. Rainfall varies between 650 mm per year (St Francis Bay area) to 400 mm (Gamtoos River Valley). The area is generally described as windy.

2.3 WARD DELIMITATION



Map 2 Ward delimitation *Source: MDB 2016*

AREA DESCRIPTION	
GEOGRAPHICAL AREA	**WARDS INCLUDED**
COASTAL TOWNS	Ward 1 (Oyster Bay) Ward 2,3, 8, 11, 14 (Jeffreys Bay) Ward 12 (Cape St Francis, St Francis Bay)
GAMTOOS VALLEY	Ward 7 (Loerie, Thornhill) Ward 9, 13 (Hankey) Ward 10 (Patensie, Andrieskraal)
INLAND	Ward 4, 5, 6, 15 (Humansdorp)

Table 32: Area Description

2.3.1 Ward population (census 2011 combined with community survey 2016)

WARD	POPULATION IN WARD	REGISTERED VOTERS	COUNCILLOR AND AREA
Ward 1	5864	2839	***Zolani Mayoni*** *(Oyster Bay, Sea Vista and surrounding farms)*
Ward 2	5016	4212	*(Pellsrus, Tokyo Sexwale, Lootspark)*
Ward 3	1128	2499	**Willem Gertenbach** *(Lower Wavecrest)*
Ward 4	7851	3571	**Freddy Campher** *(Kruisfontein, Gill Marcus, Die Berg and surrounding farms)*
Ward 5	6643	3591	**Wilma Coenraad** *(Arcadia, Graslaagte, Johnson's Ridge and surrounds)*
Ward 6	7395	3861	**Velile Vumazonke** *(Kwanomzamo)*
Ward 7	10261	4073	**Eldridge February** *(Loerie, Thornhill, Longmore, Mondplaas and surrounds)*
Ward 8	6425	5196	**Ludwig Vorster** *(Upper Wavecrest, Kabeljous and surrounds)*
Ward 9	4271	4134	**Sibongile Jujwana** *(Hankey Town, Centerton, Phillipsville, Kleinfontein and Ext 4)*
Ward 10	6932	4040	**Amos Mabukane** *(Ramaphosa Village, Andrieskraal, Cambria and surrounds)*
Ward 11	2885	2725	**Hattingh Bornman** *(Jeffreys Bay Central, C-Place)*
Ward 12	3241	3705	**Ben Rheeder** *(St Francis Bay, Cape St Francis, Paradise Beach and lower Humansdorp Golf Course)*
Ward 13	12740	445	**Magareth Peters** *()Hankey, Weston, Rosedale, ex Nathi Farm and Patensie Town*
Ward 14	11182	5344	**Sindiswa Makhasi** *(Aston Bay, Marina Martinique, Mandela Bay, and Ocean View)*
Ward 15	6725	4023	**Horatio Hendricks** *(Humansdorp Town, Boskloof, Panorama, Upper Humansdorp Golf Course)*

Table 33 : Ward Population

The population figures of Ward 3 do not seem correct as the registered voters exceeds the total population of the ward. People may have holiday day homes in the area but are registered in different towns and provinces. Several attempts have been made to STATS SA since 2017 and recently through the Cogta Official based in Port Elizabeth but no solution has been given to rectify the matter.

2.4 DEMOGRAPHIC PROFILE

The Kouga Municipal area is made up of socially and racially diverse communities. The area has experienced a rapid growth to migration especially in the predominantly poor population. Humansdorp and Jeffreys Bay are the two primary urban settlements where the main retail and commercial activities are concentrated.

2.4.1 Population Size

The 2016 Community Survey estimated the population size of the Kouga at 112 941 (Community Survey 2016). This is a substantial growth from the 2011 Census which shown the population at 98558 (Census 2011). Despite it being the second smallest region in the Sarah Baartman District Municipality, covering only 4.1% of the district land area, Kouga Municipality is the most populous region representing approximately 24% of the total population in the district.

The Kouga Municipality also has the fastest annual growth rate in the district. Between 2001 -2011, the population has increased at an average of 3,22% per annum compared to annual growth rate of 1.1% in the district and 0.3% in the province. The KLM is characterised by vast differences in population density from one area to the next. These variations have an impact on the cost-of-service delivery while migration to the urban nodes places additional pressure on the existing infrastructure of these high-density areas.

2.4.2 Comparative population figures and growth rates for municipalities in the Sarah Baartman District

The table below illustrates the population figures and growth in the Sarah Baartman District:

Municipality	Census 2011 Population	Census 2011 % Growth Rate (2001 To 2011)	Community Survey 2016	Community Survey % Growth Rate (2011 To 2016)
Sarah Baartman	450 584	16.6%	479923	6.5%
Kouga	98 558	38%	112941	14.6%
Blue Crane Route	36 002	1.6%	36063	0.1%
Makana	80 390	6.7%	82060	2.1%
Ndlambe	61 176	11.4%	63180	3.2%
Sundays River Valley	54 504	11.8%	59793	9.7%
Beyers Naude	79291	5.1%	82197	3.6%
Kou-Kamma	40 663	18.7%	43688	7.4%

Table 34: Population figures on growth rate ***(Source: Stats SA 2011 and Community Survey 2016)***

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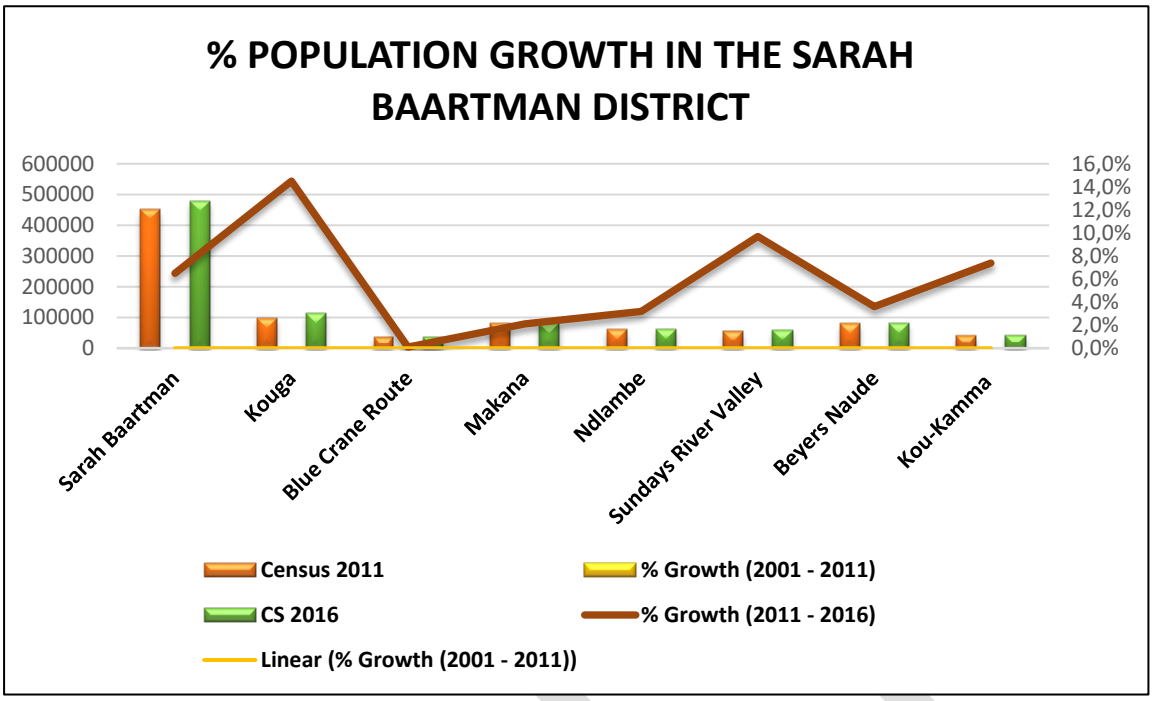

FIGURE 9: % Population Growth in the Sarah Baartman District ***(Source: Stats SA 2011 and Community Survey 2016)***

The population growth since 2011 to 2016 increased by 38% and shows the largest growth in the Sarah Baartman District

The population of the Kouga Municipality has grown by 6.5% of the period 2011 to 2016. Population growth is marked by the number of births, deaths and migration patterns in an area. One may therefore assume that the growth is due to more births or more people coming into the Kouga area. The growth is substantially higher than the 6.5% growth rate the Sarah Baartman District experienced over the period 2011 to 2016.

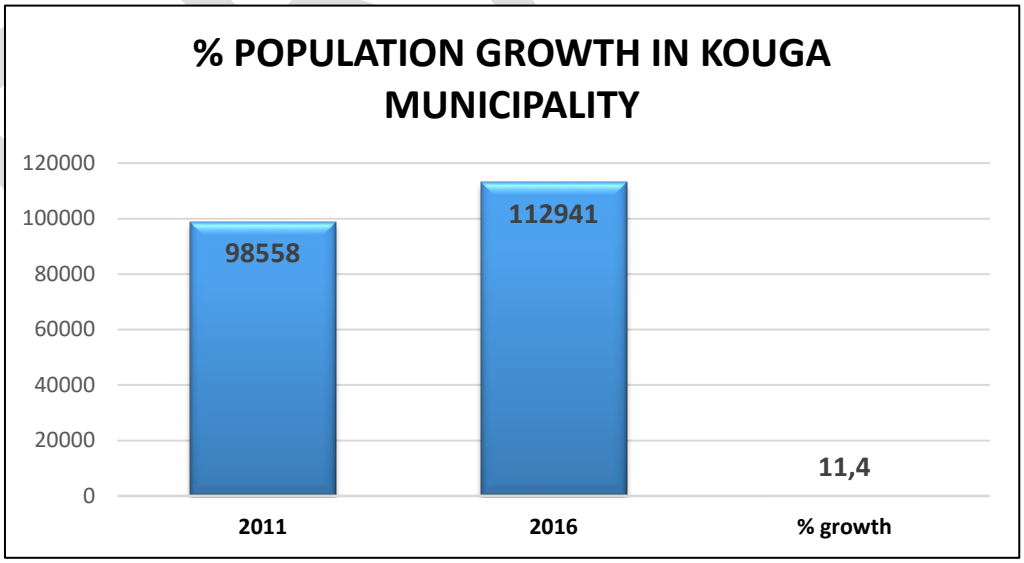

FIGURE 10 : % Population Growth in Kouga Municipality ***(Source: Stats SA 2011 and Community Survey 2016)***

2.4.3 Population per Town

The most populated areas in the Kouga are Hankey, Humansdorp and Jeffreys Bay. However, the actual population size of 112941 reflects negative in the population size per town.

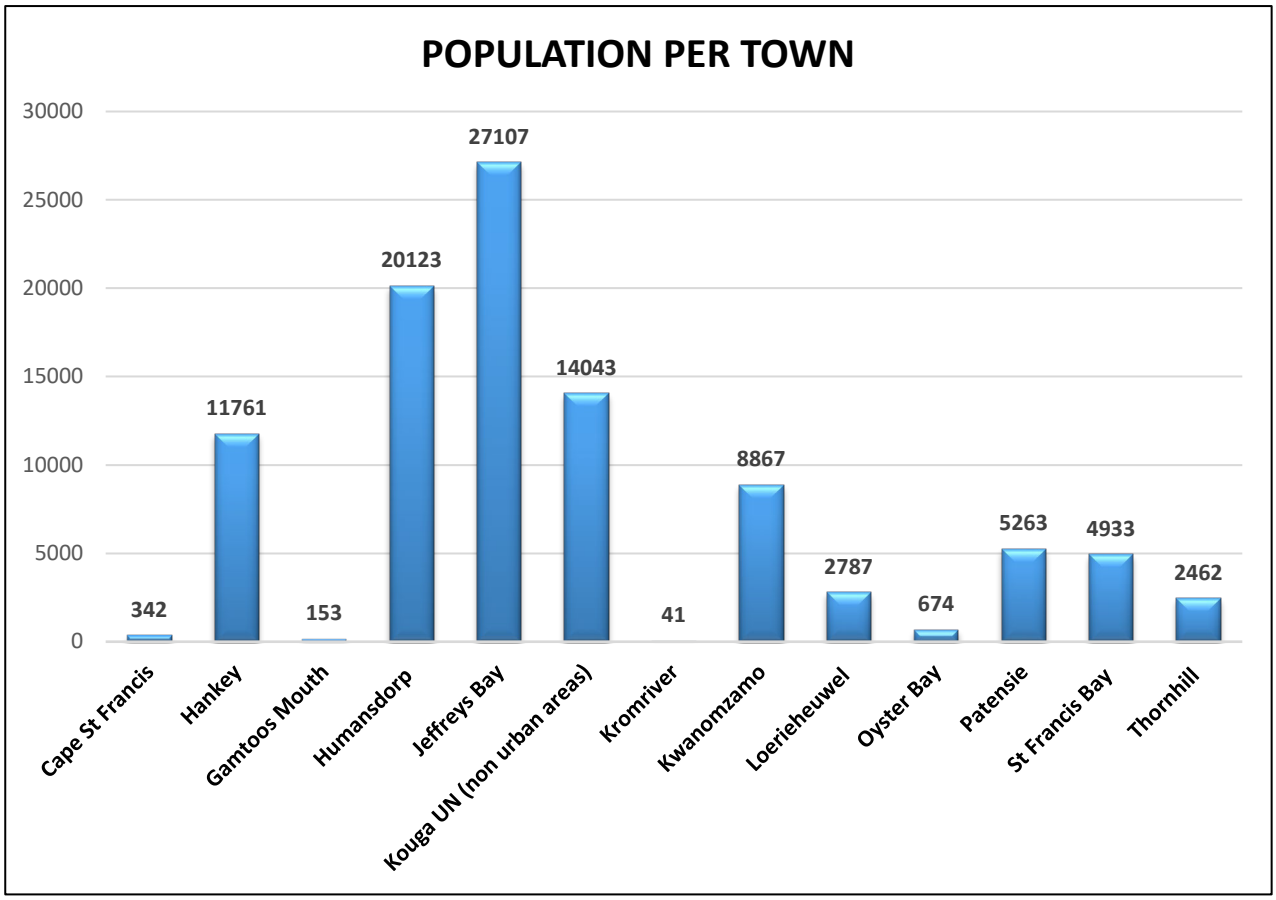

Figure 11 : Population per Town ***(Source: Stats SA 2011)***

2.4.4 Population per Race Group

The coloured population is the largest race group in the municipal area contributing 42.6% of the population, the second most dominant race group in the area being the black African population making up 38.83% of the total population. The highest growth rates have been experienced in the Asian race group, but this group only makes up a very small overall percentage (0.24%) of the population of Kouga. Significant growth has been experienced in the African race group which now makes up 38.83% of the total population.

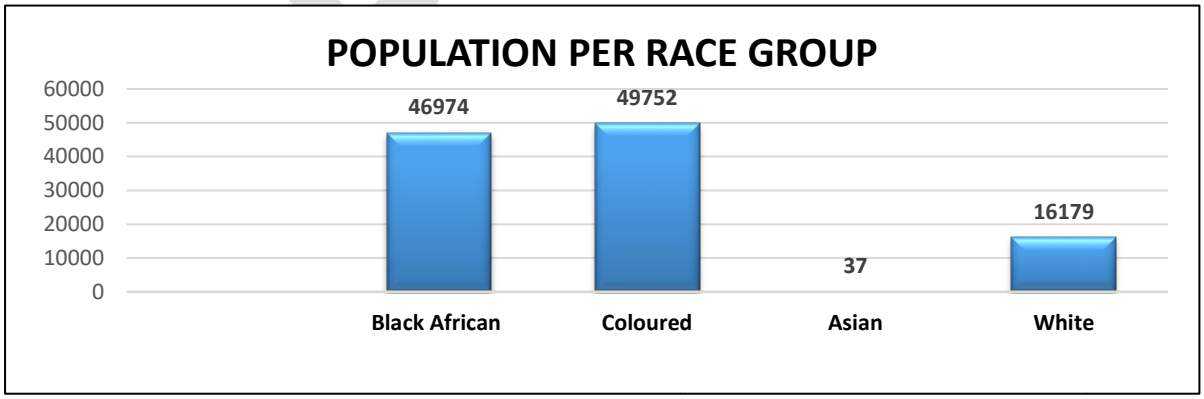

FIGURE 12 : Population per Race Group ***(Source: Stats SA and Community Survey 2016)***

2.4.5 Population per Gender

The female sex is dominant in the Kouga Municipal area by 51% to the 49% of the male sex. Although there is a slight increase in the population 98558 (2011) to 112941 (2016), the sex dominance remains the same.

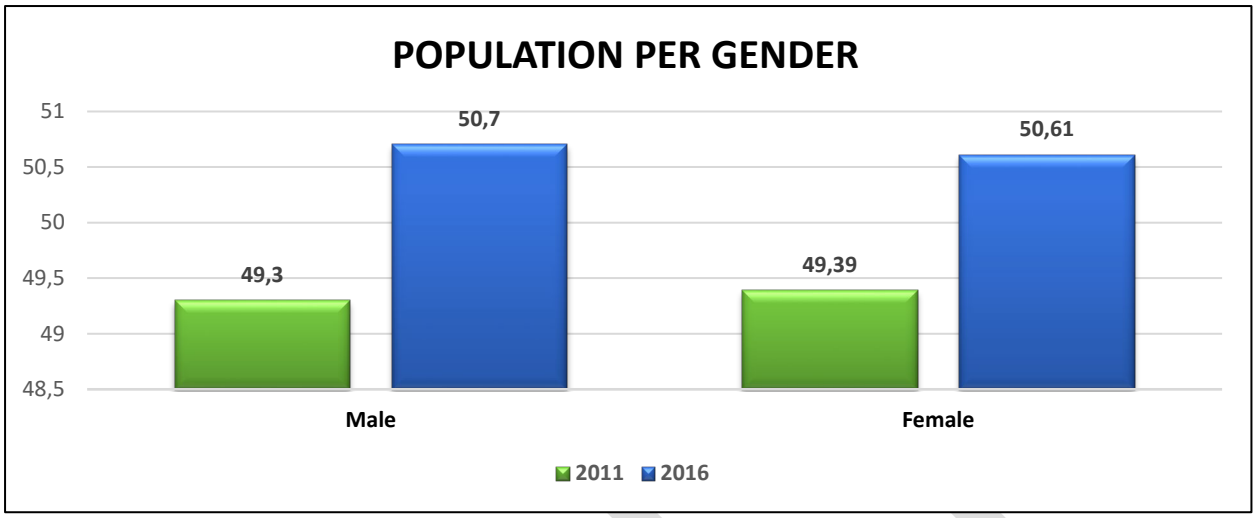

FIGURE 13: Population per Gender ***(Source: Stats SA and Community Survey 2016)***

2.4.6 Population per Age Group

52.4% of the Kouga population is between 0 to 29 years of age while approximately 50% of the population are of working age (between 16 and 65). The age profile shows a relatively youthful population very similar to the rest of the Eastern Cape and South Africa in general. No firm trend could be established that people would move to other areas for obtaining improved qualifications, this despite Kouga not having large tertiary institutions.

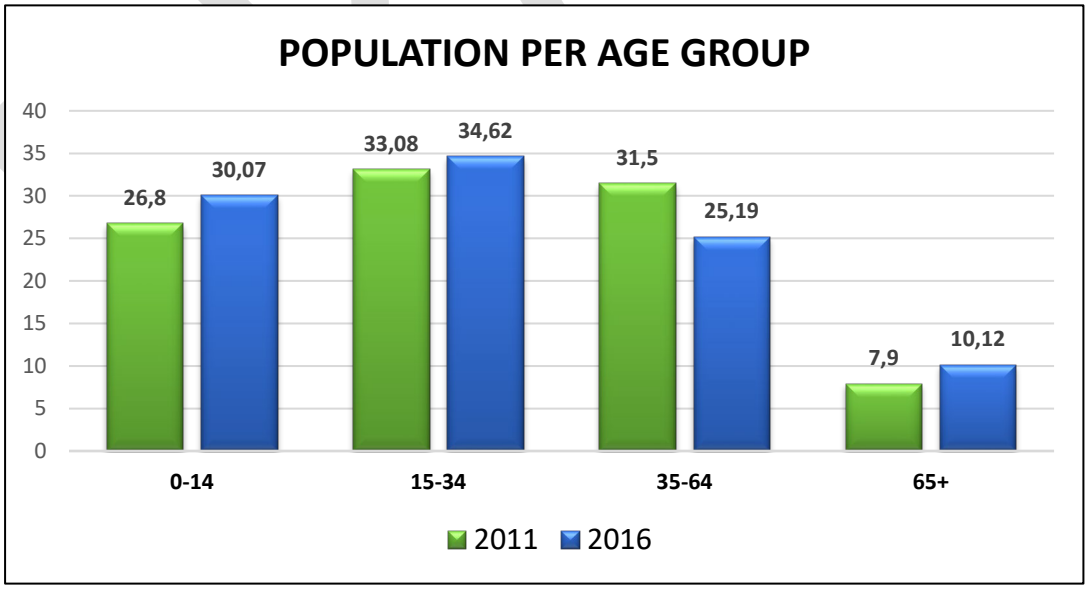

FIGURE 14 : Population per age group ***(Source: Stats SA 2011 and Community Survey 2016)***

2.4.7 Language

The Language profile shows that Afrikaans is spoken as a first language by 58.4% of the population, followed by isiXhosa (29.9%) and English (6.4%). The other languages are not prominent and are hardly used in the Kouga area.

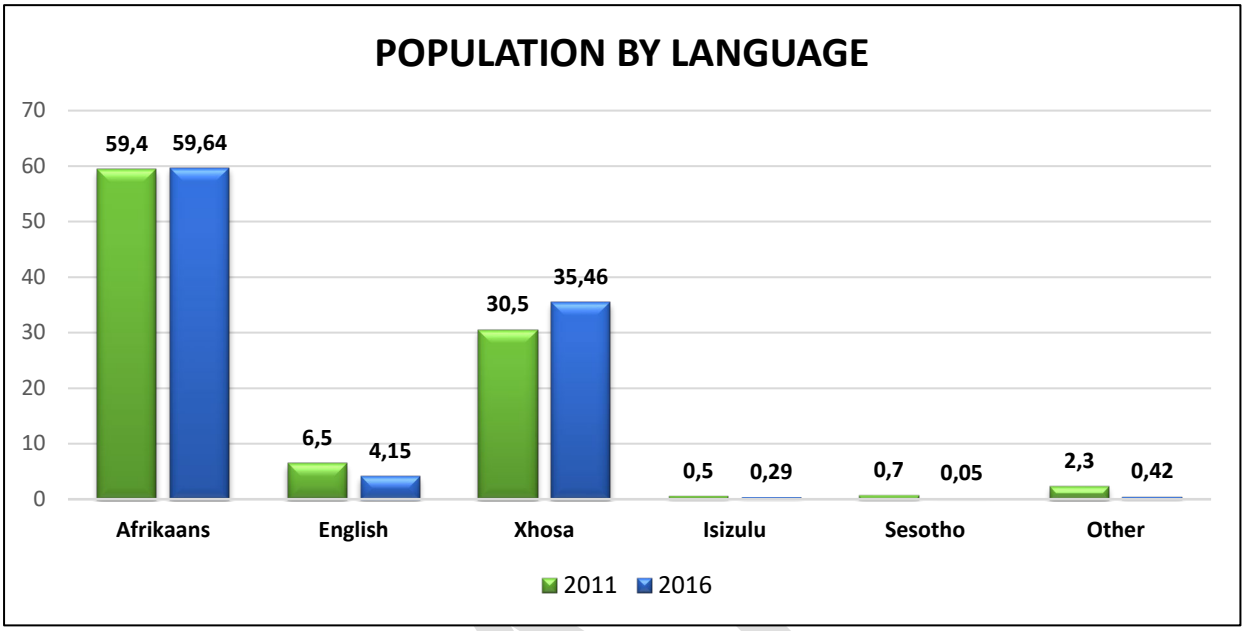

FIGURE 15 : Population by Language ***(Source: Stats SA and Community Survey 2016)***

2.4.8 Education

Education and training improve access to employment opportunities and helps to sustain and accelerate overall development. It expands the range of options available from which a person can choose to create opportunities for a fulfilling life. Through indirect positive effects on health and life expectancy, the level of education of a population also influences its welfare. The education profile highlights the highest level of education of the population.

The distribution of people with no schooling between genders is regarded as being equal with 7094 males with no schooling compared to 6732 females without schooling. Of those aged 20 years and older, 28% have completed primary school, 20% have some secondary education, 24% have completed matric, and 5% have some form of higher education.

- **Literacy**

Literacy is used to indicate a minimum education level attained. A simple definition of literacy is the ability to read and write but is more strictly defined as the successful completion of a minimum of 7 years of formal education. Since most learners start school at the age of 7 years, the literacy is calculated as the proportion of those 14 years and older who have successfully completed a minimum of 7 years of formal education. 13% of the total Kouga population does not have any schooling.

The district also reflects an equal percent of 13% to the Kouga which compares equally with the provincial figure of 13% of the population without schooling.

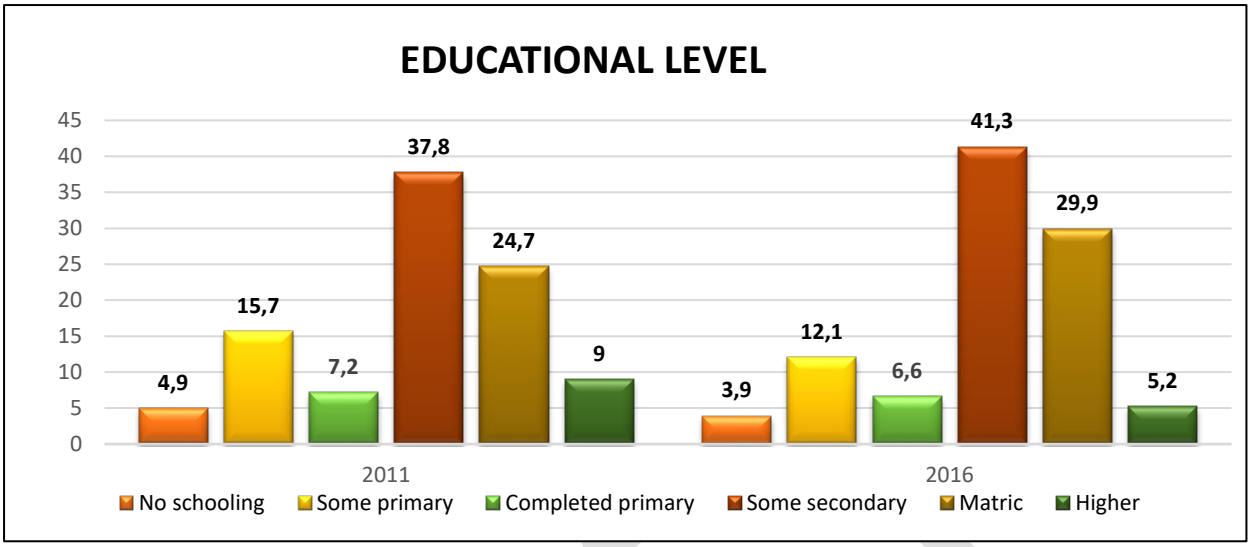

FIGURE 16: Population per educational level ***(Source: Stats SA and Community Survey 2016)***

A total of **69 100** individuals in Kouga Municipality were considered functionally literate in 2016, while **14 100** people were considered literate.

- **Education facilities and Enrolments**

The availability of adequate education facilities such as schools, FET colleges and schools equipped with libraries and media centres could affect academic outcomes positively. During public meetings, the community voiced that dire need a FET College and an Agricultural School in the Gamtoos Valley. The Sarah Baartman Education District released the following data i.e. the currentGr12 enrolments:

Kouga High Schools Gr - 12 Learner Enrolment 2019/2020				
	EMIS NO	SCHOOL	2019	2020
1	200100325	Humansdorp Secondary	267	226
2	200101041	Global Leadership Academy	47	61
3	200100367	Jeffrey's Bay Comprehensive High School	116	110
4	200100473	Lungiso Public High School	90	114
5	200100291	Hankey Senior Secondary	107	68
7	200100571	Hoërskool Nico Malan	144	153
9	200100917	Patensie Agricultural School	26	39
10	200100640	Qhayiyalethu Intermediate School	72	23
			924	**856**

Table 35 : Educational facilities and enrolments ***Source: Department of Education)***

- The sizes of the 37 schools in the circuit are as follows:
  - 7 very small
  - 8 small
  - 8 medium
  - 8 large
  - 5 very large

- The average Learner Educator Ratio (LER) in the circuit is 30.7 indicating near satisfactory utilisation of educators.
- The average Learner Classroom Ratio (LCR) is 37.3 indicating satisfactory utilisation of classroom space.
- More English and Xhosa oriented schools needed in the Humansdorp – Jeffreys Bay area.
- There is a need for another secondary school in the Humansdorp area with will cater for both English and Afrikaans Home Languages.
- An agricultural school is to be built in Patensie.

Comparative Matric Results for Kouga Schools (2016-2020)

MATRIC COMPARATIVE RESULTS 2016 - 2020						
Name of school	**2016**	**2017**	**2018**	**2019**	**2020**	**VAR**
	% PASS	**% PASS**	**% PASS**	**% PASS**	**% PASS**	
Global Leadership Academy	100	100	100	100	100	0
Hankey Secondary School	68.8	57.4	42.4	48.8	46.3	-2.5
Humansdorp Secondary School	87.6	81.1	80.5	76.6	59.2	-17.4
Jeffreys Bay Academy				83.3	89.7	6.4
Jeffreys Bay Comprehensive			59.1	66.3	55.2	-11.1
Lungiso Secondary School	75	72.4	71.6	41.3	42.6	1.3
Nico Malan High School	98.9	98.6	98.7	95.8	98	2,2
Patensie Secondary School	43.8	68.8	29.4	52.9	52.6	11

Table 36 : Matric results 2020 ***(Source: Department of Education)***

Global Leadership and Nico Malan has shown a steady outcome for the period 2016-2020. Global Leadership Academy is the best performing high school in the Kouga area. Humansdorp High School and Lungiso High shows a drastic drop in its results, below 50%. Hankey still shows a below average result for the past 3 years, 46,3 for 2020. Patensie High School shows improvement over the years 2019 -2020. Jeffreys Bay Academy also achieved good results for 2 consecutive years, above 80%. Jeffreys Bay Comprehensive shows a decrease from 66.3% to 55.2%.

TOP 5 DISTRICTS COMPARATIVE RESULTS 2017 - 2020			
	2017	**2018**	**2019**
Alfred Nzo East	62.4%	71.9%	77.6%
Buffalo City	66.2%	73%	77.9%
Chris Hani West	67.9%	69.1%	75.4%
Nelson Mandela	72.6%	76.1%	81.4%
Sarah Baartman	71.8%	73.1%	74.5%

Table 37: Top 5 Districts comparative results 2017-2020 ***(Source: Dept of Education)***

The Sarah Baartman District shows a steady increase over a 3-year period. The outcome for 2020 stands at 74.5%

2.4.9 Mode of transport to school

MODE	NUMBER
Walking	21550
Bicycle	96
Motorcycle / scooter	57
Minibus taxi / sedan taxi	1028
Bakkie taxi	302
Public bus	-
Vehicle provided by institution	282
Vehicle by government for free	1867
Vehicle hired by group of parents/students	2222
Own car / private vehicle	2350
Other	309

Table 38: Mode of transport to school *(Source: Dept of Education)*

It is evident in the table that most pupils / student are walking to school as a mode of transport. High school learners are more likely to travel further than the younger learners, with many travelling as far as 10km and further to reach their schools.

2.5 THE ECONOMY

2.5.1 Economic Growth

The economic state of Kouga Local Municipality is put in perspective by comparing it on a spatial level with its neighbouring locals, Sarah Baartman District Municipality, Eastern Cape Province and South Africa. The Kouga municipality does not function in isolation from its neighbouring municipalities and is therefore crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipality to plan and implement policies that will encourage the social development and economic growth of the people and industries in the municipality, respectively.

a) **Gross Domestic Product (GDP)**

Definition: Gross Domestic product represents the value of all goods and services, over a period of one year, plus taxes and minus subsidies.

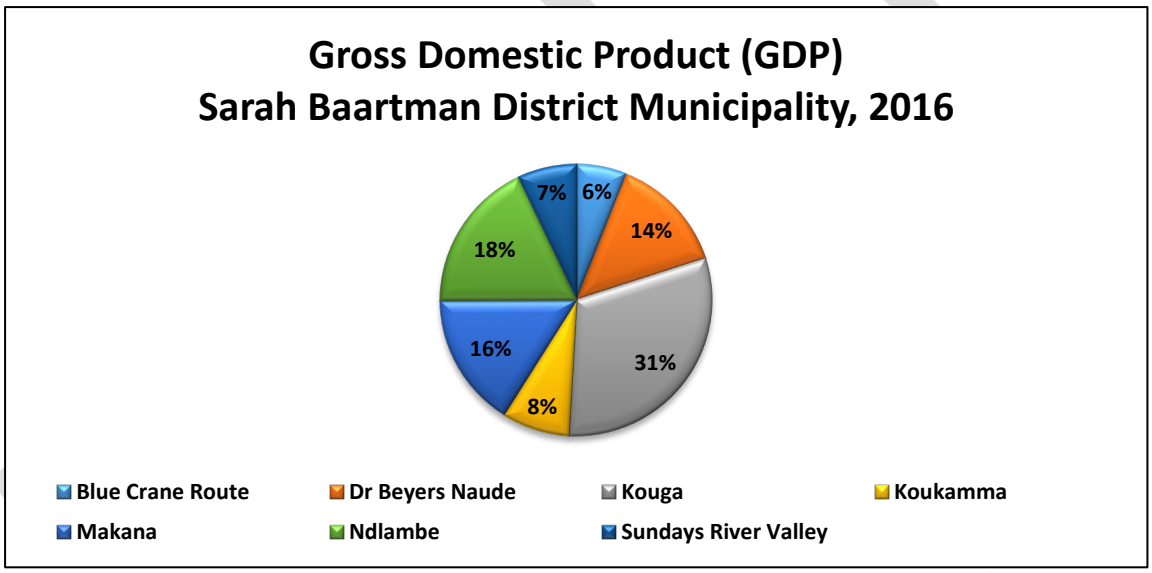

FIGURE 17 : Gross Domestic Product – Sarah Baartman 2016 ***(Source: ECSECC 2017)***

The Kouga had a GDP of R10.5 billion in 2016 and contributed 31% to the Sarah Baartman District Municipality GDP of R34.2 billion in 2016. In 2016, the Kouga Municipality achieved an annual growth rate of 0.38% over a short term and 4.39% over a longer term. For the period 2006 to 2016 the average annual growth rate of 4.39% was the highest relative to its peers in terms of growth in constant 2010 prices.

It is expected that Kouga Municipality will grow at an average annual rate of 2.11% from 2016 to 2021.

b) **Gross Value Added (GVA)**

Definition: Gross Value added is a measure of output (total production) in terms of the value that was created. GVA can be broken down into various sectors.

The broad economic sector of the Kouga Municipality is depicted in the graph below:

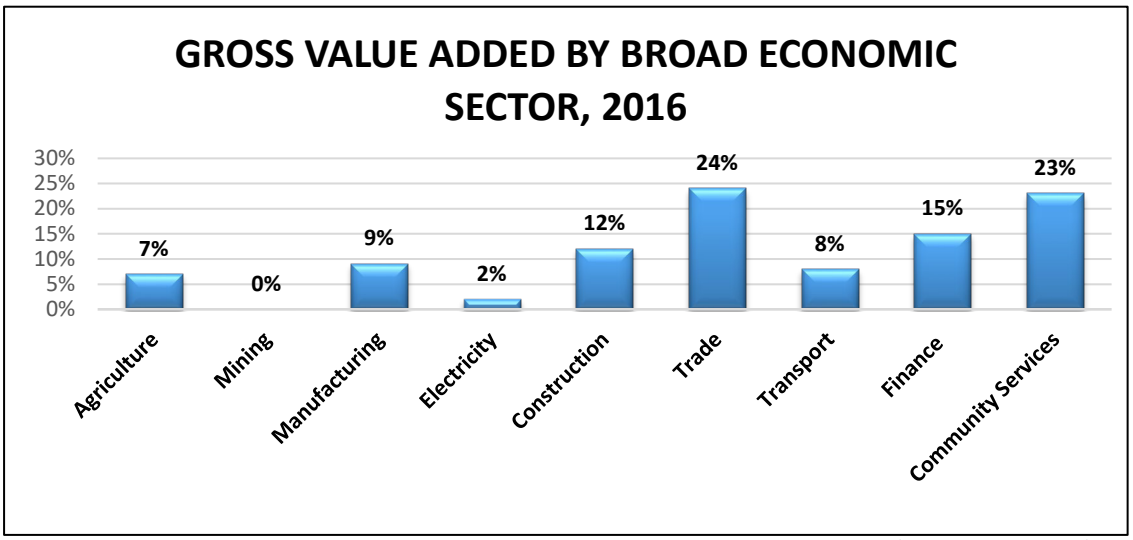

FIGURE 18 : Gross Value added by Broad Economic Sector ***(Source: ECSECC 2017)***

In 2016, the trade sector is the largest within the Kouga Municipality accounting to R2.39 billion or 24.5% of the total GVA in the municipality's economy. The sector that contributes the second most to the GVA if the Kouga Municipality is the CS sector of 23.9%, followed by the finance sector of 15.3%.

2.5.2 Employment Status

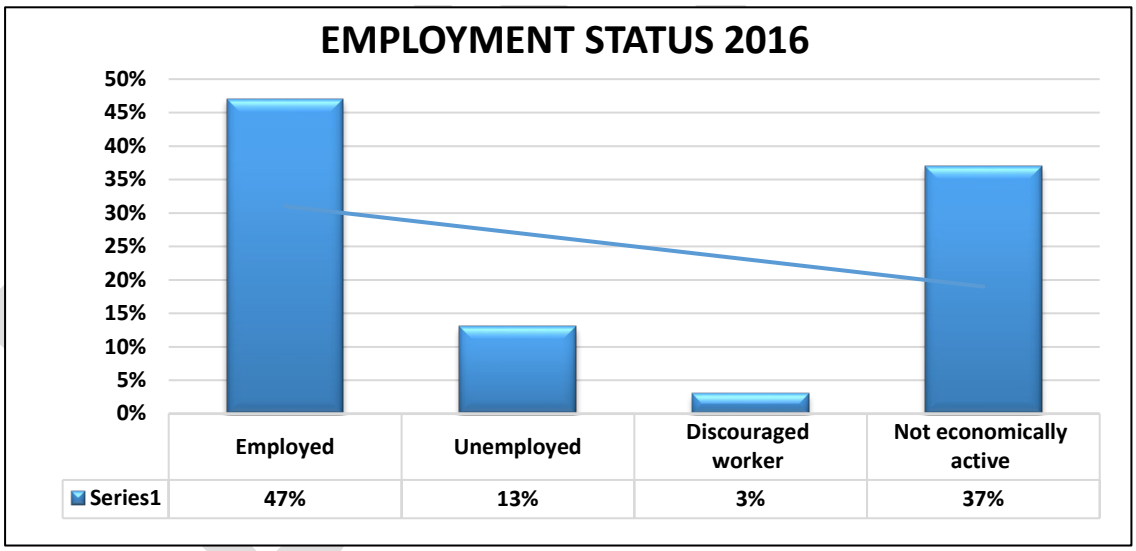

FIGURE 19 : Employment status ***(Source: Community Survey 2016)***

The labour force of a country consists of everyone of working age (above a certain age and below retirement) that are participating as workers, i.e. people who are actively employed or seeking employment. This also called the economically active population (EAP). People not included are students, retired people, stay-at-home parents, people in prisons or similar institutions, people employed in jobs or professions with unreported income, as well as discouraged workers who cannot find work.

Kouga municipality's EAP was 49 100 in 2016, which is 43.75% of its total population of 112 941. In 2006 the unemployment rate for Kouga was 13.4% and increased overtime to 14.7% in 2016. The gap between the labour force participation rate and the unemployment rate decreased which indicates a negative outlook for the employment within Kouga Municipality. In 2016, the unemployment rate in Kouga Municipality was 14.75%, which is an increase of 1.38 percentage points.

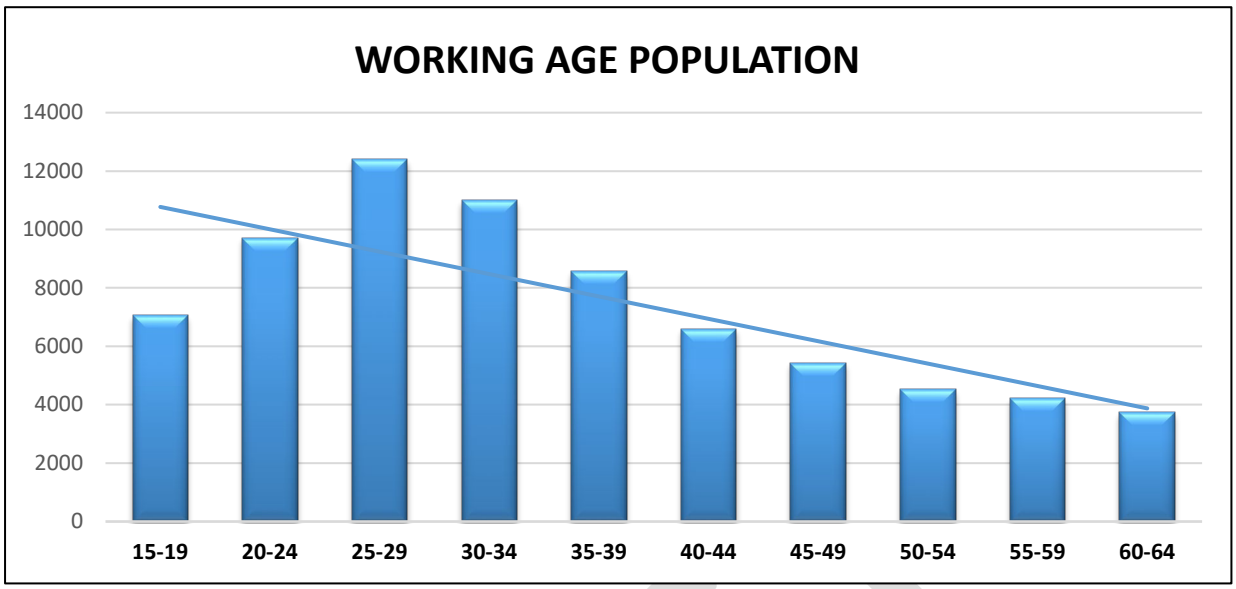

Figure 20: Working age group ***(Source: Ecsecc Outlook 2017)***

The working age population in Kouga in 2016 was 73 200, increasing at an average annual rate of 2.78% since 2006. For the same period, the working age population for Sarah Baartman District Municipality increased at 1.67% annually, while that of Eastern Cape Province increased at 1.04% annually. South Africa's working age population has increased annually by 1.55% from 31.1 million in 2006 to 36.2 million in 2016.

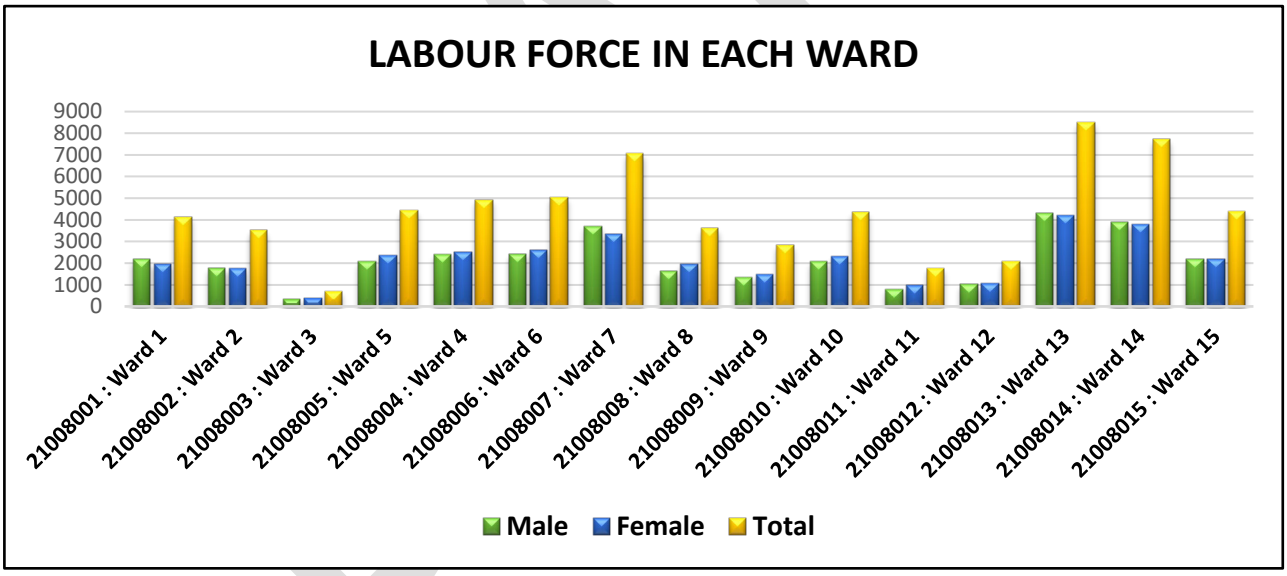

Figure 21: Labour force in each ward ***(Source: Ecsecc Outlook 2017)***

2.5.3 Income

Household income is one of the most important determinants of welfare in a region. The ability to meet basic needs, such as for adequate food, clothing, shelter and basic amenities, is largely determined by the level of income earned by the households. Poverty is often defined as the lack of resources to meet these basic needs. An important indicator of poverty in a region is the number of households with an income below the poverty line.

HOUSEHOLD BY INCOME CATERGORY		
Income	Number	%
0-2400	2	27.9%
2400-6000	58	27.3%
6000-12000	460	26.0%
12000-18000	1110	26.8%
18000-30000	3210	26.2%
30000-42000	3400	24.6%
42000-54000	3050	23.0%
54000-72000	3790	23.2%
72000-96000	3470	22.5%
96000-132000	3410	24.9%
132000-192000	3230	24.9%
192000-360000	3700	25.1%
360000-600000	2210	25.5%
600000-1200000	1620	27.7%
1200000-2400000	668	33.7%
2400000+	143	40.9%

Table 39 : Household by income category ***(Source: Community Survey 2016)***

It was estimated that in 2016 14.42% of all the households in the Kouga Municipality, were living on R30 000 or less per annum. The per capita income in Kouga Municipality in 2016. The total personal income of Kouga Local Municipality amounted to approximately R6.23 billion in 2016. The per capita income in Kouga Municipality in 2016 is R55 000 which is higher than the Sarah Baartman District Municipality of R49 700.

2.5.4 Poverty

It is estimated that the poverty gap rate in the Kouga Municipality amounted to 27.2% in 2016 – the rate needed There is a slight relief in the intensity of poverty due the receipt of grants and subsidies per household.

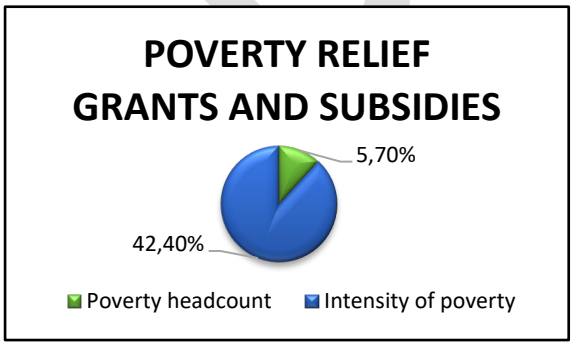

FIGURE 22: Poverty Relief Grants ad subsidies
(Source: Stats SA and Community Survey 2016)

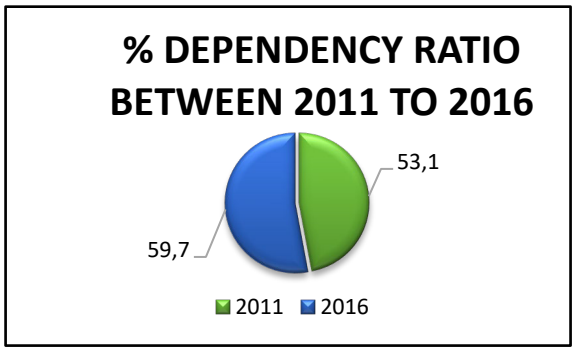

FIGURE 23 : % Dependency Ration between 2011 to 2016
(Source: Stats SA and Community Survey 2016)

2.5.5 Agricultural Households

Poultry production is the highest agricultural activity in the Kouga Municipality followed closely by livestock production.

TYPE OF SPECIFIC ACTIVITY	NUMBER	TYPE OF ACTIVITY	NUMBER	INCOME	NUMBER
Livestock production	782	Crops Only	466	No income	362
Poultry production	868	Animals Only	1016	R1 – R4 800	47
Vegetable production	661	Mixed Farming	317	R4 801 – R38 400	956
Production of other crops	318	Other	203	R38 401 – R307 200	487
Other	654			R307 201 +	88
				Unspecified	62

Table 40 : Agricultural household ***(Source: Stats SA Census data)***

2.5.6 Tourism

Tourism can be defined as the non-commercial organisation plus operation of vacations and visits to a place of interest. Whether you visit a relative or friend, travel for business purposes, go on holiday or on medical or religious trips – these are all included in tourism.

The main purpose for an overnight trip is grouped into these categories:

- Leisure
- Business
- Visits to friends and relatives
- Other (medical, religious, etc.)

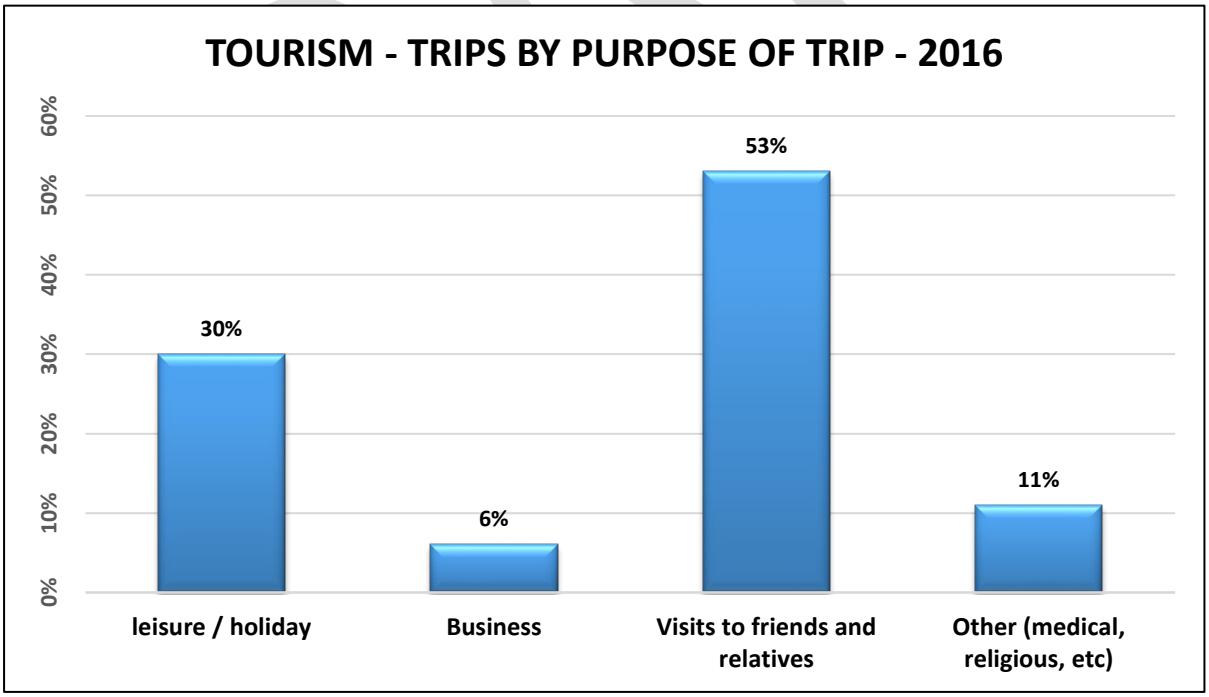

Figure 24:Tourism – trips by purpose ***(Source: Ecsecc Outlook 2017)***

2.6 OVERVIEW OF BASIC SERVICES

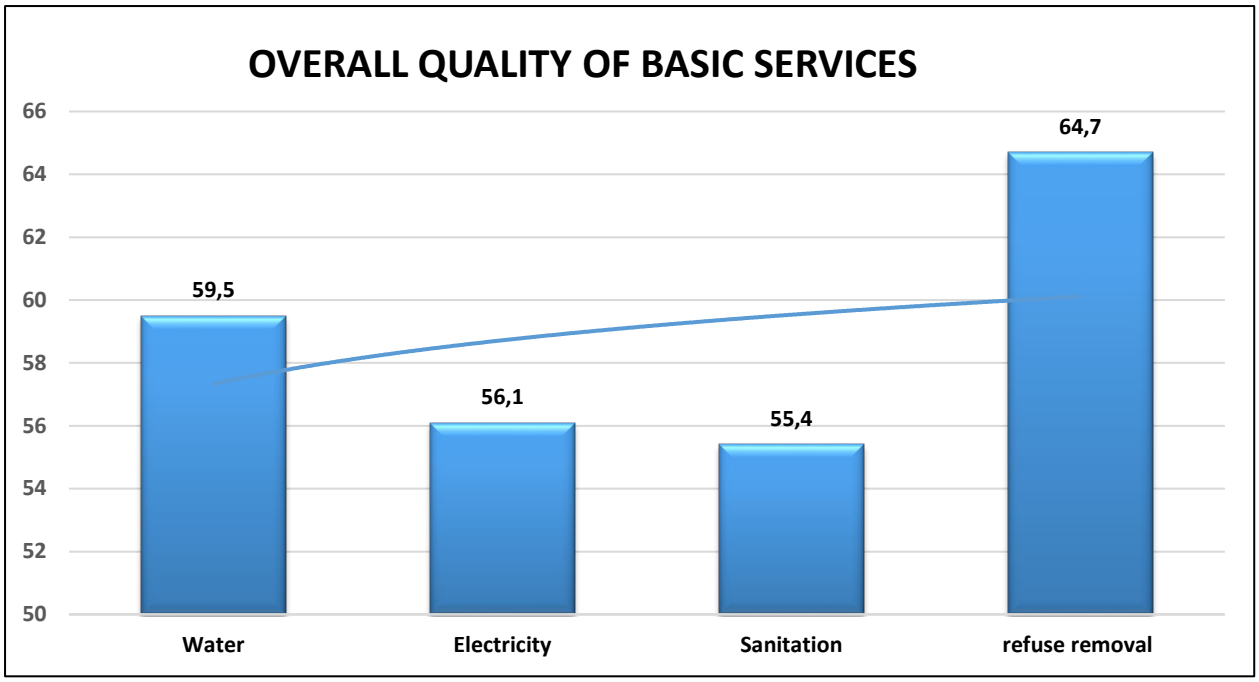

FIGURE 25 : Overall quality of basic services ***(Source: Stats SA and Community Survey 2016)***

Access to basic services within South Africa is a basic human right. Access to basic services has a wider impact on education and health and therefore also on the economy. The Municipal Economic Review and Outlook of 2016 (ECSECC) further highlights the positive economic impact of basic infrastructure on spending and the overall economy. The aim of this profile is to assist KLM in acquiring credible data to inform planning, budgeting and the accompanied prioritisation with respect to policy options. There are 29 447 households in the municipality with an average household size of 3,2 persons per household. Of all households, 60,4% have access to pipe water inside the dwelling and 86,9% have access to electricity for lighting. 35,4% of households are headed by females.

2.6.1 Water Services

A household is categorised according to its main access to water, as follows: regional/local water scheme, borehole and spring, water tank, dam/pool/stagnant water, river/stream and other main access to water methods. No formal piped water includes households that obtain water via water carriers and tankers, rainwater, boreholes, dams, rivers and springs.

91.4% of the Kouga Municipality's water is provided by Regional / Local water schemes operated by the municipality and or other water services provider. All areas within the municipal area have access to clean water. Water is supplied to all formal households, businesses, neighbouring farms and approximately 7500 households in the informal settlements.

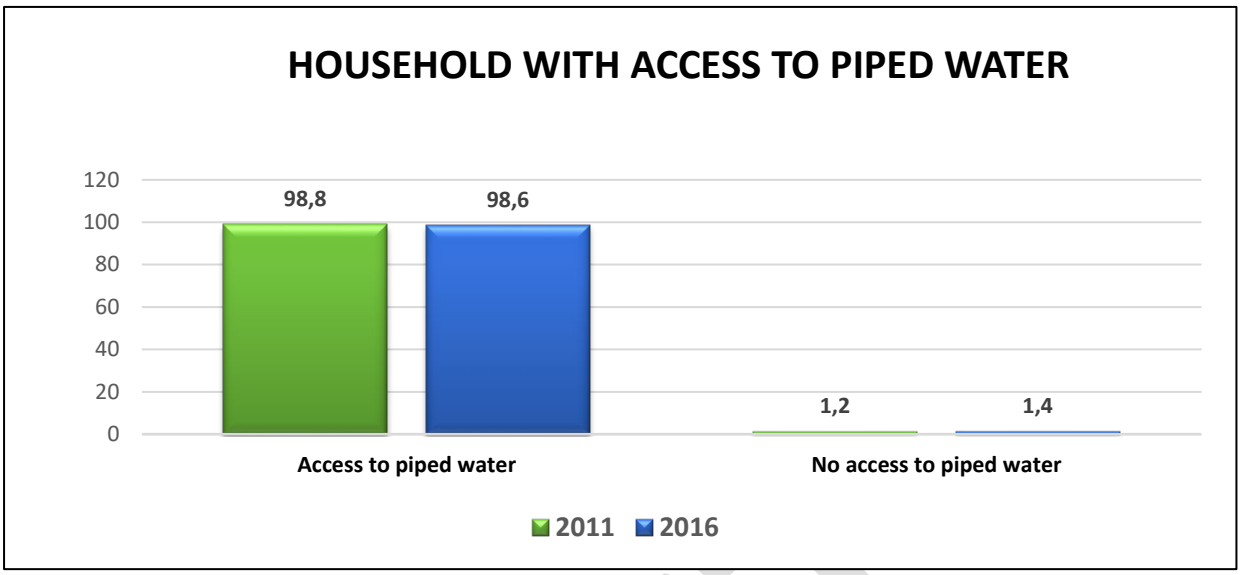

FIGURE 26 : Household with access to piped water ***Source: Stats SA and Community Survey 2016)***

The quality of drinking water supply in the Kouga area is tested weekly and the quality is constantly above the normal norms except for water quality challenges in Ward 3 and 8. The Council has not been awarded any Blue Drop or Green Drop awards and will strive to improve on water quality.

The Water Services Development Plan was reviewed during 2015 and adopted during the 2015/2016 period. The WSDP is due for update to be in line with the new 2017/2022 IDP cycle.

The municipality is doing well with the provision of piped water to households at a 98.6%. Kouga Municipality is committed and endeavours to conform to the norms and standards of SANS 214 with regards to water quality.

2.6.2 Electricity

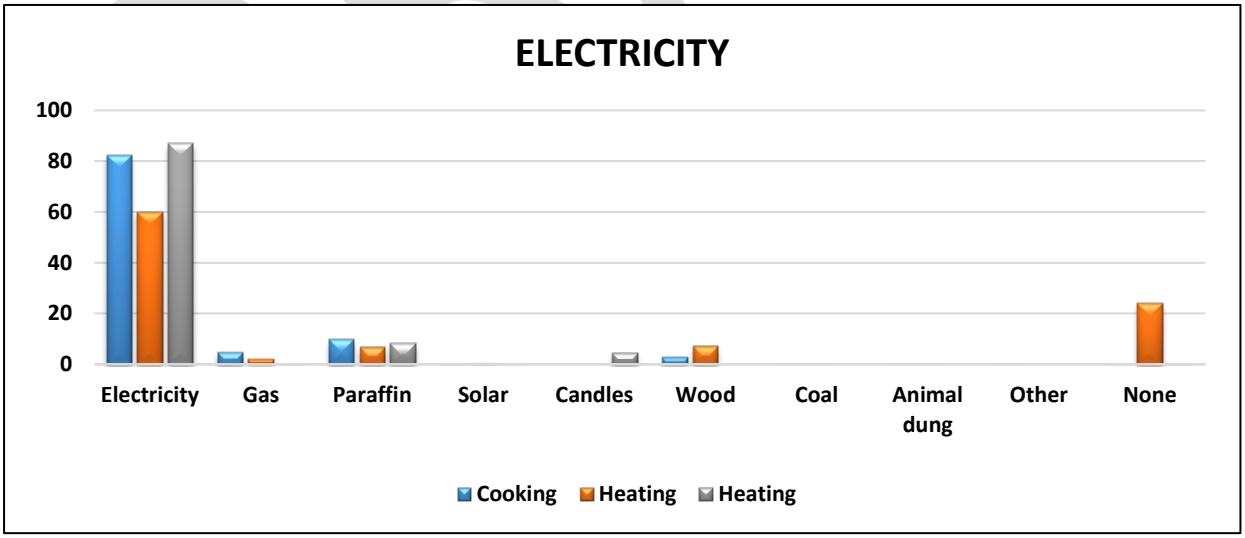

FIGURE 27: Electricity ***(Source: Stats SA and Community Survey 2016)***

Electricity and street lighting are provided to all formal households and electricity, street lighting or high mast lights to most informal areas in Kouga. 86.9% of households have access to electricity. Eskom provides electricity to Hankey, Patensie and Loerie and the Nelson Mandela Municipality provides electricity to Thornhill and surrounds.

2.6.3 Sanitation

Sanitation can be divided into specific types of sanitation to which a household has access. The sanitation categories are explained as follows:

- **No toilet** – no access to any of the toilet systems explained below.
- **Bucket system** – a top structure with a seat over a bucket. The bucket is periodically removed, and the contents disposed of. (Note: this system is widely used but poses health risks to the collectors. Most authorities are actively attempting to discontinue the use of these buckets in their local regions).
- **Pit toilet** – a top structure over a pit.
- **Ventilation improved fit** – a pit toilet but with a fly screen and vented by a pipe. Depending on soil conditions, the pit may be lined.
- **Flush toilet** – waste is flushed into an enclosed tank, thus preventing the waste to flow into the surrounding environment. The tanks need to be emptied or the contents pumped elsewhere.

Kouga Municipality had a total number of 29 700 flush toilets (83.4% of total households), 497 ventilation improved pit (VIP) (1.40% of total households) and 639 (1.79%) of total household's pit toilets.

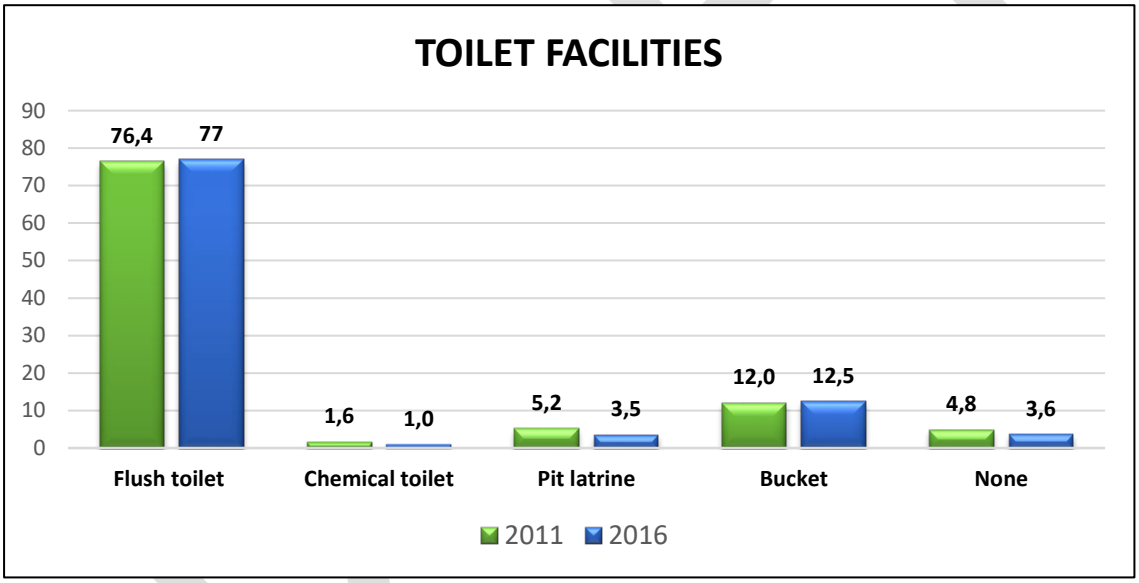

FIGURE 28: Toilet Facilities ***(Source: Stats SA and Community Survey 2016)***

The municipality's greatest challenge regarding sanitation is to expand the infrastructure to meet future development requirements. There are currently eight (8) wastewater works in the Kouga. A major upgrade is needed at the Wastewater Treatment Works which may result in additional capacity to the currently overloaded works. The outflow of the plant is monitored by Kouga Municipality and monthly chemical and biological tests are done and uploaded onto the Green Drop System of the Department of Water and Sanitation.

The bucket system is not yet fully eradicated in the Kouga area. Most bucket systems may occur due to new informal houses being built in informal settlements. The eradication of the bucket system is one of the main priorities of the municipality. The 12.5% is not an accepted figure as this is unhygienic and poses a health hazard for the communities who is still making use of this system.

Current situation regarding sanitation within the Kouga Local Municipality:

TOWN	TYPE							
	Bucket	Conservancy tank	Chemical toilets	Pit latrine	Septic tank	Small bore	VIP	Water Borne
Cape St Francis/ St Francis Bay	540	3532	18	-	-	-	-	785
Hankey	439	837	0	-	-	-	420	1501
Humansdorp	1112	939	36	-	-	-	-	5608
Jeffreys Bay	787	3340	26	-	539	-	-	8744
Loerie	260	12	5	-		150	-	334
Oyster Bay	117	100	7	-	468	-	-	-
Patensie	470	802	29	-	49	-	-	-
Thornhill	160	0	8	-	-	-	-	504
Total	**3885**	**9562**	**129**	**-**	**1056**	**150**	**420**	**17476**

Table 41 : Sanitation ***(Source: Community Survey 2016)***

2.6.4 Roads and Streets

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

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

ROAD AUTHORITY	LENGTH (KM)
SANRAL (N2	68,97 km
Eastern Cape Department of roads	915,31 km
Kouga Municipality	402,5 km
Total	**1 386,78 km**

Table 42 : Municipal roads ***(Source: Kouga LM)***

The Kouga region comprise of 402.5 kilometers of municipal roads of which 80% thereof is tarred. The following roads are in the Kouga Municipality area of jurisdiction:

- N2 National (SANRAL) -
- R102 Provincial
- R391 Provincial
- MR400 Provincial

The total road network within Kouga Municipality and under the jurisdiction of KM comprises approximately 402, 5 km, of which approximately 307, 3 km (76,35%) are surfaced black-top roads. The condition of roads in the Greater Kouga Municipal area has deteriorated rapidly over the past few years due to aging of the infrastructure, increased traffic volumes, lack of sufficient funding for maintenance and the impact of floods which have occurred over the past few years. The standard of roads maintenance in all areas in the Kouga is the same whether it be re-gravelling or resealing or pothole repair. Due to the lack of a pavement management system, visual inspection of tarred roads is performed to prioritize the reseal of tarred roads in all wards. Low level access to road maintenance services is done through a complaint register kept at each Administrative Unit. High level access is accommodated through community participation at budget meetings.

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

ROAD TYPE	LENGTH (KM)
Tar	307,3 km
Concrete	0,2 km
Block paving	7,5 km
Gravel	87,50 km
Total	402,5 km

Table 43 : Road Network ***(Source: Road network under jurisdiction of Kouga Municipality)***

Like the vast majority of local authorities throughout our country, road repair and maintenance remain a challenge due to funding constraints, terrain, aging road and storm water infrastructure, poor sub-surface conditions, and ever-increasing traffic volumes. The absence of a road pavement management system to assess and classify roads according to their remaining life span on a scientific basis has not been concluded. We therefore do not possess the information to do strategic future planning with reference to timeous identification of road maintenance. There is Limited funding for routine road maintenance and rehabilitation. No funding for capital projects.

2.6.5 Refuse Removal

Most households in Kouga have access to refuse removal at least once a week by the municipality, 83,5%, in terms of a collection programme compiled by the municipality. The refuse is transferred to a landfill site in Humansdorp which complies with the national dumping site requirements. The Integrated Waste Management Plan was approved during the 2016/2017 IDP period.

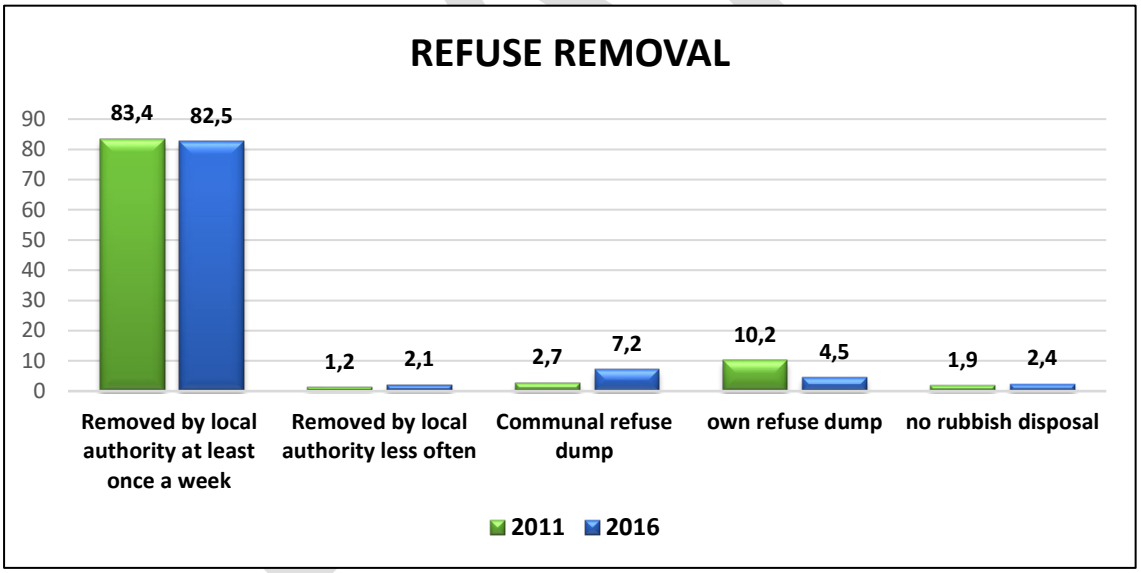

FIGURE 29 : Refuse Removal ***(Source: Stats SA and Community Survey 2016)***

2.6.6 Human Settlements

The Kouga Municipality is 85.8% urban with 14.5% being farm settlements. Most of the population occupies a formal dwelling. There are approximately 22508 formal and 5292 informal households.

AREA	PERCENTAGE
Urban	85,5%
Tribal/Traditional	0%
Farm	14,5%

Table 44 : Human Settlements (Source: Stats SA 2011)

Access to affordable and suitable accommodation remains one of the greatest challenges facing the Kouga area. While the provisioning of housing is the Constitutional mandate of Provincial and National Government, by virtue of the structure and location of local government, this function is undertaken by the Kouga municipality on an agency basis. From the figure below, it is apparent that most households in the Kouga municipality live in formal dwellings (houses and flats). However, a large percentage of households (21.6%) live in informal or traditional dwellings, which would form part of the housing backlog.

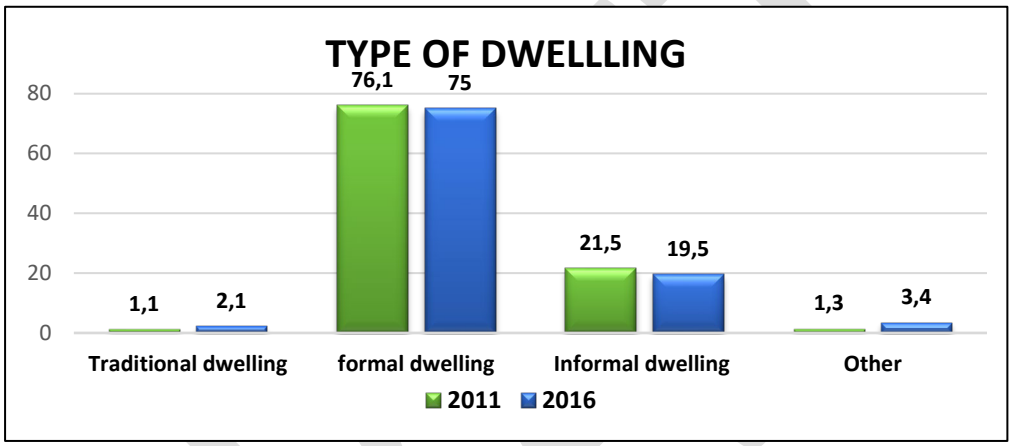

FIGURE 30: Type of Dwelling ***(Source: Stats SA and Community Survey 2016)***

A further breakdown of main dwellings that households are currently living in is illustrated in the figure below:

DWELLING	NUMBER
Formal dwelling/house or brick/concrete block structure	88246
Traditional dwelling/hut/structure made of traditional matter	1833
Flat or apartment in a block of flats	2354
Cluster house in complex	560
Townhouse (semi-detached house in a complex)	303
Semi-detached house	-
Informal dwelling/shack in backyard	5996
Informal dwelling/shack not in backyard	9677
Room/flatlet on a property or large dwelling/servants' quarter	404
Caravan/tent	-
Other	2746

Table 45: Breakdown of main dwellings ***(Source: Community Survey 2016)***

2.6.7 Telecommunication

The latest trend and preference of most households is to use mobile phones to keep up with the latest technological development, some remote areas continue to utilize Telkom as the only communication method. The cellular companies operational in the area have added communication value, including the provision and accessibility to lower cost cellphone units.
Although, most people use cellular phones as the best mode for communication, Kouga municipality utilize various forms of communication such as the loud hailing, newsletters, posters, e-mails, radio broadcasting and meetings in communicating with communities.

On the microeconomic scale small businesses and companies utilize cellular phones, telephones, television, radiobroadcasting, posters and internet to market their products. Telecommunication plays a significant role in creating a social, economic and cultural environment. It also has an impact on job creation as most companies such as Telkom, Vodacom, MTN and Cell C have appointed a number of people, so in a way telecommunication is largely contributing to the alleviation of poverty.

2.7 SOCIAL DEVELOPMENT / SPECIAL PROGRAMMES

2.7.1 People living with disabilities

The municipality aims to ensure that the new buildings and renovations to existing infrastructure should be developed in such a way that access to people with disability are provided. These efforts will be bolstered through a host of mechanisms such as:

- The municipality's efforts to partner with the Department of Social Development to develop focused social development programs up-scale representation of people with disabilities within the community and municipal decision-making process.
- A comprehensive database of people with disability should be developed to indicate their skills and competency levels and specific targets should be set in the Employment Equity Plan of the municipality; and
- A workshop should also be held to assess the challenges faced by people with disabilities in the Kouga Municipal Area.

The municipality must form a partnership with the Department of Social Development to develop focused social development programs to up-scale representation of people with disabilities within our community as well as in municipal decision-making processes. A comprehensive database of people with disability should be developed to indicate their skills and competency levels and specific targets should be set in the Employment Equity Plan Of the municipality.

2.7.2 The Elderly

The Elderly are often neglected in municipal planning, especially the poorer and more vulnerable people who cannot afford decent home accommodation. While there are a number of facilities in the Kouga Municipal Area catering for the wealthier retirees and aged, the same cannot be said for the bottom-end of the market. The issues faced by the elderly are:

- No old age and frail care center in the previous disadvantaged areas.
- Abandonment by family members leaving the elderly to look after themselves.
- Abuse of old age pension by unemployed adult children.
- Guardians to grandchildren without proper financial and other resources.

2.7.3 Social Security / Grants

Eighteen million **people** in **South Africa** rely on **social grants**, with 20% of households depending on **grants** as their main source of income.These grants are allocated to the poorest of the poor; inter alia, the vulnerable groups, disabled, foster children and the elderly. The issuing of social grants is an attempt by the government to relieve the plight of the poor and marginalized.

KOUGA AREA - SOCIAL GRANTS FOR 2020/2021			
GRANT TYPE	**NO. OF BENEFICIARIES**	**NO. OF CHILDREN**	**EXPENDITURE**
Care Dependency	280	286	531 960
Child Support (0 – 18)	14875	26121	117 720 000
Foster Care	472	636	664 560
Grant in Aid	412	-	185 400
Old Age	8114	-	15 132 020
Disability	2408	-	4 478 880
TOTAL	**26561**	**27043**	**138 712 820**

Table 46: Ward Population ***(Source SASSA: Social Grants)***

The President in a statement on 21 April 2020 introduced further economic and social measures in response to the Covid-19 epidemic. The president announced that a special Covid-19 Social Relief of Distress grant of R350 a month will be paid to individuals who are currently unemployed and do not receive any other form of social grant or UIF payment.

The table below indicates the total of beneficiaries in the Kouga area:

COVID-19 SOCIAL RELIEF GRANT	
TOWN	**NO. OF BENEFICIARIES**
Hankey	183
Humansdorp	1018
Jeffreys Bay	309
Noorsekloof	94
Patensie	377
St Francis Bay	335
Thornhill	79

Table 47 : Covid-10 Social Relief Grant ***(Source: SBDM)***

2.7.4 Youth Development

The term youth/ young person is defined as categories of 14 to 35 years as per the National Youth Commission Act No. 10 of 1996. It can be further categorized by the age groups for the purpose of specific and targeted interventions as follows:

- Youth 14 -19: The focus is on education and training.
- Youth 20- 24: The focus is on transition from school to work; Learnership; further education and training; participation in community affairs.
- Youth 25- 29: The issue of focus is job stability; career enhancement; learner ships and self-employment; participation community affairs; safety and security and consolidate patriotism.
- Youth 30- 35: Issues of focus are job stability; career achievement; home ownership; wealth creation; social investment and self- employment. This group requires social, economic, economic political support to realize their full potential. Whilst this definition is broad, encompassing a large slice of one's life. It is understood that this is a time in life when most young people are going through dramatic changes in their life circumstances as they move from childhood to adulthood. Young women and young men face many challenges and threats that are unique to them alone.

Kouga Municipality established ward-based youth forums that will work serve as the voice of young people of Kouga. The need for existence of Municipal Youth Council and Ward Youth Forums is informed by a number of reasons which include among many, the National Youth Policy (NYP) 2009- 2014 which demands meaningful participation of young people in all youth related aspects. The NYP (Right and Responsibilities – page 17) clearly articulates that "youth have the right to participate in the planning and implementation of youth development by becoming the custodians of their development. The National Youth Development Agency (NYDA) Act No 54 of 2008 calls for active Youth Structures aimed at championing youth interest and coordination of mainstreaming programmes to achieve equitable benefits for young people.

2.7.5 Children

The Convention on Rights of the Child defines the full range of children's needs and rights and provides a practical framework for addressing these needs in an integrated and holistic way. All children have rights that emanate from their humanity. In addition, all children have basic universal needs. These needs form a basic set of common standards necessary for optimal survival and development. Children are entitled to be treated according to these common standards. These standards impose obligations on adults to ensure their fulfillment. A commitment to fulfilling these obligations creates rights for children to have their needs met.

A good strategic Child Rights Programming is built on a good – quality analysis of the situation of children in the Municipality:

- Focus on children as a human being.
- Holistic view of children.
- Accountability.
- Supporting duty bearers.
- Advocacy; - being the voice.
- Children as part of the community.
- Root causes and broad issues.
- Partnerships.
- Information and knowledge.

Child participation is guided by Article 12 of the UN Convention on the rights of the children (i.e., the right to be listened to and taken seriously). The right to be heard extends to all actions and decisions that affect children's lives – in the family, in school, in local communities, at national political level.

Local Municipalities can thus safely be described as the primary location where children find themselves. They also have a key role to play in ensuring that the standards for children's rights, as outlined in the Constitution, the African Charter on the Rights and Welfare of the child as well as the United Nations Convention on the Rights of the Child. Local government are best positioned to translate national – level commitments into practice suitable to local conditions. Though Municipalities are critical for the realization of children's rights, children are not involved in decisions that affect them and their issues are not prioritized within the local government planning and budgeting.

Thus, Kouga Municipality through its Special Programmes Unit will seek the establishment of the Ward-based Children's Committees and Junior Municipal Council is to empower children to actively participate in the affairs of the Kouga Local Municipality and influence decisions that affect.

2.7.6 Health Care Services : Facilities

This section of the profile highlights the current health infrastructure and human resource capacity in the public health sector and burden of disease in the Kouga Municipal Area.

Hospital		Condom Distribution Site	Clinics		Mobile Clinic		EMS Stations		EHS Services		Total
2	Humansdorp	1	10	Andrieskraal	3	Loerie	3	Humansdorp	2	Prov	22
	PZ Meyer			Humansdorp		Patensie		Jeffreys Bay		LM	
				Imizamo Yethu		Suurbron		Patensie			
				Kruisfontein							
				Loerie							
				Masakhane							
				Pellsrus							
				St Francis Bay							
				Thornhill							
				Weston							

Table 48: Health Care facilities (***Source: Eastern Cape Depart of Health***)

A total of 1 Sessional Doctor and 1 full time for the clinics and 38 professional nurses plus 2 Commserv have been employed by the Department of Health to render health services to patients attending the primary health care facilities in the Kouga Municipal Area. The health human resource capacity reflected hereunder does not include those who are in private practice in the area. Most areas in the Kouga are in need of a clinic due to overcrowded clinics, shortage of nursing staff and long distance travelling to health facilities:

KOUGA	2016	2017	2018	2019	2020
Primary Healthcare Doctors	3	2	2	1 F/T & 1 sessional	1
Number of doctors at Hospital	11	10	10	9	8
Primary Healthcare – Professional Nurses	27	32	32	38 + 2 Commserv	35+6 Commserv
Number of Professional Nurses at Hospital	42	41	41	48	61

Table 49 : Health Caregivers ***(Source: Eastern Cape Dept. of Health)***

2.7.7 Burden of disease : HIV, Aids and Tuberculosis treatment and care

Although treatment and care are essential in the management of HIV and Aids, the need and importance of preventative care cannot be over-emphasized, especially since to date, there is no known cure. Tuberculosis (TB) is a bacterial disease, and is a serious problem in South Africa, especially in the Eastern Cape. Approximately one out of ten people develop the disease and if not treated the infectious person can infect other people or more in a year. TB can only be cured if the full course of treatment, which can be from six to eight months, is completed. People who stop treatment are likely to develop multi-drug resistance, making the TB more difficult to cure. These cases are treated at TB specialist clinics. TB can be fatal if not treated. The HIV epidemic has led to an enormous increase in the number of TB cases. People with HIV are far more susceptible to TB infection and are less able to fight it off. The municipality make provision for annual wellness awareness programs.

The table below indicates the burden of disease in the Kouga area of jurisdiction 2020:

AREA	ART PATIENT LOAD		NUMBER OF ART TREATMENT SITES	NUMBER OF TB CLINICS
	Adults	Child <15 years		
Humansdorp Clinic	15912	518	1	1
Kruisfontein Clinic	7848	533	2 (PZ Meyer TB Hosp)	2
Masakhane Clinic (Hankey)	6842	381	1	1
Weston Clinic	3075	158	1	1
Imizamo Yethu Clinic (Patensie)	2133	143	2	2
Pellsrus Clinic (Jeffreys Bay)	18403	596	1	1
Thornhill Clinic	2415	77	1	1
Loerie Clinic	2412	89	1	1
St Francis Bay Clinic	5874	150	1	1
Andrieskraal	992	41	1	1
Oyster Bay	-	-	1 Mobile visit monthly	1 Mobile visit monthly
TOTAL ON ART	**66158**	**2711**	**12**	**11**

Table 50 : Burden of Diseases ***(Source: Eastern Cape Dept. of Health)***

Community Based Programmes managed/ supported by Department of Health:

- Kwanomzamo Home Based Care Group
- St Francis Hospice
- Mom and Baby Clinic
- Ward Based Outreach Teams (Wards 6; 2; 9)

2.7.8 New Clinics Needed

New Clinics are needed in the following areas:

- Kwanomzamo (Vergenoeg) - Ward 6
- Ocean View - Ward 14
- Kruisfontein - Ward 4
- Oyster Bay - Ward 1
- Humansdorp - Ward 5
- Hankey - Ward 9
- Pellsrus - Ward 2
- Wavecrest - Wards 3, 8 11

Community Based Programmes managed/supported by Department of Social Development

- Sakhe Singamadoda
- On Eagles Wings
- Ethembeni Home Based Care Group

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2.8 SAFETY AND SECURITY

2.8.1 Crime Statistics

There are 6 police stations in the Kouga area namely, Humansdorp, St Francis Bay, Jeffreys Bay, Hankey, Patensie and Thornhill. The following criminal statistics were recorded for the periods 2017/18 – 2018/19):

SAPS – JEFFREYS BAY					
CONTACT CRIMES (CRIMES AGAINST THE PERSON					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/21**	**Case diff**	**% change**
Murder	13	11	11	0	0.0%
Sexual Offences	42	37	36	-1	-2.7%
Attempted Murder	24	9	14	5	55.6%
Assault with the intent to inflict grievous bodily harm	101	132	104	-28	-21.2%
Common Assault	127	135	122	-13	-9.6%
Common Robbery	29	32	24	-8	-25.0%
Robbery with aggravating circumstances	119	99	84	-15	-15.2%
TOTAL	**455**	**455**	**395**	**-60**	**13.2%**
SEXUAL CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Rape	28	24	27	3	12.5%
Sexual Assault	7	9	6	-3	-33.3%
Attempted Sexual Assault	1	4	3	-1	-25.0%
Contact Sexual Assault	6	0	0	0	0.0%
TOTAL	**42**	**37**	**36**	**-1**	**-2.7%**
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Carjacking	0	0	0	0	0.0%
Robbery at residential premises	21	10	8	-2	-20.0%
Robbery at non-residential premises	11	11	12	1	9.1%
Robbery of cash in transit	1	0	0	0	0.0%
Bank robbery	0	0	0	0	0.0%
Truck hijacking	**0**	**1**	**1**	**0**	**0.0%**
CONTACT RELATED CRIME					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Arson	2	3	2	-1	-33.3%
Malicious damage to property	97	95	91	-4	-4.2%
TOTAL	**99**	**98**	**93**	**-5**	**-5.1%**
PROPERTY-RELATED CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Burglary at non-residential premises	91	81	75	-6	-7.4%
Burglary at residential premises	370	357	296	-61	-17.1%
Theft of motor vehicle and motorcycle	16	21	38	17	81.0%
Theft out of or from motor vehicle	136	144	90	-54	-37.5%
Stock theft	4	9	0	-9	-100.0%
TOTAL	**617**	**612**	**499**	**-113**	**-18.5%**
OTHER SERIOUS CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**

All theft not mentioned elsewhere	272	293	337	44	15.0%
Commercial crime	82	76	82	6	7.9%
Shoplifting	39	39	42	3	7.7%
TOTAL	393	408	461	53	13.0%
Total community reported serious crimes	**1564**	**1573**	**1448**	**-125**	-7.9%
CRIME DETECTED AS A RESULT OF POLICE ACTION					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Illegal possession of firearms and ammunition	12	11	16	5	45.4%
Drug-related crime	279	236	280	44	18.6%
Driving under the influence of alcohol or drugs	62	47	42	-5	-10.6%
Sexual offences detected as a result of police action	1	0	0	0	0.0%
TOTAL	**354**	**294**	**338**	**44**	**15.0%**

Table 51: Crime statistics Jeffreys Bay *(Source: SAPS: Crime Statistics)*

SAPS – ST FRANCIS BAY					
CONTACT CRIMES (CRIMES AGAINST THE PERSON					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Murder	5	2	1	-1	-50.0%
Sexual Offences	10	11	17	6	54.5%
Attempted Murder	10	13	11	-2	-15.4%
Assault with the intent to inflict grievous bodily harm	60	61	62	1	1.6%
Common Assault	41	51	62	11	21.6%
Common Robbery	3	5	13	28	160.0%
Robbery with aggravating circumstances	13	18	12	-6	-33.3%
TOTAL	**142**	**161**	**178**	**17**	**10.6%**
SEXUAL CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Rape	5	11	11	0	0.0%
Sexual Assault	3	0	0	0	0.0%
Attempted Sexual Assault	2	0	5	5	5
Contact Sexual Assault	0	0	1	1	1
TOTAL	**10**	**11**	**17**	**6**	**54.5%**
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Carjacking	0	0	0	0	0.0%
Robbery at residential premises	4	8	4	-4	-50.0%
Robbery at non-residential premises	1	0	0	0	0.0%
Robbery of cash in transit	0	0	0	0	0.0%
Bank robbery	0	0	0	0	0.0%
Truck hijacking	**0**	**0**	**0**	**0**	**0.0%**
CONTACT RELATED CRIME					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Arson	1	1	2	1	100.0%
Malicious damage to property	44	32	33	1	3.1%
TOTAL	**45**	**33**	**35**	**2**	**6.1%**
PROPERTY-RELATED CRIMES					

CRIME CATEGORY	2017/18	2018/19	2019/20	Case diff	% change
Burglary at non-residential premises	71	35	37	2	5.7%
Burglary at residential premises	243	230	102	-128	-55.7%
Theft of motor vehicle and motorcycle	3	1	1	0	0.0%
Theft out of or from motor vehicle	50	40	22	-18	-45.0%
Stock theft	0	1	4	3	300.0%
TOTAL	**367**	**307**	**166**	**-141**	**-45.9%**
OTHER SERIOUS CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
All theft not mentioned elsewhere	112	117	100	-17	-14.5%
Commercial crime	24	23	243	220	956.5%
Shoplifting	1	2	1	-1	-50.0%
Total of other serious crimes	137	142	344	202	142.3%
Total community reported serious crimes	**691**	**643**	**723**	**80**	12.4%
CRIME DETECTED AS A RESULT OF POLICE ACTION					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Illegal possession of firearms and ammunition	0	1	1	0	0.0%
Drug-related crime	79	48	34	-14%	-29.0%
Driving under the influence of alcohol or drugs	16	16	16	0	0.0%
Sexual offences detected as a result of police action	0	0	0	0	0.0%
TOTAL	**95**	**65**	**51**	**-14%**	**-21.5%**

Table 52: Crime statistics St Francis Bay *(Source: SAPS: Crime Statistics)*

SAPS – HUMANSDORP					
CONTACT CRIMES (CRIMES AGAINST THE PERSON					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Murder	15	22	26	4	18.2%
Sexual Offences	31	39	52	13	33.3%
Attempted Murder	9	18	6	-12	-66.7%
Assault with the intent to inflict grievous bodily harm	195	162	156	-6	-3.7%
Common Assault	64	65	73	8	12.3%
Common Robbery	21	23	32	9	39.1%
Robbery with aggravating circumstances	56	42	68	26	61.9%
TOTAL	**391**	**371**	**413**	**42**	**11.3%**
SEXUAL CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Rape	29	36	43	7	19.4%
Sexual Assault	0	2	7	5	250.0%
Attempted Sexual Assault	1	1	0	-1	-100.0%
Contact Sexual Assault	1	0	2	2	2
TOTAL	**31**	**39**	**52**	**13**	**33.3%**
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Carjacking	0	0	0	0	0.0%
Robbery at residential premises	9	4	4	0	0.0%

Robbery at non-residential premises	7	12	22	10	83.3%
Robbery of cash in transit	0	0	0	0	0.0%
Bank robbery	0	0	0	0	0.0%
Truck hijacking	**1**	**2**	**0**	**-2**	**-100.0%**
CONTACT RELATED CRIME					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Arson	3	5	6	1	20.0%
Malicious damage to property	85	100	77	-23	-23.0%
TOTAL	**88**	**105**	**83**	**-22**	**-21.0%**
PROPERTY-RELATED CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Burglary at non-residential premises	64	133	82	-51	-38.3%
Burglary at residential premises	202	190	156	-34	-17.9%
Theft of motor vehicle and motorcycle	13	10	3	-7	-70.0%
Theft out of or from motor vehicle	66	56	67	11	19.6%
Stock theft	33	19	15	-4	-21.1%
TOTAL	**378**	**408**	**323**	**-85**	**-20.8%**
OTHER SERIOUS CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
All theft not mentioned elsewhere	183	229	237	8	3.5%
Commercial crime	37	57	50	-7	-12.3%
Shoplifting	74	52	55	3	5.8%
Total of other crimes	294	338	342	4	1.2%
Total community reported serious crimes	**1151**	**1222**	**1161**	**-61**	**-5.0%**
CRIME DETECTED AS A RESULT OF POLICE ACTION					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Illegal possession of firearms and ammunition	8	16	17	1	6.3%
Drug-related crime	472	560	526	-34	-6.1%
Driving under the influence of alcohol or drugs	52	40	49	9	22.5%
Sexual offences detected as a result of police action	0	0	0	0	0.0%
TOTAL	532	616	592	-24	-3.9%

Table 53: Crime statistics Humansdorp *(Source: SAPS: Crime Statistics)*

SAPS – HANKEY					
CONTACT CRIMES (CRIMES AGAINST THE PERSON)					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Murder	9	11	9	-2	-18.2%
Sexual Offences	20	23	21	-2	-8.7%
Attempted Murder	6	8	2	-6	-75.0%
Assault with the intent to inflict grievous bodily harm	70	95	98	3	3.2%
Common Assault	17	29	36	7	24.1%
Common Robbery	9	15	13	-2	-13.3%
Robbery with aggravating circumstances	17	18	23	5	27.8%
TOTAL	**148**	**199**	**202**	**3**	**1.5%**
SEXUAL CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**

Rape	15	21	19	-2	-9.5%
Sexual Assault	1	1	1	0	0.0%
Attempted Sexual Assault	3	1	1	0	0.0%
Contact Sexual Assault	1	0	0	0	0.0%
TOTAL	**20**	**23**	**21**	**-2**	**-8.7%**
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Carjacking	0	0	0	0	0.0%
Robbery at residential premises	5	1	2	1	100.0%
Robbery at non-residential premises	1	3	4	1	33.3%
Robbery of cash in transit	0	0	0	0	0.0%
Bank robbery	0	0	0	0	0.0%
Truck hijacking	0	0	0	0	0.0%
CONTACT RELATED CRIME					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Arson	1	3	1	-2	-66.7%
Malicious damage to property	20	12	19	7	58.3%
TOTAL	**21**	**15**	**20**	**5**	**33.3%**
PROPERTY-RELATED CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Burglary at non-residential premises	19	13	21	8	61.5%
Burglary at residential premises	89	75	63	-12	-16.0%
Theft of motor vehicle and motorcycle	0	0	0	0	0.0%
Theft out of or from motor vehicle	20	10	29	19	190.0%
Stock theft	9	11	7	-4	-36.4%
TOTAL	**137**	**109**	**120**	**11**	**10.1%**
OTHER SERIOUS CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
All theft not mentioned elsewhere	79	63	103	40	63.5%
Commercial crime	9	3	6	3	100.0%
Shoplifting	11	7	12	5	71.4%
Total other serious crime	99	73	121	48	65.8%
Total community reported serious crimes	**405**	**396**	**463**	**67**	16.9%
CRIME DETECTED AS A RESULT OF POLICE ACTION					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Illegal possession of firearms and ammunition	2	3	2	-1	-33.3%
Drug-related crime	114	110	45	-65	-59.1%
Driving under the influence of alcohol or drugs	17	8	24	16	200.0%
Sexual offences detected as a result of police action	0	0	0	0	0.0%
TOTAL	**133**	**121**	**71**	**-50**	**41.3%**

Table 54: Crime statistics Hankey *(Source: SAPS: Crime Statistics)*

SAPS – PATENSIE					
CONTACT CRIMES (CRIMES AGAINST THE PERSON					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Murder	11	6	3	-3	-50.0%
Sexual Offences	23	25	30	5	20.0%

Attempted Murder	2	0	2	2	2
Assault with the intent to inflict grievous bodily harm	93	88	72	-16	-18.2%
Common Assault	42	53	68	15	28.3%
Common Robbery	2	6	8	2	33.3%
Robbery with aggravating circumstances	8	7	6	-1	-14.3%
TOTAL	**181**	**185**	**189**	**4**	**2.2%**
SEXUAL CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Rape	20	23	21	-2	-8.7%
Sexual Assault	0	0	4	4	4
Attempted Sexual Assault	3	2	3	1	50.0%
Contact Sexual Assault	0	0	2	2	2
TOTAL	**23**	**25**	**30**	**5**	**20.0%**
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Carjacking	0	0	0	0	0.0%
Robbery at residential premises	1	1	0	-1	-100.0%
Robbery at non-residential premises	0	1	0	-1	-100.0%
Robbery of cash in transit	0	0	0	0	0.0%
Bank robbery	0	0	0	0	0.0%
Truck hijacking	0	0	0	0	0.0%
CONTACT RELATED CRIME					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% Change**
Arson	1	0	2	2	2%
Malicious damage to property	23	23	19	-4	-17.4%
TOTAL	**24**	**23**	**21**	**-2**	**8.7%**
PROPERTY-RELATED CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Burglary at non-residential premises	17	16	14	-2	-12.5%
Burglary at residential premises	64	50	55	5	10.0%
Theft of motor vehicle and motorcycle	1	0	0	0	0.0%
Theft out of or from motor vehicle	11	11	12	1	9.1%
Stock theft	4	0	3	3	3
TOTAL	**97**	**77**	**84**	**7**	**9.1%**
OTHER SERIOUS CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
All theft not mentioned elsewhere	70	49	71	22	44.9%
Commercial crime	2	3	4	1	33.3%
Shoplifting	1	10	8	-2	-20.0%
Total other serious crimes	73	62	83	2121	33.9%
TOTAL	**375**	**347**	**377**	**30**	**8.6%**
CRIME DETECTED AS A RESULT OF POLICE ACTION					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Illegal possession of firearms and ammunition	3	0	0	0	0.0%
Drug-related crime	88	92	30	-62	-67.4%
Driving under the influence of alcohol or drugs	10	11	20	9	81.8%
Sexual offences detected as a result of police action	0	0	0	0	0.0%
TOTAL	**101**	**103**	**50**	**-53**	**-51.5%**

Table 55: Crime statistics Patensie *(Source: SAPS: Crime Statistics)*

SAPS – THORNHILL					
CONTACT CRIMES (CRIMES AGAINST THE PERSON					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Murder	4	4	2	-2	-50.0%
Sexual Offences	3	10	10	0	0.0%
Attempted Murder	3	7	8	1	14.3%
Assault with the intent to inflict grievous bodily harm	29	37	36	-1	-2.7%
Common Assault	28	22	30	8	36.4%
Common Robbery	1	1	4	3	300.0%
Robbery with aggravating circumstances	7	19	13	-6	-31.6%
TOTAL	**75**	**100**	**108**	**3**	**3.0%**
SEXUAL CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Rape	3	7	6	-1	14.3%
Sexual Assault	0	3	4	1	33.3%
Attempted Sexual Assault	0	0	0	0	0.0%
Contact Sexual Assault	0	0	0	0	0.0%
TOTAL	**3**	**10**	**10**	**0**	**0.0%**
SOME SUB-CATEGORIES OF AGGRAVATED ROBBERY					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Carjacking	1	0	0	0	0.0%
Robbery at residential premises	3	6	3	-3	-50.0%
Robbery at non-residential premises	1	4	3	-1	-25.0%
Robbery of cash in transit	0	0	0	0	0.0%
Bank robbery	0	0	0	0	0.0%
Truck hijacking	0	1	0	**-1**	**-100.0%**
CONTACT RELATED CRIME					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Arson	3	4	1	-3	-75.0%
Malicious damage to property	16	12	9	-3	-25.0%
TOTAL	**19**	**16**	**10**	**-6**	**-37.5%**
PROPERTY-RELATED CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
Burglary at non-residential premises	7	12	16	4	33.3%
Burglary at residential premises	40	55	47	-8	-14.5%
Theft of motor vehicle and motorcycle	3	1	0	-1	-100.0%
Theft out of or from motor vehicle	5	3	4	1	33.3%
Stock theft	8	15	5	-10	-66.7%
TOTAL	**63**	**86**	**72**	**-14**	**-16.3%**
OTHER SERIOUS CRIMES					
CRIME CATEGORY	**2017/18**	**2018/19**	**2019/20**	**Case diff**	**% change**
All theft not mentioned elsewhere	51	44	44	0	0.0%
Commercial crime	1	1	6	5	500.0%
Shoplifting	1	0	0	0	0.0%
Total of other crimes	53	45	50	5	11.1%
Total community reported serious crimes	**210**	**247**	**235**	**-12**	**-4.9%**
CRIME DETECTED AS A RESULT OF POLICE ACTION					

CRIME CATEGORY	2017/18	2018/19	2019/20	Case diff	% change
Illegal possession of firearms and ammunition	2	6	1	-5	-83.3%
Drug-related crime	103	59	34	-25	-42.4%
Driving under the influence of alcohol or drugs	25	15	12	-3	20.0%
Sexual offences detected as a result of police action	0	0	0	0	0.0%
TOTAL	130	80	47	-33	-41.3%

Table 56: Crime statistics ***Thornhill*** *(Source: SAPS: Crime Statistics)*

The Community Police and Safety Forum focus each year on the effective implementation of the following joint national and local crime prevention campaigns:

- Child Protection Week
- 16 Days of Activism against violence against women and children
- International Drug Awareness Day
- Victim Support Programme
- Substance Abuse Awareness Programmes
- Holiday Programmes

2.8.2 Safety of the Public : Bus Shelters and Taxi Ranks

The following is the number of bus shelters and taxi ranks to secure the safety of the public against natural elements are:

TOWN	BUS SHELTER	TOWN	TAXI RANKS
Cape St Francis	0	Humansdorp	1
St Francis Bay	5	St Francis Bay	1
Kwanomzamo	3	Hankey	1
Arcadia	6	Jeffreys Bay	1
Kruisfontein	3		
Gill Marcus	1		
Hankey	0		
Patensie	1		
Loerie	1		
Thornhill	2		
Jeffreys Bay	5		
TOTAL	**27**	**TOTAL**	**4**

Table 57: Bus shelters and taxi

There are a marked shortage of taxi ranks in the Kouga area and should be addressed by a needs analysis and identified demarcated areas.

2.9 CONCLUDING REMARKS ON SITUATIONAL ANALYSIS

The Covid pandemic had an adverse effect this IDP review, being that people had died, business closed, and people lost their jobs. The economy of the area has felt the brunt especially in the tourism industry.

The growth in the population size is at a much faster rate than the economy. People come to the Kouga area looking for jobs and it increases the total for jobless people in the Kouga. This migration pattern also put a huge burden on the service delivery budgets of the municipality. The Kouga, according to the SA Stats Community Survey, had an increase of 14.6% growth in population between 2011 to 2016. The 2021 census may show a further growth in the population size of the municipality.

There is a shortage of educational facilities and the age group 15-34 expressed their need for an FET College, Skills Development Centre and an Agricultural School. The positive of the 2019/20 financial year is that an Agricultural school is to be built in Patensie.

Some of the high schools in the municipal area Matric results are still not on an acceptable level. High schools of concern are Lungiso High School, Patensie High School, Jeffreys Bay Comprehensive and Humansdorp High School. English and Xhosa schools are needed in the Kouga area.

Education and training improve or better the chances of employment opportunities and may help our communities to sustain themselves and accelerate overall development of the people of Kouga therefore the need of an FET Centre, Skills Development Centre and Agricultural School.

Household incomes is one of the most important determinants of the welfare of a municipality. More than 50% of the households in the Kouga fall under the low-income bracket which increases the burden on the municipal financial resources. The low-income households affect the ability to pay municipal services, however there is some relief due to the grants and subsidies per household.

Crime has become a huge problem in the Kouga area, especially in Humansdorp. It has invaded the school grounds of Humansdorp Senior Secondary School where gangsterism amongst the youth has ended up in death and serious injuries. The law enforcers, stakeholders and community should make a concerted effort to kerb this evil in our beautiful tourism towns.

The increase in taverns as well as spaza shops, without the necessary approval documents has also become a major challenge for the municipality. The by-laws and policies of the municipal should be enforced to address and eradicate illegal activities in its jurisdiction.

The overall development and growth are still not fully explored by the municipality. The Kouga has the most beautiful tourist attractions, and the natural environment adds to the unique opportunity to attract investments to the area.

DRAFT

CHAPTER 3: SITUATIONAL ANALYSIS PER NATIONAL KPA'S

The functional competencies of a municipality are inter alia contained in Schedule 4B and 5B of the Constitution of South Africa. The most prominent functions for part of the situational analysis. These functions provide a fundamental point of departure for determining the Key Focus Areas of the Municipality.

Further to the analysis per KFA, this section also provides an overview of the current state of each KFA and responses to these through the identification, resourcing, implementation, monitoring and evaluation of key initiatives, programs and projects within the parameters of statutory and internally agreed intervals and timeframes.

3.1 MUNICIPAL FUNCTIONS

The Kouga Municipality is authorised to perform the following functions:

MUNICIPAL FUNCTION	MUNCIPAL RESPONSIBILITY
CONSTITUTION, 1996, SCHEDULE 4, PART B FUNCTIONS:	
Air pollution	Community Services
Building regulations	Engineering and Infrastructure
Electricity reticulation	Electro-technical Services
Firefighting services	Community Services
Tourism development and creative industries; and local economic development including agriculture, fishing and events	Planning, Development and Tourism
Municipal planning	Engineering and Infrastructure
Municipal public transport	Community Services/Engineering and Infrastructure
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under the Constitution or any other law	Engineering and Infrastructure
Storm water management in built-up areas	Engineering and Infrastructure
Trading regulations enforcement	Community Services
Water and sanitation services limited to potable water supply and domestic water-water and sewage disposal systems	Engineering and Infrastructure
CONSTITUTION, 1996, SCHEDULE 5, PART B FUNCTIONS:	
Beaches and amusement facilities	Community Services
Billboards and the display of advertisements in public places	Engineering and Infrastructure
Cemeteries, funeral parlours and crematoria	Community Services
Cleansing	Community Services
Control of public nuisances	Community Services
Local amenities	Community Services/Engineering and Infrastructure
Local sport facilities	Community Services
Municipal parks and recreation	Community Services
Municipal roads	Engineering and Infrastructure

Noise pollution	Community Services
Public places	Community Services
Refuse removal, refuse dumps and solid waste disposal	Community Services
Street trading	Community Services
Street lighting	Engineering and Infrastructure
Traffic and parking	Community Services

Table 58: Municipal Functions

3.1.1 Access to basic services

Proportion of households with minimum level of basic services			
Description	**2017/18**	**2018/19**	**2019/20**
Electricity service connections	100%	100%	100%
Water – available within 200m from dwelling	100%	100%	100%
Sanitation – households with at least VIP Service	100%	100%	100%
Waste collection – curb side collection once a week	100%	100%	100%

Table 59: Proportion of households with minimum level of basic services

Proportion of informal households with service backlogs				
Service backlogs at as 19/20				
Households (HHs)				
	***Service level above minimum standard**		***Service level above minimum standard**	
	No. of HHs	**% HHs**	**No. of HHs**	**% of HHs**
Water		**%**		**%**
Sanitation		**%**		**%**
Electricity		**%**		**%**
Waste Management		**%**		**%**
Housing		**%**		**%**
*% HHs are the service above/below minimum standard as a proportion of total HHs. Housing refers to *formal and ** informal settlements*				

Table 60: Proportion of Informal households service delivery backlogs

3.1.2 Basic service delivery challenges faced by the municipality

The table below illustrates the service delivery challenges faced by the municipality:

Service area	Challenge	Progress made in the 2020/21 financial year
Roads	○ Lack of sufficient funding to reduce backlogs of the resealing of roads	Progress was made with the allocation of funds for the maintenance of roads within the Kouga area. Stormwater master plan develop and in place but need to be projectized and costed.
	○ Inadequate stormwater network in certain neighbourhoods	
	○ Deterioration of gravel roads	
	○ Increased number of potholes	
Sanitation	○ Bucket eradication	Chemical toilets were also installed at the new section of Donkerhoek in Humansdorp.
Water and Sewerage	○ Ageing infrastructure	A number of aging bulk water reticulation lines were replaced during the drought funded projects as part of water conservation and demand management initiatives.
	○ Water losses	
	○ Sewer blockages and spillages	

All basic services including electricity	○ Vandalism / Theft ○ Illegal connections	Illegal connections: Planned operations with SAPS and Law Enforcement are conducted to disconnect the illegal connections but as soon as the officials leave the site, reconnections take place. A lot of infrastructure is being destroyed by these occurrences. The Ocean View substation are being relocated at a cost of R3 million as it has been destroyed by the community. 591 illegal units have been electrified with internal funding to reduce or alleviate the problem.
Stormwater	Stormwater infiltration into sewer networks	Building inspectors to inspect and monitor households for compliance
Sewerage systems	High number of blockages	Services provider appointed for high pressure jetting. Blockages occur due to low flow conditions as a result of water restrictions and water shedding due to the drought
Water	High water losses	Retro fitting for ATTP completed bulk and domestic water audits completed . Old bulk water pipes replaced in Hankey, Patensie and Oyster Bay
Refuse	Illegal dumping	Ongoing clearing of dumping hotspots.

Table 61: Service delivery challenges

3.1.3 Local Economic Development (LED)

The following challenges with regard to Local Economic Development (LED) are:

Description	Progress made in 2020/21 to address challenges
Strategy and Policy Development i.e., LED Strategy and Poverty Alleviation Policy	The final draft LED strategy document will be workshopped on the 17-18 March thereafter it will be tabled to council for adoption. The SMME & Co-operative Development policy is in draft and will workshopped in the next Policy workshop.
SMME Development and Training	SMME training is implemented quarterly, training is also implemented in partnership with Sector Departments, other issues relating to Development Finance will be addressed in the SMME and Co-operative support Policy.
Area specific approach given the vast area and different characteristics of the different areas	The destination marketing approach must ensure inclusion of all corners of the municipality's outreach. Destination Marketing is done by KLTO on behalf of the municipality.
Outreach and community interface with specific emphasis on groups, stakeholders, and sector needs	The department will expand on an outreach by engaging experienced and well positioned community officers. LED will also engage its stakeholders in the LEDF which takes place on a quarterly basis.
Alignment with skills with work opportunities	Skills Audit will be conducted to the SMME's in 2020/2021 as part of SMME capacity building so that training intervention is aligned, and target gaps identified and implement the right training that will empower SMME's to manage and grow their businesses and become entrepreneurs. The Department will also engage local, private firms in assessing work opportunities and required skills and conduct a study of skills gap in the market.
Introduction of a bail-out programme to assist failing businesses	Keep check on early signs of business struggle and encourage people to communicate. This is done through the implementation of BR&E programme which seeks to identify local business issues, concerns and potential opportunities that Local Government and other stakeholders can address proactively.
Assistance to emerging farmers	Assistance to emerging farmers will improve once the policy is approved, currently LED is working closely with DRDAR to solicit assistance for the Emerging Farmers.
Outstanding land claims	Land Claims not recorded.

Number of livestock in the area	Information not available.
Job creation and investment opportunities	Jobs are created through EPWP, Government projects implemented in Kouga municipal jurisdiction, PPP, Events and Tourism. Kouga Municipality marked as an International Events Capital to attract Investors to Kouga. Kouga was participated in two (2) Investor Conferences in East London and Port Elizabeth.

Table 62: LED challenges

The table below provides detail of job opportunities created through the Expanded Public Works Programme (EPWP) initiatives in the municipal area for the past three (3) financial years:

JOB CREATION THROUGH EPWP PROJECTS		
Year	**No. of EPWP Projects**	**No. of jobs created through EPWP projects**
2017/18	25	177
2018/19		19
2019/20		474

Table 63:: Job Creation through EPWP Projects

3.1.4 Municipal Financial Management and Viability

Strong revenue management is crucial in the current tough economic climate. The containment of outstanding debtors is critical for financial viability by applying strict credit control measures.

The table below indicates the municipality's performance in terms of Municipal Financial Viability:

KPA & Indicator	2017/18	2018/19
Cost average – (available cash + investments/monthly fixed operational expenditure	**1.73**	**1.90**
Total outstanding service debtors to revenue – (total outstanding service debtors/annual revenue received for services)	**13.8**	**12.9**
Debt coverage – (total operating revenue – operating grant/debt service payments due within financial year)	**0.02**	**0.01**

Table 64 : Municipality's performance i.t.o. Municipal Financial Viability

The following graph reflects the municipality's reliance on grants for the past three (3) years:

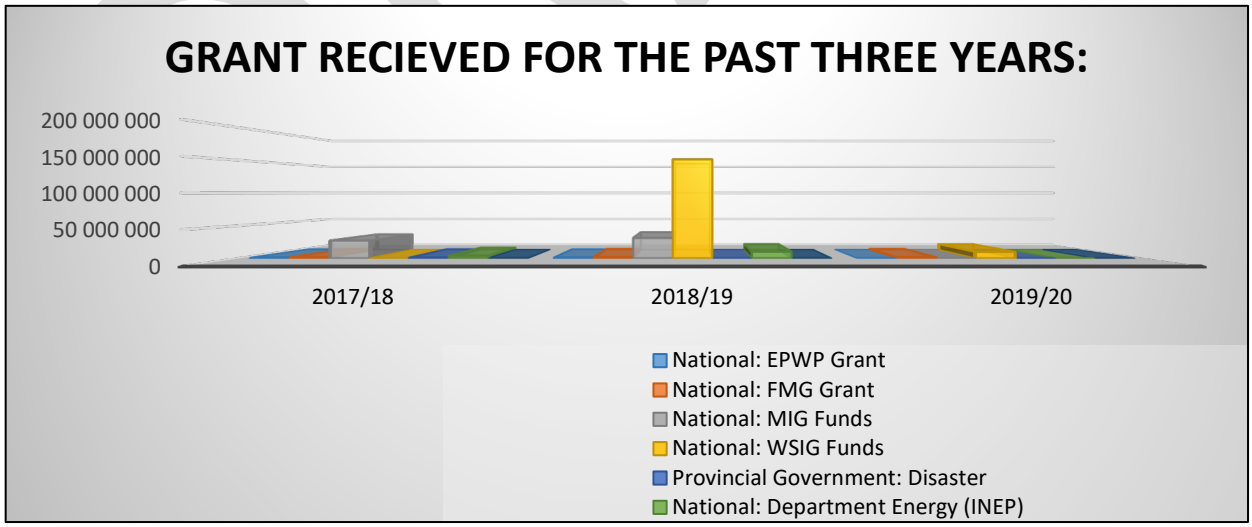
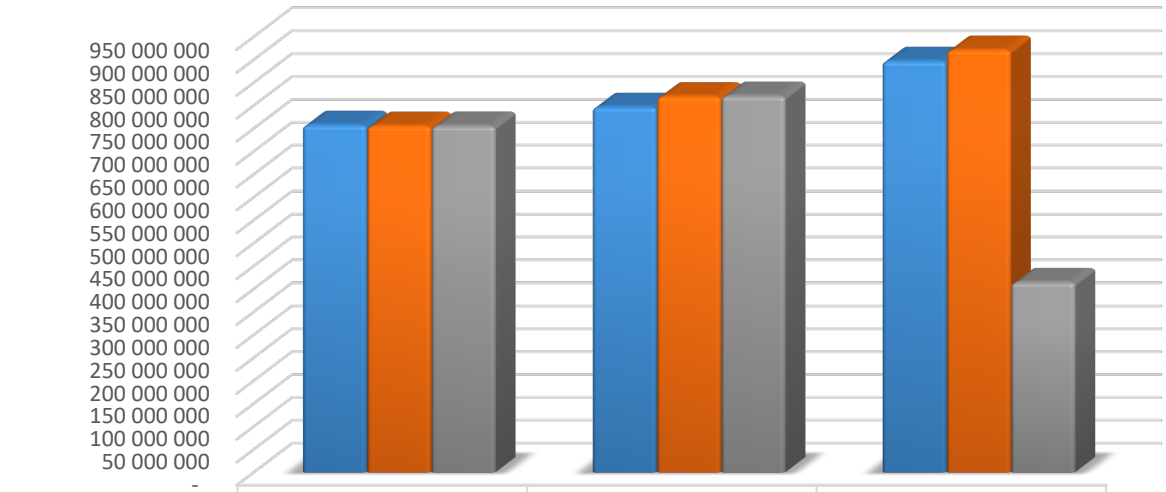


Figure 31: Municipality's reliance on grants for the past 3 years

The following graph indicates the municipality's total operating expenditure for the past three (3) financial years:



	2017/18	2018/19	2019/20
Original Budget	757 599 858	796 783 745	897 136 666
Adjustment Budget	755 421 228	819 759 556	921 424 068
Actual	755 643 717	820 968 796	414 702 746

Figure 32: Total expenditure for the past 3 years

CHAPTER 4: INTERGOVERNMENTAL RELATIONS ALIGNMENT

4.1 INTERGOVERNMENTAL RELATIONS

Section 24(1) and (2) of the Municipal Systems At provides for the legislative Framework for the enhancement of co-operative governance in municipal planning. The Act states the following: "(1) the planning undertaken by the municipality must be aligned with and complement the development plans and strategies of other affected municipalities and other organs of state to give effect to the principles of co-operative government contained in section 41 of the Constitution. (2) municipalities must participate in national and provincial development programmes as required in Section 153(b) of the Constitution."

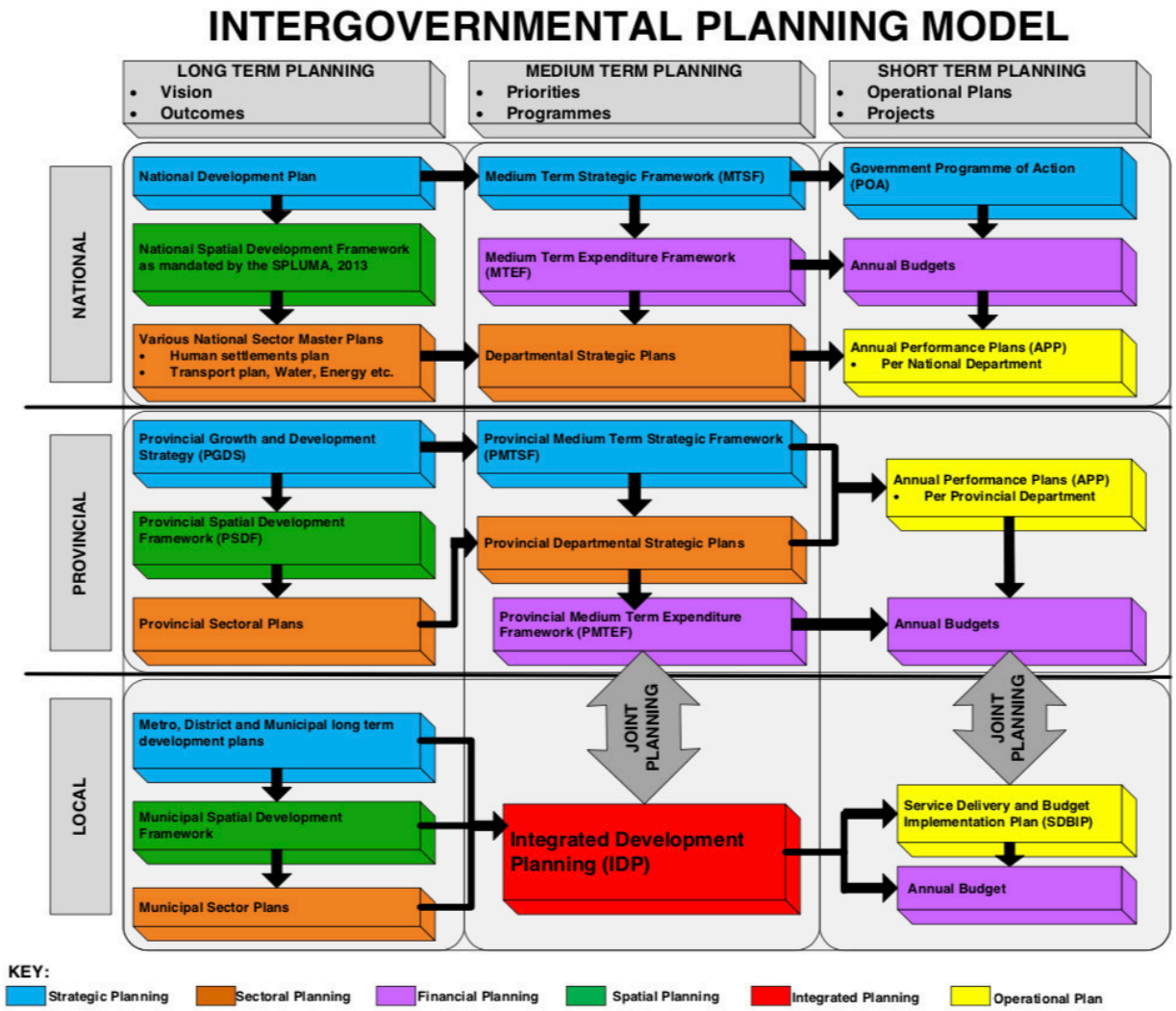


FIGURE 33 : Intergovernmental Planning Model

4.2 INTERGOVERNMENTAL STRUCTURES

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another; inform and consult one another on matters of common interest; coordinate their actions; adhering to agreed procedures and avoid legal proceedings against each one another. To adhere to the principles of the Constitution as mentioned above the municipality participates in the following intergovernmental structures:

a) **Municipality's participation in IGR structures**

- Premier's Coordinating Forum(PCF)
- District Coordination Forum (DCF)
- Mayor's and Municipal Manager's Forum
- Chief Financial Officer Forum
- Provincial Local Economic Development Forum
- Provincial LED and Tourism Forum
- Provincial Public Participation and Communication Forum
- Provincial IDP Manager's Forum
- Provincial Public Participation Workshops and Training Courses
- Provincial Social Housing Forum
- SALGA Working Groups(Human Settlement Stream and HR stream)
- Provincial Skills Development Forum
- Human Resource Management Forum
- Provincial Disaster Management Advisory Forum
- Provincial Roads and Public Works Forum
- Back to Basics
- Operation Masiphathisane
- SALGA BIGM partnership with Port Edward County
- NUSP Forum (National Upgrading Support Program)

b) **District / Municipal Forms**

- Municipal Managers Forum
- SALGA Working Groups
- District Coordinating Forum
- IDP Managers Forum
- LED Managers Forum

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4.3 AREAS OF INTERFACE – NATIONAL, PROVINCIAL, DISTRICT AND NATIONAL GOVERNMENT

4.3.1 National Development Plan (NDP) – VISION 2030

The National Development Plan aims to eliminate poverty and reduce inequality by 2030. South Africa has the potential and capacity to eliminate poverty and reduce inequality over the next two decades. This programme set out government's plans to address various key government programmes. The President also ensure that the National Development Plan remains the foremost blueprint to take forward the fight against poverty, inequality and unemployment. All programmes of government are aligned to the NDP.

The Key focus areas of the Plan are illustrated in the figure below:

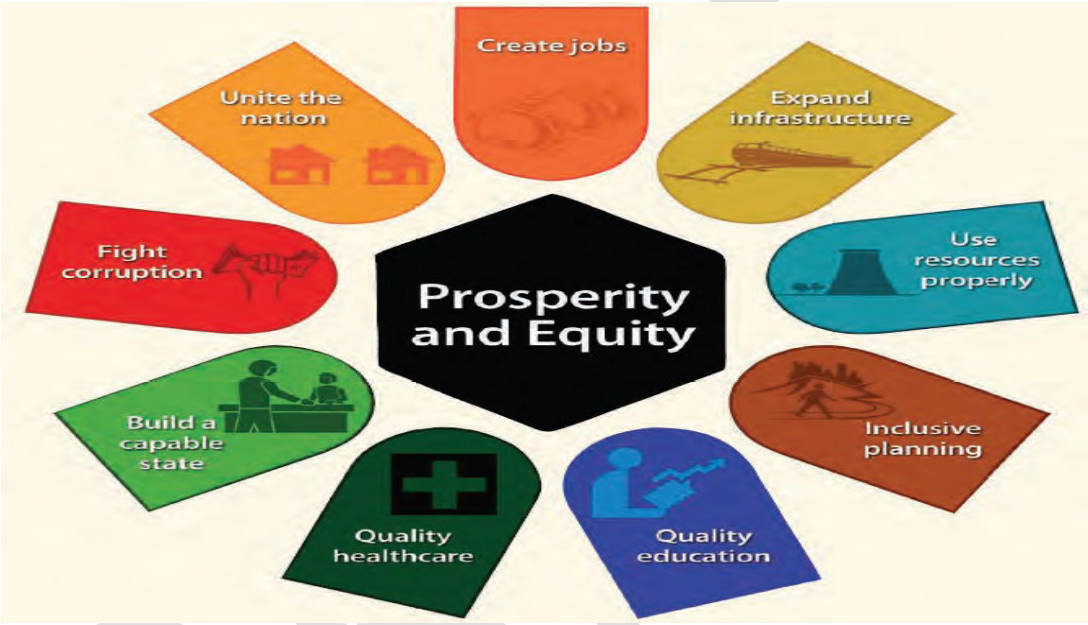

FIGURE 34 : NDP 2030 Vision

The 12 National Outcomes are:

NOC2: A long and health life for all South Africans
NOC 1: Improve quality of basic education
NOC3: All people in South Africa are and feel safe
NOC4: Decent employment through inclusive economic growth
NOC5: A skilled and capable workforce to support an inclusive growth path
NOC6: An efficient, competitive and responsive economic infra structure network
NOC7: Vibrant, equitable and sustainable rural communities with food security for all
NOC8: Sustainable human settlements and improved quality of household life
NOC9: A responsive, accountable, effective and efficient local government
NOC10: Environmental assets and natural resources that are well protected and continually enhance
NOC11: Create a better South Africa and contribute to a better and safer Africa and the world
NOC12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship

Of the 12 Outcomes, Outcome 9 holds reference to District and Local Municipalities as a mechanism to formalize 'A Responsive, accountable, effective and efficient local government system'.

Outcome 9 identifies 7 Critical Outputs:
Output 1: Implement a differentiated approach to municipal financing, planning and support.
Output 2: Improving Access to Basic Services.
Output 3: Implementation of the Community Work Program.
Output 4: Actions supportive of the human settlement outcomes.
Output 5: Deepen democracy through a refined Ward Committee model.
Output 6: Administrative and financial capability.
Output 7: Single Window Coordination.

4.3.2 Provincial Development Plan – VISION 2030

The Principles of the Provincial Development Plan is to depart from a principled premise that confronts the ***structural features*** hobbling the provincial economy.

The principles are the following:
- Social, economic and spatial justice.
- Gender equality.
- Intergenerational equity – prevent inequalities being passed down to future generations.
- Citizen participation and co-responsibility for development.
- Promotes ethical, integrated multi-agent action predicated on the relative strengths of institutional partners.
- Public good – government must prioritise the common interest above personal gain.
- Respects evidence and critical deliberation.
- And takes accountability seriously.

The PDP is designed to deal with the spread and incidence of poverty and unemployment in the Eastern Cape Province as well as the spatial inequality between different regions. The Premier of the Eastern Cape, Hon presented the Provincial Strategic Plan 2020-2025 comprising of the following key strategic objectives:

PROVINCIAL STRATEGIC OBJECTIVES 2020-2025	
1.	Improved governance
2.	Coordination and integration of Service Delivery Support Programmes
3.	Implementation of the District Development Model
4.	Accelerated Service Delivery by Municipalities through the implementation of B2B
5.	Improved developmental capacity of the Institution of Traditional Leadership

Table 65 : Provincial Strategic Objectives ***(Source: Provincial Strategic Plan)***

4.3.3 District Development Priorities

Section 29(2) of the MSA, Act 32 of 2000 clearly states that district municipalities must:
- Plan integrated development for the area of the district municipality but in co-operation with the local municipalities in the area.
- Align its integrated development plan with the framework adopted; and
- Draft its integrated development plan, considering the integrated development processes of and proposals submitted to it by the local municipalities in that area.

The Sarah Baartman District municipality identified capacity building to local municipalities as its key focus area. It is also the centre of co-ordination on behalf of its 7 local municipalities. The integrated development of the district includes services rendered by all sector departments to the communities in the Sarah Baartman area of jurisdiction. Sector alignment therefore forms an integral part of the district's IDP.

4.3.4 Kouga Municipality Strategic Goals alignment with National Outcomes and Provincial Goals

NATIONAL OUTCOMES	PROVINCIAL GOALS	KOUGA STRATEGIC GOALS
NOC 1: Improve quality of basic education	**PG2**: An educated, empowered and innovative citizenry	**KG3:** To provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government
NOC2: A long and health life for all South Africans	**PG3:** A healthy population	**KG1:** To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC3: All people in South Africa are and feel safe	**PG4:** Vibrant, equitably enabled communities	**KG1:** To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC4: Decent employment through inclusive economic growth	**PG1:** A growing, inclusive and equitable economy	**KG2:** To create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
NOC5: A skilled and capable workforce to support an inclusive growth path	**PG2:** An educated, empowered and innovative citizenry	**KG3:** To provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government **KG5:** To build sustainability of Kouga Municipality by empowering staff to achieve a good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency
NOC6: An efficient, competitive and responsive economic infra structure network	**PG1:** A growing, inclusive and equitable economy	**KG2:** To create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
NOC7: Vibrant, equitable and sustainable rural communities with food security for all	**PG4:** Vibrant, equitably enabled communities	**KG2:** To create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment
NOC8: Sustainable human settlements and improved quality of household life	**PG4:** Vibrant, equitably enabled communities	**KG1:** To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC9: A responsive, accountable, effective and efficient local government	**PG5:** Capable, conscientious and accountable institutions	**KG4:** To create an enabling environment for active public participation and an administrative culture characterised by accountability transparency and efficiency **KG5:** To build sustainability of Kouga Municipality by empowering staff to achieve a good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency
NOC10: Environmental assets and natural resources that are well protected and continually enhanced	**PG4:** Vibrant, equitably enabled communities	**KG1:** To provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga
NOC11: Create a better South Africa and contribute to a better and safer Africa and the World	**PG4:** Vibrant, equitably enabled communities	**KG4:** To create an enabling environment for active public participation and an administrative culture characterised by accountability transparency and efficiency
NOC12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	**PG5:** Capable, conscientious and accountable institutions	**KG4:** To create an enabling environment for active public participation and an administrative culture characterised by accountability transparency and efficiency

Table 66: Strategic goals alignment

4.3.5 Integrated Service Delivery Model

The as follows:

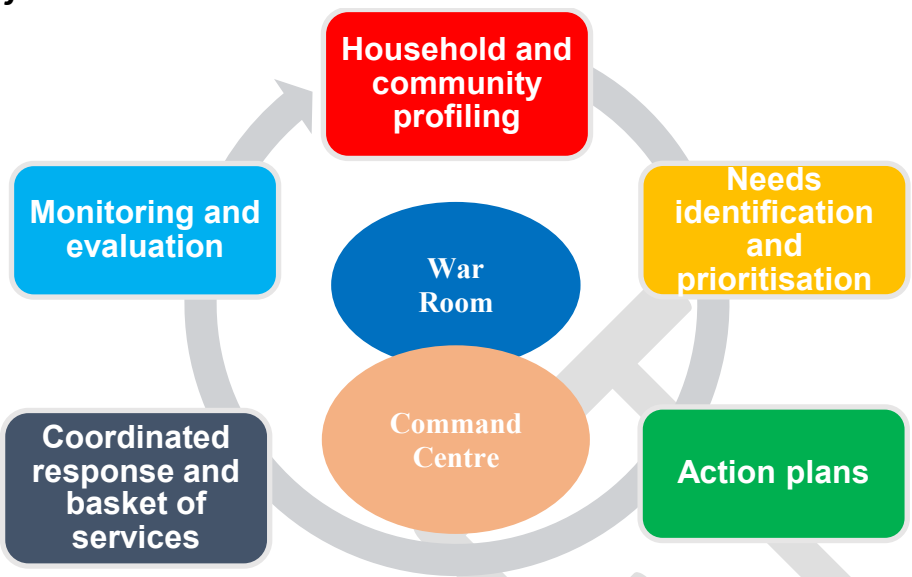

FIGURE 35: Integrated Service Delivery Model ***(Source: Gogta)***

The benefits of the ISDM are:

- Coordination and alignment of public planning (Ward-based, IDP's, APPs,) to give credibility to IDP's'.
- Integration of services in one structure and having services available in one location.
- Improved vertical and horizontal linkages and governance and pooling of resources (human and financial.
- People-centred and empowering: encouraging community participation.
- Streamlining of existing structures: working together for knowledge sharing and training.
- Integrative reporting from local government to all spheres of government and improved accountability.

The Kouga Municipality has not established war rooms as the ward committee system addresses the need for stakeholder and public participation processes in planning in the municipality.

4.3.6 Back to Basics Approach

The Back-to-Basics programme driven by the Department of Cooperative Governance relates to the core services that local government needs to provide namely clean drinking water, sanitation, electricity and waste removal. It also includes other essential services such as roads and shelter. The aim of the back-to-basics program is to ensure good governance. Municipalities are obliged to render these services and to create a safe, healthy and economically sustainable environment for their respective communities.
The goal of the back to basics is to improve the functioning of municipalities to better serve communities by getting the basics right.

The back-to-basics programmes also ensures legal compliance on the following:

- The holding of council meetings as legislated.
- The functionality of oversight structures such as municipal public accounts committees and other oversight meetings.
- Progress on matters listed on the back-to-basics programme.
- The existence and efficiency of anti-corruption measures.
- The extent to which there is compliance with legislation and the enforcement of by-laws.
- The rate of service delivery protests and approaches to address them.

A further focus is on public participation and in this regard the following is highlighted:

- Efficient communication systems to communicate regularly with communities and disseminate urgent information.
- The existence of the required number of functional ward committees.
- The number of effective public participation programmes conducted by councils.
- The regularity of community satisfaction surveys carried out.

Sound financial management is a corner stone of the programme as it forms an integral part of the success of the municipality. The institutional capacity is another focus area to ensure that strong municipal administrative systems and processes are in place. It includes ensuring that administrative positions are filled with competent and committed people whose performances is closely monitored.

4.4 STRATEGIC POLICY DIRECTIVES

The IDP requires alignment with other spheres of government at different stages during the IDP process. Alignment is the instrument to synchronize and integrate the IDP Process between different spheres of government. The alignment process must reveal how National and Provincial Government and the District Municipality could assist the municipality in achieving its developmental objectives.

It is int interest of the sectors to participate in the IDP Process to ensure that its programmes and those of municipalities are aligned. The IDP is an integrated inter-governmental system of planning which requires the involvement of all three spheres of government. Some contributions have to be made by provincial and national government to assist municipal planning and therefor government has created a range of policies and strategies to support and guide development and to ensure alignment between all spheres of government as stated by the Municipal Systems Act, Section 24.

In terms of the Constitution of South Africa, all spheres of government and all organs of state within each sphere must co-operate with one another in mutual trust and good faith fostering friendly relations. They must assist and support one another; inform and consult one another on matters of common interest; coordinate their actions; adhering to agreed procedures and avoid legal proceedings against each one another.

The mandate for the municipality is guided by, but not limited to, the following:

Municipal Key Performance Area (MKPA)		National Key Performance Area (NKPA)	National Outcome (NOC)	Sustainable Develop-ment Goals (SDG)	National Develop-ment Plan (NDP	Provincial Strategic Objectives	Sarah Baartman District Municipality Objectives
Ref No.	**MKPA**	**NKPA**	**NOC**	**SDG**	**NDP**	**PSO**	**SBDM**
KPA1	Basic Services and Infrastructure	NKPA1	NOC1	SDG3	NDP4	PSO3	DMO1
		NKPA2	NOC6	SDG4	NDP10	PSO4	
		NKPA3	NOC7	SDG9	NDP16		
		NKPA4	NOC8	SDG10			
		NKPA5	NOC9	SDG12			
			NOC10				
			NOC11				
KPA2	Local Economic Development	NKPA4	NOC4	SDG4	NDP1	PSO1	DMO3
			NOC5	SDG11	NDP3	PSO4	
			NOC8				
KPA3	Municipal Financial Viability and Transformation	NKPA1	NOC4	SDG8	NDP9	PSO4	DMO2
		NKPA4	NOC9		NDP10		
					NDP11		

KPA4	Good Governance and Public Participation	NKPA2 NKPA1 NKPA5 NKPA1	NOC6 NOC10 NOC12	SDG8 SDG15 SDG17	NDP3 NDP7 NDP13	PSO2 PSO4	DMO4
KPA5	Municipal Transformation and Organisational Development	NKPA5	NOC5	SDG9	NDP11	PSO2	DMO5

Table 67: Strategic Alignment Matrix

4.5 REPORT ON THE STATE OF THE NATION, PROVINCE AND MUNICIPALITY

4.5.1 State of the Nation Address (SONA) 2020

The President, Cyril Ramaphosa tabled his State of the Nation Address on 11 February 2021 as he faces the tough task of tackling economic recovery, corruption, electricity shortages, and Covid-19 pandemic issues. The following are the most urgent tasks he presented during the State of the Nation Address:

Covid-19 Vaccine Rollout

The government intended to start providing shots developed by AstraZeneca Plc and the University of Oxford to health-care workers this month. Its plans were thrown into disarray this week when a study showed the vaccine had little impact on mild infections caused by a variant of the virus first identified in South Africa. Ramaphosa noted the findings of Astra-Zeneca's low efficacy against the 501-Y variant prevalent in South Africa and applauded our scientists for their research.

He said rolling out the Johnson & Johnson vaccine is now government's immediate contingency plan.

"We have secured 9 million doses of the Johnson & Johnson vaccine. The first batch of 80,000 doses, will arrive in the country next week. The success of the vaccination programme will rely on active collaboration between all sectors of society," Ramaphosa said.

A further 12 million jabs will be supplied by COVAX, and Pfizer are set to give us 20 million doses. These two inoculations will start arriving in this country from March onwards.

"We are greatly encouraged by the active involvement of business, labour, the health industry and medical schemes in particular, in preparing for this mass vaccination drive," he added.

The President also said we have decided to extend the period for the Special COVID-19 Grant of R350 by a further three months.

Economic Recovery

The central bank estimates that Africa's most-industrialized economy shrank 7.1% in 2020 because of the pandemic and accompanying lockdowns. Ramaphosa unveiled a recovery plan in October last year that targets an average annual economic growth rate of 3% over the next decade and focuses on job creation and increased infrastructure investment.

In his speech, Ramaphosa said a priority intervention of the Recovery Plan is to support a massive increase in local production and to make South African exports globally competitive.

"They have identified 42 products – ranging from edible oils to furniture, fruit concentrates, personal protective equipment, steel products and green economy inputs – that can be sourced locally." "If we achieve our target, we will significantly expand our productive economy, potentially returning more than R200 billion to the country's annual output."

Last year, we undertook to create a larger market for small businesses and designate 1,000 locally produced products that must be procured from SMMEs" said Ramaphosa.

"Through the implementation of the poultry master plan, the industry has invested R800 million to upgrade production. South Africa now produces an additional one million chickens every week. The sugar master plan was signed during the lockdown, with a commitment from large users of sugar to procure at least 80% of their sugar needs from local growers."

Eskom / Measures to address Electricity shortages

South Africa has been plagued by rolling blackouts since 2005 because state power utility Eskom Holdings SOC Ltd. has been unable to meet demand for electricity from its old, poorly maintained plants. Power utility Eskom estimates that, without additional capacity, there will be an electricity supply shortfall of between 4,000 and 6,000 megawatts over the next five years, as old coal-fired power stations reach their end of life.

To address this shortfall, Ramaphosa said that government will in the coming weeks issue a request for proposals for 2,600 megawatts from wind and solar energy as part of a bid window. He said restoring Eskom to operational and financial health and accelerating its restructuring process is central to this objective. Eskom has been restructured into three separate entities for generation, transmission and distribution.

"Over the last year, we have taken action to urgently and substantially increase generation capacity in addition to what Eskom generates." "Eskom has already started work to expedite its commercial and technical processes to allow this additional capacity onto the grid without undue delay."

The Department of Mineral Resources and Energy will also soon be announcing the successful bids for 2,000 megawatts of emergency power. In the coming weeks, a request for proposals for 2,600 megawatts from wind and solar energy as part of Bid Window 5 will be issued, followed by another bid window in August 2021. Eskom will be looking to partner with investors to repurpose and repower part of its coal fleet, Ramaphosa said.

Smart Cities

The President announced that government is currently 'conceptualising' a number of post-apartheid smart cities in provinces around the country. He said that these infrastructure projects form a key part of the government's Covid-19 recovery plan.

Lanseria Smart City, will become the first new city to be built in a democratic South Africa.

"The draft masterplan for this smart city – which will become home to between 350,000 to 500,000 people within the next decade – was completed in November 2020 and is now out for public comment." "In the State of the Nation Address last year, I said that our vision for industrialisation is underpinned by sector master plans to rejuvenate and grow key industries."

President Ramaphosa says we have launched "two major human settlements projects that will provide homes to almost 68 000 households in the Gauteng province", since the announcement of the Reconstruction and Recovery Plan.

Infrastructure
Ramaphosa added that government's R100 billion infrastructure funds are now in operation and that the country has billions of rands in planned infrastructure development, including upgraded highways.

"We have now developed an infrastructure investment project pipeline worth R340 billion in network industries such as energy, water, transport and telecommunications," he said.

"This includes the rehabilitation of the N1, N2 and N3 highways, the student housing infrastructure programme, and the Mokolo and Crocodile River water project."

Land and Agrarian Reform Agency
During the course of the next financial year, government will establish a Land and Agrarian Reform Agency to fast-track land reform.

To date, government has redistributed over 5 million hectares of land, totalling around 5,500 farms, to more than 300,000 beneficiaries. This is in addition to the land restitution process, which has benefited over two million land claimants and resulted in the transfer of around 2.7 million hectares.

Jobs
Ramaphosa said and the intervention of an employment stimulus to create jobs and support livelihoods was one of four of his government's priority interventions.

"Over the past year, South Africa has experienced a sharp decline in growth and a significant increase in unemployment. Poverty is on the rise. Inequality is deepening. In the third quarter of 2020, our economy was 6% percent smaller than it was in the last quarter of 2019. There were 1.7 million fewer people employed in the third quarter of 2020 than there were in the first quarter, before the pandemic struck. Our unemployment rate now stands at a staggering 30.8%,"

"The Presidential Employment Stimulus is one of the most significant expansions of public and social employment in South Africa's history. By the end of January 2021, over 430 000 opportunities have already been supported through the stimulus. A further 180 000 opportunities are currently in the recruitment process. These opportunities are in areas like education, arts and culture, global business services, early childhood development, and small-scale and subsistence farming," Ramaphosa said. He announced that the National Youth Development Agency and Department of Small Business Development would provide grant funding and business support to 1 000 young entrepreneurs within 100 days.

"While the programme had to be put on hold due to the coronavirus restrictions, it nevertheless managed to reach its target of 1 000 businesses by International Youth Day on August 12, 2020. This provides a firm foundation for our efforts to support 15,000 start-ups by 2024," he said.

Fighting Corruption
Ramaphosa was frank in his assessment of corruption among government officials.

"Corruption is one of the greatest impediments to the country's growth and development," Ramaphosa said. "The revelations from the Zondo Commission of Inquiry lay bare the extent of state capture and related corruption. Testimony at the Commission has shown how the criminal justice system was compromised and weakened."

"We will shortly be appointing the members of the National Anti-Corruption Advisory Council, which is a multi-sectoral body that will oversee the initial implementation of the strategy and the establishment of an independent statutory anti-corruption body that reports to Parliament," he said.

4.5.2 State of the Province Address (SOPA) 2020

The Premier, Oscar Mabuyane of the Eastern Gape Government, delivered the State of the Province Address on 23 February 2021. The Premier in his address has highlighted the following projects/programmes:

Covid-19 Relief

- An amount of R75 million was approved to augment the budget for this fund.
- 38 businesses have benefited to the value of R26. 6 million, thus ensuring the retention of 1 538 jobs in the province.
- As at 05 February 2021, the Temporary Employer/ Employee Relief Scheme benefitted 76 692 employers and 763 470 employees at a value of R3.164 Billion.
- Through the Covid-19 Agriculture Support Disaster Fund, R80.4 million was also disbursed to support 1 915 smallholder and communal farmers.
- The job stimulus fund will remain one of the key instruments for support to distressed businesses in the new financial year.

Government buildings and state properties

- The Province has to date 20 147 immovable assets which include 7 959 assets in human settlements. The value for our audited assets is R8.1 billion, and the total estimated value is R42 billion. We are going to use this portfolio to transform the property sector.
- The Province will see the completion and handover of the government Office Park in Maletswai, Komani and Mt Frere as we consolidate Government Office Precincts strategy in Mt Ayliff, Addo and Bhisho in partnership with Infrastructure South Africa.
- The protracted litigation on the Bhisho Erf 1 which many of you know as Amatola Sun has been settled. We estimate that this will unlock more than R4 billion in new property development investment to complement the new Bhisho Government Office Precinct.
- In Lusikisiki, a state-of-the-art modernised office has been built for the Department of Home Affairs, as part of improving of services to our people, and it is ready to be opened officially.

Technology

We are pursuing a basket of multi-sectoral priority projects, which include technology and broadband, infrastructure, participation in the roll-out of SA Connect, elimination of inappropriate structures in schools using alternative technology, the eradication of informal settlements and investing in rural roads and construction of bridges.

Bulk Water Infrastructure

- The availability of water is one of the major challenges facing our province. COVID-19 has exposed the glaring inadequacies of water provision in our province and the health risks associated with the lack of clean portable water. The water situation is also undermining the economic potential of our province. We continue with our commitment to the water security intervention programme starting with Ndlambe and Makana water security interventions.
- With respect to the delivery of bulk water infrastructure, several projects are being implemented across the Province, particularly through the Regional Bulk Infrastructure Grant program.
- More than nine bulk water infrastructure projects valued at R4.9 billion are implemented in the province and are at varying stages of completion.
- The Amatola Water Six Plant Upgrade comprises six water supply schemes valued at R500 million.
- The development of the Small Harbour and Beachfront Water Development Projects will catalyse the re-imagining of a new Coastal City which will enhance our Wild Coast Development Plans.

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- The uMzimvubu Multipurpose water project has been gazetted as a Strategic Infrastructure Project. The technical feasibility studies have been completed and is now at the stage of review to improve affordability. The construction of advance infrastructure will commence before end of 2021 as we complete the financing options for the multi-billion development.

Roads

- The South African National Roads Agency Limited (SANRAL) has been a credible partner in our growth and development aspirations in the last decade and our key trade routes have improved phenomenally during this period.
- We welcome the R16.8 billion investment in our roads budgeted over the next 2 years with R4,6 billion awarded to 14 Projects from Kareedouw to Humansdorp, Jansenville to Wolwefontein, King Williams Town, Fort Beaufort to Alice, Middleburg, Molteno, Maletswai to Lady Grey to Barkley East, from Whittlesea to Komani, Dordrecht to Indwe, Engcobo and throughout the Province contractors are on site contributing to building the Eastern Cape we all want.
- The N2 Wild Coast Toll Road project heralds a breakthrough in the development of the Wild Coast Corridor. When the sun rises in Mpondoland, the dust and cranes at the 580m long cable-stay bridge over the Msikaba gorge is confirmation that our dream for balanced geo-spatial development to reverse apartheid planning will be realized. This year will see SANRAL concluding the process to find a replacement contractor for Mtentu bridge. The next phase will be the construction of roads from Lingeni to Msikaba Bridge and from Msikaba Bridge to Mtentu Bridge. We are committed to increasing local content and adherence to our Local Economic Development Framework by ensuring that construction material is sourced locally.
- The R61 road from Bhaziya to Mthatha airport junction is in the final stages of procurement and an award is due out shortly by SANRAL. Contractors are on site in many of our provincial roads from Jansenville to R63 near Graaff Reinet, Makhanda to Port Alfred, Magusheni to Flagstaff and Phase 3 to Mzamba, the N2 to Siphethu Phase 4 Road and R61 to Hluleka Game Reserve, Willowvale to Dwesa acknowledging that we are prioritising the road infrastructure to our tourism destinations.

Bridges

- Through our partnership with the National Department of Public Works & Infrastructure, and the SANDF we have already completed 8 of the 9 bridges from Zazulwana, Matatiele and Nyosana in PSJ and, from Nkobongo, Tora, Bilatye and Fini Bridges in the Chris Hani District, with Jozana and Sterkspruit in Joe Gqabi being the last bridge to be constructed. These are the first of the 107 bridges we have submitted as part of the 400 bridges to be built countrywide.

Investments

- The East London SEZ and Coega SEZ, continue to be our shining stars for investment attraction and job creation. Through these SEZs we have been able to attract over R19 billion worth of investment into our Province.
- The East London SEZ completed the construction of 9 investor facilities and the expansion of three existing facilities. These facilities will create an additional 1534 manufacturing and services jobs, and these will be operationalized within the next two years. The construction phase created an additional 4039 construction job opportunities between 2019 and 2020. The current year will see an additional 6 new investor facilities being constructed on the EL SEZ Platform, while an additional two investors will be expanding their facilities in the zone. One of these will be Sundale Dairy which will be building a new cheese facility in the zone. These investors will create 409 additional manufacturing and services jobs which will be operationalized from 2021/22. The construction phase will lead to the creation of 1 800 construction job opportunities.

- A black owned company, VA Automotive in Berlin which is operating a blanking facility was contracted by MBSA to supply parts for the W206 model (latest C Class). VA Automotive is gearing for optimum operation by the month of June as MBSA would have ramped up for the full roll out at the time. The operation is set for a full launch aligned with the launch of the W206 model.

- The Coega Development Corporation has created 481 operational jobs and 3 951 construction jobs by the third quarter of the 2020/21 financial year. We expect these numbers to increase by the end of the fourth quarter.

Electricity

- Considerable work was done on the Gas-to-Power Programme to host additional gas-driven power generation of between 1000 to 3000 MW. We will host the first infrastructure site for the importation of Liquefied Natural Gas (LNG).
- The Coega Development Corporation has signed a Joint Development Agreement with Central Energy Fund and Transnet which will anchor this project. The construction of this infrastructure will catalyse the development of a gas industry in the province and energy intensive investments.
- We envisage a network of pipelines from the existing Dedisa power plant to other major industrial areas and new gas to power plants that will be built when the Department of Mineral Resources and Energy (DMRE) invites bidders for the construction of new Gas to Power Plants.
- We are looking at other domestic gas opportunities beyond the LNG. In particular, we all are aware of the discovery of natural gas and condensate through the Brulpadda and Luiperd wells by the Total-led consortium that holds a licence for a site that is located near Mossel Bay. We are positioning Coega as the natural location for the critical off-take projects that will be needed to unlock the development of the offshore projects, and thus use this domestic gas for power generation and gas-based industrialisation. This is the critical next phase of the work to develop the gas hub at Coega.
- Project sponsors are negotiating with the DMRE, and from our perspective we are ready to support all these processes that will lead to multi-billion-dollar investments both offshore as well as at the Coega SEZ over the next decade. We will be working with all the partners, including relevant SOC's and the DMRE, to make this potential realised.
- The Wild Coast SEZ will contribute to the development of economic infrastructure in the eastern part of the Province, particularly freight and logistics. Progress to date in the Wild Coast SEZ includes completion of the Land and Topographic surveys, appointment of the bulk and top infrastructure consultants and a fencing contractor.
- Through support from Department of Trade, Industry and Competition and the use of the provincial economic stimulus fund, an amount of R178.8 million has been allocated for the critical upgrading of infrastructure at these parks. Infrastructure projects have commenced in Komani, Dimbaza and Vulindlela Industrial Parks.

Agriculture

- The agriculture sector was one of the sectors with a positive growth to the national and provincial GDP growth levels throughout the pandemic. According to the Q3 Review, in the primary sector agriculture increased at 16.5%.
- Citrus yielded R3.4 billion in exports in the last season. With the support of government, black citrus farmers grew by 25% from 2019 to 2020.
- Our two export abattoirs, namely the East London Red Meat and Sovereign Poultry Abattoir recorded an export output of 4 593 tons, valued at R359 million, during the period April 2020 to January 2021, and provided employment for 2 152 workers.
- We have set aside R332 million for the next financial year towards support for the development of the agriculture value chains for major commodities in the Province which encompass both crop and livestock production.
- The Cannabis plant remains in our radar for economic growth and job creation. The Departments of Agriculture and Rural Development, Health and DTIC are developing legislation to commercialize cannabis production.
- The bill on the use of cannabis for private purposes is currently being considered by the National Assembly.

- Government is also working on the commercialization of hemp and we are pleased to announce that hemp has been de-scheduled from the restrictive schedules of the medicines and related substances act of 1965 and this paves the way for hemp to be declared as an agricultural crop. Our medium-term strategic goal is to establish five Cannabis Production Corridors focusing on creating a value chain for medicine, fibre, fuel and food.
- With respect to Irrigation Schemes, our work at Ncora has resulted in the planting of 439 ha of grain, 100 ha of beans and 150 ha of vegetables. We have a working model in the Ncora Irrigation Scheme, and we will build on growing the investment that has attracted the interest of Anglo-Gold Ashanti and EXXARO who will contribute towards the creation of 1 277 permanent jobs in the 5 000 hectors which are under irrigation.
- The R1 billion investment in dairy and related agricultural production will be the base for agro-processing investment in the Wild Coast SEZ.
- At Qamata we planted 185 ha of maize and 150 ha of vegetables, while at Zanyokwe we are supporting an area of 43 ha with irrigation schemes for 100 ha of vegetables. We will leverage the partnership with Infrastructure South Africa to refurbish infrastructure in our irrigation schemes in Chris Hani, Amathole and OR Tambo Districts.
- The commodity diversification at Mqanduli and Mbizana RED Hubs have been finalized and have continued to support local markets with super maize meal, samp and animal feed.
- Mqanduli RED hub processed 332 tons of grain, while Mbizana processed 325 tons. Furthermore, with respect to grain production, a total of 27 269 ha has been planted this season, with a target yield of 4 tons per ha.
- The Biofuel initiative has been revived. Moreover, we are accelerating the implementation of the Magwa- Majola Agri-Ecotourism project. We have stabilised governance, increased the market footprint and are in the process of commodity diversification targeting other viable markets.
- Our province is the lead producer of livestock, and we are now the exporter of cattle, sheep and goats to other countries. Our potential to capture world markets requires investment in science and technology to improve the quality of our livestock and develop a research plan to improve the production and quality of local farmers and producers. 886 animals were also sold from the 15 custom feedlots which are in Chris Hani, OR Tambo, Amathole, Joe Gqabi and Alfred Nzo, generating R8.3 million in revenue.
- Through District Mechanisation centres we have provided cost effective mechanisation services to farmers to enable local communities to increase the utilisation of the arable land. In addition to the 3 mechanisation centres, which are Chris Hani, OR Tambo and Joe Gqabi, 3 more centres with a budget allocation of R7.9 million will be established in Sarah Baartman, Amathole and Alfred Nzo in partnership with district municipalities and their development agencies.
- Working with the relevant national departments, we are pursuing the establishment of a veterinary science school at the University of Fort Hare. This will transform the animal production, food production and support the development of local farmers to anchor of our livestock production and meat markets.
- In fostering co-ordination and alignment of financial and non-financial resources towards agricultural support in the Province, we have renewed our close relationship with the Land Bank. Our specific focus will be on Commercialization of Emerging and Development of farmers in Rural, Semi Urban and Urban areas, together with the creation of a broader pool of Black entrepreneurial practitioners in the broader Agriculture value chain beyond primary agriculture.

Tourism

- The East London Beachfront Development and East London Waterworld are under construction.
- The upgrading of beaches at Ndlambe Local Municipality will start in the next financial year.
- The six-days hiking trail from Coffee Bay to Port St Johns is under construction and focuses on three sites along the coastal zone nature reserves such as Mngazana, Mpande and Hluleka.

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- The province has an 800-kilometre coastline, from which we aim to benefit from several opportunities including fishing, bunkering, oil and gas industry development, coastal and marine tourism, as well as marine transport and manufacturing. Since the approval of the Oceans Economy master plan.
- We have invested R206 million from the stimulus fund for development of the first 100 ha of the Aquaculture Development Zone in Coega. Phase 1 construction started in September last year and will be completed in November 2021. This project is targeted to create 500 construction and 5 600 operational jobs. Yinkitha yemisebenzi ezoxhanyulwa ngoonyana neentombi zephondo lethu leyo.
- The Eastern Cape Rural Development Agency is working with Mbhashe Municipality to facilitate implementation of this project which has a potential to create 4 700 jobs on aquaculture farms and processing facilities and benefit over 150 000 small scale farmers who will supply feedstock for the fish feed. The OR Tambo District Municipality has procured 4 refrigerated containers for the four coastal municipalities and fishing gear for small scale cooperatives.

Ports and railways

- We welcome the decision to relocate the Transnet National Ports Authority Head Offices to our province as it will contribute towards the growth of our economy. Our Ports play an integral part in the facilitation of trade for the country, and they contribute immensely to the growth and development of the provincial economy. These Ports must provide efficient, cost effective port services to a number of sectors in the South African economy.
- Transnet has committed to invest in the East London Port to grow volumes and expand the capacity of the port. They will deepen and widen the entrance channel to accommodate larger vessels. This will enable the port to support the city's positioning as a manufacturing hub anchored by a strong automotive sector. This commitment will cater for the continuous growth of export volumes by Mercedes Benz SA in the next three years. Kuzakusetyenzwa kubemdaka iisali.
- The R16 billion investment by Ford in South Africa. Transnet will invest in the extension and the upgrade of the SouthCor rail corridor, which will realize the high logistics rail corridor for the movement of goods between Gauteng and Nelson Mandela Bay. Working with Transnet we are going to turn the Port of Port Elizabeth into a mixed-use precinct anchored by the waterfront development. By the end of December 2021, the Manganese terminal will be relocated to the Port of Ngqurha.
- Transnet will also initiate a process to identify a cargo owning equity partner for the Transnet Port Terminals at Ngqura to drive the transhipment strategy on volume uplift from Asia, specifically China.
- The railway branch lines are critical to improve trade routes in the Province. The branch lines from Cookhouse to Blaney and the East London to Mthatha are currently being restored. This will enable the transhipment of containers from Port Elizabeth to East London and Mthatha.

Transport

- The SA Civil Aviation Authority has granted a category 5 license to the Mthatha Airport, placing the facility in a better footing to attract other airlines. We also welcome the news that British Airways operated by Comair will start flights to East London in March this year. This is a sign of growing confidence by business in our province.
- The Competition Commission has issued new guidelines that will introduce significant transformation in the automotive industry. This will increase the number of authorized body-repairers, as the Original Equipment Manufacturers will be required to increase the entry of new motor-body repairers, with preference for companies owned by historically disadvantaged individuals. These changes will be beneficial for the government as they will improve the effectiveness of managing and maintenance of our fleet.

Local Economic Development

- R16, 8 billion (61.4%) was spent on Eastern Cape based suppliers and service providers. Similarly, R4.1 billion (39.6%) was spent on SMMEs, while R1.5 billion was spent on designated groups, amounting to 15.3% of total expenditure.

- The 'Have-I-Been-Paid' system to eight more provincial departments in order to improve turnaround times for the payment of service providers within 30 days has been rolled out. The rollout of this system has reduced the average turnaround time for the payment of service providers to 14 days. We are paying special attention to the Departments of Health and Education to improve their turnaround times.
- 713 spaza shop applications were approved from the Spaza Shop Scheme, which has saved 850 jobs.
- In terms of the revitalization of our small towns we are now going to give assistance to a new cohort of small towns such as Whittlesea, Komga, Ngqamakwe, Engcobo, Mqanduli, and Koukamma. These towns will be assisted to improve access to basic services with specific focus on transport hubs, roads, electricity, water and sanitation underpinned by local economic development. Ntabankulu Local Municipality will be included in our small-town revitalization work in the 2021/22 financial year.

ITC

- ICT has enabled government and other sectors of society to operate effectively under the Covid-19 restrictions. Through ICT connectivity, we have been able to coordinate the work of all three spheres of government through virtual platforms. This demonstrates the need for more investment into ICT for improved connectivity.
- At the end of March this year we will have connected 150 sites, and this will grow to 600 sites by December 2021 through the broadband project. SMMEs will be included in the implementation of the broadband project. SITA has accredited 114 SMMEs that will be able to participate in the rollout of broadband connectivity.
- Through the EL SEZ we are also rolling out an ICT Service s strategy that will see the development of a Multi-Purpose ICT hub. In addition to this, Liquid Telecoms South Africa has committed to establish an ICT academy in Mthatha which will broaden the participation of our people in the broadband connectivity project.
- The 2Africa undersea cable will be landing in the Coega SEZ. This will have two immediate benefits, namely the creation of a Focal Point for Digital Transformation, as well as the retention of ICT Skills that will have a multiplier effect in the Eastern Cape.

Youth Development

- The Isiqalo Youth Fund has done well disbursing R16,3 million to support 21 businesses owned by young people across the Province.
- The province fostered partnerships with the private sector and have entered into an Empowerment Partnership with Microsoft South Africa. The intention of this partnership is to drive digital transformation in various sectors of the provincial economy which will lead to the realization of the 2030 vision of an educated citizenry, targeting young people and 5 SMMEs in ICT that will be certified as partners by Microsoft.

Education, Skills and Health

- The strategic focus on education is on creating functional schools, strengthening administration and management of curriculum delivery and the use of ICT to improve education outcomes.
- Fifty-five thousand tablets were issued to all Grade 12 learners in Quintile 1 to 3 schools.
- 39 schools have been completed through the National and Provincial Departments of Education.
- The Science Centre in Cofimvaba is ready for commissioning and there are already various exhibiters from all over the country planning to use the Science promotion space for permanent living exhibitions and will occupy space in March 2021.
- The School Nutrition Programme fed 1.6 million learners fed, against the target of 1.5 million.
- We are also increasing access to early childhood development, and we are consolidating the function in the Department of Education.
- The number of learners who benefitted from the scholar transport program was slightly higher at 124 000, and this year the department plans to transport 103 000 learners.

- We welcome the investment in student accommodation by the Department of Higher Education and Training that saw building of new student accommodation to yield 2 000 beds at the Nelson Mandela University, 2 047 student beds at the University of Fort Hare, 3000 beds at Walter Sisulu University, and 1 000 beds at King Hintsa TVET College.
- Rhodes University also plans to refurbish its Chemical and Pharmaceutical Sciences Building and is also planning to build an innovation and Nanotechnology Institute to house the exceptional and cutting-edge research work of Professor Tebello Nyokong and her team.
- The Department of Higher Education and Training will invest R569 million in building 4 new TVET campuses in the Eastern Cape province. R166 million will build a new Ikhala TVET College campus in Sterkspruit, R122 million will build another new Ikhala Campus in Maletswai, R112 will build a new East Cape Midlands campus in Graaf Reinet, R169 million will build a new Ingwe TVET college in Ngqungqushe.
- R590,4 million was invested in the refurbishment of 67 health facilities, from which 85 awards or 98% were to Eastern Cape based Contractors. There were 152 local Small, Medium, Micro Enterprises (SMMEs) that were subcontracted on various projects to the tune of R47,5 million. Through this investment, we now have new high care units in health facilities and areas that did not have them before. We installed oxygen infrastructure in health facilities that never had such capacity before. We also increased our human resource capacity to meet the added demands that Covid-19 placed on our health system. These, and other interventions have led to the reduction of the burden of Covid-19 in our province.
- Covid-19 has demonstrated the importance of implementing the National Health Insurance which we piloted at OR Tambo and Alfred Nzo districts. At the moment NHI readiness interventions are implemented in all districts. Our focus is on strengthening of health systems and improving the quality-of-service offerings in accordance with the norms and standards of health facilities. To this extent, 145 clinics and four health centres qualified as ideal facilities.
- In regard to communicable and non- communicable diseases, we are accelerating the implementation of the 90-90-90 strategy for HIV/AIDS, TB, Cancer, and Non-Communicable diseases.
- The Nelson Mandela Academic Hospital is expanding its sub-specialist services for oncology, urology, cardiology, ear and nose, orthopaedic and advance imaging and diagnostic services to provide super speciality services for the people of the Eastern Cape.
- The national department of health has uplifted the development of the academic and super speciality platform for the Nelson Mandela Academic Hospital to establish a centre of excellence for advance surgical procedures such as cochlear implants, penile reconstruction, and advance cardiology imaging and surgical procedures.
- Nelson Mandela Academic Hospital has successfully implemented 22 cochlear implants that have made children hear for the first time, reconstructed and restored 52 penile amputations and provided ongoing cardiac repairs using modern cardiac interventions. The academic hospital has produced specialist training and produced top specialists and scientists for our provinces.

Poverty Relief

- 776 882 applications amounting to R271.9 million, were approved up to January 2021. The President in his State of the Nation Address has extended this grant by a further three months.
- A total of 95 697 work opportunities were reported, which is equivalent to 102% to the EPWP annual target of 93 687 work opportunities.
- The Public Service Sector Education & Training Authority (PSETA) is also funding the training of disabled youth on public administration for possible placement in the public service. This project will also boost the employment equity of disabled persons in the public service sector.

Electricity

- 777 connections in Buffalo City Metro, 3 624 connections in Amathole District, 1 492 connections in Chris Hani District, 1 391 connections in Joe Gqabi District, 2 832 connections in OR Tambo District, and 3 692 connections in Alfred Nzo District.

- In the 2021/22 financial year, we plan to effect 19 416 connections, at a planned cost of R653 million.

Traditional Leaders

- Last year we made reference to the promulgation of the new Traditional and Khoi-San Leadership Act. The President has since announced the implementation date of the Act as the 01 April 2021. To adapt the new legislation to our province, we are reviewing the provincial legislation by drafting the Eastern Cape Traditional Leadership and Khoi-San Bill which will be finalized in the course of the 2021/22 financial year.

Spatial development and human settlements

- Significant progress has been made on the eradication of informal settlements starting in Duncan Village and Greater Buffalo City Metro.
- Another development receiving urgent attention is the R22.6 billion Sinati Housing development located near Kwelera. This development is expected to yield 24 000 affordable units, and 3 600 social units. The Provincial Government is working with the Buffalo City Metro and ISA to get the appropriate zoning rights and unlock the bulk infrastructure.
- The Baywest Housing project is at an advanced stage of unlocking the R18 billion development. This is delivery of an effective partnership of ISA, the Nelson Mandela Metro and a prominent black-owned developer which is projected to yield 20 400 affordable units and 5 040 social units. All the rights are in place for this development and Government is finalizing the bulk infrastructure funding which should be completed by August 2021.
- In respect to the provision of integrated human settlements, 3 399 housing units and 3162 serviced sites was delivered, while 255 units were rectified.
- A further 247 housing units were delivered to military veterans.
- With the support of the National Department of Human Settlements, we are busy with the repair of houses that were damaged in the recent disasters in our province.

Safety and Security

- The restrictions on the sale of alcohol during Covid-19 have seen a significant reduction in the crimes induced by the abuse of alcohol.
- Statistics indicate that an overall 13.3% decrease in the incidences of serious crime in the Eastern Cape in the past 12 months.
- Most noticeable decreases were in the following areas: illegal possession of firearms and ammunition by 19.1%, drug-related offences by 25.0%, driving under the influence of alcohol or drugs by 58.0%, and sexual offences by 56.3%.
- Non-residential burglaries increased by 5.2% while truck-hijacking depicted an increase of 46.8%.

Gender Based Violence

- We are working in collaboration with the national Department of Women, Youth and Persons with Disability, on the full implementation of all the pillars of the National Strategic Plan on GBV/F in the Province. The South African Police Service is in the process of establishing a manual and semi-automated DNA processing system in the Eastern Cape. This will help with the speedy resolution of sexual offences.

Sport and Recreation

- A budget of R9 million was set aside to support 373 distressed artists.
- 46 projects were approved for funding to the value of R2.1 million. In promoting our heritage, we will continue with our multilingual programme for the development of our languages, including the development of sign language.
- Last year, we repatriated and reburied the mortal remains of struggle stalwart, Mr. Vuyisile Mini at his birthplace in Tsomo. We also launched the centenary of Raymond Mhlaba which will be officially closed on 26 February 2021.

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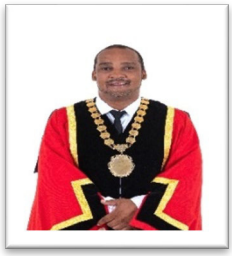
- More work needs to be done to improve the state our recreational facilities in the province using available resources such as MIG grants as seen with the construction of the state-of-the-art multipurpose centre in Ntabankulu. Completing the construction of the Mthatha stadium is both an economic and social imperative. In this regard we will continue to mobilise resources to support finalisation of the stadium.

4.5.3 State of the Province Address (SOPA) 2020



The year 2020 will go down in history as a year of disruption in Kouga Municipality. History will, however, also show the resilience of people who refused to bow down.

In the past financial year, our focus was on the development and expansion of our six organisational goals, which we believe are imperative to Kouga to keep moving forward.

These goals tell the narrative of how we intend to entrench a system of good governance in Kouga. This includes providing a capable state, being accountable to our clients and adhering to the rule of law. In doing so, we place people at the centre of everything we do.

These organisational goals include:
- Keep Kouga Serviced
- Keep Kouga Clean
- Keep Kouga Green
- Keep Kouga Safe
- Keep Kouga Smart, and
- Keep Kouga Growing

The past 12 months were filled with turbulence and triumph with the COVID-19 pandemic ravaging lives and economies across the world. Kouga was not immune to the devastation, but we stood firm against adversity and held the line.

KEEP KOUGA SERVICED
The effort to keep Kouga serviced, despite the challenges brought about by the COVID-19 pandemic and prolonged drought, presented us with the most challenging trials we have never seen in many decades. But keeping Kouga serviced, was never optional.

Sanitation
Over the past year, Kouga has opened not one, but two, state-of-the-art waste water treatment works to unlock development in Humansdorp and St Francis. Just three months after opening the cutting-edge Kruisfontein Waste Water Treatment Works, another state-of-the-art sewer plant has been completed in the Kouga region. Built at a cost of R31 million, the Sea Vista Waste Water Treatment Works (WWTW) at St Francis Bay was opened at the end of February last year. The upgrade has more than doubled the plant's capacity, paving the way for the unlocking of the long-awaited Sea Vista 2 000 RDP housing project.

Local labour was also used exclusively, clocking in at 44 639 hours. In addition, 10% of the contract value was sub-contracted to Exempted Micro Enterprises (EMEs). While the Patensie Waste Water Treatment Works is nearing completion, the upgrade of the KwaNomzamo Waste Water Treatment Works already has a contractor on site. This plant needs some serious intervention, after it was vandalised in 2016, and I would urge our administration to move with haste.

I am also pleased to report that several container ablution facilities were delivered to Kouga and are key to our efforts to eradicate the bucket system in our region once and for all. Twenty containers have been

purchased and six have already been delivered to residents in Thornhill, Stofwolk in Hankey and Maak-`n-Las in Humansdorp. Chemical toilets were also installed at the new section of Donkerhoek in Humansdorp. Furthermore, the operating expenditure in the adjustment budget has been increased by R9.6 million, that includes the hiring of additional tankers and jetting trucks at a cost of R5.5 million.

Roads

Roads provide access to livelihoods and supports our local economic development. In other words, roads represent progress. It provides a visible buffer against economic decline. Kouga is making considerable progress in the resealing and repair of roads across the region – effectively reducing the R500 million backlog in road maintenance we inherited from the previous term.

More than R25 million has been pumped into the resealing of roads since March 2020, while close to R1 million was spent on gravel road maintenance since July 2020. Almost twenty-three thousand eight hundred and seventy-six metres (23 876m) of road were resealed since March 2020 to February 2021, and we hope to reseal twelve thousand three hundred metres (12 300m) more over the next four months.

Roads that recently received a new lease on life are the access roads to Loerie, Dolphin Street in Pellsrus and the access road to Ocean View that passes Jeffreys Bay Comprehensive High. Other roads that were resealed include Du Plessis Street in Humansdorp, and Uys Street and Noorsekloof in Jeffreys Bay. A section of Judy Street in Loerieheuwel, Charlie Malan, Tier and Stuurman Street in Patensie were also resealed. Tshume Street in Hankey was recently surfaced.

Since declaring war on potholes in September 2018, pothole repairs are an ongoing operational priority across the region. A total of fifteen thousand nine hundred and three (15 903) potholes were fixed over the last 12 months – that is more than one thousand three hundred and twenty-five (1 325) potholes per month. Over the last three years, thirty-nine thousand and sixty-six (39 066) potholes were fixed. To demonstrate how serious, we are about fixing roads, an additional R20.5 million has been secured in the adjustment budget to continue with the resealing programme until the end of June 2021. This will also have a positive benefit on the cost of repairing potholes in the future.

However, we are not ignoring the fact that we have many roads in Kouga that need pothole repairs and we have increased the roads maintenance materials by an additional R1.5 million. Kouga proudly boasts the first eco-friendly road in Africa, sparking national and international interest. This road took gold in the Innovation category and silver in the Eco-build category at the 9th annual Eco-Logic Awards. I would like to thank our road teams for their hard work and perseverance. Roads are the arteries that feed our economy, it is imperative that leaders in local government comprehend this.

Water security

The Kouga dam sits at a precarious 6% capacity, with less than 3% of its water available for use. Over the last three years we have put R151 million drought disaster grant to good use to achieve water security for all communities. The drought though, aggravated by climate change, remains a grave concern.

The level of the Impofu Dam – the biggest dam serving Jeffreys Bay, Humansdorp and St Francis Bay – stood at only 15.8% on Monday, March 15, and the smaller Churchill Dam at 39.59%. But we cannot allow nature to hold us back. The Jeffreys Bay Water Treatment Plant is being upgraded to cater for additional borehole water. The augmentation of the Kruisfontein water supply will see other water sources – for example springs – connected to the system.

Furthermore, the operating expenditure in the adjustment budget has been increased by R9.6 million to cater for the hiring of additional tankers. We are also securing jetting trucks at a cost of R5.5 million. This is to ensure that when we have breakages in water services, we are able to respond to it immediately.

During lockdown, when vulnerable groups were most at risk to contract COVID- 19, more than 200 rainwater tanks were installed in rural areas and informal settlements in partnership with the Department of Human Settlements. To further strengthen our capacity to deal with future water security, we are working closely with the German municipality, Ilsfeld, to augment water supply to local communities. The projects being considered include rainwater harvesting, developing the natural springs at Kruisfontein in Humansdorp and interlinking Kouga's bulk water supply systems.

A Smart Leak Detection Vehicle from Germany to Kouga is expected around October 2021, and an engineer sponsored by GIZ, specialising in water demand management, will also assume duty with us at around the same time.

Electricity

The electrification of 100 houses at Donkerhoek in Humansdorp was completed earlier this year and power is set to be installed to a further 200 houses in Kruisfontein. Some R5.2 million having been budgeted for this purpose. The switch-on brings the total number of sub-economic houses and sites to be electrified in Humansdorp, over the past four years to 797. This includes the 391 RDP houses built at Kruisfontein, as well as a further 306 sites at Donkerhoek.

Six informal settlements also received electricity at a combined cost of R2.5 million. This includes No-10 Rand, Pellsrus, Police Camp, Gamtoos Camp and Ebumnyameni. Fifty more units in Ebumnyameni will receive electricity soon. Kouga is one of few local municipalities in the Eastern Cape, if not the only one, to electrify informal settlements. the electrification of the informal settlement of Stofwolk in Hankey is happening. Soon, this community will have electricity for the first time ever since it came into existence in the year 2000.

With the national failure of Eskom to provide us with a consistent supply of energy, we realise that to save power the municipality would have to play its part to conserve energy, as well as combat climate change at the same time. We are busy replacing standard streetlights with energy-efficient LED lights. More than 1 000 street- and floodlights across the region have been retrofitted with LED lights. The programme was first rolled out in the 2019/20 financial year after the municipality's electrical services section secured R4 million from the national Department of Energy for the Energy Efficiency Demand Side Management (EEDSM). The funding also made provision for job creation, which enabled us to employ six youths from the area for three months. The municipality already secured further funding from its own budget to purchase another 1 000 LED lights as part of our commitment towards service excellence and cutting down on carbon emissions to help save the planet by supporting green energy.

To secure power supply, the electricity networks at Jeffreys Bay, Humansdorp and St Francis Bay have been upgraded and two generators have been procured as backups. We improved our response time to call-outs with the purchase of an additional five new bakkies for the municipality's Electrical section – improving our services to communities.

The ongoing upgrade of the 66kv double circuit overhead line between Melkhout Substation in Humansdorp and the main intake substation in Jeffreys Bay is on track. An amount of R1.3 million was spent on the upgrade in the current financial year, while R1.8 million was spent in the previous financial year.

Three additional high mast lights will be installed in this financial year in Humansdorp to improve community safety. We will procure more in the next financial year. The upgrading and refurbishment of the Saffery Substation in Humansdorp at a cost of R4.5 million over the next three years, are also on the cards. The municipality is, furthermore, in the process to request the Minister of Minerals & Energy to grant us permission to procure our own renewable energy plant.

Public Amenities

The municipality recently built 30 play parks across the region. Most of the play parks were funded through the Ward Development Fund (WDF), allocated to ward councillors to initiate, and support projects in their respective wards.

The ablution facilities at the Pellsrus Beach Park in Jeffreys Bay were upgraded after it was vandalised last year, and extra braai stands were installed. The Kruisfontein Civic Centre, Thornhill Clubhouse, KwaNomzamo, Pellsrus, Patensie, Vusumzi Landu and Newton Hall, and the Tokyo Sexwale sports field were upgraded to a very high standard. The Jeffreys Bay and Yellowwoods Caravan Park received a new lease on life, while the parks at Kabeljouws, Pellsrus and Cape St Francis Main Beach were upgraded.

C-Place Cemetery was painted, and burglar bars and an alarm system were installed, while BB Keet Cemetery's ablution facility was upgraded. SMME's were employed to clean the cemeteries at C-Place, KwaNomzamo, Arcadia, Humansdorp town, Loerie, Hankey and Patensie. Two new cemeteries are also to be constructed in Hankey.

Fleet

Kouga's fleet section has overseen the procurement of 57 new vehicles, including eight TLB's, three firefighting and eight Toyota LDV's vehicles and two chippers. They have furthermore repaired and refurbished over 115 vehicles. One of the latest refurbishments is an old Komatsu TLB and a MAN tipper truck, two cherry pickers and one old fire truck. They have also repaired and refurbished four sewerage suction tankers, and one old redundant refuse compactor has been converted into a sanitation truck.

96% of the municipality's vehicles are on the road every-day, thanks to the incredible turn-around of our fleet section.

KEEP KOUGA CLEAN

The municipality has launched our Waste Management and Recycling Programme in Humansdorp. The programme will initially see the employment of 20 women from three wards, working for three months. They will be trained on sustainable waste management and recycling, and community-based educator and effective communication. After training, the women will be involved with street cleaning in their wards, door-to-door education and awareness programmes on sustainable waste management and recycling. They will also distribute bin liners for the separation of recyclable materials at home. Other activities include tree planting, as well as river and coastal cleaning.

To date a total of twenty-one thousand four hundred and ninety-three (21493) wheelie bins have been distributed across the Kouga region. Four refuse compactor trucks had been fitted with bin lifters to enable refuse collection teams to empty the wheelie bins quickly and efficiently. The idea is for the bins to replace black bags, which will make it easier for residents to keep their immediate surroundings clean.

The launch of the Coca-Maak Skoon initiative, afforded Kouga residents the opportunity to get rid of any unwanted items and waste they have at home that could not be put out for standard refuse collection. This included building rubble, electronic waste, garden refuse and even old furniture.

Municipal work crews, in conjunction with the Community Works Programme, regularly clear illegal dumping spots while our grass-cutters and litter-pickers have been doing a sterling job in keeping verges, and our towns tidy. To keep town entrances and sidewalks clean and attractive, as well as to improve the maintenance of public facilities, the municipality secured 20 industrial lawn mowers, 38 brush-cutters and 12 grass-blowers. Two wood-chippers have also been added to the municipal fleet at a cost of more than R500 000 to improve bush and tree-clearing operations. Furthermore, an additional amount of R1,5 million have been made available in the adjustment budget for the hiring of landfill site equipment.

KEEP KOUGA GREEN

We entered the 2019 East Cape Greenest Municipality awards competition and was placed second. The launch of the Keep Kouga Green campaign followed this achievement. The award recognised several initiatives introduced by the municipality, aimed at promoting sustainable development to the benefit of all communities and the planet. These include proactive steps to reduce the amount of paper used by the municipality, tree-planting drives, and the appointment of an official recycler. It furthermore includes Dolphin Beach's ongoing success in the international Blue Flag eco-programme.

Kouga launched an innovative, sustainable urban food garden initiative at the end of last year which will see 30 illegal dumping sites being turned into community "Gardens of Hope". One such garden is the Pellsrus organic vegetable garden, which once was a litter-strewn illegal rubbish dump. It now flourishes as a productive, clean, and sustainable vegetable garden.

A small food forest, comprising of indigenous pioneer, fruit, and nut trees, are being planted to provide shelter from the wind, and to create a biodiverse green habitat that will supply fresh fruit and nuts in the future. An organic compost pile will be used to process organic garden cuttings from the area to provide organic compost material to improve soil fertility and soil structure. A worm farm will also be used to produce vermi-compost from organic kitchen waste from neighbouring households and to provide actively aerated compost tea. The site is also used for training and equipping the community to grow vegetables at home. The garden will provide workshops and offer training and assistance to adjacent community members to implement their own home vegetable gardens. The aim is for the gardens to provide valuable nutrition and sustainable livelihoods to local communities.

We, furthermore, planted 781 trees this year to help combat climate change. Other current projects include the monitoring and management of the Seekoei Estuary at Jeffreys Bay, strengthening the St Francis spit to prevent the sea from breaking through to the canals, and the removal and rehabilitation of encroaching dunes at Oyster Bay.

KEEP KOUGA SAFE

Keeping Kouga safe, be it from disease, fire, accidents, or crime has become increasingly important, and we therefore launched the first ever Public Safety Summit in September of 2020. In February 2021, a successful community safety workshop at Mentors Country Estate was held, which forms an integral part of the Keep Kouga Safe Campaign. On the back of a very successful Safety Plan workshop, we have now established an Integrated Intelligent Operation Centre in Humansdorp, that was launched at the end of February. Hosted by retired General Major, Roland de Vries, the workshop – which focused on preventing and combating crime through a collective approach – brought together safety and security experts from across the region, as well as residents and business owners to lay the foundation of an effective community safety plan.

With the use of technology, including CCTV cameras, the Integrated Intelligence Operation Centre will direct and orchestrate the community safety plan on a 24/7 basis. The Centre will work in close collaboration with all relevant stakeholders, including the South African Police Service, agricultural and civic rights organisations, municipal departments, law enforcement and emergencies agencies, NSRI, nature reserves, private security companies, businesses, schools, and churches. In addition to the Centre, five Community Safety Units will be established. Sector 10 in Jeffreys Bay, Sector 20 in Humansdorp and Cape St Francis, Sector 30 Gamtoos Valley, Sector 40 in Oyster Bay and Tsitsikamma, Sector 50 in Kareedouw and Storms river.

The establishment of Community Safety Forums is also a high priority and will enable the municipality to dedicate funding and capacitate residents to join forces with law enforcement agencies to make neighbourhoods safe again. As part of our broader community safety initiatives, Kouga formed a partnership with Hollard Insured, and piloted an initiative at the end of last year to inspect all the fire hydrants in the municipality.

Nine young people have been temporarily recruited and trained to perform the work required. This included locating fire hydrants and recording their GPS coordinates, identifying the hydrants, cleaning, marking, and painting them, and testing water pressure. An added advantage of the initiative is that it produced reliable data for the Water Services Department on areas requiring intervention, as all faults were referred to this department.

Some 50 residents from informal areas, including Sea Vista, were armed with innovative new fire extinguishers. The fire extinguisher piloted and donated by the Port Elizabeth-based company Fire Killa, is specifically designed to kill small fires, and saturate the immediate vicinity to prevent flames from spreading. Two new fire trucks also strengthened the capacity of our Fire Department to help keep Kouga safe.

Together with Gamtoos Irrigation Board and Working for Water, about 60 men and women from Humansdorp and St Francis Bay cleared alien vegetation in crime hotspots. Clearing alien vegetation helps to preserve and restore the groundwater supply, which is critical in this time of severe drought. It also improves the safety of people in the vicinity by reducing the risk of fires breaking out and making it more difficult for criminals to hide from their intended victims or the police. In addition, it provides temporary work to thousands of residents who would, otherwise, be unable to put food on their family's tables.

The Fire and Disaster Management section attended to 280 fires and 116 accidents during 2020. They also intensified efforts to reduce fire risks in those areas prone to destructive blazes. These heroes should be applauded for their sterling work. Kouga's Traffic Department remains committed to keeping road-users safe. A total of 3 063 notices and fines were issued by the Traffic Department during 2020 and 13 arrests were made for drunken driving.

More than 86 animals were impounded during 2020 for posing a threat to road users. A further 502 complaints were resolved, or fines issued for transgressions ranging from trading illegally to illegal electricity connections.

Various road-safety improvements have further been made, including the installation of new speed bumps and street name boards. Pre-planning for the extension of Duine Road in Jeffreys Bay has also started, including a Traffic Impact Assessment and specialist Environmental studies. The Duine Road extension will serve as an alternative route between Jeffreys Bay and Aston Bay, which has become a necessity due to increased safety concerns along the Aston Bay Road. Pedestrians, including school children, travelling to and from Ocean View must cross the busy road, increasing the risk of someone being hit by a vehicle.
The municipality has, in partnership with businesses, put in place additional safety measures along the road such as fencing and pedestrian crossings. An alternative route will, however, also help to lessen the amount of traffic and further lower the risk of accidents.

The illegal taxi rank from Shoprite was moved from to the designated taxi rank in Humansdorp.

A new 4x4 bakkie and quad bike for was procured for the Lifeguards and a new 4x4 bakkie has also been procured for the Disaster Management section.

A new safety project was launched the Co-op to build and maintain a safe walkway from Kwanomzamo to Nico Malan High School to keep learners safe.

KEEP KOUGA SMART

New technology

Kouga took a big step forward technologically when the Link service delivery app was introduced just more than three years ago. The app, supported by the Kouga Call Centre, has proven to be an effective link between the municipalities and communities. More than forty-three thousand three hundred and ninety (43 390) incidents were resolved through the Call Centre and Link app from March 2020 to February 2021 alone. In addition, the Call Centre is now fully equipped to handle account balance enquiries and to register ratepayers online. The Call Centre also allowed us to harness the power of data on service delivery and to plan and respond effectively to breakdowns and preventative maintenance.

Technology is also a game-changer when it comes to opening economic opportunities for our communities and business sector. Jeffreys Bay has become the perfect digital nomad destination since the national COVID-19 pandemic and subsequent lockdown last year. Remote working has become the norm for many companies and individuals, and Jeffreys Bay is perfectly positioned to take advantage of this new normal.

Not only does the town offer top co-working hubs, but also boasts a major deployment of fibre with Telkom, Herotel and Vodacam all rolling out fibre, with other companies like Frogfoot in the planning phase. Kouga has become one of the first municipalities in the Eastern Cape to launch a virtual portal for the submissions of building plans. Building plans could continue despite COVID-19 lockdown restrictions. Over the past year alone, 325 building plans for Jeffreys Bay were approved and 36 for Humansdorp.

The COVID-19 lockdown accelerated the digitalisation of the municipality. Councillors and officials were trained in using virtual platforms for meetings and I would like to congratulate all those involved on adapting so quickly to this new way of conducting business. All meetings are now done using media platforms, such as tele- and videoconferencing. Councillors and officials had been trained in using the applications, to ensure that effective deliberation, decision-making and oversight could take place despite the COVID-19 lockdown restrictions.

KEEP KOUGA GROWING

We are in the process of developing an Investment Incentive Policy to attract job creation investment into the local economy, with a specific focus on making it a preferred business destination. The development of the Jeffreys Bay and Humansdorp CBD precinct plans are firmly underway. The two CBD's have been identified as a strategic investment node in the municipality's LED strategy and Spatial Development Framework, the latter which is also under review. The idea is to revive the CBD's in partnership with role-players and, in doing so, to increase business and employment opportunities. We are also in the process of appointing a service provider to develop a precinct plan for the Jeffreys Bay and Humansdorp Central Business Districts.

The Spatial Development Plan has been redone to bring it in line with a 30-year vision and our Local Economic Development Plan has been revised to ensure we have an inclusive and growing economy.

Economic growth

The effect of COVID-19 related lockdowns has had a severe effect on our local economy. Kouga is very dependent on seasonal tourists to support our economic growth.

The Tavcor Group, one of the oldest motor groups in the Eastern Cape and Port Elizabeth, has recently moved into the Kouga region. The branch is currently run remotely with plans to have a physical address soon. The reason for their establishment in the Kouga area, is to create job opportunities and deliver affordable vehicles and services to potential clients.

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The municipality further approved the launch of a first-of-its kind mobile biochar plant in Humansdorp earlier this year, that will create on-site jobs as well as sustainable income for about 50 SMMEs. The plant will also enhance water security, while reversing land degradation. One Blue Gum tree can consume 500 litres of water per day. It is, therefore, imperative that we eradicate Alien Invasive Vegetation in our area that is choking rivers and decimating the water table especially in areas affected by drought.

Kouga, in partnership with Sarah Baartman District Municipality and the Department of Small Business Development, hosted an SMME Roadshow in Jeffreys Bay in October last year to present the District Development Model, with a specific focus on SMME development. The model is a planning style aimed at aligning, integrating and accelerating service delivery under one developmental plan per district. The aim is to utilise the model to implement the Department of Small Business Development's (DSBD) mandate of developing entrepreneurs and small enterprises, focusing on rural towns and townships. The platform was also used to table the Township and Rural Entrepreneurship Programme (TREP). This programme is set to capacitate Local Economic Development practitioners and community development workers in using the SMME-SA portal. It will also assist SMMEs, who have challenges with connectivity and internet access to register. Considering the COVID-19 pandemic, more than 100 SMMEs took part in various workshops during the current financial year. More of these programmes are to be rolled out for this year.

The development of fresh produce and craft markets at Jeffreys Bay and Hankey is also underway and will make it easier for entrepreneurs to connect with potential buyers. Big potential investors have further started to approach Kouga, excited by improvements they have seen in the region and eager to play a role in growing our economy and opening job opportunities.

Human Settlements

Housing projects were at a standstill for nearly 10 years, and it has been heartening to see the incredible progress that has been made since the election of this Council. Kouga is set to boast affordable social rental opportunities soon in Jeffreys Bay. Some 300 temporary and 20 permanent job opportunities will, furthermore, be created through this initiative.

The social housing programme was officially launched at the corner of Koraal and Dolphin Street in Ocean View, Jeffreys Bay on Monday, February 22. This will open rental opportunities for residents who earn between R1 500 and R15 000. With construction of the first phase set to commence in the 2021/ 2022 financial year, the target is to deliver at least 1 500 rental units over the next five years. Kouga is the only municipality in the Eastern Cape to have been selected for the municipal social housing support programme and one of only six local authorities countrywide.

The municipality has, furthermore, provided 172 Kouga families with brand new RDP houses in Pellsrus. The houses, which are part of the Pellsrus 220 RDP housing development in Jeffreys Bay, is the first housing development under construction in the area in more than ten years. We plan to build another 139 RDP houses in Humansdorp soon.

History was made in the Gamtoos Valley, where ten local SMMEs have been employed by the municipality to build temporary shelters for beneficiaries of the upcoming Hankey RDP housing development.

In November 2020, 110 residents received the title deeds of their houses. This brings our distribution of title deeds to three thousand and sixty-five (3 056) property owners. A total of one thousand seven hundred and ninety-three (1 793) building plans with an estimated combined value of over R1.267 billion were approved from July 2017 to December 2020. Since March last year, the increase in submission of building plans can be contributed to the fact that Jeffreys Bay became the perfect digital nomad destination.

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Financial growth

Despite the severe impact COVID-19 has had on the local economy and in particular the tourism industry, which has resulted in businesses like restaurants, accommodation establishments and activity related operations suffering, we have weathered the storm.

We budgeted for an 85% collection rate for the 2020/ 2021 financial year. To put this into perspective, we had a 96% collection rate in our draft budget for the specific financial year. It is pleasing to report that at the end of December 2020, and six months into the financial year, our collection rate is at 91%. This shows how resilient our economy is, despite the challenges posed by COVID-19. We will be increasing the budgeted collection rate for the remainder of the financial year. This increase will facilitate the resealing of more roads in Kouga, the installation of additional lights in areas prone to crime and ensuring we keep Kouga clean.

That the municipality once again received a clean audit in our finances and have kept our Eskom bill up to date, despite the drop in collections during the financial year. Kouga remains in a stable financial position and most of our creditors are now paid within 30 days.

KEEP KOUGA CARING

Every problem has in it the seeds of its own solution. The problem of COVID-19 brought forth the seeds of a caring society that fought together against the spread of the virus. Worldwide it will be remembered for one of the biggest international health crises in more than a century, with the COVID-19 pandemic ravaging lives and economies across the globe. Kouga was not immune to the devastation, but what stood out was how all sectors of our community took hands to help steer our region and people safely through the storm. It once again showed how resilient and caring the people of Kouga are.

The municipality played a critical role in keeping Kouga on course through the storm, taking on far more than its mandated duty. Since the outbreak of the COVID-19 pandemic in March last year and the subsequent nationwide lockdown, Kouga has ploughed back close to R40 million into the community.

Apart from COVID-19 relief, the municipality has increased its adjustment budget by R31 million in September last year to improve service delivery in the region – one of only a few municipalities able to do so, if not the only. A further R25 million has also been added to the 2021/ 2022 budget to take service delivery to even greater heights in the new financial year. Relief measures included various payment relief for residents affected by the pandemic. Residents could have applied for reprieve on interest charges on overdue accounts from the start of the lockdown until December 31, 2020.

All debt collection measures have also been stopped for six months and blocked electricity meters were unblocked for the same period. Other measures included a retrospective holiday, reprieve from interest on outstanding accounts, and a six-month payment arrangement.

In addition to the payment relief measures, the municipality secured 201 water tanks to help vulnerable communities combat COVID-19, extra chemical toilets were put in place, taxi ranks, pick-up points and public facilities have been sanitised. A temporary homeless shelter had been established, and some fifteen thousand (15 000) food parcels were distributed. This amounted to almost 200 tonnes of food at a cost of R4.5 million. One hundred and ten Disaster Management volunteers were deployed to help keep Kouga communities safe from COVID-19. Their role was to encourage residents to adhere to the basic safety precautions. This is an ongoing programme.

Municipal law enforcement, security and traffic officers have been working with SAPS and private security companies to ensure residents and businesses adhere to lockdown regulations. Apart from COVID-19 initiatives, new wheelchairs were donated to old age homes and individuals across Kouga.

CHAPTER 5: STRATEGIC DIRECTIVES

5.1 MUNICIPAL CONCEPTUAL FRAMEWORK

The municipality's strategic directive is based on the following conceptual framework, namely the organisation, workforce and technology in order to deliver the best services to the local communities:

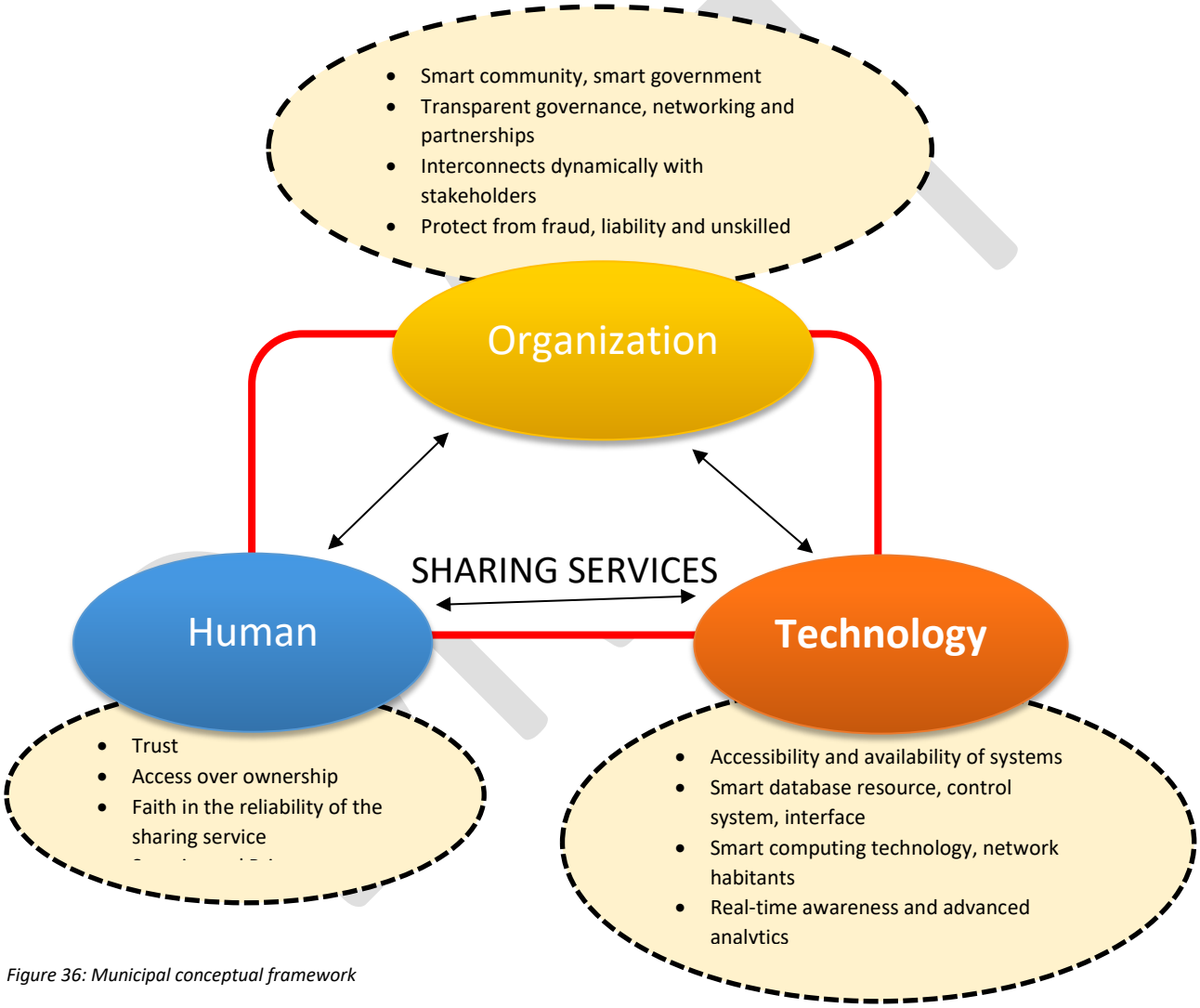

Figure 36: Municipal conceptual framework

5.2 SWOT ANALYSIS

For this review, the 2017/2022 SWOT Analysis, Vision, Mission and Strategic objectives were workshopped at a Strategic Planning Session held on 13 March 2020. The strategic objectives remain unchanged for the 2020/21 IDP Review.

To lend strategic direction to the review of the IDP process, the mayoral committee and top management team critically reviewed issues that might keep Kouga from realizing its vision and mission that can help to ensure that the local authority's stability over the long term. The resultant SWOT analysis revealed that Kouga Municipality finds itself in the fortunate position that the positives (strengths and opportunities) outweigh the negatives (weaknesses and threats), with ample scope to explore more opportunities.

The municipality is reliant on the equitable share grant allocation to finance indigent subsidies to the poor. Kouga has a developed internal road network providing for good vehicular access to many urban facilities and opportunities. The road network supports a rad-based public transport system by providing an internal as well an external service, connecting the towns with the rural settlements.

The **SWOT ANALYSIS** for the 2021/22 IDP Review remains unchanged.

	HELPFUL	HARMFUL
INTERNAL ORIGIN (organization)	**S - STRENGTH** ➢ **Ethical, participative and accountable governance** • Resilient organization where tried and trusted practices to promote public participation in the affairs of government. • Open-door relationships. • Transparency. • Trust. • Mutual respect across the board. • Effective control systems. • Support corruption-free administration. • Positive strides with audit outcomes. ➢ **Stable, skilled and highly knowledgeable workforce** • Dynamic leaders. • Foster a culture of learning and innovation to remain on top of developmental challenge. ➢ **Available and well-maintained infrastructure than enhances social and economic growth.** • High quality of the natural environment. • Unlocked tourism and investment opportunities. • Reputation as a place one can work, live and play, in a clean, safe and secure environment. • Attractive and recognized world class tourism destination. • Collaboration with many established local voluntary organizations.	**W - WEAKNESS** ➢ Outdated / ageing infrastructure. ➢ Lack of suitable land for urban expansion in certain areas due to topography. ➢ Lack of affordable residential accommodation. ➢ Inadequate and/or non-existing public. transport services that hamper opportunities to develop local economy. ➢ Gaps in pro-active and timely communication through the relevant mechanisms. ➢ Increasing levels of drug related crime. ➢ High rate of unemployment.

EXTERNAL ORIGIN (environment)	O – OPPORTUNITY	T - THREAT
	➢ **Diverse economic income streams** • Harnessing intergovernmental relationships to gain excess to external funding opportunities. • Optimal utilization of municipal owned land/properties. ➢ **Capitalise on its ability to foster local economic development** • Collaboration with local based business. information in the formal and informal economy. • Growth in both domestic and international tourism markets. ➢ **Capacity building of elected statutory structures to be able to deal with challenges in local communities** • Involving the local community, local community organizations and NGO's to promote diversity management, equity and inclusivity in a manner that is free from hate speech and discrimination.	➢ **Adverse economic climate affecting the revenue stream of the municipality** • Lack of funding, resulting in inability to replacing ageing infrastructure and deteriorating fleet. • High cost of a wide variety of equipment to render services. • Affordability of municipal services due to negative impact of cost drivers (fuel and electricity). • Challenges with local employment levels • Fluctuations in the tourism, construction and fishing industry. • Steep increase in population. • Limited resources to address the service delivery and infrastructure demand and backlogs. • Lack of sector and master plans. • Water shedding in Gamtoos. • Water quality in Wavecrest. • Load shedding. • Lack of land Audit. ➢ **Excessive red tape** • Complexity, sheer volume and cost implication of laws, rules, regulations and policies and by-laws resulting in service delivery being hampered and impact on ease on doing business.

Table 68: SWOT Analysis

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5.3 6(SIX) STRATEGIC NARRATIVES

KEEP KOUGA SERVICED

KEEP KOUGA CLEAN

KEEP KOUGA GREEN

KEEP KOUGA SAFE

KEEP KOUGA SMART

KEEP KOUGA GROWING

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5.4 2020/21 IDP REVIEW AND ITS STRATEGIC KEY PERFORMANCE AREAS AND DIRECTION

For the 2020/21 IDP Review the vision, mission, values and strategic goals and objectives of the current 5-year IDP remain unchanged.

The Kouga Municipality's GOALS and STRATEGIES are aligned with Government key performance areas:

- KPA 1: Basic Services and Infrastructure
- KPA 2: Local Economic Development
- KPA 3: Financial Management and Viability
- KPA 4: Good Governance and Public Participation
- Institutional Development and Transformation

The strategic goals and objectives are linked to service areas and departmental objectives and the information will be used to develop predetermined objectives and align them with the municipal budget and performance management system.

Goal 1: Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.

Goal 2: Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.

Goal 3: Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.

Goal 4: Create an enabling environment for active public participation and an administrative culture characterised by accountability, transparency and efficiency.

Goal 5: Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government.

The five (5) KPA's to guide the 5-year IDP Cycle 201/-2022 were retained.

1. Basic Service delivery and Infrastructure
2. Local Economic Development
3. Municipal Financial Management and Viability
4. Good Governance and Public Participation
5. Institutional Transformation

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5.5 STRATEGIC FRAMEWORK

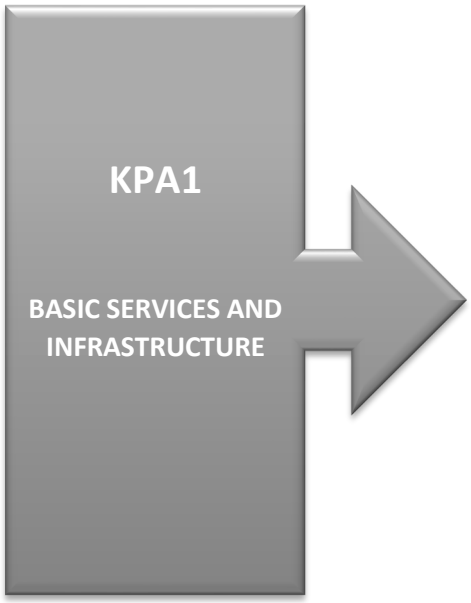
The Strategic Framework is the principal informant of the Kouga 5-year Performance Plan, Multi-year Budget, Annual Service Delivery and Budget Implementation Plan and Performance Agreements of senior managers. The setting of key performance indicators and targets against which the performance of the municipality and its senior management and leadership are measured derive its mandate from the IDP.

The Kouga Strategic Framework comprises of the following key performance areas and key focus areas:

KPA	STRATEGIC OBJECTIVE	OUTCOMES
KPA1 BASIC SERVICES AND INFRASTRUCTURE	• To promote access for all citizens to equitable, appropriate and sustainable infrastructure • To provide equitable, appropriate and sustainable basic services to all citizens • To ensure proper spatial planning and transportation planning for mega projects and human settlements • To facilitate real opportunities for the youth, women and people with disabilities	❖ An adequate and well-maintained infrastructure network complementing the developmental goals of the municipality. ❖ A caring municipality that is sensitive to the needs of the community based on a sound and embedded value system ❖ Respond to all emergencies within predetermined times in order to mitigate risks and hazards ❖ Develop and approve Strategic and Disaster Risk Management Plans that feeds into the IDP ❖ Render community safety ❖ Increase staff complement ❖ Increase vehicle fleet ❖ Integrated and sustainable Human Settlement Plan that address the needs based on the available financial resources ❖ To establish an environment where the poor and most vulnerable are empowered through the building of social capital, the implementation of development programmes and support and sustainable livelihood strategies
KPA2 LOCAL ECONOMIC DEVELOPMENT	• To create an enabling environment for economic growth that attracts investors and tourists, encourages innovation and facilitates pro-poor inventions	❖ Well-developed strategies implemented to promote economic growth and development in the municipal area
KPA3 MUNICIPAL FINANCIAL VIABILITY AND TRANSFORMATION	• Ensure a municipality that is committed to prudent management of public funds, good governance, financial viability that accommodates diversity in service delivery	❖ Affordable and sustained revenue base to finance capital and operating expenses. ❖ Sound financial management practices and clean audit reports to build the public's confidence in management.
KPA4 GOOD GOVERNANCE AND PUBLIC PARTICIPATION	• To create a responsive, accountable, effective and efficient municipal system • To establish a common vision and create coherence in government's work by seeking close partnerships with citizenry	❖ A responsive municipality based on sound principles which embodies and embrace the rule of law, public participation, accountability and responsibility
KPA5 INSTITUTIONAL TRANSFORMATION	• To develop progressive strategies to optimise the use of available human resources	A motivated and skilled workforce that supports the operational needs of the municipality in the implementation of the IDP Objectives

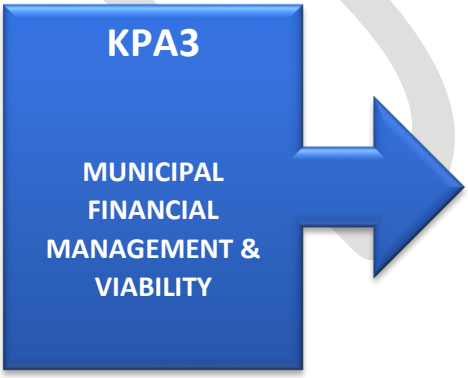
Table 69: Strategic Framework

The five (5) KPA's were linked to the following KFA's (KEY FUNCTIONAL AREAS) in guiding the corporate planning and operations of the municipality:



KFA1 Transport, Roads, Stormwater and Infrastructure
KFA2 Water, Sanitation Services and Infrastructre
KFA3 Ellectricity Supply, Efficiency and Infrastructure
KFA4 Project Management
KFA5 Equipment and Plant
KFA6 Solid Waste Management & Infrastructure
KFA7 Municipal & Public Facilities
KFA8 Safety and Security
KFA9 Disaster Management
KFA10 Emergency Management
KFA11 Traffic, Vehicle Licensing and Parking Control
KFA12 Municipal Law Enforcement
KFA13 Environmental Management & Climate Change
KFA14 Public Health
KFA15 Libraries
KFA16 Cemeteries

KFA17 Spatial Urban Planning
KFA18 Municipal Planning
KFA19 Human Settlement
KFA20 Build Environment Management
KFA21 Heritage Resource Management
KFA22 Urban Development
KFA23 Rural Development
KFA24 Tourism
KFA25 Arts and Culture
KFA26 Skill Development and Facilitation
KFA27 LED and Poverty Alleviation



KFA28 Financial Legislation and Compliance
KFA29 Financial Management Policies
KFA30 Overview of Budget Assumptions
KFA31 Operating Revenue Framework
KFA32 Operating Expenditure Framework
KFA33 Capital Expenditure
KFA34 Annual Budget Tables
KFA35 Overview and Budget Funding
KFA36 Cash Flow Management
KFA37 Property Valuation and Property Management
KFA38 Information and Communication Technology (ITC)
KFA39 Revenue Strategies
KFA40 Supply Chain Management

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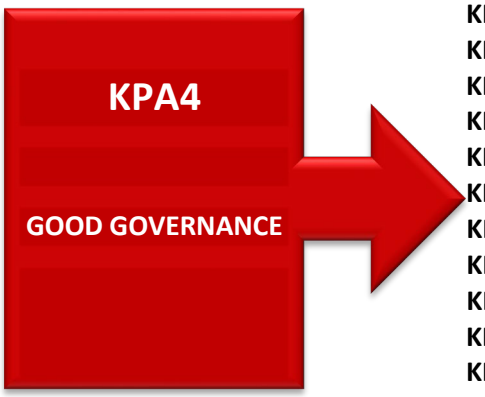
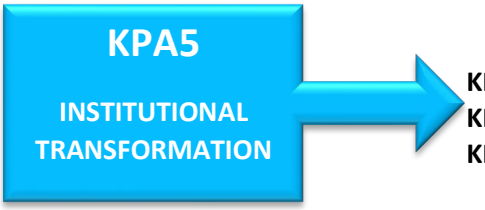


KFA41 Governance Structures
KFA42 Audit and Compliance
KFA43 Policies and By-laws
KFA44 Intergovernmental Relations
KFA45 Complaints Management
KFA46 SLA's and MOU's entered into
KFA47 Legal Services
KFA48 Municipal Court
KFA49 Communication (Internal and External)
KFA50 Marketing and Branding
KFA51 Social Cohesion



KFA52 Organizational Structure
KFA53 HR Policies and other related documents
KFA54 Human Capital and Skills Development

5.6 STRATEGIC OBJECTIVES ALIGNED TO THE DEPARTMENTAL OBJECTIVES IN EACH DIRECTORATE

NO.	DIRECTORATE	OBJECTIVE
SOD1	**Office of the Municipal Manager**	To ensure that municipal services are administered in accordance with the objectives of local government as prescribed in Chapter 7 of the Constitution
SOD2	**Directorate I & E Services**	To manage infrastructure services provisioning and project management
SOD3	**Directorate PDT**	To manage and provide town planning services and ensure the economic upliftment and development in the municipal area.
SOD4	**Directorate Corp. Serv.**	To transform the institution into a high-performance organisation with a skilled and diverse workforce
SOD5	**Directorate CS**	To render integrated CS to enhance community development in general and promote a clean and safe environment
SOD6	**Directorate Financial Services**	To manage and provide financial services to ensure financial viability, compliance and reporting

Table 70: Departmental objectives

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5.6.1 SOD2 – OFFICE OF THE MUNICIPAL MANAGER

Objective: To ensure that municipal services are administered in accordance with the objectives of local government as prescribed in Chapter 7 of the Constitution

SOD1.1 EXECUTIVE SUPPORT: ***To provide office management services to the Municipal Manager.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Performance Management	Number of institutional performance reports submitted to Council	Submit 4 institutional performance reports to Council at 1 report per quarter	4	4	4	4	

Table 71: Executive support

SOD1.2 RISK MANAGEMENT AND INTERNAL AUDIT: ***To assess municipal risks and provide an independent appraisal of the adequacy and effectiveness of financial controls in the municipality.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Internal Audit	Number of Audit Committee Meetings	Attend 4 Audit Committee Meetings	4	4	4	4	
Risk Management	Number of Risk Management Committee Meetings	Attend 4 Risk Management Committee Meetings	4	4	4	4	
Good Governance and Public Participation	Number of reviews of the Institutional Risk Assessment by due date	Institutional Risk Assessment reviewed by 30 June 2021		1	1	1	

Table 72: Risk Management and Internal Audit

SOD1.3 INTEGRATED DEVELOPMENT PLANNING: ***To develop and coordinate a credible Integrated Development Plan that will address the developmental needs of the community.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Integrated Development Planning	Due date compliance with IDP review processes	Develop a Process Plan for the 2020/21 IDP by 31 August 2019	1 31 Aug 2018	1 31 Aug 2019	1 31 Aug 2020	1 31 Aug-2021	
		Draft copy of the IDP to Council by 31 March 2020	1 31 1Mar 2018	1 31 Mar 2019	1 31 Mar 2020	1 31 Mar 2021	
		IDP to be submitted to Council by 31 May 2020	1 31 May 2019	1 31 May 2019	1 31 May 2020	1 31 May 2021	

		Number of IDP Public Meetings to determine ward priorities	15	15	15	15	All
		Number of IDP Representative Forum Meetings held annually	2	2	2	2	
		Number of ward-based planning sessions held with ward committees	1	1	4 (Cluster into wards)	4 (Cluster into wards)	
		Arrange 1 strategic planning session annually to review objectives of the IDP	1	1	1	1	
		Number of IDP's uploaded on the on the municipal website by 15 June 2020	2	2	2	2	

Table 73: Integrated Development Planning

SOD1.4 PERFORMANCE MANAGEMENT: ***To develop, maintain and monitor the institutional performance management system/SDBIP in the municipality.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
SDBIP	SDBIP submitted to the Executive Mayor within 14 days of adoption of the budget	1 SDBIP to the executive Mayor within 14 days of the adoption of the budget	1	1	1	1	
	SDBIP tabled to Council by 31 July 2020	1 SDBIP tabled to the Council by 31 July 2020	1	1	1	1	
	SDBIP uploaded to website by 5 August 2020	1 SDBIP uploaded to the website by 5 August 2020	1	1	1		
	Number of SDBIP implementation reports submitted to Council	4 SDBIP implementation reports submitted to Council	4	4	4	4	
Performance Contracts	Number of performance agreements submitted to Council by 31 August 2020	6 performance agreements submitted to Council by 31 August 2020	6	6	6	6	
	Number of performance agreements uploaded to the website	6 performance agreements uploaded to the website within 5 days of approval	6	6	6	6	

Table 74: Performance Management

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SOD1.5 MEDIA LIAISON: ***To provide comprehensive media and intergovernmental relations services.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Media and communication	Number of Kouga News publications prepared and circulated	1 Kouga News publication per annum prepared and circulated	1	1	1	1	
Municipal Website	Overhaul the functionality of the website to include payment portals for various functions like traffic fines.	Overhaul the functionality of the website to include payment portals for various functions like traffic fines 30 June 2021	-	30 Jun 2020	30 Jun 2021	30 Jun 2022	

Table 75 : Media and Communication

SOD1.6 LEGAL SERVICES: ***To provide professional, effective and efficient legal support to Council and Administration, to protect the municipality's interests, mitigate legal risks and ensure legal compliance.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	All departments
Mitigate Legal Risks	Number of reports on legal risks submitted to Council	4 legal risks submitted to Council	4	4	4	4	
Municipal Delegation Framework	Number of delegation registers reviewed by Council	1 delegation register reviewed by Council by 30 June 2020	-	30 Jun. 2020	30 Jun. 2021	30 Jun. 2022	
Municipal Code	Audit and review by-laws	Audit and review by-laws by 30 June 2020	-	30 Jun. 2020	30 Jun. 2020	30 Jun. 2020	

Table 76: Legal Services

SOD1.7 SPECIAL PROGRAMMES: ***To coordinate and manage all special programmes to address special needs in society.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Social Development	Women Empowerment Number of meetings of the Kouga Women's Forum	Establishment of Ward based Women forums and the establishment of a Kouga Women Forum that will represent women 4 Meetings of the Kouga Women's Forum with 1 meeting per quarter	4	4	4	4	All wards
	Youth Development Number of meetings of the Kouga Youth Forum	Reviving and establishment of Youth Forums 4 Meetings of the Kouga Youth Forum with 1 meeting per quarter	4	4	4	4	All wards
	Number of meetings of the Kouga Vulnerable Groups Forum	4 Meetings of the Kouga Vulnerable Groups Forum with 1 meeting per quarter	4	4	4	4	

Table 77: Special Programmes

5.6.2 SOD2 - DIRECTORATE I & E SERVICES

SOD2.1 WATER AND SANITATION SERVICES: ***To manage the rendering of water service and to provide bulk and potable water and sanitation services to the community.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Infrastructure	% households in formal residential areas with access to potable water	100% of residents have access to potable water	100%	100%	100%	100%	
	% of informal households within the urban edge with access to water within 200m	100% of informal households within the urban edge with access to water within 200m	100%	100%	100%	100%	
	% of clinics within the urban edge have access to water	100% of clinics within the urban edge have access to water	100%	100%	100%	100%	
	% of schools within the urban edge have access to water	100% of schools within the urban edge have access to water	100%	100%	100%	100%	
	Number of water demand / conservation management loss reduction programs completed	1 water demand / conservation management loss reduction programs completed by 31 October 2019	1	1	-	-	
	% reduction in water losses	35% reduction in water losses	35%	36%	36%	36%	
	% capital expenditure on water infrastructure projects	100% capital expenditure on water infrastructure projects	100%	100%	100%	100%	
	% expenditure of water supply infrastructure repairs and maintenance budget	100% expenditure of water supply infrastructure repairs and maintenance budget	100%	100%	100%	100%	
	Informal households using bucket sanitation Number of households converted from bucket sanitation to water-based sanitation system	Eradicate the number of households using bucket sanitation • Stofwolk (connect waterborne) • Thornhill (connect waterborne) • Sea Vista (connect waterborne) • Ramaphosa Village (connect waterborne) • Oceanview (connect waterborne) • Kwanomzamo (connect waterborne)	100	1500	2000	2000	
	% of formal households with access to sanitation services residential areas serviced by Kouga Municipality	100% of formal households in areas serviced by Kouga Municipality has access to sanitation services	100%	100%	100%	100%	
	% of clinics within the urban edge have access to sanitation services	100% of clinics within the urban edge have access to sanitation services	100%	100%	100%	100%	
	% of schools within the urban edge have access to sanitation services	100% of schools within the urban edge have access to sanitation services	100%	100%	100%	100%	

	% capital expenditure on internally funded sanitation capital projects	100% capital expenditure on internally funded sanitation capital projects	100%	100%	100%	100%	
	% expenditure of sanitation infrastructure repairs and maintenance budget	100% expenditure of sanitation infrastructure repairs and maintenance budget	100%	100%	100%	100%	

Table 78: Water and Sanitation Services

SOD2.2 ELECTRICAL SERVICES: ***To manage the provisioning and maintenance of electrical services.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Infrastructure	% reduction in electricity losses	Reduce electricity losses to 16%	18%	17%	16%	12%	All wards
	% formal residential households services by Kouga have access to electrical services	100% formal residential households' services by Kouga have access to electrical services	100%	100%	100%	100%	All wards
	% of clinics within the urban edge have access to electricity	100% of clinics within the urban edge have access to electricity	100%	100%	100%	100%	Kouga
	% of schools within the urban edge have access to electricity	100% of schools within the urban edge have access to electricity	100%	100%	100%	100%	Kouga
	% capital expenditure on internally funded electrical infrastructure projects	100% capital expenditure on internally funded electrical infrastructure projects	100%	100%	100%	100%	100%
	% expenditure of electrical infrastructure repairs and maintenance budget	100% expenditure of electrical infrastructure repairs and maintenance budget	100%	100%	100%	100%	100%
	Number of Road Master Plans developed	1 Road Master Plan developed by 30 June 2020	-	30 June 2020	-	-	

Table 79: Electrical Services

SOD2.3 ROADS AND STORMWATER SERVICES: ***To manage the construction, repair and maintenance of roads and storm water systems.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Infrastructure	% capital expenditure for the construction of roads	100% capital expenditure for the construction of roads	100%	100%	100%	100%	
	% planned road construction completed	100% planned road construction completed	100%	100%	100%	100%	
	% formal residential households within the urban edge with access to gravel or graded roads	100% formal residential households within the urban edge with access to gravel or graded roads	100%	100%	100%	100%	All wards

	% reduction in road infrastructure requiring update	1% reduction in road infrastructure requiring update	1%	1%	1%	1%	
	% capital expenditure on road infrastructure	100% capital expenditure on road infrastructure	100%	100%	100%	100%	
	% expenditure of stormwater infrastructure repairs and maintenance budget	100% expenditure of stormwater infrastructure repairs and maintenance budget	100%	100%	100%	100%	

Table 80 : Roads and Stormwater Services

SOD2.4 PROJECT MANAGEMENT: *To manage the coordination and implementation of project management processes with regard to engineering projects (MIG, EPWP and other grant funded projects).*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
	% MIG Expenditure	100% MIG budget expenditure on MIG approved projects	100%	100%	100%	100%	

Table 81: Project Management

SOD2.5 FLEET MANAGEMENT : *To effectively service, maintain, monitor and replace municipal fleet and equipment.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
	Number of fleet/ mechanical workshop established	Establish 1 fleet/mechanical workshop	-	-	-	1	Ward 15

Table 82: Fleet Management

5.6.3 SOD6 - DIRECTORATE PDT

SOD3.1 TOWN PLANNING & BUILDING CONTROL: ***To manage the rendering of spatial and land use planning, surveying, valuations and building control services.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Building Control	% of a building plans finalized within 30 days of submission of a compliant plan	100% of a building plans finalized within 30 days of submission of a compliant plan (Less than 500^{m}2	100%	100%	100%	100%	
Town Planning	% land use applications finalized within 60 days of a complaint submission	100% land use applications finalized within 60 days of a complaint submission	100%	100%	100%	100%	
	% informal settlements formalized	100% informal settlements formalized by 30 June 2020	-	1%	1%	1%	

Table 83 : Town Planning and Building Control

SOD3.2 HUMAN SETTLEMENTS: ***To manage the funding, administrations of housing projects and administration of housing processes of housing applications provisioning to ensure proper service delivery to the community.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Housing Administration	% informal settlements formalized	100% informal settlements formalized by 30 June 2020	-	1%	1%	1%	
	Number of housing audits completed	1 housing audit completed by 30 June 2020	-	1	1	1	
	Number of service providers appointed for the review of the Human Settlement Plan	1 Service provider appointed for the review of the Human Settlement Plan by 30 June 2020	-	1	1	1	

Table 84: Human Settlements

SOD3.3 DEVELOPMENT (LED) AND TOURISM: ***To plan and develop a coherent and integrated framework for local economic development and tourism.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	NA
LED	LED Strategy reviewed by 30 June 2020	1 LED Strategy reviewed by 30 June 2020	-	1	1	1	
	Number of LED Forum Meetings held	4 LED Forum meetings per year with 1 meeting per quarter	4	4	4	4	
	% Expenditure of Budget for LED programs and projects	100% Expenditure of Budget for LED programs and projects	100%	100%	100%	100%	All
	Number of jobs created through PPP	20 Jobs created through PPP	-	20	20	20	All
	Number of SMME training programs provided	4 training opportunities provided to SMME's	4	4	4	4	

Table 85: Development and Tourism

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5.6.6 SOD4 - DIRECTORATE COMMUNITY SERVICES

SOD4.1 SOLID WASTE MANAGEMENT: *To coordinate all functions/powers regarding solid waste management assigned to the municipality.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Waste	Due date compliance with the review of a Waste Management Plan for Kouga Municipality	Integrated Waste Management Plan for Kouga Municipality reviewed annually	-	30 June 2020	30 June 2021	30 June 2022	All
	% of formal households provided with a refuse removal service once per week	100% of formal households provided with a refuse removal service once per week	100%	100%	100%	100%	
	% increase in refuse removal coverage of informal areas	Increase coverage of recognized informal residential areas serviced with refuse removal services once per week by 5%	5%	10%	15%	20%	
	% of commercial enterprises provided with a refuse removal service 3 times per week	100% of commercial enterprises provided with a refuse removal service 3 times per week	100%	100%	100%	100%	
	Number of wheelie bins provided to residents	4240 bins delivered to part of Humansdorp	5947	3908	11880	1000	
	Number of Waste Management Strategies reviewed	1 Waste Management Strategy reviewed	1	1	1	1	
	% Capital budget expenditure on waste management projects	100% Capital budget expenditure on waste management projects (Procurement of TLB)	100%	100%	100%	100%	
	% of formal households within the urban edge provided with refuse removal services once a week	100% formal households within the urban edge provided with refuse removal services once a week	100%	100%	100%	100%	
	% of commercial enterprises within the urban edge provided with refuse removal services 3 times per week	100% commercial enterprises within the urban edge provided with refuse removal services 3 times per week	100%	100%	100%	100%	
	% of clinics within the urban edge provided with refuse removal services	100% clinics within the urban edge provided with refuse removal services	100%	100%	100%	100%	
	% of schools within the urban edge provided with refuse removal services	100% schools within the urban edge provided with refuse removal services	100%	100%	100%	100%	
	Number of reports for refuse removal in informal areas	4 reports for refuse removal in informal areas	4	4	4	4	

Table 86 : Solid Waste Management

DRAFT

SOD4.2 ENVIRONMENTAL HEALTH: *To ensure that visitors and residents have a safe and healthy environment.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Water Quality Control	Number of water samples submitted for bacteriological and chemical for analysis	420 water samples subjected to bacteriological analysis and 140 water samples subjected to chemical analysis	420 Bact 140 Chem	420 Bact 140 Chem	420 Bact 140 Chem	420 Bact 140 Chem	All Wards
Health Surveillance of Premises	Number of premises subjected to environmental health inspections	740 premises subjected to environmental health inspections	740	740	800	850	All wards

Table 87 : Environmental Health

SOD4.3 PUBLIC AMMENITIES: *To manage the provisioning and maintenance of caravan parks / resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Cemeteries	Number of cemetery design and layout	Design and layout plans completed for 2 cemeteries by 30 June 2020	25%	100%	-	25%	
	Number of cemetery EIA's	1 Environmental authorization implemented by 30 June 2020	-	-	3 - November 2021	-	
Public ablution facilities (beaches)	Number of public ablution facilities upgraded (Pellsrus, Kabeljauws, Cape St Francis)	Upgrade Pellsrus, Kabeljauws and Cape St Francis ablution facilities	4	3	3	3	2, 3 & 12
Caravan Parks	Number of caravan parts upgraded (Yellow Woods, Jeffreys Bay)	• Upgrading of Yellow Woods, Jeffreys Bay Caravan Park and Pellsrus Caravan Park	2	2	2	2	3 & 9
Sport and Recreation	Number of community halls to upgraded (Kruisfontein Newton Hall)	• Upgrade Kruisfontein Pellsrus Hall and Loerie Hall	4	2	2	2	5 & 11
	Number of tables and chairs to procure for community halls	Procure 1000 chairs and 100 tables for community halls	-	1000 chairs	-	100 tables	2,5,6,7,9,10, 11
	Number of sports fields upgraded (Pellsrus, Sea Vista, Kwanomzamo)	3 sports fields upgrade (Pellsrus, Sea Vista, Kwanomzamo)	-	3 MIG	3	3	1,2,6
Parks and Open Spaces	Number of play parks to be upgraded	Upgrade Gill Marcus, Arcadia, Kwanomzamo, Kabeljauws play parks	-	4	4	4	3, 4, 5 & 6
	% budget expenditure on grass cutting and bush clearing equipment	100% expenditure on grass cutting and bush clearing equipment	100%	100%	100%	100%	All wards

Table 88: Public Amenities

SOD4.4 FIRE AND DISASTER: *To provide effective and efficient fire and disaster management services.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Disaster Management	Final draft of Disaster Risk management Plan for Kouga Municipality	1New Disaster Risk Management Plan for Kouga	-	-	June 21	-	-
	Disaster Risk Management Advisory Forum Meeting	4 Disaster Risk Management Forum Meetings held	-	4	15	4	
Life Saving	Number of vehicles and equipment procured for the lifesaving services, fire and disaster	Procure 4 vehicles fire and 2 rescue equipment for lifesaving services	-	5	2	1	All Wards
	Number of professional lifeguards trained	60 lifeguards to be trained in the next 3 years	8	15	20	14	All wards

Table 89: Fire and Disaster

SOD4.5 SAFETY AND SECURITY: ***To provide effective and efficient Safety and Security services.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Safety and Security	Number of new vehicles to be procured for Safety and Security	3 vehicles to be procured	6	3	0	2	All Wards
	Number of stray animals impounded	Impound 120 roaming animals	100	120	140	160	
	% of safety equipment to be procured	100% expenditure of budget provided for safety equipment	-	100%	100%	100%	All Wards
	Number of municipal court established	1 municipal court to be established	-	-	-	1	Ward 15

Table 90 : Safety and Security

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SOD4.6 ENVIRONMENTAL MANAGEMENT: *To ensure clean & safe environment that is well maintained and managed.*

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	NA
Coastal Management	% Completion of Coastal Management Plan	50% completion of a Coastal Management Plan	-	50%	100%	-	1, 2, 3, 7, 8, 11, 12, 14
Climate Change	% Completion of a of climate change strategy	25% Development of a climate change strategy	-	25%	25%	100%	All Wards
	Pre-planning for development of climate change strategy – complete framework	1 climate change strategy framework to be completed	-	-	-	1	
Environmental Management	Number of environmental awareness campaigns conducted	4 Environmental awareness campaigns conducted	4	4	4	4	
	Number of progress reports submitted to the portfolio committee on rehabilitation of St Francis Bay spit and Oyster Bay dunes	4 progress reports submitted to the portfolio committee on rehabilitation of St Francis Bay spit and Oyster Bay dunes	4	4	4	4	
	Number of trees planted	A 1000 trees will be planted in the next 3 years	-	200	400	400	All wards
	Number of Environmental Management Forum Meetings conducted	4 Environmental Management Forum Meetings held	-	4	4	4	All wards

Table 91: Environmental Management

5.6.5 SOD5 - DIRECTORATE CORPORATE SERVICES

SOD5.1 HUMAN RESOURCE MANAGEMENT: ***To render human resources management and support services to the municipality that will sustain the optimum utilisation of the municipality's human capital.***

Focus	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Organogram	Number of organogram reviews	1 Organogram review by 30 June 2020	1	1	1	1	Entire municipality
	Vacancy rate for approved budgeted posts	2.7% vacancy rate for approved budgeted posts	2.7%	2.7%	2.7%	2.7%	
	% staff cost compared to operational budget	35% staff cost compared to operational budget	35%	35%	35%	35%	

Employment Equity	Number of people from employment equity target groups employed in the three highest levels of management in accordance with the approved Employment Equity Plan by end of June	2 African females 2 African males	2 African females 2 African males	2 African females 2 African males	NA	NA	NA
	Number of Employment Equity reports submitted to the Dept of Labour	1 Employment Equity reports submitted to the Dept of Labour by 15 January 2020	15 Jan 2019	15 Jan 2020	15 Jan 2021	15 Jan 2022	NA
Skills Development	% expenditure of Skills Development Budget	100% expenditure of Skills Development Budget	100%	100%	100%	100%	NA
	Number of Workplace Skills Plans submitted to LGSETA	1 Workplace Skills Plans submitted to LGSETA 30 April 2020	30 Apr 2019	30 Apr 2020	30 Apr 2021	30 Apr 2022	
OHS	Number of Occupational Health and Safety Representative forum meetings held	4 of Occupational Health and Safety Representative forum meetings held	4	4	4	4	NA
	Number of OHS Assessments completed	1 OHS Assessments completed by 30 June 2020	1	1	1	1	NA

Table 92: Human Resources

SOD5.2 ADMINISTRATION: *To provide professional, effective and efficient administrative support to Council and Administration.*

Administrative Support

Focus Area	**Annual Targets 2018-2022**						**Wards**
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Council Agendas	Number of documents imaged and stored off-site	250 000 documents imaged and stored off-site	-	250 000	250 000	250 000	
Accommodation	% completion of library conversion	100% completion of library conversion	100%	100%			
Auxiliary	Amount reduction in Telkom Bill against budgeted amount	R60 000 reduction in Telkom Bill against budgeted amount	R60 000	R60 000	R5000	R5000	

Table 93 : Administration Support

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Communication Support

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	
Communications Policy & Strategy	Formulate Communications Policy & Strategy	Approved Policy by 15 Aug 2022				15 Aug 2022	
Branding & Promotional Material	Appoint Service Provider for various promotional items	Appoint Service Provider by 30 Aug 2021				R250 000 Appoint SP by 30 Aug 2021	
Brand Visibility	Appoint Service Provider	Appoint Service provider by 30 Sept 2021				R150 000	
Digital Marketing	Procure Digital Screens for Municipal Offices	Procure Digital Screens by 30 Aug 2021				R90 000	

Table 94: Communication Support

5.6.6 SOD6 - DIRECTORATE FINANCIAL SERVICES

SOD6.1 BUDGET AND REPORTING: ***To manage and control the implementation of budget policies, systems and procedures, statements and reporting processes to ensure legislative compliance .***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	Target	18/19	19/20	20/21	21/22	NA
Sound financial planning	% staff cost compared to operational budget	35% staff cost compared to operational budget	35%	35%	35%	35%	
	% compliance with National Treasury reporting calendar	100% compliance with National Treasury reporting calendar	100%	100%	100%	100%	
	Number of Annual Financial Statements submitted to the Auditor-General	1 of Annual Financial Statements submitted to the Auditor-General by 30 August 2020	30 Aug. 2019	30 Aug. 2020	30 Aug. 2021	30 Aug. 2022	
	Number of draft budgets submitted	1 draft budget submitted by 31 March 2020	31 Mar. 2019	31 Mar. 2020	31 Mar. 2021	31 Mar. 2022	
	Number of final budgets submitted	1 final budget submitted 30 May 2020	30 May 2019	30 May 2020	30 May 2021	31 May 2022	
	Adjustment budget compiled and submitted to the MM and Portfolio Chairperson by 15 December 2020	1 adjustment budget submitted to the MM and Portfolio Chairperson by 15 December 2020	15 Dec. 2019	15 Dec. 2020	15 Dec. 2021	31 Jan 2022	
	Budget Monitoring Committee	10 Budget Monitoring Commit	10	10	10	4	
	Liquidity ratio 1:1	1:1 liquidity ratio	1:1	1:1	1:1	1:1	
	Obtain unqualified audit opinion from AGSA	1 unqualified audit opinions from AGSA	1	1	1	1	

Table 95: Budget and Reporting

SOD6.2 EXPENDITURE: ***To administer the recording, authorisation, executing and reporting of expenditure transactions.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Expenditure	% of creditors paid within 30 days of receipt of statement	100% of creditors paid within 30 days of receipt of statement	100%	100%	100%	100%	

Table 96: Expenditure

SOD6.3 REVENUE: ***To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Revenue enhancement	% revenue collection rate between revenue raised and revenue collected	96% revenue collection rate between revenue raised and revenue collected	94%	96%	85%	90%	-
	Number of VAT recovery service providers appointed	1 appoint a Vat Recovery provider by 30 September 2020	-	30 September 2019	-	-	-
	Number of Debt Collection Service Providers appointed by 31 December 2020	1 Debt Collection Service Provider appointed by 30 October 2020	30 June 2019	31 December 2019	-	-	-
	Number of handovers to debt collectors of debt exceeding 90 days	6 handovers to debt collectors exceeding 90 days	6 Meetings	6 Meetings	6 Meetings	4 Meetings	
	Number of Debt Collection Committee Meetings	4 Debt Collection Committee Meetings (Bad debt write off meetings)	4 Meetings	4 Meetings	4 Meetings	4 Meetings	-
	Number of Revenue Enhancement Meetings (Task Team Meetings))	6 Meetings to be held annually on progress with the implementation of the Revenue Enhancement Strategy	6 Meetings	6 Meetings	6 Meetings	10 Meetings	-
	Number of Revenue Collections Monitoring Meeting	8 Revenue Collection Monitoring Meetings per annum	8 Meetings	8 Meetings	8 Meetings	4 Meetings	-
Indigent support	% of indigent residents as per Indigent Register with access to free basic services	100% indigent residents as per Indigent Register with access to free basic services	Annually 100%	Annually 100%	Annually 100%	Annually 100%	All wards
	Number of Indigent Steering Committee Meetings	Quarterly Indigent Steering Committee Meetings	4	4	4	4	-
	Number of Indigent Registration drives	1 Indigent Registration Drive	1	1	1	1	

Table 97 : Revenue

SOD6.4 ICT SERVICES: ***To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
ITC systems	1st Phase implementation of ERP Solution project	1st Phase implementation of ERP Solution project by 30 June 2020	-	1st phase 30 June 2020	2nd phase 30 June 2021	-	-
	Number of ERP Project Managers appointed by 31 March 2020	1 ERP Project Manager appointed by 31 March 2020	-	1	-	-	
	% Up time of ICT System	98% up time of ICT System	98%	98%	98%	98%	
	Number of ICT Steering Committees	6 I CT Steering Committee Meetings per annum	6 meetings	6 meetings	6 meetings	4 meetings	
ITC Policies	% of ICT Policies reviewed	100 ICT Policies reviewed by 30 November 2020	30 Nov. 2019	30 June 2020	30 June 2021	30 June 2022	-
Operational Software	Number of ICT reports submitted to Finance Portfolio Committee	6 ICT reports submitted to every portfolio committee meeting.	6 meetings	6 meetings	6 meetings	6 meetings	
		1 Feedback on all software applications used in the municipality including operational expenses	6 reports	6 reports	6 reports	6 reports	
	Number of ICT software application and cost reports submitted to the Finance Portfolio Committee	6 ICT software application and cost reports submitted to the Finance Portfolio Committee	6 Reports	6 Reports	6 Reports	6 Reports	

Table 98: ICT

SOD6.5 SUPPLY CHAIN MANAGEMENT (SCM): ***To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	
Budget spending	% compliance with the Procurement Plan	90% average compliance with the annual Procurement plan	90%	90%	90%	90%	-
	% Capital budget expenditure	95% expenditure of capital budget	95%	95%	95%	-	-
	Number of days for the processing of requisitions	Requisitions processed within 5 working days (order issued)	Within 5 working days	Within 5 working days	Within 5 working days	Within 5 working days	-
	Number of working days for the evaluation of 7 days notices	7 working days for the evaluation of 7-day notices	Within 7 working days	Within 7 working days	Within 7 working days	Within 7 working days	-
	Number of days for the preparation of tender reports by leading departments from closing date of tender	30 days for the preparation of tender reports by leading departments from closing date of tender	30 days	30 days	30 days	30 days	-

	Number of days for the adjudication of tender from closing date	100 days for the adjudication of tender from closing date	100 days	100 days	100 days	90 days	-
	Number of Meetings on the implementation of the Procurement Plan	6 Meetings on the implementation of the Procurement Plan	6 meetings	6 meetings	6 meetings	10 meetings	-

Table 99: Supply Chain Management

SOD6.6 DISPOSAL MANAGEMENT: ***To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics, assets and disposal management.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	NA
Budget spending	Number of reports submitted on dysfunctional and redundant movable assets to be disposed of submitted to Council	1 report submitted on dysfunctional and redundant movable assets to be disposed of submitted to Council by 30 September 2020	-	1	-	1	

Table 100: Disposal Management

SOD6.7 ASSET MANAGEMENT: ***To administer asset management, leases registers.***

Focus Area	Annual Targets 2018-2022						Wards
	Indicator	**Target**	**18/19**	**19/20**	**20/21**	**21/22**	NA
Land register	Number of municipal land audits conducted	1 municipal land audit conducted by 31 December 2020	1	1	1	1	
	Number of land registers completed	1 land register completed by 31 December 2020	-	31 December 2020	-	-	
	Number of Land Advisory Committee Meetings	6 Land Advisory Committee meetings per annum	6 meetings	6 meetings	6 meetings	6 meetings	
Insurance	Number of service providers appointed for the insurance of municipal assets	1 service provider appointed for the insurance of municipal assets	-	1	-	-	
	Number of reports on insurance claims submitted to the Finance Portfolio Committee (Bi-monthly reports)	6 reports on insurance claims submitted to the Finance Portfolio Committee (Bi-monthly reports)	6 reports	6 reports	6 reports	6 reports	
	% of insurance claims finalized within 90 days of incident	100% insurance claims finalized within 90 days of incident	100%	100%	100%	100%	
Management of fixed assets	Update and validate all municipal lease agreements by 31 December 2020	Maintenance of all municipal lease agreements for maximising revenue for the municipality by 30 June 2020	1	1	1	1	

Table 101: Asset Management

5.7 DEVELOPMENT PRIORITIES FOR THE MUNICIPALITY 2020/21 FINANCIAL YEAR

NO.	KPA	PRIORITY	OBJECTIVE	PROJECT	TOWN / SUBURB	BUDGET YEAR 2021/2022	RESPONSIBLE DIRECTORATE
IDP01	1	Sanitation	• To provide residents in **informal** residential areas with minimum acceptable, other than buckets, levels of sanitation services . • To provide all residents in the Kouga area with access to high quality sanitation services.	Eradication of bucket system	All areas	Funded	Infrastructure and Engineering
				Construct emergency overflow pond – Koraal Sewer pump station pre-planning	C-Place	Funded	
				New by-pass rising main and pump station – Jeffreys Bay pre-planning	Jeffreys Bay	Funded	
				Upgrade Centerton sewer pump station	Centerton	Funded	
				Upgrade Loerie sewer pump station pre-planning	Loerie	Funded	
				Upgrade sanitation system Old Hankey	Old Hankey	Funded	
				Upgrade sewer rising mains – Jeffreys Bay (La Mer 4A – 4B) pre-planning	Jeffreys Bay	Funded	
				Piped reticulation – St Francis Bay pre-planning	St Francis Bay	Funded	
				Fencing main substation	Jeffreys Bay	Funded	
				Security cameras for sub stations	All towns	Funded	
				Install water borne sewer reticulation, sewer pump station and rising to Waste Water Treatment works	Cape St Francis	Grant transfer	
				Install water borne sewer reticulation	St Francis Bay	Grant transfer	
				Install water borne sewer reticulation	Paradise Beach	Grant transfer	
				Install waste water borne sewer reticulation	Loerie	Grant transfer	
				Install water borne sewer reticulation including waste water treatment works	Oyster Bay	Grant transfer	
				Upgrade main sewer rising main from La Mer pump station to waste water treatment works	Jeffreys Bay	Grant transfer	
				Install internal sewer reticulation	Wavecrest	Grant transfer	
				Industrial area new bulk outfall gravity sewer to Kruisfontein WWTW	Kruisfontein	Grant transfer	
				Sewer pump station and rising main	Loerie	Grant transfer	
				Upgrade beach sewer pump station and rising main	Wavecrest	Grant transfer	
				Upgrade sewer pump stations	St Francis Bay	Grant transfer	
				Upgrade waste water treatment works (additional capacity)	Thornhill	Grant transfer	
				Upgrade wastewater treatment works	Loerie	Grant transfer	

				Upgrade waste water treatment works (additional clarifier)	Jeffreys Bay	Grant transfer	
				New waste water treatment works	Paradise Beach	Grant transfer	
				Upgrade / refurbish waste wate works	Humansdorp	Grant transfer	
				Construct emergency overflow pond Koraal sewer pump station	Jeffreys Bay	Grant transfer	
				Construct sewer lines	All towns	Grant transfer	
				Develop sewer master plan	Municipal area	Grant transfer	
IDP02	1	Water	To provide residents and visitors with high quality road networks under Kouga's jurisdiction	Replace 250mm Water Main – Mimosa Street, Jeffreys Bay pre-planning	Wavecrest	Funded	Infrastructure and Engineering
				Replace 250mm Water Main – Mimosa Street, Jeffreys Bay pre-planning	Wavecrest		
				Replace 250mm Water Main – Canal Road, St Francis Bay pre-planning	St Francis Bay	Funded	
				Replace main water line Sout River Bridge crossing – St Francis Bay pre-planning	St Francis Bay	Funded	
				Repair leaking concrete water tower – Paradise Beach pre-planning	Paradise Beach	Funded	
				Upgrade main bulk water supply line	Paradise Beach	Funded	
				Replace aging main internal water lines	Jeffreys Bay	Grant transfer	
				Replace aging main internal water lines	St Francis Bay	Grant transfer	
				Replacing aging water line	Kruisfontein	Grant transfer	
				New main water rising main	Humansdorp	Grant transfer	
				New water reservoir 5Ml	Kwanomzamo	Grant transfer	
				New water storage reservoir 2Ml	Thornhill	Grant transfer	
				Water treatment works new storage reservoir 5Ml	Humansdorp	Grant transfer	
				New water storage reservoir 5Ml	Jeugkamp/ Kruisfontein Proper	Grant transfer	
				New bulk storage reservoir 5Ml	Paradise Beach	Grant transfer	
				Upgrade water treatment plant	Humansdorp	Grant transfer	
				Expand existing RO plant at Links to increase capacity to treat boreholes	St Francis Bay	Grant transfer	
				Upgrade and expand water treatment plant to treat saline borehole water and increase treatment capacity	Hankey	Grant transfer	
				Equip and connect 4 x existing boreholes near Melkhout to water treatment plant. Including pipeline.	Humansdorp	Grant transfer	
				Develop water master plan	Municipal area	Grant transfer	
				Fencing municipal treatment works and reservoir	All town	Grant transfer	

IDP03	1	Electrical	To provide residents in formal residential areas with access to electricity services ***(Exclusive of the Gamtoos area and areas serviced by ESKOM)***	Electrification of Humansdorp, Kruisfontein Donkerhoek project.	Ward 5	Funded	Infrastructure and Engineering
				procure new generator to Jeffreys Bay main office to secure uninterrupted power supply	Jeffreys Bay main office	Funded	
				Construction of new 66kV overhead lines (Jeffreys Bay to Melkhout Substation)	Wards 2,3,8,11,12,14	Funded	
				Retrofit oil circuit breakers main sub-station – Jeffreys Bay.	Wards 2,3,11,14,15	Funded	
				Installation of high mast lights in Humansdorp.	Wards 5,15	Funded	
				Electrification of informal settlements	Wards 2,14,15	Funded	
				Saffery substation replacement and upgrade of circuit breakers	Ward 15	Funded	
				Retrofit oil circuit breakers with Vacuum or SF6 breakers.	Wards 4,12,14	Funded	
				Machinery & Equipment	All wards	Funded	
				Miniature substations 22 & 11kV	All wards	Funded	
				St. Francis Bay ring main switches.	St Francis Bay	Funded	
				Apiesdraai/ Paradise substation upgrade.	Wards 12,14	Funded	
				Electrical transformers Humansdorp 22/11kV 3 150kVA	Wards 4,5,15	Funded	
				LED lights	All wards	Funded	
				Construct / upgrade existing main incoming 66Kv line	Jeffreys Bay	Funded	
				New ring feed	Paradise Beach Aston Bay Ocean View	Grant transfer	
				2nd 22Kw circuit line	Kwanomzamo	Grant transfer	
				Upgrade main electrical substation	Jeffreys Bay	Grant transfer	
				Upgrade substation	Kruisfontein	Grant transfer	
				Develop electrical master plan	Municipal area	Grant transfer	
IDP04	1	Roads and stormwater	To provide residents and visitors with high quality road networks under Kouga's jurisdiction	Upgrading of gravel roads in Humansdorp , Thornhill Jeffreys Bay - 3 year project	Humansdorp, Jeffreys Bay, Thornhill	Funded	Infrastructure and Engineering
				Develop transport master plan	Municipal area	Grant transfer	
				Upgrade provincial roads	Da Gama Rd Voortrekker Rd St Francis Drive	Grant transfer	
				Upgrade gravel roads to full surfaced roads	All towns	Grant transfer	
				Upgrade stormwater as per master plan	Municipal area	Grant transfer	
				Upgrade parking layout in main Street	Humansdorp	Grant transfer	
IDP05	2	Safety and Security	Safeguarding municipal infrastructure in the Kouga Area	Fencing all cemeteries in the Kouga municipal area	Thornhill, Patensie,	Unfunded	Community Services

					Hankey, part of Humansdorp Town cemetery (Ward 7,9,10,15)		
				Fencing of community halls	Sea Vista, Loerie, Weston (Wards 1,7,13)	Funded	
				Fencing of Humansdorp fire station	Humansdorp	Funded	
				Security cameras for Kouga			
IDP06	1	Human Settlements	• To upgrade and provide access to basic services for residents in Kouga • To provide affordable housing opportunities to middle income	Upgrading of Informal Settlements • Donkerhoek – 363 • Ocean View – 730 • Cyril Ramaphosa – 278 • Polar Park – 350 • Shukushukuma – 250 • Thornhill – 160 • Bungalows – 103 • Golf Course – 153 • Sea Vista – 2000 No. R10 – 190			Planning, Development and Tourism
				Facilitate implementation of FLISP and Social Housing			
				Establishment of business support centre in Ocean View			
				Development of Erf 353 Caravan Park Humansdorp for Mixed Land Use Development			
				Land acquisition for future housing projects			
				Commonage land and agricultural support			
IDP07	1	Refuse	To provide residents of Kouga with proper waste removal services	Procure recycling back centres	Pellsrus, Ocean View, Patensie, Hankey	Unfunded	Community Services
				Upgrading Humansdorp Landfill in line with landfill permit	Humansdorp	Unfunded	
				Procurement of waste fleet and plant	All areas	Unfunded	
				Procurement of skip bins	Sea Vista, Thornhill	funded	
IDP08	1	Public Amenities	To provide high quality recreational facilities to residents and visitors to Kouga	Upgrading of caravan parks in the Kouga area	Jeffreys Bay, Yellowwoods, Pellsrus	Funded	Community Services
				Upgrading of ablution facilities			

				Upgrading of community halls	Kwanomzamo, Sea Vista	MIG Funding	
					Kruisfontein, Phillipsville	Internal funding	
				Upgrading of sports fields			
			• To provide suitable accommodation for the municipality to facilitate improved service delivery • To provide council with a well-designed and equipped meeting facility	Finalise the design for the construction of a new municipal building	Jeffreys Bay	Funded	Corporate Services
				Upgrading of Council Chamber in Jeffreys Bay			
IDP09	1	LED	• To encourage business development to the residents in Kouga. • To ensure efficient development of urban nodes in Kouga. • To provide recreational facilities to residents and visitors to Kouga • To provide recreational facilities to residents and visitors to Kouga	Establishment of Business Support Centre – Ocean View	Ocean View	Funded	Planning, Development and Tourism
				Precinct Plan Development for Primary and Secondary Nodes. (Jeffreys Bay, Humansdorp and St Francis Bay)	Jeffreys Bay, Humansdorp, St Francis Bay	Funded	
				Restoration of Fisherman gravesite	Pellsrus	Funded	
				Upgrading / Renovation of Phillips Tunnel	Hankey	Funded	
				Procure new vehicle			
IDP10	1	Environmental Management	To provide high quality recreational facilities to residents and visitors to Kouga	Rehabilitate Spit Dune, Kromme River mouth spit and beach in St Francis Bay	St Francis Bay	Funded	Community Services
				Stabilization of Oyster Bay Dunes	Oyster Bay	Funded	
IDP11	3	ICT upgrade	To improve and integrate IT systems of the municipality to enhance workflows to drive efficiencies	Further development on the current Financial and Other Systems	Municipal area	Funded	Finance
				Procure computer equipment, software and office equipment			
IDP12	1	Ward Development	To provide wards with sustainable projects	Ward Councillor Capital Projects	All wards	Funded	All wards

IDP13	4	Municipal By-Law Enforcement	• To ensure a safe and healthy community • To ensure that the community adhere to by-laws	Municipal By-Law Enforcement	Municipal area	Funded	Community Services
IDP15	1	Fleet and Mechanical Workshop	To effectively service, maintain, monitor and replace municipal fleet and equipment.	Establish fleet/mechanical workshop	Humansdorp	Grant transfer	Infrastructure and Engineering

Table 102: Municipal priorities

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5.8 PUTTING PROGRAMMES/PLANS/STRATEGY INTO ACTION

5.8.1 KPA 1 – BASIC SERVICE DELIVERY AND INFRASTRUCTURE

The long-term sustainability of the municipal area is of utmost importance. Therefor the efficient provision, operation and maintenance of infrastructure for basic services are crucial. In the municipal context, basic service delivery are water, sanitation, electricity, sewerage and solid waste, and roads and stormwater.

Infrastructure for basic services must be provided to realize the spatial development goals as set out in the spatial development framework (SDF) of the municipality.

KFA1: TRANSPORT, ROADS AND STORMWATER INFRASTRUCTURE

Roads and Transport

Kouga has a developed internal road network providing for good vehicular access to many urban facilities and opportunities. The road network supports a rad-based public transport system by providing an internal as well an external service, connecting the towns with the rural settlements.

Not all formal erven have access to roads. The roads including the national roads running through Kouga is in a very bad condition. Many roads especially in the informal settlements are poor and relatively inaccessible, especially for medical and rescue services. The municipally must make provision for resealing, gravelling or paving and rehabilitation of roads in some of the more seriously affected areas. Although Council's responsibility towards maintenance of roads is that of achieving goals set as KPI standards, there are still many gravel and surfaced roads in the municipal area of jurisdiction that are not up to standard. During the 2014/2015 financial year funding amounting to R 1,947,000-00 was provided for the resealing of surfaced roads on the Operating budget. A total of 46 561 m² of resealing was done during 2014/2015. A Storm Water Master Plan was developed for the entire Kouga area by a professional service provider, which was funded through MISA. The Storm water master plan was adopted by Council on 29 May 2015. The Kouga Roads Forum is functional and meets on a six-weekly basis. The forum is chaired by the Portfolio Councillor for Infrastructure, Planning and Development, while secretarial support is provided by the Provincial Department of Public Works and Roads.

Like the vast majority of local authorities throughout our country, road repair and maintenance remain a challenge due to funding constraints, terrain, aging road and storm water infrastructure, poor sub-surface conditions, and ever-increasing traffic volumes. The absence of a road pavement management system to assess and classify roads according to their remaining life span on a scientific basis has not been concluded. We therefore do not possess the information to do strategic future planning with reference to timeous identification of road maintenance.

There is Limited funding for routine road maintenance and rehabilitation. No funding for capital projects. The construction and surfacing of gravel roads (backlog) are approximately 87, 5 km. It is anticipated that an estimated amount of R 380 000,00 m will be required for the elimination of this backlog.

The growth in population and economic development in the Kouga Municipal area continues to put pressure on the municipal road network. Commuter and tourist related traffic grow and need to be accommodated through continued maintenance and upgrading of existing roads, as well as construction of new roads. The demand for improved roads and public transport especially in rural areas grows daily, and appropriate strategies are required to meet these demands.

Plastic Road Project
An eco-friendly road, a first in Africa, was launched in Jeffreys Bay. A R300 strip of Woltemade was re-tarred using a plastic-infused asphalt mix, which make roads more durable and to help combat plastic pollution and climate change. The same method will be used to construct a new access road to Crossways near Thornhill.

- **Public Transport Services in the Kouga Municipal Area**

❖ **Rail services**
There are no commuter rail services in the Kouga Municipal area.

❖ **Bus services**
- There is currently no Long-Distance Bus Services within the Kouga Area.
- Minibus taxi services operate within the Kouga, Koukamma and Nelson Mandela Metro jurisdictions. Taxi services operate long distance e.g. church trips to other towns (Cape Town etc).

❖ **Scholar transport services**
These services are operational in Kouga especially between Jeffreys Bay and Humansdorp; St Francis Bay to Humansdorp; Loerie/Thornhill to Hankey and Patensie and surrounding farms. Although the responsibility to manage and ensure that the services are being rendered efficiently, the Communities end up holding Council responsible when things go wrong with the services. A joint strategy should be initiated to deal with this challenge.

❖ **Non-motorised transport**
Due to low-income levels in the in the municipality, the population of Kouga must use non-motorised transport as their mode of choice. The non-motorised transport comprises of walking, cycling, and a few animal drawn vehicles in the area. There is generally inadequate provision for pedestrian travel in the municipal area and people mainly walk or cycle on the road shoulders. This put the lives of pedestrians and cyclists at risk. The community of Jeffreys Bay and St Francis Bay have requested to the municipality budget for cycling lanes in future budgets.

❖ **Public transport facilities**
The development of a formal transport facility in the Jeffreys Bay and Humansdorp CBD's could be identified as future projects. The reason for this is that the taxis operate mainly from unmarked, unsurfaced and unsheltered patches of land or in shopping centre's parking areas.

❖ **Aircraft transport**
There is an airstrip in the Paradise Beach which is used for private landing.

❖ **Freight transport**
The exclusively road-based freight transport in the region is almost entirely related to agricultural activity in Humansdorp and the Gamtoos Valley, with considerable seasonality.

Municipal concerns relating to the above public transport services:
- The Kouga municipality is strategically placed between Port Elizabeth and Cape Town and the municipality should reflect this in planning, upgrading and funding of transport.
- A Central bus stop area should be developed for long distance passengers on an area close to the N2.
- Kouga Municipality needs a central taxi terminal to do away with the informal taxi ranks. This need to be funded by the Department of Transport.
- The airfield in Paradise Beach is a strategic facility and the expansion or upgrading will increase the economic viability of the town.
- The tarring or paving of roads in the whole of the Kouga area was also placed as a need on the 5-year IDP public participation.

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Storm Water Services

Kouga LM experience storm water problems in several areas within our area of jurisdiction. Flood line studies or investigations have not been done in most of the areas that are currently affected by flooding. The high cost of providing storm water infrastructure is a huge challenge in addressing the situation.

KFA2: WATER AND SANITATION SERVICES AND INFRASTRUCTURE

Water Services

It is a legal requirement that a municipality prepares a Water Services Dev elopement Plan (WSDP) to progressively ensure efficient affordable, economical and sustainable access to water and sanitation services that promote sustainable livelihoods and economic development.

One of the Core objectives of Kouga Municipality is to maintain a reliable water service to all households and to develop water infrastructure to accommodate economic growth and development in the area. The municipality always aspires to achieve the following goals:

- Delivery of sustainable water services
- Integrated water resource management; and
- Efficient and effective water services and institutional arrangements.

The Municipality has developed a Comprehensive Infrastructure Plan (CIP) and close linkages are established between the WSDP process and the information included in the CIP. The availability of water resources and existing infrastructure capacity also need to be considered when planning new infrastructure.

The Present Consumer Quantities are:

TOWN	PUBLIC OPEN SPACE	RESIDENTIAL ERVEN	AGRICULTURE	INSTITUTIONAL/ COMMERCIAL/ INDUSTRIAL	TOTAL
HUMANSDORP	6	5169	1776	2380	9331
JEFFREYS BAY	81	12863	2	1933	14879
ST. FRANCIS BAY	90	3694		422	4206
CAPE ST FRANCIS	9	893		73	975
OYSTER BAY	8	537		39	584
HANKEY		1891	427	859	3177
PATENSIE	7	639	33	239	918
LOERIE		499	2	13	514
THORNHILL/ Gamtoos/ Crossways/ Uitenhage RD	34	1051	278	243	1606
TOTAL					**36190**

Table 103: Consumer quantities

The current system to be operated and maintained is as follows:

WATER INFRASTRUCTURE	
Pipelines	401 km
Pump stations	17
Reservoirs	37

Table 104 : Water Infrastructure

Drought Relief Interventions

A Business Plan for drought relief interventions were prepared and submitted by the District to the Provincial Disaster Management Centre. The business plan covers short term medium term and long term interventions. The application was accepted and the following grants were approved for the Kouga Local Municipality:

Drought – 2018/19 FY (1st Window of Application – 5B)

Kouga Town	Project Description	Project Budget	Allocation
Kouga LM	Groundwater development	**R8 401 000**	**R58 728 000**
Hankey	Groundwater development	**R33 179 000**	
Jeffreys Bay	Development of boreholes	**R4 500 000**	
Humansdorp	Equipping boreholes	**R5 427 000**	
Cape St Francis	Equipping boreholes	**R5 910 000**	
Oyster Bay	Equipping boreholes	**R1 311 000**	

Table 105: Drought Relief Interventions - Window 1

Drought – 2018/19 FY (2nd Window of Application – 5B)

Kouga Town	Project Description	Allocation	Amount Transferred	Amount Spent Jan 2019
Kouga LM	Meter and internal leak audits, repairs to leaks, water meters repairs, reticulation pipe replacement and reservoir level control. Groundwater development	R92 500 000	R37 000 000	R2 763 400

Table 106 : Drought Relief Interventions - Window 2

Sanitation Services

SANITATION INFRASTRUCTURE	
Pipelines	310 km
Pump stations	53
Water treatment plants	8

Table 107: Sanitation Infrastructure

Kouga LM adopted a policy a few years back that the minimum accept standard for sanitation services will be a waterborne system in all areas. Due to the limited funding scenario presently experienced, Bulk Infrastructure rehabilitation is only performed when it is triggered by housing developments. The main funding role players in the provision of Bulk Sanitation Services are the Department of Human Settlements and the Municipal Infrastructure Grant.

Internal reticulation in all areas that is currently serviced by conservancy tanks, needs to be addressed in future because of the increase in volume and the pressure on service delivery it brings during the peak holiday season. The backlog that presently exists at Wastewater Treatment Plants in terms of over capacitation and ageing Infrastructure, is 10,5 Ml/day.

Four (4) levels of sanitation services are provided:

- buckets only for the informal housing areas,
- 47,7% full waterborne,
- 37,1% with septic tanks/conservancy tank
- digesters and or chemical toilets.

The goal of the Municipality is to provide all consumer units with a full flush form of sanitation. As can be seen from the above, 17381 of the consumer units are already serviced with full waterborne/small bore sanitation, and 10713 being served by septic/conservancy tanks. As indicated earlier, all the projects being implemented and planned in the Municipality are geared to achieving the above goal. One of the greatest challenges for the Kouga LM has been to ensure that a sustainable form of surface/groundwater can be developed to ensure that this higher level of sanitation be provided.

The municipality's greatest challenge regarding sanitation is to expand the infrastructure to meet future development requirements. There are currently eight (8) wastewater works in the Kouga. A major upgrade is needed at the Wastewater Treatment Works which may result in additional capacity to the currently overloaded works. The bucket system is not yet fully eradicated in the Kouga area. Most bucket systems may occur due to new informal houses being built in informal settlements.

The eradication of the bucket system is one of the main priorities of the municipality. The 12.5% is not an accepted figure as this is unhygienic and poses a health hazard for the communities who is still making use of this system.

Drought Management

In terms of Section 24(b)(iii) of the Constitution of the Republic of South Africa, 1996, everyone "*has the right to have the environment protected, for the benefit of present and future generations, tHRough reasonable legislative and other measures that secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.*"

The root causes of vulnerability to drought disaster in South Africa remain a low average rainfall, poverty and inequitable development. Rapid population growth and urbanisation, inequitable patterns of land ownership, lack of education and subsistence agriculrure on marginal land lead to deforestation and environmental degradation, malnutrition and unemployment, all of which heighten vulnerability.

As water agencies, municipalities conticnously investigate opportunities to upsurge resilience and local water supply and its reliability in the opposing face of drought and rising water scarcity, water conservation streategies and the reuse of treated municipal waste water are gathering significant attention and adoption.

All the consumers within the Kouga Municipality receive basic water services at or above RDP standards. Based on the Service Level Policy of Kouga to provide higher level of service, a first order of assessment indicates that Kouga requires R70,5 million to service and provide house connections to all residents in informal settlements once formalized (excluding Bulk). Our Regional Bulk Infrastructure Program for water services requirement is estimated to be R 560 million. Kouga Municipality conform to the norms and standards of the Blue drop requirements with regards to water quality.

Borehole water quality in Wavecrest Jeffreys Bay is also not within standards with regards to the presence of Iron and Manganese, and it remains a challenge that needs to be addressed. This has partially been addressed with funding from Department of Water and Sanitation through the ACIP (Accelerated Community Infrastructure Program), whereby exploration boreholes were drilled, existing boreholes refurbished, and a pilot biological treatment plant was constructed at the Jeffreys Bay waterworks with the purpose to remove iron and manganese.

Drought Intervention

The prolonged drought and its impact on Kouga's water sources have prompted the Kouga Council to declare a local state of disaster in terms of the Disaster Management Act (57 of 2002). The declaration was made at a meeting of the Council at Jeffreys Bay last week (31 May) during which the implementation of the municipality's Part C emergency water tariffs was also approved. Drought in Kouga Municipality reclassified as national disaster in Government Gazette No. 41439 on 13 February 2018. Water restrictions and Part B (critical but not emergency) water tariffs have been in place in the Kouga municipal region since December 2016. Drought relief funds were allocated to Kouga Municipality in the amount of R151 m which was Gazetted on 4 October 2018 in Government Gazette No 41958. Funds were allocated as follows:

A. **GROUND WATER DEVELOPMENT GRANT- R 58,728m**

PROJECT NAME	DESCRIPTION SUMMARY	AMOUNT
Patensie water supply	Groundwater development/Boreholes	R 8,401,216.00
Hankey water supply	Groundwater development/Boreholes	R 33,179,000.00
Jeffreys Bay water supply	Groundwater development/Boreholes	R 4,500,000.00
Humansdorp water supply	Groundwater development/Boreholes	R 5,427,708.00
Cape St Francis water supply	Groundwater development/Natural springs	R 5,910,000.00
Oyster Bay water supply	Groundwater development/Boreholes	R 1,311,015.00
TOTAL PROJECT AMOUNT		R 58,728,939.00

Table 108 : Ground Water Development Grant

B. **IMPLEMENTATION OF DROUGHT INTERVENTION/WATER CONSERVATION AND DEMAND MANAGEMENT (WCDM) PROJECTS - R 92,5M**

PROJECT NAME	DESCRIPTION SUMMARY	AMOUNT
KOUGA AREA	Meter and internal leak audit, Repairs to internal leaks (Assistance to the poor ATTP) and water meters. Reservoir level control. Meter replacement	R 15,550,000.00
PATENSIE	Reticulation pipeline replacement; Main line reservoirs to Ramaphosa Village and internal leak repairs	R 10,500,000.00
HANKEY	Reticulation pipeline replacement Replace old AC pipes.	R 11,000,000.00
OYSTER BAY	Reticulation pipeline replacement Replace old AC pipes.	R 450,000.00
JEFFREYS BAY	Refurbish/Upgrade water treatment works	R 35,000,000.00
HUMANSDORP	Augmentation of Kruisfontein water supply	R 20,000,000.00
Total project amount		R 92,500,000.00

Table 109: Drought Intervention demand management

The municipality has embarked on the following drought interventions:

- Received R90 000 from Gogta to drill boreholes in Oyster Bay.
- Received R1 000 000 from Gogta to drill boreholes in Patensie and Hankey.
- Received R1 000 000 from the Sarah Baartman District Municipality to drill boreholes in the Kouga area.
- Total amount allocated on adjusted Drought Intervention Budget amounts to R11,34 million (above funds plus internal funds.
- Boreholes established:
  - Hankey – 2
  - Oyster – 2
  - Jeffreys Bay – 3
  - Patensie – 2
  - Humansdorp – 2
  - St Francis Bay - 1

- Established 5 000 litre Rainwater Harvesting Tanks at:
  - Hankey Secondary School – 8
  - Hankey Primary School (Phillipsville) – 5
  - Hankey Primary School (other) – 8
  - Hankey Satellite Fire Station – 4
  - Hankey Municipal Officers – 6

KFA3: ENERGY SUPPLY EFFICIENCY AND INFRASTRUCTURE

Electricity Services

The Kouga Municipality is the registered Supply Authority for the towns of Humansdorp, Jeffrey's Bay, St Francis Bay, Cape St Francis, and Oyster Bay, where at each town a bulk supply is taken from the Eskom grid. The Municipality's role is to construct, operate, and maintain the distribution network for electricity service delivery to residential, commercial, and industrial consumers in each township, which includes street lighting and supplying pump stations, etc. Hankey, Patensie, Loerie and Thornhill also fall within the municipal boundaries, but consumers in the first three (3) towns are serviced with electricity by Eskom, and Thornhill by the Nelson Mandela Municipality.

The key factors in the service delivery strategies are to maintain a high standard of service and to ensure that electricity is available to all commercial properties, households (both formal and informal) and new development within accepted norms. In order to reduce the financial burden on consumers, particularly in terms of the capital requirements for new distribution networks, applications are made to all relevant institutions for financial assistance in a well-planned manner. The Electricity Service Delivery and maintenance Management Plan was adopted in 2014 and needs to be reviewed and updated.

The Kouga Municipality has adequate capacity to deliver electricity in the short term but the following main electricity infrastructure network, the 66kV overhead line between Eskom's Melkhout Substation at Humansdorp and the Municipality's Main Intake Substation at Jeffreys Bay need attention to provide a more reliable supply. This line is of wooden pole construction, it is a single circuit line currently being replaced with a dual circuit, i.e. no standby if fault occurs. This will require an investment of approximately R27 mil to rectify and to provide full standby capacity (second line). The main intake substation St Francis Bay is to be upgraded and several items of remedial work are required. Some of the upgrading work was also not completed in the past due to lack of funds.

There are small sections of electrical distribution networks in Jeffreys Bay, Humansdorp and St Francis Bay, which requires remedial work and upgrading. Hankey, Patensie, Loerie and Thornhill fall within the Kouga Municipality boundaries, but the consumers in the first three (3) towns are serviced with electricity by Eskom and Thornhill by the Nelson Mandela Metropolitan Municipality. The Kouga Municipality is the registered supply authority for Humansdorp, Jeffreys Bay, Cape St Francis, St Francis Bay and Oyster Bay, where at each town a bulk supply is taken from the Eskom grid. 32 high mast lights have been installed to provide a safe environment for all communities in the Kouga Municipality. Eskom has upgraded the 132KV Line to Melkhout and has built an additional 132KV line which has freed up considerable electrical capacity. A Master Plan will be drafted on the electricity network to different towns on the Kouga grid. High mast lights should form part of the draft in the different wards and submitted for MIG funding as some of the wards have a need for high mast lighting.

The Kouga Municipality has finalized agreements and paid out landowners to secure the servitude for the 6kV overhead line across their properties. The municipality has paid Eskom for a second 66kV Transformer and switching bay at Melkhout substation to accommodate the second feeder on the electrical infrastructure.

Kouga municipality are in the process of looking for alternative energy generation to reduce power failures and to curb load shedding for their consumers. This will improve economic development activities in the area with a more sustainable energy supply which will also contribute to the reduction in the carbon footprint and the drive towards a green economy.

Wind Farms

Six (6) Coastal Windfarms have been established in the Western part of the Sarah Baartman District area of which 4 are in the Kouga municipal area:

- Kouga
- Jeffreys Bay
- Gibson Bay
- Oyster Bay
- Metro, and
- Tsitsikamma

4 Wind Farms are currently operating in the Kouga area. The area is strategically placed from a wind resource and grid connectivity perspective, to play a key role in the provision of renewable energy on a national level. Generally, wind generating facilities dominate with small proposals for solar PV. Implementation of renewable energy is based on the Renewable Energy Land Use Policy as per the SDF. These windfarms are committed to support in terms of social responsibility. For example, Kouga wind farm has a development on the primary nodal areas of Umzamowethu, Sea Vista Township and St Francis Bay, Kwanomzamo and Kruisfontein in Humansdorp.

Some of the projects that Kouga windfarms have sponsored are:

- Jeffreys Bay mom and baby clinic
- Sea Vista boys brigade
- St Francis hospice
- Kwanomzamo crèche
- Drug Rehabilitation centre in Humansdorp
- Sea Vista Library
- Computer lab in school

Kouga Windfarms requires the following assistance from Kouga Local Municipality:

- Sea Vista library with an IT Section.
- School after care/ extra mural activity program: dance classes, lifesaving club, sports etc.,
- Learners & drivers licence program: teaching unemployed youth learners and license.
- Kikwete crèche upgrade.
- Wilderness foundation program: selection of students who are doing grade 12 for skills development and after completion they are placed into jobs.
- Financial intelligent training: management of money, saving and budgeting.
- Bicycle path between Humansdorp and St. Francis Bay.
- Assisting students who failed grade 12 and wish to rewrite grade12, community involvement is needed.

The LED department works closely with the Wind Farms on their social economic development projects as well as preparing the youth for careers in this discipline such as facilitating career expo's and exhibitions, advocacy for bursaries for learners and university students. The department also assists in facilitating training for SMME's in preparation of services needed in wind farm development.

DRAFT

KFA4 : PROJECT MANAGEMENT

Municipal Infrastructure Grant Management

The total indicative MIG grant funding as published in the Division of Revenue Act (DoRA) for the 2019/2020, 2020/2021 and 2021/22 financial years amounts to R37 146 000.00, R31 578 000.00 and R34 069 000.00, respectively. As per the MIG guidelines 5% of the allocation is for the operational budget to the MIG Unit for the 2019/2020, 2020/2021 and 2021/2022 financial years and amounts to R1 588 550.00, R1 578 900.00 and R 1 703 450, respectively. The balance of the funding is allocated for capital projects and is split as per the MIG guidelines as per table below.

MIG Capital Project List

Project Name	Ward	Consultant Appointed	Approved MIG Budget	Proposed 2019/20 Budget	Proposed 2020/21 Budget	Proposed 2021/22 Budget	Status	Comments
Allocation				37 146 000	31 357 000	33 386 000		
PMU				1 588 550	1 578 900	1 669 300		
B Component								
Patensie Sewage Package Plant	10	Zutari	15 103 564.11	6 497 950.73	8 365 371.63	0.00	Construction	
St Francis Bay WWTW upgrade	12	SRK Consultants	53 745 039	14 962 913.50		0.00	Completed	
Upgrading of sanitation system in Hankey	9,13	JG Afrika	47 180 000	500 000	14 357 567.15	10 615 000.00	Tender	PSP Appointed
Upgrading of Gravel Roads	Kouga	To be appointed	0.00	418 204	1 999 999.50	16 344 200.00	Registered	
P Component								
Sport Facilities	1,2	None	29 757 396	6 399 288.50	4 499 865.00	4 757 500	Construction	Pellsrus Sports Field Completed Sea Vista Sports Field contractor appointed.
Upgrading of Sport field in Kwanomzamo	6,15	Bosch Projects	6 225 000	6 225 000	0.00	0.00	Tender	PSP Appointed
E Component								
LED (Social institutions & micro enterprise infra-structure)	9,11	To be appointed	3 955 496	1 404 094		250 000.00	Tender	Informal markets for SMME's in Jeffreys Bay and Hankey

Table 110: MIG Capital Project List

Expanded Public Works Programme (EPWP)

Kouga Municipality entered into an agreement with the Department of Roads and Public Works to spend the full integrated grant funding and creating the targeted FTE's.

The purpose of the Extended Public Works Programme is to:

- Address the issue of unemployment and poverty,
- Create temporary work for the poor, unskilled unemployed people,
- Provide some income for a certain period to feed their dependants,
- Provide work experience, and
- Provide accredited and unaccredited training.

Non- Financials

In total, Kouga Local Municipality managed to create the following number of work opportunities in the 1st, 2nd, 3rd and 4th quarters of the 2019/2020 financial year:

Quarters	No of Projects Reported	FTE	No of Work Opportunities Created
1 (July – September 2019)	11	13	54
2 (October – December 2019)	19	53	111
3 (January – March 2020)	20	87	194
4 (April – June 2020)	3	1	217
TOTAL	**65**	**82**	**576**

Table 111: EPWP Non-financials

Financials

The total amount transferred to Kouga Municipality amounts to R1 013 000.00, and was distributed in 3 tranches as follows:

- August – R 255 000.00
- November – R 455 000.00
- February – R 303 000.00

Spending Schedule:

The Expanded Public Works Programme Incentive Grant Funds received for the 2019/20 financial year were spent as follows:

MONTH	AMOUNT
July 2018	R 109 316.00
August 2018	R 123 315.00
September 2018	R 98 917.00
October 2018	R 119 262.00
November 2018	R 100 365.00
December 2018	R 341 486.00
January 2019	R 120 339.00
February 2019	R0.00
March 2019	R0.00
April 2019	R0.00
May 2019	R0.00
June 2019	R0.00
TOTAL	**R1 013 000.00**

Table 112: EPWP Spending schedule

Total Amount spend from integrated grant – R1 013 000. The current expenditure is 100%.

Projects implemented or assisted with over the mentioned period:

PROJECT	Yes/No
Jeffrey's Bay Environmental	**Yes**
Jeffrey's Bay Infrastructure	**Yes**
Humansdorp Environmental	**Yes**
Humansdorp Infrastructure	**Yes**
St Francis Bay Environmental	**Yes**
St Francis Bay Infrastructure	**Yes**
Gamtoos Environmental	**Yes**
Gamtoos Infrastructure	**Yes**
Data Capturing	**Yes**

Table 113: EPWP Projects

- **Challenges**
  - Under and non-reporting by other internal departments
  - Non-submission of certified documents
  - Training and reporting on the information system

- **Recommendations**
  - Inclusion of performance targets of senior managers
  - Department of Public Works to facilitate the enrolment of all EPWP Champions as Commission of Oaths
  - One on one training to be conducted on information system

KFA5: EQUIPMENT AND FLEET MANAGEMENT

In order to render effective services, the municipality must have an effective Fleet Services Unit to maintain, monitor and replace municipal fleet and equipment. Municipal fleet and equipment are managed well by the municipality. Equipment and fleet consist of heavy plant, refuse compactors, trucks, light delivery vehicles, passenger cars and small plant equipment.

It is the Fleet Department's responsibility to suitably enforce the Fleet Policy and to ensure that misuse and negligent behaviour of municipal workers with regard to the use of vehicles will not be tolerated. It is also the department's responsibility to make sure that all the vehicles in the fleet are operational and in proper running condition in compliance with traffic rules and regulations to ensure that Kouga Municipality can render a high standard of service delivery within the community.

Main functions of the fleet section are as follows:

- It is the Fleet department's responsibility to see that financial and management controls are operating effectively.
- To enforce the fleet management policy.
- Access to fleet vehicles is properly authorized and not operated by unauthorized users.
- All logbooks are reviewed once a month as to give accurate reports.
- To see that the fleet is properly maintained and inspected on a regularly basis according to the fleet policy.

- That the fleet vehicles are protected against damages, theft and abuse.
- See that all fleet vehicles are licensed once a year and all trucks to be sent for Certificate of fitness according to traffic regulations.
- Adequate monitoring of fleet usage/cost of fleet.
- Monitoring the fuel usage of each vehicle and small plant.
- Adequate monitoring of the tracker system.

The fleet department has done tremendous work in refurbishing old vehicles, trucks, cherry picker, tractors, tankers as well as upgrading the mechanical workshop.

Departmental achievements during the 2019/2020 Financial year:

- 3 (three) trucks received recondition engines which were done by the Municipal Workshop staff.
- Municipal Machenics rebuilding an Isuzu L.D.V engine, a total of four engines had been rebuilt.
- Installed an electrical motor at gate in j/bay municipal yard for better access control.
- Repaired water supply to wash bay facility for trucks in j/bay municipal yard.
- Installed 15 cameras in fleet section [admin offices and workshop area].
- Procured a total of 22 new vehicles.
- Upgrading of store facility in Jeffreys bay Municipal yard

The challenges in the fleet department, to keep the fleet up and running for the line departments so that proper service delivery can be rendered to Kouga Community, is huge. Most challenging is the need to achieve the best service with limited staff. The current fleet is in a 99% running condition and all relevant departments basic needs are met except for CS which needs two new skip trucks and two tipper trucks and a landfill compactor for the refuse sites, three sewerage trucks need to be replaced.

KFA6: SOLID WASTE MANAGEMENT AND INFRASTRUCTURE

Most households in Kouga have access to refuse removal at least once a week by the municipality, 83,5%, in terms of a collection programme compiled by the municipality. The refuse is transferred to landfill sites in Humansdorp and Hankey which complies with the national landfill and disposal management requirements. The Integrated Waste Management Plan was developed during the year 2017/2018 IDP period.

Kouga has purchased 240l wheelie bins with serial numbers to ensure more efficient service provision and revenue accuracy. The serial number will assist the municipality to identify bins that are lost, stolen or illegally serviced. This will result in improved operational efficiencies and more effective management of labour, vehicles and services.

Kouga will aim to further enable the re-use or recycling of waste materials into economic resources, at the same time reducing waste to landfill, and contributing to a resource-efficient economy by continuing to implement various waste minimisation and recycling projects across the municipality. These include the drop-off sites in Jeffreys Bay, Oyster Bay and St Francis Bay and a planned one for Paradise Beach.

The staff complement of the environment and waste related functions reflect as follows:

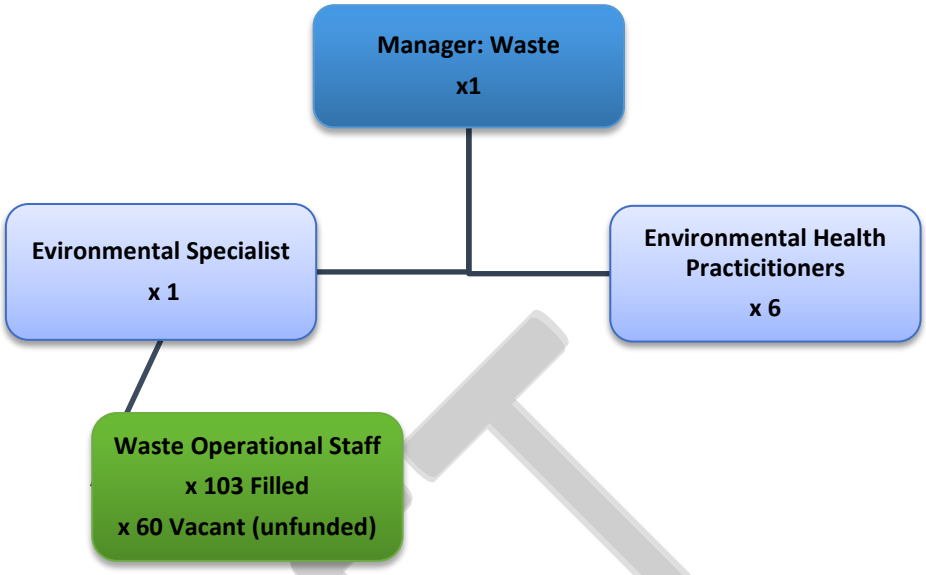

Figure 37: Environment and Waste staff

KFA7: MUNICIPAL AND PUBLIC FACILITIES

Cemeteries

Kouga cemeteries are under severe pressure as many cemeteries are full especially those in the low-cost areas. Thornhill, Patensie Ramaphosa, Hankey Centerton Cemeteries are full to its capacity and is a huge challenge for Council and the Community.

A process of land acquisition should be embarked on as the outcry for land has become more than serious. Some of the cemeteries are not fenced and it leaves it open for vandalism of gravesites, roaming of stray animals and hide-out for criminals. The tender for fencing cemeteries has been finalised and cemeteries earmarked for fencing are C- Place in Jeffreys Bay and Centerton in Hankey. Milton Cemeteries has been identified for Hankey residents and they have started to make use of it.

The tender process for the Environmental Impact Assessment (EIA) for the development of new cemeteries is at advertisement stage and it is envisaged that a period of 6 to 18 months will be taken for the process to be completed / finalised.

Caravan Parks and Community Halls

Kouga in its nature of location is an attractive tourist destination. It is therefore imperative that the municipality play's an important role in the facilitation of accommodation and security of its visitors. Some of the caravan parks are run at a loss, especially the Ben Marais Caravan Park in Humansdorp which was burnt down by the Ward 6 & Ward 15 residents, the Pellsrus and Jeffreys Bay Caravan Parks in Jeffreys Bay are being maintained on a yearly basis. There has been a huge improvement on the income generated of the Pellsrus Caravan Park and Jeffreys Bay Park.
Maintenance of the play parks has been voiced by most of the wards during the public participation process hence a tender to procure play parks was advertised and the procurement of play parks to be installed soon. The municipality has addressed it in an inclusive strategy that can service all play parks in the area.

Most of the facilities in the Kouga area are in dire need of upgrading and maintenance especially the community halls, sports fields and play parks hence a maintenance strategy was developed to address the needs. The development of additional multi-purpose facilities is crucial in that there is not enough space to accommodate all sports as well as for practice sessions and fixtures. There is also not a dedicated human resource allocation for the upkeep of and maintenance of sport facilities, Caretakers for the various areas were appointed.

All community halls in the Kouga Area have been maintained during the 2018/19 financial year. Wards 3 and 14 is need of community halls. The need is captured in the ward priority list of the respective wards.

Sports and Recreational Facilities

The following parks and recreational facilities are available in the Kouga Municipal Area:

LOCATION OF PARKS AND RECREATIONAL FACILITIES				
Sport facilities	**Play parks**	**Libraries**	**Community halls**	**Caravan Parks**
Jeffrey's Bay Cricket Grounds	Kwanomzamo	Jeffreys Bay Tokyo Sexwale Modular	Newton Hall	Jeffreys Bay Caravan Park
Pellsrus Sport grounds:	Arcadia	Patensie Mbuyuseli Nkonsinkulu	Pellsrus Community Hall	Pellsrus Caravan Park
Tokyo Sports grounds	Gill Marcus	Humansdorp Ukhanyiso Kruisfontein 7de Laan Container	Aston Bay Hall	Ben Marais / Humansdorp Caravan Park
Kruisfontein Sport grounds:	Wavecrest	Hankey South Hankey North N B Mathodlana	Kruisfontein Civic Centre:	Gamtoos Mouth Caravan Park
Country Club Sport field	C-Place	Thornhill	Country Club	Yellowwoods
	Pellsrus	Loerie	Kwanomzamo Hall	Loerie Nature Reserve
			Vergenoeg Hall	
Sea Vista Sport-grounds	Loerie	Sea Vista	Sea Vista Hall	
Centerton Sports grounds			Oyster Bay Hall	
Hankey Cricket Pitch			Andrieskraal Hall	
Phillipsville (old Hankey) Patensie Sports ground			Vusumzi Landu Hall	
Weston Sports ground			Patensie Dan Sandi Hall	
Loerie Sports ground			Weston Hall	
Thornhill Sports ground			Loerie Hall	
			Thornhill Hall	

Table 114: Parks and recreational facilities

Kouga has rehabilitated twelve (12) sport fields over the period of five (5) years.

Below is the list of Sport fields:

FACILITY NAME	WARD	COMMENT
Kruisfontein Sport-grounds:	4	Rehabilitation of The Kruisfontein Sport field is completed. 518m fence was not erected
Jeffrey's Bay Cricket Grounds	3	To be rehabilitated
Pellsrus Sport-grounds:	2	Rehabilitated during 2019/20 budget cycle (MIG) Completed
Tokyo Sportsgrounds	14	To be rehabilitated
Patensie Sportsgrounds	10	To be rehabilitated
Phillipsville (Old Hankey):	9	To be rehabilitated during 2021/22 budget cycle (MIG)
Centerton Sports grounds:	9	**Rehabilitation completed during the** 2015/16 budget cycle but vandalized again
Weston Sport grounds:	18	To be rehabilitated during 2018/19 budget cycle. Not yet handed over
Loerie Sports grounds:	7	To be rehabilitated
Thornhill Sports grounds	7	**Construction completed 2016/17**
Sea Vista Sport grounds	1	To be rehabilitated during the 2020/21 budget cycle (MIG)
Hankey Cricket Pitch	9	To be rehabilitated during 2022/23 budget cycle

Table 115: Sports facilities

Beaches

The Blue Flag was awarded to Kouga Municipality for the 12th (twelfth) consecutive year. The Blue Flag status is a major economic boost for local businesses and creates a number of seasonal employment opportunities. The Management of the Blue Flag Programme reinforces a high quality of standards and quality of services e.g. water quality and safety services and information. The daily operation at the beaches is from 09:00 – 22:00 for seven days a week.

Cape St Francis is in its 3 (third year) of a pilot status. Future is to develop the infrastructure of the beach in order to get a full blue flag status. The pilot phase for the past 2 (two) seasons was implemented successfully however, comments were received to recommend a green flag status for Cape St Francis Beach.

Our safety management plans were executed successfully by Sea Rescue, SAPS, Private Care Ambulance Services and Metro Ambulances. As more tourist flock to the Blue Flag Beaches, they become more exposed to criminal activities e.g. pick pocketing. A Beach Committee was established in 2012 and is still functioning well and comprise of the Beach Manager, Coast Care Project Manager, APD and coastal ward councillors.

Effective supervision of waste collecting, and cleaning of beaches remains a challenge on both beaches Pellsrus and Dolphin (Blue Flag) due to broken trucks. Dolphin Beach was again awarded as the best beach in the Eastern Cape for 3rd consecutive years. Boardwalks were renovated to prevent dune deterioration and as a part of environmental management. The following projects were completed, and some are still in progress by Greeco Pty through the Coast Care project on behalf of the Department of Environmental Affairs:

- Coastal clean-up (Daily clean-up of all beaches in business plan)
- Mass Employment

KFA8: SAFETY AND SECURITY

Section 12 of the Constitution prescribes that every person has the right to safety and security and subsequently, the strategic objective to strongly focus on ensuring a safe and secure environment for the people who live in the Kouga as well as visitors to the area. The extent of crime in South Africa does however not only have a significant impact on the livelihood of citizens, but also affects the general economy. Crime hampers growth and discourages investment and capital accumulation. If not addressed with seriousness, it has the potential derail both social and economic prosperity. **There are 6 police stations in the Kouga area namely, Humansdorp, St Francis Bay, Jeffreys Bay, Hankey, Patensie and Thornhill.**

The Community Police and Safety Forum focus each year on the effective implementation of the following joint national and local crime prevention campaigns:

- Child Protection Week
- 16 Days of Activism against violence against women and children
- International Drug Awareness Day
- Victim Support Programme
- Substance Abuse Awareness Programmes
- Holiday Programmes

There are a marked shortage of taxi ranks in the Kouga area and should be addressed by a needs analysis and identified demarcated areas.

KFA9: DISASTER MANAGEMENT

The Disaster Management Act, 2002 is a legal instrument that provides coherent and transparent information with an aim of reducing, minimizing and preventing disaster through risk assessment and mitigation strategies. This can be achieved by excellent communication and expertise of different services, access of funds and access to sufficient resources.

Priority will be given to development measures that reduce the vulnerability of disaster-prone areas, communities, agriculture and infrastructure within each line function. Disaster Management is also responsible to promote disaster management training and community awareness to reduce vulnerability to communities most at risk. The ability to respond quickly and effectively will depend on good preparation.

Emergency Preparedness:

- This plan is designed to establish the framework for implementation of the provisions of the future.
- The purpose of this plan is to outline procedures for both the pro-active disaster prevention and the reactive disaster response and mitigation phases of Disaster Management.
  It is intended to facilitate multi-agency & multi-jurisdictional coordination in both proactive and reactive programs.

Risk reduction

- Risk awareness programs
- Risk prevention programs
- Formal and informal training with regard to emergency services and disaster relief
- Research in formal and informal settlements with regard to location, growth and development
- Upgrading of vehicles, equipment and protective clothing

Section 53 (1) of the Disaster Management Act, 57 of 2002 requires that each municipality must prepare a disaster management plan for its area.

The disaster management plan for a municipal area:

- Forms an integral part of a municipality's IDP.
- Anticipates the types of disasters that are likely to occur in the municipal area and their possible effect.
- Places emphasis on measures that reduce the vulnerability of disaster-prone areas, communities, and households.
- Seeks to develop a system of incentives that will promote disaster management in the municipality.
- Identify the areas, communities, or households at risk.
- Considers indigenous knowledge relating to disaster management.
- Promotes disaster management research.
- Identifies and address weaknesses in capacity to deal with disasters.
- Provides for appropriate prevention and mitigation strategies.
- Facilitates maximum emergency preparedness; and
- Contains contingency plans and emergency procedures in the event of a disaster.

Covid-19 Pandemic

The Covid-19 virus was declared a global pandemic by the World Health Organisation (WHO). South Africa registered its 1st positive case on 5 March 2020. Having considered the magnitude and severity of the virus and the possible future impact thereof in South Africa, the Minister of Corporate Governance and Traditional Affairs on 15 March 2020 officially declared a national state disaster as per Section 27(1) of the Disaster Management Act, 2002 (Act No. 57 of 2002).

The President of South Africa, Cyril Ramaphosa announced a nationwide shutdown which came into effect on 27 March 2020.

According to Government Gazette 43147 (Section 6.3.2) and the Disaster Management Act, 2002 (Act 57 of 2002), section 27 (2) it directs that municipalities:

- Prepare and roll out awareness campaigns on Covid-19, using available media platforms (print, radion and social media), to the public within their area of jurisdiction.
- Ensure that communication materials include details on prevention methods, identification, infection control, local reporting channels and emergency contacts in order to raise public awareness and encourage appropriate preventative behaviours and practices.
- Conduct advocacy and awareness programs on the prevention and control of Covid-19 and establish communication protocols for the reporting of cases relating to employees and councillors.

The municipality communicated all the national / provincial statements related to the community through social media in terms of their safety.

The municipality established a Joint Operational Committee comprising of different sections in the municipality which was chaired by the Municipal Manager.

KFA10: EMERGENCY MANAGEMENT

Fire Services

The Kouga Municipality's Fire and Emergency Service is a service orientated organisation dedicated to the saving of lives and the property of all residents within the boundaries of the Kouga and beyond. This is achieved through active consultation with communities, business, schools, non-governmental organisations and Ward Committees and via various means of communication with residents.

According to the Fire Brigade Services Act, 99 of 1987, as amended, the mandate of the Fire and Emergency Services is the following:

a) Preventing the outbreak or spread of a fire.
b) Fighting or extinguishing a fire.
c) The protection of life or property against a fire or other threatening danger.
d) The rescue of life or property from a fire or other danger.

The Fire & Emergency Services of Kouga Local Municipality must cover an area of 2 669.82km², which include the following towns:

- Jeffreys Bay
- St Francis Bay
- Oyster Bay
- Humansdorp
- Hankey
- Patensie
- Loerie
- Thornhill
- Aston Bay
- Paradise Beach

For this Department to render services to all areas, the satellite fire stations need to be established throughout the Kouga jurisdiction. Satellite fire stations are established in the following areas:

AREA/LOCATION	NUMBER OF STAFF	NUMBER OF VEHICLES
Hankey - Corner of Main & Damon Streets	8	1
St Francis Bay - St Francis Drive	8	2
Jeffreys Bay - St Croix Street	12	3
Humansdorp - R 330 – Hankey road	12 4 control room operators	4

Table 116: Satellite Fire Stations

The management function includes:

- 1 x Chief Fire Officer
- 2 x Station Commanders
- 1 x Platoon Officer
- 1 x Admin Officer

Total staff component for Fire & Emergency staff

- 43 fire fighters
- Control Room Operators
- 1 Admin Officer

Total of fire services rendered:

	CATEGORY	ANNUAL
1.	**NUMBER OF FIRES AS FOLLOWS**	
	Buildings	**7**
	Dwellings (formal - brick & mortar)	**7**
	Informal dwellings (shacks/mud/hut etc.)	**58**
	Electrical	**1**
	Rubbish	**24**
	Vegetation	**86**
	Transport (cars/busses/trains/aircraft/ship)	**6**
	Other (not specified above)	**5**
2.	**Number of special services**	
	Accidents (cars/busses/trains/aircrafts etc.)	**72**
	Rescue (people/animals trapped/lost from machinery or water etc.)	**1**
	Spillages (oil, diesel on road services)	**0**
	Miscellaneous (any other not specified)	**8**
	Hazmat spillages (chemicals etc.)	**0**
3.	**Number of ancillary services**	
	Provision of potable water	**0**
	Locked premises	**0**
	Any other types of humanitarian services	**0**
4.	**Number of no services**	
	Extinguish before arrival	**0**
	False alarm good intent	**2**
	False alarm malicious	**3**
	TOTAL	**280**

Table 117 : Total of fire services rendered

Fire Staff Training

External training	Number of staff completed	Percentage
Fire Fighter 1	**39**	**93.02%**
Hazmat Awareness	**39**	**93.02%**
Level 3 First aid	**39**	**93.02%**
Fire Fighter 2	**33**	**76.7%**
Hazmat Operational	**33**	**76.76%**

Table 118: Fire Staff Training

The fire department is responsible for the following activities:

- Firefighting of structural fires, veld and bush fires and any other fire
- Fire safety (the application of the National Building Regulations, Fire Codes, and municipal by-laws with regard to fire safety
- Rescue services
- Support services to municipal and other instances
- Fire pre-planning and related preparedness plans
- Testing and basic maintenance work on emergency vehicles and equipment, and
- Fire communications facilities for the services

The following are departmental achievements:

- Establishment of a Fire Risk Reduction committee in St Francis Bay
- Procurement of two fire fighting vehicles to the value of R 4 974 119.20
- Procurement of hydraulic equipment to the value of R 300 000.00
- Fencing of Hankey satellite fire station to the value of R 200 000.00
- Fire fighter 1, Hazmat Awareness and First Aid Level 3 training for 3 employees
- Fire fighter 2, Hazmat Operational training for 3 employees
- Fire Risk assessment and prevention training for 1 employee
- Basic Excel course for 3 employees
- CPMD training for 9 employees
- Procurement of fire fighting equipment to the value of R 145 000.00
- Appointment of one (1) Control Room Operator

The following are departmental requirements:

- Establishment of satellite fire stations in Thornhill and Oyster Bay
- Additional vehicles and equipment
- Appointment of additional staff

A full-time professional Fire Service will provide support to nearby towns and areas with experience, operational support, training, awareness programs, demonstration, fire prevention, law enforcement. The most important advantage of an integrated fire service is the rapid deployment of specialized vehicles, equipment and staff to all areas or towns throughout the district with less duplication and cost.

To determine the level of fire services in a particular area or town, it would be necessary to categorise these areas/towns in the Kouga region.

Lifesaving Services

During the past two (2) years we have made great strides as the lifesaving department in Kouga and have seen many positive achievements. This past year stands out as the most significant because it was the first time that Kouga lifesaving appointed twenty-two (22) locally trained youth from the Kouga Community.

The most important strategic objectives where pleasing progress has been made:

- We have continued to set up and maintain partnerships with the local N.S.R.I.
- We continued to develop our drowning prevention programme.
- Our initiative to train and register members from the community is an added advantage as it resolved a lot of issues.
- We continue to strive for a non-drowning culture in the Kouga jurisdiction.

We try to improve our drowning prevention awareness and education at school and municipal level. During the festive season with the influx of people to Kouga beaches, visitors to the beaches were made aware about their safety and what to do during and incident. Our lifeguards conducted daily visible patrols on all Kouga`s beaches and interacted with the bathers to warn them about the dangers when swimming. These duties were rendered successfully despite the lack of facilities. The NSRI volunteers that back up the lifeguards have been responding to several people in difficulty close to the shore. These rescues were predominantly for people caught in rip currents on beaches with no lifeguards.

Two (2) Senior Lifeguards were appointed to manage the fifty-two (52) seasonal lifeguards, of which twelve (12) were assigned to the blue flag beach, and thirty-eight (38) to the rest of the beaches as well as two (2) shark spotters. All lifeguards were issued with uniform that identified them as Kouga lifeguards. The rest of the beaches included the following beaches:

- Cape St Francis Bay
- St Francis Bay
- Oyster Bay
- Kabeljous
- Pellsrus Beach
- Aston Bay Beach
- Paradise Beach
- Paradise Lagoon
- Gamtoos

The following are December 2020 emergency call-outs statistics for the department:

AREA	KEY PERFORMANCE AREAS					
	Rescues	Administering First Aid	CPR	Help outs	Drowning	Near drowning
St Francis main	**1**	0	**6**	0	0	0
Granny's Pool	0	0	0	0	0	0
Cape St Francis	0	0	0	0	0	0
Oyster Bay	0	0	0	0	0	**1**
Dolphin Beach	0	**4**	**11**	0	0	0
Checkers Beach	0	0	0	0	0	0
Kabeljous	0	0	0	0	0	0
Pellsrus Beach	0	0	0	0	0	0
Aston Bay	0	0	0	0	0	0
Lagoon	0	0	0	0	0	0
Paradise Beach	0	0	0	0	0	0

Table 119 : Emergency call-outs

The following are departmental requirements:

- Appointment of a crew leaders to manage the rest of the beaches.
- Procurement of lifesaving Inflatable Rescue Boat (Rubber Duck)
- Procurement of lifeguard shelters
- Procurement of lifesaving equipment

KFA11: TRAFFIC, VEHICLE LICENSING AND PARKING CONTROL

Traffic Services

Traffic Law Enforcement is functions in accordance with the National Department's rules and regulations, and the National Road Traffic Act 93 of 1996 and the Criminal Procedure Act 51/1977. Eight traffic officers are patrolling national, provincial and local roads/streets on a daily basis. Six trained officers are doing office bound work, as it became essential to develop their skills in other areas e.g. examiner of driving licences and eNatis registration.

The Kouga municipality acts as an agent for the Department of Transport to render registration, licensing and driver and learner licensing services and render registration and licensing of new and second-hand motor vehicles. Driving License testing centre in Humansdorp is a grade B testing centre which mean that only motor vehicles and heavy motor vehicles can be tested except motorcycles. The Hankey Centre is only a grade l (one) testing centre where only learner's licenses can be issued.

Traffic Law Enforcement functions is in accordance with the National Department's rules and regulations, and the National Road Traffic Act 93 of 1996 and the Criminal Procedure Act 51/1977. Eight traffic officers are patrolling national, provincial and local roads/streets on a daily basis. Six trained officers are doing office bound work, as it became essential to develop their skills in other areas e.g. examiner of driving licenses and e-Natis registration. The centers are currently servicing the Kouga and parts of Koukamma areas and as far as Port Elizabeth.

The following services are available:

- Renewing of driving licenses
- Conversion of driving licenses
- Professional driving licenses
- Appointments for learner/driving licenses.

Other services are:

- Free roadworthy tests during festive season.
- Arrive Alive awareness programs annually.
- Scholar Patrols are monitored on a daily basis.

The following Primary Schools are rendering Scholar Patrol services:

- Gamtoos Primary School -Patensie
- Hankey Primary School
- Graslaagte Primary School
- St Patricks Primary School
- Stulting Primary School
- Mzingisi Primary School
- Sea Vista Primary School

- Jeffreys bay Primary School
- Makhukanye Primary School
- King College Jeffreys Bay

Vehicle Pound and Traffic Fines

18 illegal taxis were confiscated and impounded during the period in review.

TRAFFIC FINES	2018/2019	2019/2020	2020/2021
Seatbelts	469	792	228
No Driving License	438	1046	664
Learner License	53	58	23
Cellphone Driving	113	70	14
Expired Driving License	334	290	-
Defective Unroadworthy vehicles	291	320	116
Manual Speed	396	286	136
Overload of vehicles	56	59	32
Drunk and Driving	14	22	4
Camera Speed	43129	-	-
Parking Offenses	296	67	15
No Operating License	-	127	30
TOTAL	45589	3137	1262

Table 120: Vehicle pounds and traffic fines

Public Transport

3 Traffic Officers daily enforce the National Land Transport Act on public Transport in the entire Kouga Municipal areas. Taxi operations were held every week between the South African Police Services and the Kouga Municipality Traffic Law Enforcement Officers.

Registration and Licensing

The Registration and Licensing Section serves the whole of Kouga and surrounding areas with the Registration and licensing of new and secondhand vehicles.

REGISTRATION & LISENCING 2019/20	HUMANSDORP 2019/2020	2020/2021	HANKEY 2019/2020	2020/2021
Applications for Roadworthy (heavy MV)	8	39	-	-
Applications for Roadworthy (light MV)	41	75	-	-
Applications for Roadworthy (motorcycles)	17	-	-	-
Roadworthy Certificates issued	296	82	-	-
Application for Special Permits	35	6	9	2
Application for Blank Permits	11	8	-	-
Duplicate BRNC issued	41	5	-	-
Duplicate TRN issued	9	5	-	-
Duplicate Registration certificates issued	193	176	24	6
Motor Vehicle Licenses	8 231	8 313	2 123	1 295
Motor Vehicle Registrations	1 781	1 091	339	86
Registration Penalties		146		23
Confirmation of Motor vehicle info	3	-	-	

Issued MTN	3		3	
Allocate PLN to vehicles	12		4	
Arrears and Penalties on Licenses				
Transaction Fees				
Allocate SLN to vehicles	7		1	
De-registration of vehicles	96		37	
TOTAL	**10 784**		**2 540**	

Table 121: Registration and licensing

DRIVERS LICENCE	HUMANSDORP	HANKEY
Driving licence Renewal applications	2259	
Learner Licence Test Applications	2133	23
Driver Licence Test Applications	2827	
Temporary licence	2287	
PDP's	502	

Table 122: Drivers Licence

Taxi Rank at Corner OF Du Plessis and Bureau Street ablution facilities

During an operation in August 2020 illegal taxis were removed from Shoprite parking area. Regular upgrading was done on the ablution facilities to prepare the taxi rank for the operating procedures. Taxi meetings were held every month to discuss challenges. Consent use agreement was completed with HTA. Three (3) containers on the premises are still on the premises.

Training of Traffic Officers to Identify Operating Licences

Training took place on March 2020 arranged by Department of Transport under leadership of Mr. Siwa. The following departments were presented during the training session:
Kouga Local Municipality Traffic Law Enforcement Officers, Department of National Public Prosecution, Department of Transport and Justice dept.

Vehicles/ Staff

The Safety & Security department received 1 new vehicle to perform official duties. Eight (8) Contractual Traffic Officers were appointed for a period of one year to assist with Disaster Management Act. and Covid - 19.

AARTO (Administrative Adjudication of Road Traffic Offences Act)

The Implementation date for AARTO is envisage for later date to be announce by the Minister of Transport, however the department is facing the following challenges:

- All Traffic Officers and back office staff need to be trained.
- All computers software needs to be updated.
- The department not ready for the AARTO.
- The registration process of the new firearm is still in process.

Shift Implementation

The shift system currently works well, yet there are challenges during split shift when only half of staff compliment are working due to rest days.

Roadworthy Services

ROADWORTHY SERVICES 2019/20	HUMANSDORP	HANKEY
Applications for Roadworthy (heavy MV)	8	-
Applications for Roadworthy (light MV)	41	-
Applications for Roadworthy (motorcycles)	17	-
Roadworthy Certificates issued	296	-
Application for Special Permits	35	9
Application for Blank Permits	11	-
Duplicate BRNC issued	41	-
Duplicate TRN issued	9	-
Duplicate Registration certificates issued	193	24
Motor Vehicle Licenses	8 231	2 123
Motor Vehicle Registrations	1 781	339
Confirmation of Motor vehicle info	3	-
Issued MTN	3	3
Allocate PLN to vehicles	12	4
Allocate SLN to vehicles	7	1
De-registration of vehicles	96	37
TOTAL	**10 784**	**2 540**

Table 123: Roadworthy Services

KFA12: MUNICIPAL BY-LAW ENFORCEMENT

This function ensures that the Municipal By-Laws are enforced and adhered to at all time. The function is also to assist other related stakeholder's e.g. SAPS, Neighbourhood Watches with joint operations to curb crime within the Kouga municipal boundaries. The by-Law enforcement section assists other Departments within the Institution with compliance legislation e.g. Town Planning, Human Resource and others. Monitoring at beaches and parks is done by visible foot and vehicle patrols to safeguard the public from any possible crime. Law Enforcement is also a prerequisite for approval of Blue Flag status which our Municipality achieved for 12 consecutive years.

Stray animals remain a serious issue which causes the most motor vehicle accidents in the area. There is a need for the provision of adequate signage to warn road users about stray animals. A private pound is available in Humansdorp and the impoundment of stray animals are being done with the assistance of the owner.

Illegal electrical connections operations with the leading department and SAPS are also being done monthly. The Kromme River is currently under a Section 21 Company named the Kromme Joint River Committee (KJRC) since November 2016.

The following law enforcement transgressions were reported:

LAW ENFORCEMENT TRANSGRESSIONS FOR 2020/21	
Stray animals impound	86
Illegal electricity connections operations	15
Illegal gambling machines operations	2
No Hawkers permits	16
No permits for Spaza shops	61
Dogs per erf	
Hinder/interfere an officer in his work	2
Display of advertising signs	382
Food on floor in shops	1
Shop not clean	4
Illegal dumping	2
Disturbers of the peace	-
Dogs not on leash	2
Burning of waste	1
Not wearing mask in the public	9
Illegal events	-
Accountability certificate	-
Sleeping in shops	62
Expired food in shops	64
Not provide sanitizer in shop	54
Operations Covid 19 regelation in Humansdorp, Hankey, Patensie, St Francis Bay and Thornhill	9

Table 124: Law Enforcement transgressions

The following law enforcement cases were reported:

LAW ENFORCEMENT CASES REPORTED 2020/21		
Warrants of arrests		
Summonses issued		
Law enforcement	Cases	**284**
	Court Cases	**6**

Table 125 : Law enforcement cases

Community Safety

Kouga Municipality, the Department of Safety and Liaison (DSL), and the Deutshen Gesellschaft Für Internationale Zusammenarbeit (GIZ), have established a Kouga Community Safety Forum at the Newton Hall on 14 February 2017. A number of training sessions and workshops was conducted during 2017 prior to the establishment of the forum. The aim of the training sessions and workshops was to equip and enable ward committee members, responsible for Safety, to conduct community safety audits in order to develop a Kouga Safety Plan. The aim of the Kouga Safety Plan is to enhance and support social crime prevention processes, especially the functionality of Community Safety Forums (CSF) and participatory safety planning.

A planning Safety summit was held in November 2020 to kickstart the establishment of a Community Safety Forum. A successful community safety workshop was consequently het at Mentors Country Estate in February 2021 and is in line with one of the municipality's directives "KEEP KOUGA SAFE". The municipality is set to launch an integrated intelligent operation centre in Humansdorp to clamp down on escalating crime in the region and neighbouring towns. The centre will work in close collaboration with all relevant role players, including the South African Police Service, agricultural and civic rights organisations, municipal departments, law enforcement, emergency agencies, NSRI, nature reserves, private security companies, businesses, schools and churches.

In addition, five (5) community safety units will be established:

- Sector 10 : Jeffreys Bay and the surrounding informal settlements and rural homesteads.
- Sector 20 : Humansdorp and Cape St Francis.
- Sector 30 : Gamtoos Valley (Baviaans, Patensie, Hankey, Loerie, Crossways, Thornhill, and Gamtoos Mouth).
- Sector 40 : Oyster Bay.
- Sector 50 : Tsitsikamma, Kareedouw and Stormsriver.

KFA13: ENVIRONMENTAL MANAGEMENT AND CLIMATE CHANGE

Environmental Degradation

The natural environment, inclusive of elements such as land, inland water, biodiversity and oceans and coastlines are increasingly under pressure because of certain socio-economic factors such as population growth rates and increased land use. These pressures on natural resources also pose limitations to economic growth.

The development pressures on sensitive land in towns and surrounding areas may ultimately lead to environmental degradation. Amongst the most serious issues over and above those of pollution already mentioned, are vegetation clearing and earthwork activities within the Kouga area, invasive alien species and choking watercourses. The municipality should monitor and attempt to mitigate any clearing of conservation-worthy plants as with exposing of large areas of soils, excavation of infilling which presents erosion risks. The municipality should also embark on initiatives to identify areas highly impacted by invasive plant species and the control thereof.

➢ **Spit Dune Rehabilitation in St Francis Bay**

Kouga Municipality has designed and constructed the access road as well as rock revetment on the St Francis Bay Spit. While constructing the road the municipality has also repaired failed revetments along the access road. The municipality plans to rebuild the dune at the spit as it is too thin to hold the weight of the rock. The municipality has procured rock for the spit. As from April 2020 the municipality started with the construction of 533 meters rock revetment on the St Francis Bay Spit and also protection of municipal infrastructure and properties on Shore Road.

Phase two Environmental Impact Assessment (EIA) has gone through public participation process for both the Scoping Report as well as the Draft Environmental Impact Report. Department Economic Development Environmental Affairs and Tourism (DEDEAT) approved the final Scoping Report on the 25th of October 2019. The final Environmental Impact Assessment report has been submitted to DEDEAT and currently awaits authorization.

➢ **Seekoei River Estuary and Causeway – Paradise Beach**

In accordance with the National Estuary Management Protocol (No 341) published 10 May 2013; Kouga Municipality is compelled to initiate processes to develop Estuary Management Plans for all the estuarine systems within its municipal jurisdiction. Kouga Municipality was advised by Department of Economic Development, Environmental Affairs and Tourism to prioritize the development of an Estuarine Management Plan (EMP) for the Seekoei River Estuary.

During numerous meetings between Kouga Municipality and the Department of Economic Development, Environmental Affairs and Tourism, it was agreed that Kouga Municipality engage the Department of Botany and Institute for Coastal and Marine Research at the Nelson Mandela Metropolitan University for assistance with the development of Estuarine Management Plan (EMP). A Memorandum of Understanding (MoU) was concluded between Kouga Municipality and Nelson Mandela University (NMU) during July 2017. The NMU are currently busy with the Management Plan and it is expected to finalize all processes by July 2018.

The MEC for Economic Development, Environmental Affairs and Tourism has adopted the Seekoei Estuarine Management Plan in terms of Section 53 of the National Environmental Management: Integrated Coastal Act, 24 of 2008. The municipality has developed and submitted the maintenance plan to the Department in terms of section 24 of the National Environmental Management Act, 107 of 1998.

- **Dune Rehabilitation in Oyster Bay**

The Kouga Municipality has commenced with the rehabilitation of the coastal sand dunes encroaching on Brander Street and adjacent properties. Currently an estimation of 32 000m³ have been removed from in front of the properties and a section of Brander Street has been opened. The municipality is planning to commence with the rehabilitation in partnership with the Department of Environmental Affairs: Working for the Coast Project.

The Department of Environmental Affairs has approved R10 million towards Oyster and is currently finalizing the funding process. The Department will determine when the implementation will start.

Integrated Coastal Management Programme

A Coastal Management Programme has been developed by the Department of Environmental Affairs through the District municipality to manage Kouga's coastline. The Coastal Management Programme was gazetted by the MEC Economic Development and Environmental Affairs for public comments from November until December 2019.
Risks identified during the development phase were inappropriate development in ecological process areas/dynamic areas, development in proximity to the highwater mark, the estuarine functional zone, and wetlands resulting in sand management issues such as coastal erosion. The programme has now been adopted by the MEC and Kouga Municipality and approved by Council in June 2019.

The municipality plans to optimize oceans economy and develop livelihood opportunities. The municipality will also formulate a coastal zone management by-law. A key aspect of the by-law is to prevent private property owners from encroaching onto sensitive dune systems along municipality's coastline. As they provide natural buffers against storm surges, the retention of functional coastal dune cordons is a priority for the municipality in reducing the impacts of climate change.

This will offer a better understanding of the municipality's coastline from a development perspective, as well as provide more detailed development guidance for identified priority areas or sites in the medium term; provide a strategic plan to prioritize and coordinate future capital investment along the coastline; and provide an understanding of appropriate investment approaches for future development processes.

Invasive Species Management

Kouga's invasive species management project will be rolled out to all municipal owned lands/properties across the municipality. In line with the regulations of the National Environmental Management: Biodiversity Act (NEMBA), Act 10 of 2004, this will see the identification, control and management of existing as well as new and emerging invasive species, preventing them from spreading and building viable populations.

At the same time, green job opportunities will be created through labour-intensive control methods and associated tasks. National and provincial stakeholders as well as private landowners within the boundaries of the municipality will be engaged, as well as collaboration will be essential. The municipality is looking at innovative ways to reuse the biomass so that it does not land up at the landfill sites and is working closely with "Working for Water" teams. The municipality will address all waste minimisation strategies in the reviewed Integrated Waste Management Plan.

Kouga Municipality is also working with projects such as working for water and working on fire to eradicate alien invasive species.

Biodiversity Management Project

Kouga's biodiversity and ecosystem services will be restored and manged to ensure their long-term sustainability and efficiency, as well as improve the municipality's resilience to climate change. This will be done through both on-and-off-reserve management, guided by the Provincial Bioregional Plan, with a special focus on optimising socio-economic benefits and opportunities where this is ecologically sustainable. The project will include:

- securing the protection of a targeted 65% if the Biodiversity Network
- the continued implementation of the Bio-reginal Plan, and
- educational, events and visitor programme aimed at conservation.

Kouga Municipality is developing a management plan for the Noorsekloof Nature Reserve in Jeffreys Bay and will also develop a management plant for the Yellowoods Nature Reserve in Hankey during the financial year 2021-2022.

Air Quality Management

The Air Quality Management Plan is a statutory requirement in the National Environmental Management Air Quality Act 39 of 2000, Section 15(1). The objective of the plan is to investigate the state of air quality management planning. Exposure to ambient air pollutants can cause a range of significant effects on quality of life such as offensive odours, irritation of the eyes, the upper respiratory system and skin, and acute and long-term toxic effects. The municipality acknowledges the fact that Kouga Municipality has not adopted or developed an Environmental Management Plan for the management of environmental challenges such as:

- Protected and sensitive areas
- Bio-diversity
- Wet Land Management
- Management of proclaimed reserves

The development, adoption and implementation of an Environmental Management Plan have been determined as a program priority for 2020/21 and will include an Air Pollution Management Policy.

An increase in traffic, particularly heavy vehicles, mean more vehicular emission which has a negative air quality impact, but this is relatively limited to the number of vehicles in more populated areas. Some impoverished households within Kouga still rely on open fires for heating and cooking. This practice contributes very little to atmospheric pollution but, because of the scale, can have health concerns to residents if fires are lit inside without adequate ventilation. The development of a municipal by-law on Air Quality Management should be a priority for the 2020/21 year in review. The Air Quality Management By-law should be developed in conjunction with the Sarah Baartman District Municipality.

Projects requiring Environmental Impact Assessments

PROJECTS REQUIRING: ENVIRONMENTAL IMPACT ASSESSMENTS	
PROJECTS	**AREA**
Crossing/ walking Ramp (Pilot Beach)	Cape St. Francis
Oyster Bay Dunes	Oyster Bay
Green Energy Projects	Kouga Area
Dune Management Plan	Kouga Municipality Coastline
Air Quality Management Plan	Kouga Area

Table 126: Projects EIA

Impact of Pollution and Waste

Despite efforts to maintain the cleanliness of the towns, particularly in close proximity to the seashore, estuary and other conservation areas, it must be emphasized that any pollution within the urban area impact on the seashore and estuary as it is eventually carried along streams and storm water channels. Similarly, the natural watercourses, storm water channels and groundwater may be polluted from a number of human-induced factors.

These can be summarized as:

- Informal settlement areas having limited or no access to adequate toilet and wastewater disposal systems.
- Leaks and blockages in sewer infrastructure- or sewer pipes often in close proximity to storm water pipes.
- Private septic tank units leaking or not operating effectively.
- Operation failure and constraints at wastewater treatment plants.
- Illicit disposal of chemicals in storm water system or natural water sources; and
- Leaks and contamination form industrial and business activities.

The Council is aware of the danger posed by this issue and has invested in the Wastewater Treatment Works.

The Municipality has appointed a service provider, Xtreme Recycling to collect recyclable waste from municipal drop off sites and Humansdorp Landfill. The service provider has placed the necessary equipment where required. Xtreme Recycling will also identify businesses and schools to roll out recycling programmes. Certain Schools have been provided with recycling bins. All events will be used for recycling. The municipality is also looking at diverting green waste from being disposed of at landfill sites and is currently investigating the possibility of composting.

The Department of Environmental Affairs has provided 22 Environmental Ambassadors (15 general workers and 7 Environmental Educators). The 15 general workers will assist with illegal dumping sites and the educators will conduct door to door environmental awareness in the communities of Kouga.

The municipality has also embarked on a project to assist schools with recycling initiatives and has distributed recycling wheelie bins to schools around Kouga. Education and awareness campaigns have also been rolled out in 15 schools around Kouga.

Impact of Climate Change

Climate change presents serious threats to the future of the town and its environs. Climate change also poses significant bio-physical and economic risks and as such, sustainable and effective resource use and climate change response, should be both a provincial as well as a municipal strategy priority. Changing rainfall patterns and extreme weather conditions have already had an impact on the towns and environs in the past.

The Kouga Municipality has recently implemented restrictive measures to secure a supply of water for the growing population. Some areas have also suffered fires under the dry and hot conditions in the area. These issues not only affect the human population, but the endemic flora and fauna are particularly susceptible to lasting changes in climate conditions. Over the long term this will lead to major loss of biodiversity. Administrators, businesses and communities need to identify their strengths and weaknesses in the face of climate impacts – deciding how they will act together to minimize the impact of climate change on their local economy, environment and society. Climate affects multiple systems and so risks from climate requires a systematic, coordinated response strategy.

The Kouga Municipality has partnered with Illsfeld Municipality IN Germany to combat climate change. During January 2019, a German delegation visited the municipality, possible projects workshopped, and seven (7) projects were considered for mitigations and adaptation. Five (5) projects will be implemented through the Technical Services Department and two (2) projects through the Department of CS. The municipality will also start a Climate Change Committee within Kouga. The aim of the committee would be to drive climate change and the development of a Climate Change Policy and Strategy.

The proposed projects are:

1. Solar system – water pump for municipal boreholes to supply fresh water.
2. Led street lighting.
3. Rainwater harvesting
4. Water detection vehicle
5. Waste Management /Education and awareness
6. Alien vegetation clearing
7. Urban Greening (planting of indigenous trees)

Mitigation Climate Change Project

Kouga will aim to reduce the municipality's carbon footprint in order to contribute to the global reduction of greenhouse gas emissions and make the local economy more competitive. This will be done through the implementation of a range of carbon emission reduction projects that have been identified during the German delegation programme between Kouga Municipality and Illsfeld Municipality.

The environment is essential for human survival, well-being, cultural diversity and economic prosperity. Environmental goods and services are the benefits that people derive from nature and they include, air, water, food and other basics such as medicines and natural wood. These services are essential for human livelihoods and well-being and are particularly significant for the informal sector, where the dependence of people on the natural resource base is more direct.

Natural population growth and urbanization have increased pressure on land, air, water and energy resources. In addition, the increased demand for housing has seen the conversion of a significant expanse of natural areas into urbanized spaces across the country. Natural resources such as land and water are scarce resources in Kouga, and they need to be used in a prudent and sustainable manner.

Migration into the area has increased. The housing backlog has increased, and land is not readily available to erect houses for the destitute. Water resources is almost depleted due to the drought and the Kouga area has been declared as a disaster area. The municipality has embarked on measures to supplement the scarce such as the drilling of boreholes, investigations on a possible desalination plant and a vigorous save water campaign.

Kouga Municipality hosted an International Climate Change workshop in October 2019 which concluded phase six of Engagement Global's Municipal Climate Partnerships programme. During the workshop, several municipalities shared their action plans on adapting and mitigating programmes against climate change. The Kouga municipality is planning to develop its climate change strategy to mitigate and adapt to climate change.

Kouga Municipality has also launched the Keep Kouga Green campaign in February 2020, to mitigate against climate change. Projects rolled out under this campaign includes Tree Planting, Community gardens for all wards, recycling to name a few. The Community garden will eradicate illegal dumping in communities and also deal with the issue of poverty. People from the community have been identified to monitor and maintain the gardens.

KFA14: PUBLIC HEALTH

Health Care Services: Facilities

This section of the profile highlights the current health infrastructure and human resource capacity in the public health sector and burden of disease in the Kouga Municipal Area:

Area	Community Health Centres	Community Day Centres	Clinics	Satellite Clinics	Mobile Clinics	Total
Jeffreys Bay	0	0	1	0	0	1
Humansdorp	2	-	2	-	-	4
St Francis Bay	-	-	1	-	-	1
Cape St Francis	-	-	-	-	-	-
Oyster Bay	-	-	-	-	1	1
Loerie	-	-	1	-	1	2
Thornhill	-	-	1	-	-	1
Hankey	-	-	2	-	-	2
Patensie	-	-	2	-	1	3
Andrieskraal	-	-	1		-	-

Table 127: Health Care facilities (***Source: Eastern Cape Depart of Health***)

Environmental Health Services

Kouga Municipality has entered into a Service Level Agreement with the Sarah Baartman District Municipality to render the Environmental / Municipal Health Services on behalf of the District Municipality, in its respective jurisdiction.

BUSINESS LICENCES are issued the undermentioned sectors and the following was issued during the 2019/2020 financial year:

TYPE OF BUSINESS	CURRENT LICENCES	NEW LICENCES ISSUED	TEMPORARY LICENCES ISSUED
Food preparation (restaurants and take-aways)	378	89	0
General dealers	26	0	0
Spaza shops (**no licencing due to land usage transgression**)	0	0	0
Accommodation establishments	88	2	0
Funeral parlours	8	1	0
Hawkers	102	44	21 seasonal & 23 events
ECDC (Early Childhood Development Centres)	61	15	0
Schools	2	0	0
Hospitals	1	0	0
Prisons	1	0	0
Old age homes	4	3	0
Milk farms	11	1	0
Other businesses (clothing, cell phones, etc.)	103	27	8
TOTAL	785	182	52

Table 128: Business licences

Environmental Health Inspections

Inspections are also done regularly, and the following number of inspections were done during the 2019/2020 + 2020/21 financial year:

TYPE OF ESTABLISHEMENT	NO OF INSPECTIONS		NO OF TRANSGRESSIONS		NO OF TRANSGRESSIONS CORRECTED	
	2019/20	**2020/21**	**2019/20**	**2020/21**	**2019/20**	**2020/21**
Food premises (restaurants and take-aways)	520	383	85	102	72	102
General dealers	40	90	10	15	10	15
Spaza shops	568	500	568	500	0	0
Accommodation establishments	74	5	0	0	0	0
Funeral parlours	24	17	1	0	0	0
Hawkers	161	52	7	5	0	5
ECDC (Early Childhood Dev. Centre)	188	65	6	0	3	0
Schools	25	42	7	2	0	2
Hospitals	4	1	0	0	0	0
Prisons	0	3	0	0	0	0
Old age homes	2	8	0	0	0	0
Milk farms	1	0	0	0	0	0
Clinics	3	8	0	0	0	0
Other businesses (clothing, cellphones etc.)	60	46	0	0	0	0
Public amenities (public toilets, halls, etc.)	25	0	4	0	0	0
Complains investigations	1814	605	688	500	85	85

Table 129: Environmental Health Inspection

Water Quality Monitoring

Water Quality Monitoring is one of the main functions of the department to ensure that the communities receive water that is fit for human consumption. A total of 528 samples were collected for bacteriological and chemical analysis during the 2019/20 financial year.

2019/20	2020/21
Bact 495	245
Chem 215	70

Table 130: Water quality monitoring

KFA15: CEMETERIES

The cemeteries in C-Place in Jeffreys Bay and Centerton, Hankey have been fenced. The process for the environmental Impact Assessment (EIA) for the development of new cemeteries will take between 6 to 18 months to be completed/finalised. The municipality has applied for a Section 30A and awaits approval from DEDEAT.

KFA16: LIBRARIES

Library services ensure that people of Kouga have access to facilities and resources that libraries offer, develop skills, preserve and conserve their culture and natural heritage. The table below depicts the number of libraries within the Kouga area as well as the areas that need a library:

TOWN	TYPE (Fixed or mobile)	NUMBER
Jeffreys Bay	Fixed	1
Humansdorp	Fixed	3
Hankey	Fixed	3
Patensie	Fixed	2
Loerie	Fixed	1
Thornhill	Modular	1
Tokyo Sexwale	Modular	1
7de Laan	Modular	1
Sea Vista	Fixed	1

Table 131: Law enforcement cases

Libraries services are needed in the following areas:

- Ocean View
- Oyster Bay
- Sea Vista **(under construction)The building is finished, and the library is operational from May 2019**
- Cambria

The staff complement for Library Services are:

LIBRARY STAFF	
Management and Planning	1
Librarians	8 (employed by DSRAC)
Senior Library Assistants	6
Library assistants	10
Cleaner	3 (Cleaners falls under Cleansing & Parks)

Table 132: Library staff component

The table below depicts the statistics on the type of activity in the library:

KOUGA LIBRARY STATISTICS					
Type of Activity	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**
No. of people using the libraries	278 459	259 729	253 246	324 702	260 419
No. of books issued	155 482	147 203	152 297	148 614	100 557

Table 133: Libraries Activities

From the 18th of March 2020 the libraries were closed due to lockdown and were re-opened on the 1st of September 2020.

The conditional grant allocation to rehabilitate and refurbishment of the Jeffreys Bay Library over a 5 period which commenced from the 1 of April 2019 to 30 April 2023 amounts to R11.2 million.

5.8.2 KPA 2 – LOCAL ECONOMIC DEVELOPMENT

KFA17: SPATIAL URBAN PLANNING

The Spatial Development Framework was approved during the 2019/2020 IDP period. A summary of the approved Spatial Development Framework can be viewed on the municipal website www.kouga.gov.za.

- The Spatial Planning and Land Use Management by-law was adopted in December 2015.
- Spluma by-law was gazetted in March 2016.
- Members to serve on Municipal Planning Tribunal (MPT) were approved by Council on 9 September 2016 under Council Resolution No. 16/09/IPD1.
- MPT members signed Memorandum of Agreements and received appointment letter in October 2016.
- MPT members were gazetted under Gazette No. 3813 on 14 March 2017 and the first meeting was held on 17 April 2017.
- The Appeal Authority was established and gazetted under Gazette No. 3921 on 19 September 2017.
- The review of the Land Use and Building Plan Electronic System (Ovvio) commenced in November 2018 to ensure faster turn-around times in the approval of land use and building plan applications.
- Building plan submissions are 100% on electronic platform since January 2021 and town planning application submissions will be within this financial year.

Integrated Land Use Scheme (ILUS)

The Integrated Land Use Scheme (ILUS) incorporated all existing Land Use Schemes in the Kouga Municipal area into one Scheme, thereby streamlining them in such a way to fulfill the objectives laid down in SPLUMA.

A draft Integrated Land Use Scheme was adopted in November 2015. In the 2018/2019 financial year a consultant was appointed by the municipality to finalise the draft Integrated Land Use Scheme (ILUS,2015). Section 25 of SPLUMA (Spatial Planning and Land Use Management Act, Act 16 of 2013) provides an outline of the purpose and contents of a Land Use Scheme.

The act requires a Land Use Scheme "to give effect to and be consistent with the Municipal Spatial Development Framework and determines the use and development of land within the municipal area to which it relates in order to promote economic growth, social inclusion and efficient land development and minimal impact on public health, environment and national resources".

The 1st Project Steering Committee meeting was held on 31 January 2020 where a project implementation strategy was presented by the service provider and adopted . The Service Provider has met the milestones as per implementation plan during 2020 and a final document was presented to the PSC at the end of November 2020. The document has been advertised as per legislative requirement for 60 days and no objections were received . The PSC approves the final document in January 2021.
The finalization of this project has been concluded in January 2021 and is submitted for final approval by Council for implementation March 2021.

KFA18: MUNICIPA L PLANNING

The function of the building regulations and standards legislation is to regulate building development. This includes the processing and assessment of new building plan applications, the monitoring of building work to ensure compliance with the approved building plan and to implement appropriate action where unauthorised building activities occur. These actions all form the basis for the promotion of orderly building development that will benefit and promote the living environment of the citizens of the municipal area.

The following projects were implemented in the 2020/2021 financial year:

- Review of the Spatial Development Framework (SDF), 2015
- Compilation of an Integrated Land Use Scheme (ILUS)
- Deployment of the Building Control Management System
- Development of the Jeffreys Bay Central Business District (CBD) Precinct Plan
- Development of Humansdorp precinct plan (CBD)

Urban renewal, or urban regeneration is a program of land development in areas of moderate to high density urban land use. Changes in the spatial economy can easily create imbalances in the urban environment and this requires mitigation. The impact of renewal on the urban environment cannot be underestimated and plays an important role in the history and demographics of cities.

Urban renewal involves the relocation of businesses, the demolition of structures, and the use of public assets to revitalise the urban milieu for the benefit of all its users. Policies such as Special Ratings Area, Restructuring Zones and Special Use Areas are tools to assist in renewal. The Urban Renewal of the business areas of Humansdorp Jeffreys Bay remain a priority. The municipality has appointed a service provider to develop a Precinct plan for the Jeffreys Bay Central Business District (CBD) and the Humansdorp CBD area. The municipality will budget and implement priority projects that will be identified in the plan. A Special Ratings Area Policy has been developed and once approved the St Francis Bay Town will be declared as a Special Ratings Area (SRA) to encourage investors to invest in the town.

GIS

The Section have successfully implemented an online/digital platform for building plans and land use submissions on Ovvio System.

We have also updated the Kouga property zoning information as part of the Integrated Land Use Scheme, the new scheme will be a-wall-to-wall scheme which will replace the old planning scheme ordinances. We have updated the all the cadastre information in January 2021 with the latest cadastre information from the Office of the Surveyor General.

Furthermore, we have obtained and updated the Ward Boundaries on our GIS, which was approved by the Demarcation Board in October 2020.

KFA19: HUMAN SETTLEMENTS

The municipality wishes to pursue the delivery of housing, within the framework of National and Provincial policy, by addressing issues of land, services and infrastructure and creating an enabling environment for housing development. It is also committed to ensure that sustainable habitats are created to contribute to the improvement of the living conditions of the poor.

The waiting list for the 10082 dwellings is calculated as follows:

WARD	TOWNSHIP	NO	STATUS	COMMENT
1	Sea Vista	**2000**	Approved	• Funding for Pre-planning activities has been approved. • Awaiting transfer of land from DPW to KLM. Feasibility studies will commence after land transfer
2	Pellsrus	**957**	Approved – project is under implementation stage (site establishment)	Ikhaya Project was appointed for this project and construction of 220 top structures was completed and handed over to beneficiaries in October 2020
4	Kruisfontein	**1415**	Approved - project is at the implementation stage	• The municipality received environmental and project approval to construct 391 housing units out of the 2500 originally approved. • Project was completed in December 2020. Meeting for practical completion of project was held on 27/1/2021.
5	Arcadia	**688**	Approved	• The implementation of project is planned for 2021/22 FY. • Pegging of the site is complete. • Request for the extension of the Record of decision (ROD) was approved
6	Kwanomzamo	**400**	Approved	• Upgrading of WWTW will be implemented as a multi-year project commencing in 2020/21 financial year. • Funding application for project planning is dependent on the availability of sufficient infrastructure.
7	Thornhill	**1116**	Approved	• Project is blocked due to insufficient bulk infrastructure. • Funding application for project planning is dependent on the availability of sufficient infrastructure.
9	Hankey	**990**	Approved – busy with beneficiary registration process and application for funding	• Finalisation of transfer from PPC to KLM is underway. The layout plan was approved by Council. • Pegging of sites is complete. • Awaiting approval of project funding for 990 serviced sites.
10	Patensie	**531**	Approved – planning stage is currently underway (installation of bulk infrastructure) Planned	• Layout plan was approved for this project. • Extension of Record of decision (ROD) was approved. • Funding application for project planning is dependent on the availability of sufficient infrastructure.
	Patensie (Rectification)	**6**		• Rectification of 6 housing units.

				• Houses are dilapidated and need to be demolished and new houses need to be constructed. • Awaiting funding approval from ECDHS.
13	Weston	**490**	Approved	• Pegging of the sites is complete. • Funding for the top structures has already been submitted to the Provincial Department of Human Settlements. • Awaiting approval from Department. • Request for the extension of the Record of decision (ROD) was approved.
14	Ocean View	**1773**	Approved	• Phase 1 (413) is complete. • Phase 1 practically handed over on 08/8/19. • Phase 2 (632) is complete. • Phase 4a (88) is complete. • Project was completed on 4 December 2019. • Tender for appointment of Project Manager for design and supervision of 200 top structures closed in January 2021
15	Pellsrus (Galjoen St)	**51**	Planned	• Informal settlement upgrading. • Application for upgrading of Informal settlement was submitted for the 2021/2022 financial year.

Table 134: Housing waiting list

DRAFT

The above status gives a clear mandate to the municipality to identify, plan, implement, and construct sustainable and integrated human settlements in effective and efficient manner. The most important key factor in the human settlement delivery strategy is to provide adequate and quality house that is linked to water, sewerage and electrical connection with proper access roads as defined in the National Housing Code of 2009.

The municipality is faced with the following internal shortcomings to achieve municipal housing accreditation:

- Influx and migration patterns.
- Current and growing bulk limitations to promote and implement human settlements.
- Formalisation of informal settlements.
- Lack of a bulk master plan.
- Shortage of suitable land to establish new settlements.

Upgrading of Informal Settlements 2020/21

Ward	Township	Number
1	Donkerhoek	200
2	N0. R10	193
3	Ocean View	730
4	Cyril Ramaphosa	278
5	Phola Park	350
6	Shukushukuma	250
7	Thornhill	160
8	Bungalows	103
TOTAL		**2234**

Table 135: Formalised erven

In addition to population projects, the projections on the number of households form the basis of municipal service delivery planning and essentially inform budget allocations towards basic services such as water, electricity, sanitation and refuse removal. It is therefore vital that for budget planning and implementation purposes a municipality rely on credible and accurate household estimates.

The municipality was identified by the National Department of Human Settlements to participate in the National Upgrading Support Programme (NUSP). The NUSP is an initiative by the National Department is designed to support the Provincial Departments and the municipalities in their implementation of the Upgrading of Informal Settlements Programme (UISP), with the objective for eventually assisting in the upgrading of informal settlements across South Africa.

The NUSP is an important intervention measure by the National Department of Human Settlements to assist in laying the platform for investments by other government departments or by municipalities to achieve the objective of creating sustainable human settlements. R 18 000 000,00 of grant funding was approved for the upgrading of nine (09) informal settlements in the Gamtoos Valley and Coastal Areas.

Implementation of the informal settlements upgrading plans will commence in the 2021/22 FY.

Implementation of FLISP/Social Housing Project

Kouga Municipality has approved a FLISP/Social Housing Project to address the need of applicants that earn more than the R3500, 00 subsidy threshold. The FLISP project will enable sustainable and affordable first-time home-ownership opportunities to South African citizens and legal permanent residents earning between R 3501 and R 22 000 per month. The "affordable " or "gap" market individuals in these salary bands generally find it hard to qualify for housing finance, but too high to qualify for the government "free-basic house" subsidy scheme.

Social Housing is a government programme that provides low and moderate-income households, earning R 15001 – R 7500 per month, will quality for affordable rental housing opportunities in well located areas.
A close tender process was followed to solicit prospective bidders to plan and implement the project, and bidders were invited. The award of Notice 88/2019 Farm 335, Portion 125 FLISP/ Social Housing development was awarded to Own Haven Housing Association. Council approved the appointment of Own Haven Housing Association on 12 December 2019.

The Kouga Municipality was chosen as one of the 7 (seven) municipalities to participate in the SHRA municipal social housing support program (MSHSP) under the management of NASHO. The MSHSP intends to assist those municipalities with a firm commitment to developing their institutional capacity to support deliver and have a structured strategy that ensures sustainable delivery. The project will also show municipalities how targeted social housing developments anchor urban regeneration.

The programme will use a range of interventions to support the participating municipalities in the following program functions:

- Institutionalizing a Social Housing Strategy and Policy.
- Smart partnership arrangements between municipalities and SHls.
- Land pipeline management and land release for social housing.
- Municipal incentives for social housing.
- Project agreements and performance monitoring.

The MSHP will provide hands-on support until the municipality achieves new projects that are tenanted and managed by good SHls. This approach is founded on the SHRA intent to support the organizational change at local government level to strengthen the sector to increase delivery. This will be done within the contracted agreement between the SHRA and Kouga Municipality.

Housing Challenges per Ward

WARD	CHALLENGES
2	The Pellsrus area is faced with a shortage of land for the construction of low-cost houses and an estimate of **22 ha** of land is needed to address the backlog of **752 prospective beneficiaries** registered on the housing needs register.
5	The Arcadia area is faced with a shortage of land for the construction of low-cost houses and an estimate of 13 ha of land is needed to address the backlog of **541 prospective beneficiaries** registered on the housing needs register.
6	The Kwanomzamo area is faced with a shortage of land for the construction of low-cost houses and an estimate of **22 ha** of land is needed to address the backlog of **749 prospective beneficiaries** registered on the housing needs register.
7	The Thornhill area is faced with a shortage of land for the construction of low-cost houses and an estimate of **34 ha** of land is needed to address the backlog of **1229 prospective beneficiaries** registered on the housing needs register.

9	The Hankey area is faced with a shortage of land for the construction of low-cost houses and an estimate of **36 ha** of land is needed to address the backlog of **1439 prospective beneficiaries** registered on the housing needs register.
10	The Patensie area is faced with a shortage of land for the construction of low-cost houses and an estimate of **18 ha** of land is needed to address the backlog of **540 prospective beneficiaries** registered on the housing needs register.
12	The Sea Vista area is faced with a shortage of land for the construction of low-cost houses and an estimate of **52 ha** of land is needed to address the backlog of **2000 prospective beneficiaries** registered on the housing needs register.
13	The Weston area is faced with a shortage of land for the construction of low-cost houses and an estimate of **18 ha** of land is needed to address the backlog of **548 prospective beneficiaries** registered on the housing needs register.
15	The Kwanomzamo area is faced with a shortage of land for the construction of low-cost houses and an estimate of **15 ha** of land is needed to address the backlog of **400 prospective beneficiaries** registered on the housing needs register.

Table 136 : Housing challenges

In total, the Kouga Municipality requires 230 ha of land to be able to address the backlog as currently reflected on the housing needs register. To address the shortage of land for sustainable human settlements projects, council has intervened by assisting the provincial department of human settlements and approved the purchase of land (own funds) in Kwanomzamo and Loerieheuwel. Sub-division of Kwanomzamo is complete.

Challenges

The biggest challenges that the municipality is facing with the delivery of houses is the lack of bulk infrastructure and suitable land. The municipality applied for 10 Human Settlement Projects, but due to a lack of bulk infrastructure, the municipality only managed to unlock the Kruisfontein 391 (2500) housing project Pellsrus 220 housing project and the Ocean View 1500 housing project. The Provincial Department of Human Settlements assisted the municipality to address some of the challenges and as a result thereof the municipality had applied for funding for the provision of services and top structures for the following projects, namely:

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

KFA20: BUILD ENVIRONMENT MANAGEMENT

The function of the building regulations and standards legislation is to regulate building development. This includes the processing and assessment of new building plan applications, the monitoring of building work to ensure compliance with the approved building plan and to implement appropriate action where unauthorised building activities occur. These actions all form the basis for the promotion of orderly building development that will benefit and promote the living environment of the citizens of the municipal area.

KFA21: HERITAGE RESOURCE MANAGEMENT

The protection of Kouga's rich and diverse heritage is a priority for the municipality. Heritage assets can be building, monuments, sites, places, areas of landscapes which have been positively identified as having a degree of significance. The interest of a heritage asset may be archaeological, architectural, artistic or historic. Many of these assets have a local communal value.

Heritage assets are non-renewable resources which can bring social, economic and environmental benefits through conservation. Heritage development includes the management and day to day running of the Humansdorp Museum, Shell Museum, repairs and maintenance of heritage assets and general heritage development.
The Humansdorp Museum Association is responsible for the Humansdorp Museum and the Shell Museum. The Heritage Council has become defunct in 2016 and the Humansdorp Museum Association is currently responsible for all aspects of heritage development. Various events and school visits are also hosted by the Humansdorp Museum Association.

The Kouga Municipality established a Kouga Heritage Council in 2014 and developed a Kouga Heritage Database. Although not inclusive, the Database includes details of all known heritage sites in the Kouga region.

The following is a list of the sites included in the heritage database:

SITE DESCRIPTION	CATEGORY
KRUISFONTEIN	
Klip Skool	Place
Kruisfontein Dam (100 erfs) N Felix Dam	Place
Kruisfontein Station Boards Apple Express	Place
Kruisfontein graveyard	Graves
Dorsvloer	Place
Congregational Church	Structure
Old Kruisfontein Homes	Structure
HANKEY	
Hankey 4 (Weston)	Structure
Hankey Congregational Church	Structure
John Phillips's Grave	Grave
Sarah Baartman Grave	Grave
Hankey Dance Hall	Structure / place
Hankey Primary School	Structure / place
Foot of Sarah Baartman Graves – Duplex Street (homes)	Structure
Du Plex – Die Berg – Du Plex Street	Geological
Dower College and Dower School	Structure / place
Trading Wagon	Structure
Wetlands	Natural
Hankey Station	Structure / place
JEFFREYS BAY	
7 Day Adventists Church	Structure / place
Ferreira's Dorp, Wavecrest, Beach Hotel	Place
Grave sites, Pellsrus (Fisherman's Graves, 2 sites)	Graves
Geelstert Fishing Boat in front of Shell Museum	Structure
Savoy Hotel	Structure / place
Pell's Grave (Pellsrus)	Grave
Bo Blok houses	Structures
Khoekom Middens (Super Tubes)	Archaeological
Surf Museum	Structure
MILTON	
Milton Graveyards	Grave
De Meule (Milton Water Mills)	Structure
Milton Congregational Church	Place / structure
Congregational School	Place / structure
Phillip's Tunnel	Place

OYSTER BAY	
Fish Traps	Place
Thyspunt Graves	Graves
CAPE ST FRANCIS	
Cape St Francis Light House	Place
Mr Flack's Grave at the Light House	Grave
ST FRANCIS BAY	
Archaeological sites St Francis Bay (Links Golf Course)	Archaeological /place
HUMANSDORP	
National Hall (National Party) Volkspele	Place
Congregational School Moerasrivier	Structure / place
Markgebou, 1938, Groot Trek	Structure / place
Humansdorp Meule	Structure
War Monument, Hero's Acre	Graves
Matthys Gerhardus Human 1858	Grave
St Marks Anglican Church	Structure
Humansdorp Museum	Structure
Boutique Hotel	Structure
PATENSIE	
Scotts Cave	Geological
Queen Victoria (Rock Face)	Geological
Baviaanskloof	Natural
N G Kerk / Dutch Reformed Church	Structure / place
Andrieskraal School	Structure / place
LOERIE	
Loerie NG Kerk	Structure / place
Loerie Station	Structure / place
WESTON	
Heroes Liberation Monument	Structure
THORNHILL	
Thornhill Baptist Church	Structure
GAMTOOS	
Narrow Gauge Bridge	Structure

Table 137: Heritage sites

KFA22: URBAN DEVELOPMENT

Urban renewal, or urban regeneration is a program of land development in areas of moderate to high density urban land use. Changes in the spatial economy can easily create imbalances in the urban environment and this requires mitigation. The impact of renewal on the urban environment cannot be underestimated and plays an important role in the history and demographics of cities.

Urban renewal involves the relocation of businesses, the demolition of structures, and the use of public assets to revitalise the urban milieu for the benefit of all its users. Policies such as Special Ratings Area, Restructuring Zones and Special Use Areas are tools to assist in renewal. The Urban Renewal of the business areas of Humansdorp Jeffreys Bay remain a priority. A Special Ratings Area Policy has been developed and once approved the St Francis Bay Town will be declared as a Special Ratings Area (SRA) to encourage investors to invest in the town.

KFA23: RURAL DEVELOPMENT

Rural development is multi-dimensional and much broader than poverty alienation through Human Resource Development (HRD) and social and economic programmes. It places emphases on changing environments to enable rural people to earn more, invest in themselves and their and their communities and contribute towards maintenance of key infrastructure. However, the notion of rural-urban linkages and how they can be improved to reduce poverty and inequality, enhance inclusive development and economic growth are being recognized.

The National Department of Rural Development and Land Reform has the mandate to deliver in terms of vibrant, equitable and sustainable rural communities and food securities for all. However, it is expected that municipalities play a critical role and form part of the implementation forum/task teams which drives the achievement of this outcome, for the following reasons:

- Local government is closest to the people.
- Municipalities have a constitutional mandate to undertake a developmental approach in implementing policies and programmes.
- Municipalities are required to exercise powers and functions to maximise the impact of social development, meeting needs of poor and ensuring growth of local economy, as per applicable legislation. This is also proposed in the SALGA position regarding the role of municipalities in agriculture.

In general, in order to meet the basic needs of rural and framing communities, municipalities should:

- Establish an environment (whether directly or indirectly) that will contribute and/or result in transformed rural communities, in a sustainable manner (facilitation, processes).
- Co-operate and align policies and programmes with other government entities.

KFA24: TOURISM

The Covid-19 pandemic had a severe negative impact on the economy of the Kouga Municipality especially in the business sector and tourism. Many people have lost their jobs and small businesses had to close their doors. Township economy was also severyly affected as SMME's in all sectors were affected by the lockdown.

The Department Planning, Developing & Tourism are responsible for facilitating arts and culture, heritage and museums and tourism development and events in the Kouga region. Various council's/associations were established to facilitate these different aspects of development and ensure community participation through planning and implementation.

The department have Memorandums of Agreement with the undermentioned councils/associations, which is the umbrella bodies for the tourism partners in the Kouga municipal area:

- **Kouga Local Tourism Association**
- **Kouga Heritage Council**
  - The Museums also look after the Duine Street Cemetery in Pellsrus, ensure that the grass is cut, and the area is maintained on a monthly basis.
- **Kouga Museums Association**
  - The museum participated during September in a Heritage day event at the Fountains Mall and the exhibition manned by Mart Mare and Susan Hammond. A few booklets with traditional recipes were printed and these proved to be so popular it had to be reprinted.
  - A Heritage Day colouring competition was also held for learners from the Pellsrus School and the theme was the importance of farming and cows in particular, dietary importance of milk, hides used for furniture, handbags, meat used to feed people, etc.

- **Kouga Arts Council – not funded.**
- **Kouga Events Committee**
  - Events planning also forms part of the directorates functions and comprise of representatives of all the departments in the Kouga, some councillors as well as the SAPS who evaluate, approve or reject all event applications.

The municipality monitors the councils/associations through meetings, discussions and quarterly reporting which are d to council.

Economic Impact on tourism in Kouga

Kouga Municipality has positioned itself to become the events capital of South Africa. This is a strategic focused on promotion of events tourism through supporting new and old events in Kouga as an events Capital. This type of tourism is focused on attracting tourists coming into a region to either participate in an event or to see an organized event put on by the city/region. *https://en.wikipedia.org/wiki/Tourism#Event_tourism)*.

The Covid-19 pandemic had a severe negative impact on the economy of the Kouga Municipality especially in the business sector and tourism. Many people have lost their jobs and small businesses had to close their doors. Township economy was also severyly affected as SMME's in all sectors were affected by the lockdown.

The outbreak of the Corona virus pandemic has made it difficult for Kouga to implement its planned events and especially businesses has felt the full brunt of the pandemic. Many businesses in the Kouga area had to close down during the harsh level 5 lockdown regulations.

The events that were cancelled due to Covid-19 are:

- Jeffreys Bay Beach Carnival in April
- Aloe Cup in June, the JBay Winterfest in July
- Humansdorp Lente fees in August, the St Francis Calamari Festival
- JBay Makietie
- SA Junior Surfing Championships in September
- Beer festival in October
- Biker rally in November
- Opening of Season and Countdown to the New Year in December

Tourism Support

The Sarah Baartman District implement the following programmes to ensure the tourism sector remains afloat:

- Digital marketing of establishments
- Financial support to 7 LTO's (branding, signage, marketing etc.)
- Website revamp
- Implementation of Tourism Marketing Plan
- SMME support (financial and non-financial)
- DM procuring PPE's to ensure that the 14 tourism officers are safe to receive tourists.

KFA25: ARTS AND CULTURE

The Kouga Arts Council not only develop the arts in the Kouga area, but also assists with various events through supplying and organising artists.

Rehabilitation of the fishermen gravesite in Pellsrus

The fishermen gravesite in Pellsrus in the process of being refurbished.

KFA26: SKILLS DEVELOPMENT AND EDUCATION

Several skills development projects, focused on the youth, are underway. A total of 371 youths is participating in 11 learnership and five skills development programmes, facilitated by the municipality. Nine youths are also working at Kouga as interns through the Finance Management Grant and a further two internships are being funded by the Municipal Infrastructure Support Agent (Misa). Other upcoming programmes include 42 apprenticeships in electricity and plumbing.

The municipality has a very good working relationship with the NSRI's Jeffreys Bay station. A lifeguard unit has been established as part of the NSRI's operations and our senior lifeguards will be offering free lifeguard training to local young people through the unit.

KFA27: ECONOMIC DEVELOPMENT AND POVERTY ALLEVIATION

The municipality's approach to economic development is in the process of adaptation and refocussing. Essentially the municipality aims to identify the competitive advantage of the municipal area and develop strategic initiatives to facilitate the optimization of investment opportunities to promote sustainable economic growth and job creation.

The Annual Local Economic Development Service Delivery Strategy for the Directorate PDT (PD&T) is identified in the IDP funded projects for the financial year, which is budgeted for, and on which the Service Delivery, Budget and Implementation Plan (SDBIP) is based. From the SDBIP, work plans are created in consultation with staff to determine the implementation plans (timeframes and budgets included) for the year. This is monitored continuously and reported on throughout the year.

The municipality must develop a comprehensive Economic Development Plan which are aligned with the economic indicators and the SDF. The need for land to accommodate emerging farmers is a challenge that must be addressed during the IDP cycle in conjunction with the relevant government departments.

Local Economic and Youth Support

The Sarah Baartman will implement the following programmes to ensure the sector remains afloat:

- Youth Fund
- SMME Support (financial and non-financial) by both SBDM and Kouga

Implementation of post Covid-19 Economic Stimulus Plan
The following projects were identified and will be funded by Kouga Municipality and private developers:

- Development of solar park in Kouga
- Development of a port terminal MERSK
- Agri-hub development
- Installation of smart meters in Kouga through PPP

Biomass Harvesting in Kou-Kamma and Kouga

The project is being implemented by Coastal 5 Wind Farm. It is an alien vegetation removal project. It is also an electricity generation project i.e. alternative energy. 60 people will be employed, and 18 settlements will be involved. The project will set up 5 timber harvesting teams and the project duration will be 5 years.

Private Development Funding Program (PDFP)

The PDFP is a funding mechanism which enables a municipality to direct the unlocked funding to projects that will assist the municipality to achieve its section 152 and 153 development goals and objectives as defined in the Constitution, Act 108 of 1996.

The Council has in principle pursued a project funding agreement with IDIS (International Diverse Innovation Solutions) (PTY)(Ltd).

Building Green Inclusive Municipalities

Kouga Municipality (KM) is part of the Building Inclusive Green Municipality Programme (BIGM), an International partnership between Federation of Canadian Municipalities and South African Local Government Association (SALGA), and funded by the Government of Canada. The MOU between Kouga and Prince Edward County was signed in March 2018. The purpose of the BIGM is to strengthen the capacity of Municipal Sector in South Africa, and to contribute to South Africa's development priorities through reducing poverty, supporting economic growth, and responding to climate change. The BIGM Programme will run for a period of 51 months (4 years and 3 months).

Kouga Municipality and Prince Edward County (PEC) have been partnered together under component 1000 ***(Local Economic Development)*** of BIGM Project. The Objective of this partnership is a more Effective, Innovative and Inclusive Local Economic Development with strong consideration of Woman, Youth and Vulnerable Groups in Kouga. Kouga Municipality and Prince Edward County entered a MOU in March 2018, committing to one another to work together and share experiences and knowledge in matters concerning Local Economic Development as well as formulating strategic direction that will promote Inclusive, Sustainable Development and Catalytic Economic Development Projects in Kouga.

Kouga BIGM Projects

Formulation of Local Economic Development Strategy - Clear Vision, Goals, and Strategic Pillars to Achieve Lucrative Economic Development Programmes. Setting a strategic direction considerate of integrating vulnerable groups into mainstream economy.

- ***Business Retention and Expansion*** - Focus on retaining and growing existing businesses in Kouga in order to Develop and implement effective - economic development plans Improve business and community competitiveness as well as Increase business investment and job retention & creation.
- ***Tourism Development and Destination Marketing*** - Creating Economic Value chain through reviving of Tourism and Heritage Assets in Kouga.
- Effective methods for meaningful community engagement in strategy formulation.
- ***Setting up of Cross Functional Team*** Engaged with various Departments to understand impact of all Municipal departments on Local Economic Development. Establishing institutional integration system in Kouga to achieve Local Economic Development Objectives.

While unemployment remains a serious concern, the municipality has helped to create more than 1 000 jobs during the first six months of the current financial year. Of these, a total of 351 were municipal appointments while a further 151 job opportunities were created through infrastructure and water projects. At least 500 temporary jobs were created through events supported by the municipality while the holiday influx in December again provided hundreds of Kouga locals with seasonal employment. A total number of jobs created is 389 for Q1 and Q2.

5.8.3 KPA3: MUNICIPAL FINANCIAL VIABILITY AND TRANSFORMATION

KFA28: FINANCIAL LEGISLATION AND COMPLIANCE

The following reflects the status of implementation of some of the key MFMA areas:

IDP

A revised 2021/22 IDP has been developed, which will be considered at a Council meeting to be held on 31 March 2021. The IDP includes specific deliverables that forms the basis for the Budget and SDBIP. The final version of the revised 2021/22 IDP will be considered at a Council meeting scheduled for 31 May 2021.

BUDGET

The draft annual budget document has been developed taking the MFMA and National Treasury (NT) requirements into account. Budgets are being tabled and approved within the required legislated timeframes.

ANNUAL REPORT

The Annual Report has been developed taking the MFMA and NT requirements into account. The 2019/20 Annual Report will be considered at a Council meeting scheduled for 31 May 2021.

OVERSIGHT REPORT

The Municipal Public Accounts Committee has considered the 2019/20 Annual report. Its Oversight Report will be considered at a Council meeting scheduled for 31 May 2021.

IN-YEAR REPORTING

The municipality submits the various reports required to the Executive Mayor, Council, and NT on an ongoing basis, in accordance with the MFMA.

SUPPLY CHAIN MANAGEMENT POLICY (SCM)

A Supply Chain Management Policy has been adopted and implemented in accordance with the MFMA and NT requirements. All the required committee structures are in place. Whilst the municipality is working at making these new processes operate more efficiently and effectively, it is considered that the municipality is currently complying with the MFMA and NT guidelines.

BUDGET AND TREASURY

A Budget and Treasury Office has been established in accordance with the MFMA and NT requirements, consisting of a CFO and municipal officials reporting to the CFO.

AUDIT COMMITTEE

An Audit Committee has been established and meets on a quarterly basis.

INTERNAL AUDIT FUNCTION

The Municipality's Internal Audit Function reports to the Municipal Manager and is operating in accordance with an audit plan.

In relation to the 2021/22 financial year and beyond, the municipality plans to focus on the following high priority areas:

- Maintaining its unqualified audit status.
- Further strengthening of the integration and linkages between the IDP, Budget, SDBIP and Annual Report.

INTERNSHIP PROGRAMME

The municipality has a total of five Interns on the Municipal Financial Management Internship programme, as approved by National Treasury.

MUNICIPAL STANDARD CHART OF ACCOUNTS (MSCOA)

In accordance with the Municipal Regulations relating to mSCOA, municipalities were required to be compliant with the mSCOA classification framework by 1 July 2017. It is to be noted that the Municipality has been transacting on the mSCOA compliant financial system since July 2017.

KFA29: FINANCIAL MANAGEMENT POLICIES

REVIEW OF CREDIT CONTROL AND DEBT COLLECTION POLICIES

The MFMA and the Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, be updated on an annual basis.
A number of policies have been adopted by the Council. The policies govern the financial management functions of the Municipality, such as supply chain management, budget virements, credit control and debt collection, etc. The Customer Care, Credit Control and Debt Collection Policy was reviewed and approved by Council on 30 October 2018. The 2021/22 MTREF has been prepared on the basis of achieving an average revenue collection rate of 93% of current billings for property rate and service charges.

Supply Chain Management Policy

A revised Supply Chain Management Policy was adopted by Council in 29 March 2018.

Property Rates Policy

A revised Property Rates Policy was adopted by Council in February 2018.

Funding and Reserves Policy

The Funding and Reserves Policy was adopted by Council in May 2016.

Cost Containment Policy

The Cost Containment Policy was adopted by Council in May 2016.

Cash Management and Investment Policy

The Cash Management and Investment Policy was adopted by Council in May 2016.

Borrowing Policy

The Borrowing Policy was adopted by Council in May 2016.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- Indigent Policy.
- Budget virement Policy.

KFA30: OVERVIEW OF BUDGET ASSUMPTIONS

The key service delivery priorities, as reflected in the IDP, informed the development of the Budget, including the need to maintain and improve the Municipality's financial sustainability.
It is also to be noted, that cost containment measures are being implemented to curb costs and to improve operational efficiency.

National Treasury's MFMA Circulars No. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75,78,79,85,86, 88, 89, 91, 93, 94, 98, 99, 107 and 108 (refer to Annexures "A and B") was used to guide the compilation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF).

The Municipality faced the following significant challenges during the compilation of the 2021/22 MTREF:

- Maintaining an acceptable employee related cost ratio.
- Increased costs associated with bulk electricity and water purchases, placing upward pressure on municipal tariff increases.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure.
- Maintaining electricity and water losses at acceptable levels.
- Maintaining revenue collection rates at the targeted levels; and
- Maintaining an acceptable cost coverage ratio.

The following budgeting principles and guidelines directly informed the compilation of the 2021/22 MTREF:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs.

- The level of property rates and tariff increases to ensure the delivery of municipal services on a financially sustainable basis.
- The need to enhance the municipality's revenue base.
- No loan funding is available to support the Capital Budget, in view of financial affordability considerations.
- In accordance with Section 19 of the Municipal Finance Management Act, the relevant Directors must submit comprehensive reports in relation to new projects, inter alia; dealing with the total project costs, funding sources, future operating budget implications and associated tariff implications, before Council finally approves the implementation of any new projects.

In view of the aforementioned, the following table represents an overview of the proposed 2021/22 Medium-term Revenue and Expenditure Framework:

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK					
	Adjusted Budget	Budget Year 2021/22	% Increase /(decrease)	Budget Year 2022/23	% Increase /(decrease)	Budget Year 2023/24	% Increase /(decrease)
R thousands							
Total Operating Revenue	922 858	965 400	4.61%	1 022 807	5.95%	1 075 898	5.19%
Total Operating Expenditure	1 037 915	1 074 449	3.52%	1 111 859	3.48%	1 158 229	4.17%
Surplus/(Deficit)	(115 057)	(109 049)	-5.22%	(89 052)	-18.34%	(82 330)	-7.55%
Capital Expenditure	85 164	61 013	-28.36%	41 311	-32.29%	60 869	47.35%

Table 138: Overview of the 2021/22 MTREF

Total operating revenue has increased by 4.61% or R 42,542 million for the 2021/22 financial year, compared to the 2020/21 Adjustments Budget.

For the two outer years, operational revenue increases by 5.95% and 5.19% respectively, resulting in a total revenue growth of R 153,041 million over the MTREF, when compared to the 2020/21 financial year.

Total operating expenditure for the 2021/22 financial year amounts to R 1,074,449 billion, resulting in a budgeted deficit of R 109,049 million. Compared to the 2020/21 Adjustments Budget, operational expenditure increased by 3.52% in the 2021/22 Budget.

For the two outer years, operational expenditure increases by 3.48% and increases by 4.17% respectively. The 2022/23 and 2023/24 budgets reflect operating deficits of R 89,052 million and R 82,330 million, respectively.

The major operating expenditure items for 2021/22 are employee related costs (35.24%), bulk electricity purchases (26.99%), other expenditure (9.34%), depreciation (8.55%) and debt impairment (5%).

Funding for the 2021/22 Operating Budget is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, environmental management fees and refuse collection (55.74%), property rates (22.65%), grants and subsidies received from National and Provincial Governments (15.81%).

In order to fund the 2021/22 Operating Budget, the following increases in property rates and service charges have been proposed, with effect from 1 July 2021:

Property rates	-	5.25%
Water	-	7.1%
Sanitation	-	6.5%
Refus	-	6.5%
Electricity (average increase in income)	-	14.59%
Environmental Management Fee	-	0%

The capital budget of R 61,013 million for 2021/22 is R 24,151 million or 28.36% less than the 2020/21 Adjustments Budget. The Capital Budget over the MTREF will be mainly funded from government grants and subsidies, as the municipality has reached its prudential borrowing limits, whilst limited internal funding is available.

KFA31: OPERATING REVENUE FRAMEWORK

The continued provision and expansion of municipal services is largely dependent on the Municipality generating sufficient revenues. Efficient and effective revenue management is thus of vital importance in ensuring the ongoing financial sustainability of the Municipality. Furthermore, in accordance with the MFMA, expenditure has to be limited to the realistically anticipated revenues.

The Municipality's revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard.
- Tariff Policies.
- Property Rates Policy.
- Indigent Policy and provision of free basic services.
- The level of property rates and tariff increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to take into account the maintenance and replacement of infrastructure, including the expansion of services.
- Determining fully cost reflective tariffs for trading services.
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality.
- Efficient revenue management, targeting a 93% annual collection rate for property rates and service charges.

The following table is a summary of the 2021/22 MTREF (classified by main revenue source):

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Revenue By Source				
Property rates	207 801	218 711	230 193	242 278
Service charges - electricity revenue	291 625	334 173	355 059	377 250
Service charges - water revenue	83 642	89 581	95 941	102 753
Service charges - sanitation revenue	55 057	58 635	62 447	66 506
Service charges - refuse revenue	53 237	55 744	58 414	61 257
Rental of facilities and equipment	1 122	1 169	1 220	1 275

Interest earned - external investments	5 552	5 780	6 034	6 306
Interest earned - outstanding debtors	10 253	10 674	11 143	11 645
Fines, penalties and forfeits	2 150	2 238	2 336	2 441
Licences and permits	24 732	25 746	26 878	28 088
Transfers and subsidies	166 745	152 602	162 338	164 810
Other revenue	20 941	10 348	10 804	11 290
Total Revenue (excluding capital transfers and contributions)	**922 858**	**965 400**	**1 022 807**	**1 075 898**

Table139: Summary of main revenue sources

The following table illustrates the mix of main revenue sources, supporting the 2021/22 MTREF:

DESCRIPTION	CURRENT YEAR 2020/21		2021/22 MEDIUM TERM REVENUE & EXPENDITURE					
	Adjusted Budget	**%**	**Budget Year 2021/22**	**%**	**Budget Year 2022/23**	**%**	**Budget Year 2023/24**	**%**
R thousands								
Revenue By Source								
Property rates	**207 801**	22.52	**218 711**	22.65	**230 193**	22.51	**242 278**	22.52
Service charges - electricity revenue	**291 625**	31.60	**334 173**	34.61	**355 059**	34.71	**377 250**	35.06
Service charges - water revenue	**83 642**	9.06	**89 581**	9.28	**95 941**	9.38	**102 753**	9.55
Service charges - sanitation revenue	**55 057**	5.97	**58 635**	6.07	**62 447**	6.11	**66 506**	6.18
Service charges - refuse revenue	**53 237**	5.77	**55 744**	5.77	**58 414**	5.71	**61 257**	5.69
Rental of facilities and equipment	**1 122**	0.12	**1 169**	0.12	**1 220**	0.12	**1 275**	0.12
Interest earned - external investments	**5 552**	0.60	**5 780**	0.60	**6 034**	0.59	**6 306**	0.59
Interest earned - outstanding debtors	**10 253**	1.1%	**10 674**	1.11	**11 143**	1.09	**11 645**	1.08
Fines, penalties and forfeits	**2 150**	0.23	**2 238**	0.23	2 336	0.23	**2 441**	0.23
Licences and permits	**24 732**	2.68	**25 746**	2.67	26 878	2.63	**28 088**	2.61
Transfers and subsidies	**166 745**	18.07	**152 602**	15.81	162 338	15.87	**164 810**	**15.32**
Other revenue	**20 941**	2.27	**10 348**	1.07	10 804	1.06	**11 290**	**1.05**
Total Revenue (excluding capital transfers and contributions)	**922 858**	100.00	**965 400**	100.00	1 022 807	100.0 0	**1 075 898**	**100.00**
Total Revenue from Property Rates and Service Charges	**691 362**	74.92	**756 844**	78.40	802 053	78.42	**850 044**	**79.01**

Table 140: Mix of main revenue sources

In the 2020/21 financial year, rates and service charges amounted to R 691,362 million. This increases to R756,844 million, R 802,053 million and R 850,044 million in the 2021/22, 2022/23 and 2023/24 financial years, respectively.

The major operating revenue sources for 2021/22 are electricity (34.61%), property rates (22.65%), operating grants & subsidies (15.81%), water (9.28%) and sanitation (6.07%).

The following table provides a breakdown of the various operating grants and subsidies allocated to the Municipality over the medium term:

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue:General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050
District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–
Total Operating Transfers and Grants	**166 705**	**152 602**	**162 338**	**164 810**

Table 141: Operating Transfers and Grant Receipts

The Municipality is faced with the significant challenge of providing services with its limited financial resources. Against this background, the Municipality has undertaken the tariff determination process relating to property rates and service charges as follows:

Property Rates

Property rates fund the costs associated with the provision of general services, such as fire, library and roads and stormwater services.

The following provisions in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).
- An additional R85 000 rebate will be granted to registered indigents in terms of the Indigent Policy.
- If the usage of a property changes during a financial year, the rebate applicable will be reduced *pro rata* for the balance of the financial year.

A property rates increase of 5.25% is proposed as from 1 July 2021.

The proposed property rates increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- Providing for debt impairment.

Sale of water and impact of tariff increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their water tariffs to ensure:

- Fully cost reflective water tariffs – tariffs should include the costs associated with bulk water purchases, the maintenance and renewal of purification plants, water networks and water reticulation expansion.
- Water tariffs are structured to protect basic levels of service; and
- Water tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that water tariffs are fully cost reflective by 2014/15. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2021/22 MTREF.

A tariff increases of 7.1% is proposed as from 1 July 2021. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- The cost of bulk water purchases increased by R1.367 million.
- Providing for debt impairment.

The water tariff structure is designed in such a manner that higher levels of water consumption are progressively charged at a higher rate.

Sale of electricity and impact of tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. Nersa has determined that the Municipality's consumer tariffs will be increased by 14.59% on average to offset the additional electricity bulk purchase costs, as from 1 July 2021.

The proposed tariff increases are mainly influenced by the following:

- Employee related costs increased by 8.59%.
- The cost of bulk electricity purchases increased by 17.80%.
- Repairs and maintenance of electricity infrastructure.
- Costs of servicing existing external borrowing to fund electricity infrastructure.
- Providing for debt impairment.

Sanitation and impact of tariff increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their sanitation tariffs to ensure:

- Fully cost reflective sanitation tariffs – tariffs should include the costs associated with maintenance and renewal of treatment plants, sanitation networks and sanitation infrastructure expansion.
- Sanitation tariffs are structured to protect basic levels of service; and
- Sanitation tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that sanitation tariffs are fully cost reflective by 2014/15. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2021/22 MTREF. Sanitation charges are determined based on the volume of water consumed, which is appropriately reduced by the percentage of water discharged into the sewer system.

A tariff increase of 6.5% is proposed as from 1 July 2021. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- Providing for debt impairment.

Refuse collection and impact of tariff increases

National Treasury has urged municipalities to ensure that refuse tariffs are fully cost reflective by 2015. The tariffs should take into account the need to maintain a cash-backed reserve to cover the future costs of the rehabilitation of landfill sites. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2021/22 MTREF.

A tariff increases of 6.5% is proposed for refuse collection, as from 1 July 2021.

The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- Providing for debt impairment

Environmental management fees and impact of tariff increases

A tariff increases of 0% is proposed for the environmental management fee, as from 1 July 2021.

KFA32: OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2021/22 budget and MTREF is informed by the following:

- The funding of the budget over the medium-term is informed by the requirements of Section 18 and 19 of the MFMA.
- A balanced budget approach by limiting operating expenditure to the operating revenue.

The following table is a high-level summary of the 2021/22 budget and MTREF (classified per main type of operating expenditure):

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Expenditure By Type				
Employee related costs	348 729	378 677	403 878	430 130
Remuneration of councillors	13 651	13 651	14 538	15 483
Debt impairment	70 162	53 726	40 660	34 468
Depreciation & asset impairment	89 066	91 830	95 080	98 560
Finance charges	1 388	716	–	–
Bulk purchases	246 173	290 000	302 760	316 384
Other materials	63 363	66 261	71 947	74 024
Contracted services	93 559	78 598	79 299	80 156
Transfers and subsidies	761	650	650	650

Other expenditure	111 062	100 339	103 047	108 374
Total Expenditure	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**

Table 142: Summary of operating expenditure by standard classification item

The total operating expenditure increased by R 36,534 million (3.52%) from R 1,037,915 billion in 2020/21 to R 1,074,449 billion in 2021/22. Below is a discussion of the main expenditure components.

Employee related costs

The 2021/22 budget provides for a general increase of 6%, the salary and wage collective agreement for the period 01 July 2018 to 30 June 2020 has come to an end. The total budget provision of R 378,677 million represents an increase of 8.59% over the 2020/21 budget. Employee related costs in the 2021/22 Budget, represent 35.24% of the total operating expenditure.

Remuneration of councillors

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs, in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). There is no proclamation in terms of Remuneration of Councillors yet.

Debt impairment

The provision for debt impairment was determined based on a targeted annual collection rate of 93% for property rates and services charges. For the 2021/22 financial year this amounted to R 53,726 million and decrease to R 34,468 million in 2023/24. While this expenditure represents a non-cash flow item, it is taken into account in determining the total costs associated with the rendering of municipal services and the realistically anticipated revenues.

Depreciation and asset impairment

The provision for depreciation and asset impairment has been informed by the Municipality's Fixed Assets Register. The budget amounts to R 91,830 million for the 2021/22 financial and equates to 8.55% of the total operating expenditure.

Finance charges

Finance charges consist primarily of the repayment of interest on existing long-term borrowing (cost of capital). Finance charges constitute 0.07% (R 0,716 million) of total operating expenditure for 2021/22.

Bulk electricity purchases

The bulk purchases of electricity increased by R 43,827 million (17.80%), from R 246,173 million in 2020/21 to R 290,000 million in 2021/22. Bulk electricity purchases constitute 26.99% of total operating expenditure for 2021/22.

Other materials

Other materials relate to the inventory items, such as bulk water purchases, material and supplies, consumables, printing and stationery, fuel and oil etc., initially budgeted under bulk purchases and general expenses, being transferred to other materials. This is in line with the mSCOA requirements. The budget for 2021/22 amounts to R 66,261 million and equates to 6.17% of the total operating expenditure.

Contracted services

In the 2021/22 financial year, the budget provision amounts to R 78,598 million and equates to 7.32% of the total operating expenditure.

Transfers and subsidies

Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organizations, in line with the Council approved grant-in-aid policy. In the 2021/22 financial year, the budget provision amounts to R 0,650 million and equates to 0.06% of the total operating expenditure.

Other expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality.
In the 2021/22 financial year, the budget provision amounts to R 100,339 million and equates to 9.34% of the total operating expenditure.

The graph below reflects the expenditure components of the budgeted statement of financial performance:

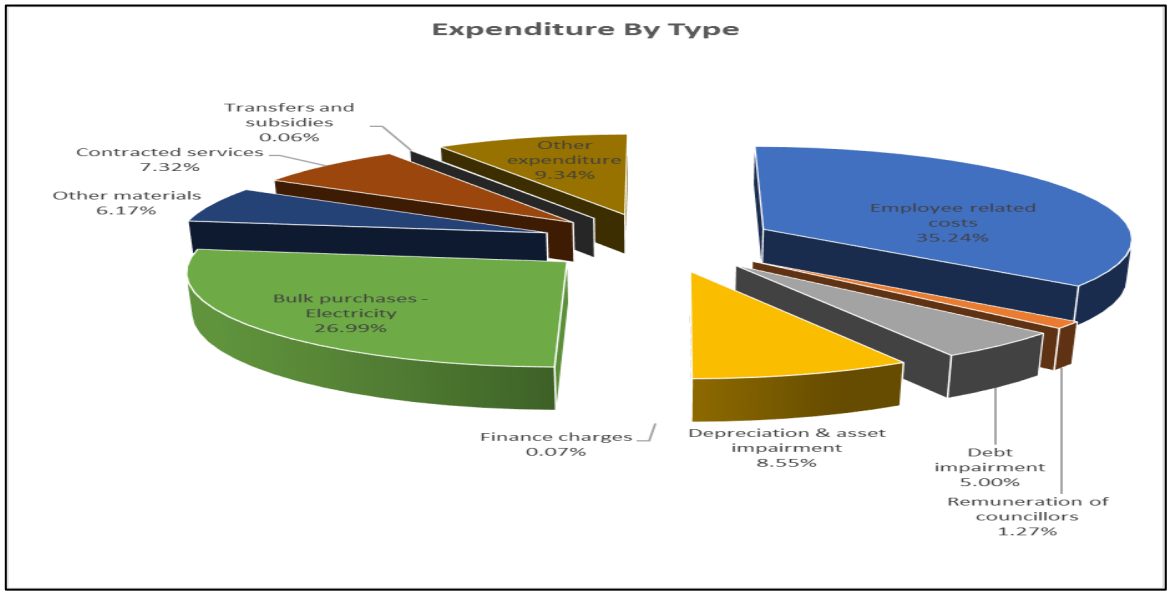

Figure 38: Main operational expenditure categories for the 2021/22 financial year

Priority relating to repairs and maintenance

The repairs and maintenance expenditure in the 2021/22 financial year, decreased by R 16,193 million or 24.86% compared to the 2020/21 Adjustments Budget.

It is to be noted that repairs and maintenance, constitutes 4.56%, 4.01% and 3.91% of the total operating expenditure, for the 2021/22, 2022/23 and 2023/24 financial years, respectively.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Repairs and Maintenance by Asset Class	**65 146**	**48 953**	**44 627**	**45 317**
Roads Infrastructure	30 049	11 590	1 660	1 734
Storm water Infrastructure	1 406	1 355	1 414	1 484
Electrical Infrastructure	5 353	7 227	9 955	10 318
Water Supply Infrastructure	8 829	6 386	6 665	6 960
Sanitation Infrastructure	3 022	2 915	3 043	3 179
Rail Infrastructure	207	730	803	827
Information and Communication Infrastructure	1 050	1 312	1 578	345
Infrastructure	***49 916***	***31 515***	***25 118***	***24 847***
Community Facilities	1 468	2 267	2 503	2 657
Sport and Recreation Facilities	2 219	2 044	3 559	3 700
Community Assets	***3 687***	***4 311***	***6 062***	***6 357***
Operational Buildings	3 002	2 579	2 319	2 434
Other Assets	***3 002***	***2 579***	***2 319***	***2 434***
Machinery and Equipment	**748**	**732**	**802**	**839**
Transport Assets	**7 794**	**9 816**	**10 325**	**10 840**
TOTAL EXPENDITURE OTHER ITEMS	**65 146**	**48 953**	**44 627**	**45 317**

Table 143: Repairs and maintenance per asset class

For the 2021/22 financial year an amount of R 31,515 million (64.38%) of total repairs and maintenance, will be spent on infrastructure assets.

Free basic services : Indigent Support

The indigent support assists indigent households that have limited financial ability to pay for municipal services. In order to qualify for free services, the households are required to register in terms of the Municipality's Indigent Policy, whilst the monthly household income may not exceed two state pensions. Detail relating to free services, cost of free basic services, as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the indigent support of the registered indigent households is largely financed by national government through the local government equitable share allocation, received in terms of the annual Division of Revenue Act.

KFA33: CAPITAL EXPENDITURE

The following table provides a breakdown of budgeted capital expenditure by vote:

DESCRIPTION	CURRENT YEAR 2020/21		2021/22 MEDIUM TERM REVENUE & EXPENDITURE					
	Adjusted Budget	%	Budget Year 2021/22	%	Budget Year 2022/23	%	Budget Year 2023/24	%
R thousands								
Capital expenditure - Vote								
Vote 1 - EXECUTIVE COUNCIL	1 832	2.15	2 740	4.49	500	1.21	500	0.82
Vote 2 - FINANCIAL SERVICES	2 865	3.36	2 460	4.03	500	1.21	-	0.00
Vote 3 - CORPORATE SERVICES	2 386	2.80	1 923	3.15	200	0.48	200	0.33
Vote 4 - COMMUNITY SERVICES	8 307	9.75	7 490	12.28	2 700	6.54	13 010	21.37
Vote 5 - INFRASTRUCTURE AND ENGINEERING	67 685	79.48	45 230	74.13	36 811	89.11	45 439	74.65
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	2 088	2.45	1 170	1.92	600	1.45	1 720	2.83
Capital multi-year expenditure sub-total	**85 164**	**100.00**	**61 013**	**100.00**	**41 311**	**100.00**	**60 869**	**100.00**

Table 144: (2021/22 Medium-term capital budget per vote

Infrastructure and Engineering receives the highest allocation of R 45,230 million in 2021/22, which equates to 74.13%, followed by Community Services at R 7,490 million (12.28%), Executive & Council at R 2,740 million (4.49%), Financial Services at R 2,460 million (4.03%), Corporate Services at R 1,923 million (3.15%), and Planning, Development and Tourism at R 1,170 million (1.92%).

Annexure "C" provides a summary of the capital projects included in the Capital budget.

The following graph provides a breakdown of the capital budget over the MTREF.

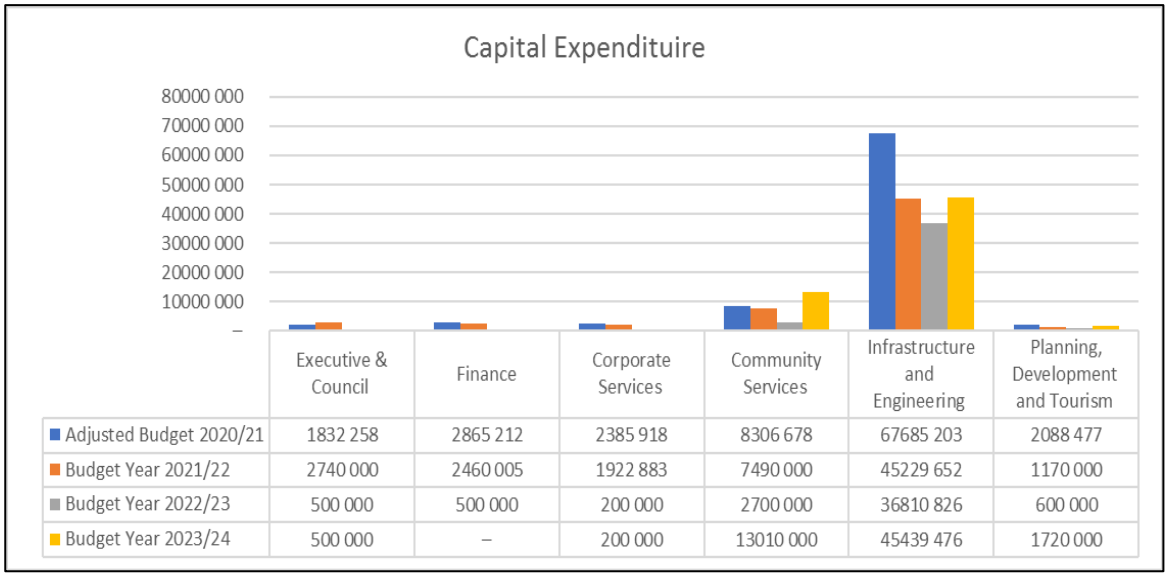

Figure 39: Capital Expenditure

KFA34: ANNUAL BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2021/22 Budget and MTREF to be considered for approval by Council. Each table is accompanied by *explanatory notes*.

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousands	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Financial Performance				
Property rates	207 801	218 711	230 193	242 278
Service charges	483 561	538 133	571 860	607 766
Investment revenue	5 552	5 780	6 034	6 306
Transfers recognised - operational	166 745	152 602	162 338	164 810
Other own revenue	59 198	50 174	52 382	54 739
Total Revenue (excluding capital transfers and contributions)	922 858	965 400	1 022 807	1 075 898
Employee costs	348 729	378 677	403 878	430 130
Remuneration of councillors	13 651	13 651	14 538	15 483
Depreciation & asset impairment	89 066	91 830	95 080	98 560
Finance charges	1 388	716	–	–
Materials and bulk purchases	309 536	356 261	374 707	390 408
Transfers and grants	761	650	650	650
Other expenditure	274 783	232 664	223 006	222 998
Total Expenditure	1 037 915	1 074 449	1 111 859	1 158 229
Surplus/(Deficit)	(115 057)	(109 049)	(89 052)	(82 330)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	53 586	40 256	41 919	43 217
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	0	0	0	0
Surplus/(Deficit) after capital transfers & contributions	(61 471)	(68 793)	(47 133)	(39 113)
Share of surplus/ (deficit) of associate	–	–	–	–
Surplus/(Deficit) for the year	(61 471)	(68 793)	(47 133)	(39 113)
Capital expenditure & funds sources				
Capital expenditure	85 164	61 013	41 311	60 869
Transfers recognised - capital	50 006	35 985	35 831	36 959
Public contributions & donations	–	–	–	–
Borrowing	–	–	–	–
Internally generated funds	35 158	25 028	5 480	23 910
Total sources of capital funds	85 164	61 013	41 311	60 869

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousands	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Financial position				
Total current assets	207 271	170 054	183 461	186 232
Total non-current assets	2 318 735	2 287 917	2 234 148	2 196 458
Total current liabilities	237 238	182 327	182 327	182 327
Total noncurrent liabilities	163 445	163 445	163 445	163 445
Community wealth/Equity	2 125 323	2 112 199	2 071 837	2 036 918
Cash flows				
Net cash from (used) operating	43 801	23 037	47 947	59 446
Net cash from (used) investing	(85 164)	(61 013)	(41 311)	(60 869)
Net cash from (used) financing	(9 608)	(6 747)	–	–
Cash/cash equivalents at the year end	90 062	45 339	51 975	50 552
Cash backing/surplus reconciliation				
Cash and investments available	90 062	45 339	51 975	50 552
Application of cash and investments	71 940	31 693	23 137	17 986
Balance - surplus (shortfall)	18 122	13 646	28 838	32 566
Asset management				
Asset register summary (WDV)	2 318 722	2 287 904	2 234 135	2 196 445
Depreciation	89 066	91 830	95 080	98 560
Renewal of Existing Assets	13 173	5 215	–	7 500
Repairs and Maintenance	65 146	48 953	44 627	45 317
Free services				
Cost of Free Basic Services provided	50 662	54 308	57 740	61 402
Revenue cost of free services provided	19 429	20 451	21 526	22 658
Households below minimum service level				
Water:	–	–	–	–
Sanitation/sewerage:	–	–	–	–
Energy:	–	–	–	–
Refuse:	–	–	–	–

Table 145: Table A1 - Budget Summary

Explanatory notes to Table A1 - Budget Summary

The aim of the Budget Summary is to provide a concise overview of the proposed budget from all of the major financial perspectives (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the amounts to be approved by Council within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance, as well as the Municipality's commitment to eliminating basic service delivery backlogs.

FUNCTIONAL CLASSIFICATION DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Revenue - Functional				
Governance and administration	**343 256**	**334 164**	**353 884**	**368 321**
Executive and council	734	29	31	32
Finance and administration	342 522	334 135	353 853	368 289
Internal audit	–	–	–	–
Community and public safety	**13 588**	**11 799**	**12 111**	**12 443**
Community and social services	2 498	2 516	2 537	2 559
Sport and recreation	6 054	6 302	6 579	6 875
Public safety	1 985	735	736	737
Housing	(0)	–	–	–
Health	3 051	2 246	2 259	2 272
Economic and environmental services	**26 303**	**27 734**	**27 520**	**28 751**
Planning and development	6 573	6 870	7 223	7 541
Road transport	18 341	19 419	18 788	19 633
Environmental protection	1 389	1 446	1 509	1 577
Trading services	**593 297**	**631 958**	**671 212**	**709 600**
Energy sources	304 317	349 113	369 827	392 131
Water management	112 133	109 904	117 647	124 886
Waste water management	104 840	99 787	106 640	112 295
Waste management	72 006	73 154	77 098	80 289
Other	**–**	**–**	**–**	**–**
Total Revenue - Functional	**976 444**	**1 005 656**	**1 064 726**	**1 119 115**
Expenditure - Functional				
Governance and administration	**238 130**	**243 963**	**253 740**	**260 577**
Executive and council	43 932	50 592	51 830	54 784
Finance and administration	194 178	193 351	201 884	205 763
Internal audit	21	20	25	30

FUNCTIONAL CLASSIFICATION DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Community and public safety	**99 017**	**107 514**	**116 055**	**122 817**
Community and social services	10 540	11 186	11 642	12 357
Sport and recreation	50 848	54 230	59 104	61 954
Public safety	25 397	29 328	31 812	34 129
Housing	6 643	5 884	6 229	6 594
Health	5 590	6 886	7 267	7 783
Economic and environmental services	**152 034**	**157 693**	**155 446**	**164 137**
Planning and development	40 583	45 303	46 442	48 702

Road transport	109 440	109 560	105 982	112 179
Environmental protection	2 011	2 830	3 022	3 256
Trading services	**546 626**	**561 444**	**582 822**	**606 895**
Energy sources	317 278	354 858	366 199	379 118
Water management	93 914	86 287	88 655	92 177
Waste water management	67 477	59 888	61 948	64 801
Waste management	67 957	60 412	66 021	70 799
Other	**2 107**	**3 834**	**3 796**	**3 803**
Total Expenditure - Functional	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**
Surplus/(Deficit) for the year	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**

Table 146: Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Explanatory notes to Table A2 - 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 approve a budget in one common format, to facilitate comparison across all municipalities. It should be noted that the revenue by vote as reflected in this table, includes revenue attributable to capital grants.

VOTE DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Revenue by Vote				
Vote 1 - EXECUTIVE COUNCIL	706	–	–	–
Vote 2 - FINANCIAL SERVICES	340 936	332 484	352 130	366 488
Vote 3 - CORPORATE SERVICES	307	1 435	1 498	1 566
Vote 4 - COMMUNITY SERVICES	105 577	105 755	110 926	115 426
Vote 5 - INFRASTRUCTURE AND ENGINEERING	524 996	561 899	595 909	631 181
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	3 922	4 082	4 262	4 454
Total Revenue by Vote	**976 444**	**1 005 656**	**1 064 726**	**1 119 115**
Expenditure by Vote				
Vote 1 - EXECUTIVE COUNCIL	45 903	52 647	52 887	55 927
Vote 2 - FINANCIAL SERVICES	108 439	107 877	108 774	112 017
Vote 3 - CORPORATE SERVICES	47 075	57 087	62 364	59 684
Vote 4 - COMMUNITY SERVICES	206 883	213 660	232 009	247 641
Vote 5 - INFRASTRUCTURE AND ENGINEERING	601 518	609 620	621 671	647 070
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	28 096	33 558	34 153	35 889
Total Expenditure by Vote	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**
Surplus/ (Deficit) for the year	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**

Table 147: Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. The purpose of the format in which the budget is presented, 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 are 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.

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Revenue By Source				
Property rates	207 801	218 711	230 193	242 278
Service charges - electricity revenue	291 625	334 173	355 059	377 250
Service charges - water revenue	83 642	89 581	95 941	102 753
Service charges - sanitation revenue	55 057	58 635	62 447	66 506
Service charges - refuse revenue	53 237	55 744	58 414	61 257
Service charges - other	–	–	–	–
Rental of facilities and equipment	1 122	1 169	1 220	1 275
Interest earned - external investments	5 552	5 780	6 034	6 306
Interest earned - outstanding debtors	10 253	10 674	11 143	11 645
Dividends received	–	–	–	–

Fines, penalties and forfeits	2 150	2 238	2 336	2 441
Licences and permits	24 732	25 746	26 878	28 088
Agency services	–	–	–	–
Transfers and subsidies	166 745	152 602	162 338	164 810
Other revenue	20 941	10 348	10 804	11 290
Gains	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**922 858**	**965 400**	**1 022 807**	**1 075 898**
Expenditure By Type				
Employee related costs	348 729	378 677	403 878	430 130
Remuneration of councillors	13 651	13 651	14 538	15 483
Debt impairment	70 162	53 726	40 660	34 468
Depreciation & asset impairment	89 066	91 830	95 080	98 560
Finance charges	1 388	716	–	–
Bulk purchases	246 173	290 000	302 760	316 384
Other materials	63 363	66 261	71 947	74 024
Contracted services	93 567	78 598	79 299	80 156
Transfers and subsidies	761	650	650	650
Other expenditure	111 055	100 339	103 047	108 374
Losses	–	–	–	–
Total Expenditure	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**
Surplus/(Deficit)	**(115 057)**	**(109 049)**	**(89 052)**	**(82 330)**

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	53 586	40 256	41 919	43 217
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)	0	0	0	0
Transfers and subsidies - capital (in-kind - all)	**–**	**–**	**–**	**–**
Surplus/(Deficit) after capital transfers & contributions	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**
Taxation	–	–	–	–
Surplus/(Deficit) after taxation	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**
Attributable to minorities	–	–	–	–
Surplus/(Deficit) attributable to municipality	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**
Share of surplus/ (deficit) of associate	–	–	–	–
Surplus/(Deficit) for the year	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**

Table 148: (Table A4 - Budgeted Financial Performance (revenue and expenditure)

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

Revenue

1. 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 annual results and the original budget, so as to assess performance.
2. Total revenue (excluding capital transfers and contributions) amounts to R 965,400 million in 2021/22 and increases to R 1,075,898 billion in 2023/24.This represents a year-on-year increase of 4.61% for the 2021/22 financial year and increases of 5.95% for the 2022/23 financial year and 5.19% for the 2023/24 financial year, respectively.
3. Revenue from property rates amounts to R 218,711 million in the 2021/22 financial year and increases to R 242,278 million in 2023/24, which amounts to 22.65% of the total operating revenue base of the Municipality.
4. Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the biggest component of the total revenue base, amounting to R 538,133 million for the 2021/22 financial year and increasing to R 607,766 million in 2023/24. For the 2021/22 financial year services charges amount to 55.74% of the total revenue base.
5. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It is to be noted that the grants decreased by 8.48% for 2021/22, increases by 6.38% for 2022/23 and increased by 1.52% for 2023/24, compared to the 2020/21 Adjustments Budget.

Below a breakdown of property rates and service charges for 2021/22:

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE	
	Adjusted Budget	Budget Year 2021/22	%
R thousands			
Revenue By Source			
Property rates	207 801	218 711	5.25
Service charges - electricity revenue	291 625	334 173	14.59
Service charges - water revenue	83 642	89 581	7.10
Service charges - sanitation revenue	55 057	58 635	6.50
Service charges - refuse revenue	38 566	41 073	6.50
Service charges - environment management revenue	14 671	14 671	0.00

Table 149: Table A4 – Property rates and service charges

VOTE DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Capital expenditure - Vote				
Multi-year expenditure *to be appropriated*				
Vote 1 - EXECUTIVE COUNCIL	1 832	2 740	500	500
Vote 2 - FINANCIAL SERVICES	2 865	2 460	500	–
Vote 3 - CORPORATE SERVICES	2 386	1 923	200	200
Vote 4 - COMMUNITY SERVICES	8 307	7 490	2 700	13 010
Vote 5 - INFRASTRUCTURE AND ENGINEERING	67 685	45 230	36 811	45 439

Vote 6 - PLANNING DEVELOPMENT AND TOURISM	2 088	1 170	600	1 720
Total Capital Expenditure - Vote	**85 164**	**61 013**	**41 311**	**60 869**
Capital Expenditure - Functional				
Governance and administration	**7 133**	**8 963**	**2 080**	**2 410**
Executive and council	1 132	2 240	500	500
Finance and administration	6 001	6 723	1 580	1 910
Internal audit	–	–	–	–
Community and public safety	**18 886**	**8 987**	**5 917**	**11 081**
Community and social services	–	570	520	1 300
Sport and recreation	12 245	6 217	4 797	4 681
Public safety	5 882	2 200	600	4 100
Housing	760	–	–	1 000
Health	–	–	–	–

VOTE DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Economic and environmental services	**6 880**	**15 555**	**8 953**	**32 000**
Planning and development	2 871	1 120	600	720
Road transport	4 009	14 435	8 353	31 280
Environmental protection	–	–	–	–
Trading services	**52 164**	**27 458**	**24 360**	**15 379**
Energy sources	18 984	9 783	6 182	6 087
Water management	7 827	2 245	180	180
Waste water management	24 453	14 630	17 649	3 262
Waste management	900	800	350	5 850
Other	**100**	**50**	**–**	**–**
Total Capital Expenditure - Functional	**85 164**	**61 013**	**41 311**	**60 869**
Funded by:				
National Government	44 888	34 385	35 831	36 959
District Municipality	5 118	1 600	–	–
Transfers recognised - capital	**50 006**	**35 985**	**35 831**	**36 959**
Internally generated funds	35 158	25 028	5 480	23 910
Total Capital Funding	**85 164**	**61 013**	**41 311**	**60 869**

Table 150: (Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. The capital programme is funded from national grants and internally generated funds. For 2021/22, capital transfers totals R 35,985 million (58.98%) and amounts to R 36,959 million for 2023/24 (60.72%). Internally generated funding amounts to R 25,028 million, R 5,480 million and R 23,910 million for each of the respective financial years of the MTREF. These funding sources are further discussed in detail in Section 2.6 (Overview of Budget Funding).

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
ASSETS				
Current assets				
Cash	24 281	12 224	14 012	12 589
Call investment deposits	65 781	33 116	37 962	37 962
Consumer debtors	67 394	67 296	67 222	67 161
Other debtors	41 014	48 618	55 462	59 717
Current portion of long-term receivables	3	3	3	3
Inventory	8 798	8 798	8 798	8 798
Total current assets	**207 271**	**170 054**	**183 461**	**186 232**
Non-current assets				
Long-term receivables	13	13	13	13
Investments	–	–	–	–
Investment property	242 552	242 552	242 552	242 552
Investment in Associate	–	–	–	–
Property, plant and equipment	2 074 493	2 042 419	1 988 400	1 950 410
Agricultural	–	–	–	–
Biological	–	–	–	–
Intangible	1 677	2 934	3 184	3 484
Other non-current assets	–	–	–	–
Total non-current assets	**2 318 735**	**2 287 917**	**2 234 148**	**2 196 458**
TOTAL ASSETS	**2 526 006**	**2 457 971**	**2 417 609**	**2 382 690**
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Borrowing	6 747	0	0	0
Consumer deposits	17 378	17 378	17 378	17 378
Trade and other payables	183 464	135 300	135 300	135 300
Provisions	29 649	29 649	29 649	29 649
Total current liabilities	**237 238**	**182 327**	**182 327**	**182 327**
Noncurrent liabilities				
Borrowing	–	–	–	–
Provisions	163 445	163 445	163 445	163 445
Total noncurrent liabilities	**163 445**	**163 445**	**163 445**	**163 445**
TOTAL LIABILITIES	**400 683**	**345 772**	**345 772**	**345 772**
NET ASSETS	**2 125 323**	**2 112 199**	**2 071 837**	**2 036 918**
COMMUNITY WEALTH/EQUITY				
Accumulated Surplus/(Deficit)	2 125 323	2 112 199	2 071 837	2 036 918
Reserves	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**2 125 323**	**2 112 199**	**2 071 837**	**2 036 918**

Table 151: (Table A6 - Budgeted Financial Position)

Explanatory notes to Table A6 - Budgeted Financial Position

1. The table presents 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.
2. 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 debt impairment, which in turn impacts on the 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 the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position.

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	187 021	203 401	218 684	232 587
Service charges	435 205	500 464	543 267	583 455
Other revenue	48 944	39 500	41 238	43 094
Transfers and Subsidies - Operational	166 705	152 602	162 338	164 810
Transfers and Subsidies - Capital	37 164	40 256	41 919	43 217
Interest	14 780	15 706	16 620	17 485
Dividends	–	–	–	–
Payments				
Suppliers and employees	(843 870)	(927 527)	(975 470)	(1 024 551)
Finance charges	(1 388)	(716)	–	–
Transfers and Grants	(761)	(650)	(650)	(650)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**43 801**	**23 037**	**47 947**	**59 446**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–
Payments				
Capital assets	(85 164)	(61 013)	(41 311)	(60 869)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(85 164)**	**(61 013)**	**(41 311)**	**(60 869)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments				
Repayment of borrowing	(9 608)	(6 747)	–	–

NET CASH FROM/(USED) FINANCING ACTIVITIES	**(9 608)**	**(6 747)**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**(50 970)**	**(44 723)**	**6 636**	**(1 423)**
Cash/cash equivalents at the year begin:	141 032	**90 062**	**45 339**	**51 975**
Cash/cash equivalents at the year-end:	**90 062**	**45 339**	**51 975**	**50 552**

Table 152: (Table A7 - Budgeted cash flow statement)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.
2. It reflects the expected cash in-flows versus cash outflows that are likely to result from the implementation of the budget.
3. The cash position of the Municipality increases over the 2021/22 to 2023/24 period, from R 45, 339 million to R 50,552 million.
4. Cash and cash equivalents amount to R 45,339 million as at the end of the 2021/22 financial year and increases to R 50,552 million in 2023/24.

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Cash and investments available				
Cash/cash equivalents at the year end	90 062	45 339	51 975	50 552
Other current investments > 90 days	(0)	0	0	0
Non-current assets - Investments	–	–	–	–
Cash and investments available:	**90 062**	**45 339**	**51 975**	**50 552**
Application of cash and investments				
Unspent conditional transfers	–	–	–	–
Unspent borrowing	–	–	–	–
Statutory requirements				
Other working capital requirements	70 766	28 517	19 961	14 810
Other provisions	1 174	3 176	3 176	3 176
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–
Total Application of cash and investments:	**71 940**	**31 693**	**23 137**	**17 986**
Surplus(shortfall)	***18 122***	***13 646***	***28 838***	***32 566***

Table 153: Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. The table assesses the funding levels of the budget by firstly forecasting the cash and investments at year-end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. As part of the budgeting and planning guidelines that informed the compilation of the 2021/22 MTREF, the end objective of the medium-term framework was to ensure the budget is funded as required in accordance with section 18 of the MFMA.
4. It is to be noted that the budget moves from a funding surplus of R 13,646 million in 2021/22 to a funding surplus of R 32,566 million in 2023/24.

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
CAPITAL EXPENDITURE				
Total New Assets	**45 603**	**25 845**	**11 562**	**20 897**
Electrical Infrastructure	14 204	8 383	6 182	6 087
Water Supply Infrastructure	–	570	520	300
Sanitation Infrastructure	16 955	3 430	800	800
Solid Waste Infrastructure	250	1 370	–	–
Information and Communication Infrastructure	757	700	500	6 500
Infrastructure	***32 166***	***14 453***	***8 002***	***13 687***
Community Facilities	3 092	1 650	700	100
Sport and Recreation Facilities	–	200	–	–
Community Assets	***3 092***	***1 850***	***700***	***100***
Revenue Generating	100	–	–	–
Non-revenue Generating	360	–	–	1 000
Investment properties	***460***	**–**	**–**	***1 000***
Operational Buildings	469	1 106	–	–
Housing	–	–	–	–
Other Assets	***469***	***1 106***	**–**	**–**
Licences and Rights	1 516	1 257	250	300
Intangible Assets	***1 516***	***1 257***	***250***	***300***
Computer Equipment	**2 578**	**1 350**	**530**	**660**
Furniture and Office Equipment	**1 310**	**1 770**	**900**	**770**
Machinery and Equipment	**3 612**	**2 960**	**1 180**	**1 880**
Transport Assets	**400**	**1 100**	**–**	**2 500**
Total Renewal of Existing Assets	**13 173**	**5 215**	**–**	**7 500**
Roads Infrastructure	2 270	–	–	7 500
Electrical Infrastructure	3 000	–	–	–
Water Supply Infrastructure	1 350	1 565	–	–
Infrastructure	***6 620***	***3 065***	**–**	***7 500***
Community Facilities	100	50	–	–
Sport and Recreation Facilities	200	–	–	–
Community Assets	***300***	***50***	**–**	**–**
Revenue Generating	6 253	2 100	–	–
Investment properties	***6 253***	***2 100***	**–**	**–**
Total Upgrading of Existing Assets	**26 387**	**29 952**	**29 749**	**30 873**
Roads Infrastructure	1 739	14 235	8 353	23 780
Electrical Infrastructure	–	1 400	–	–
Water Supply Infrastructure	400	–	–	–
Sanitation Infrastructure	13 175	9 830	16 849	2 462
Information and Communication Infrastructure	5 087	–	–	–
Infrastructure	***20 401***	***25 465***	***25 202***	***26 242***
Sport and Recreation Facilities	5 986	4 237	4 547	4 631
Community Assets	***5 986***	***4 237***	***4 547***	***4 631***
Computer Equipment	**–**	**250**	**–**	**–**

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Total Capital Expenditure	**85 164**	**61 013**	**41 311**	**59 269**
Roads Infrastructure	4 009	14 235	8 353	31 280
Electrical Infrastructure	17 204	9 783	6 182	6 087
Water Supply Infrastructure	1 750	2 135	520	300
Sanitation Infrastructure	30 130	13 260	17 649	3 262
Solid Waste Infrastructure	250	1 370	–	–
Information and Communication Infrastructure	5 845	2 200	500	6 500
Infrastructure	***59 188***	***42 983***	***33 203***	***47 429***
Community Facilities	3 192	1 700	700	100
Sport and Recreation Facilities	6 186	4 437	4 547	4 631
Community Assets	***9 379***	***6 137***	***5 247***	***4 731***
Revenue Generating	6 353	2 100	–	–
Non-revenue Generating	360	–	–	1 000
Investment properties	***6 713***	***2 100***	**–**	***1 000***
Operational Buildings	469	1 106	–	–
Other Assets	***469***	***1 106***	**–**	**–**
Licences and Rights	1 516	1 257	250	300
Intangible Assets	***1 516***	***1 257***	***250***	***300***
Computer Equipment	**2 578**	**1 600**	**530**	**660**
Furniture and Office Equipment	**1 310**	**1 770**	**900**	**770**
Machinery and Equipment	**3 612**	**2 960**	**1 180**	**1 880**
Transport Assets	**400**	**1 100**	**–**	**2 500**
TOTAL CAPITAL EXPENDITURE - Asset class	**85 164**	**61 013**	**41 311**	**59 269**
ASSET REGISTER SUMMARY - PPE (WDV)	2 318 722	2 287 904	2 234 135	2 196 445
Roads Infrastructure	625 091	563 801	510 032	472 342
Storm water Infrastructure	46 564	62 134	62 134	62 134
Electrical Infrastructure	481 825	481 785	481 785	481 785
Water Supply Infrastructure	344 636	353 087	353 087	353 087
Sanitation Infrastructure	82 945	67 176	67 176	67 176
Solid Waste Infrastructure	16 009	16 009	16 009	16 009
Information and Communication Infrastructure	0	250	250	250
Infrastructure	***1 597 070***	***1 544 241***	***1 490 473***	***1 452 783***
Community Assets	34 096	25 628	25 628	25 628
Investment properties	242 552	242 552	242 552	242 552
Other Assets	144 063	151 324	151 324	151 324
Intangible Assets	1 677	2 934	2 934	2 934
Computer Equipment	9 143	9 198	9 198	9 198
Furniture and Office Equipment	14 246	17 122	17 122	17 122
Machinery and Equipment	16 212	28 792	28 792	28 792
Transport Assets	19 534	26 344	26 344	26 344
Land	240 131	239 771	239 771	239 771
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**2 318 722**	**2 287 904**	**2 234 135**	**2 196 445**

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
EXPENDITURE OTHER ITEMS				
Depreciation	89 066	91 830	95 080	98 560
Repairs and Maintenance by Asset Class	**65 146**	**48 953**	**44 627**	**45 317**
Roads Infrastructure	30 049	11 590	1 660	1 734
Storm water Infrastructure	1 406	1 355	1 414	1 484
Electrical Infrastructure	5 353	7 227	9 955	10 318
Water Supply Infrastructure	8 829	6 386	6 665	6 960
Sanitation Infrastructure	3 022	2 915	3 043	3 179
Rail Infrastructure	207	730	803	827
Information and Communication Infrastructure	1 050	1 312	1 578	345
Infrastructure	***49 916***	***31 515***	***25 118***	***24 847***
Community Facilities	1 468	2 267	2 503	2 657
Sport and Recreation Facilities	2 219	2 044	3 559	3 700
Community Assets	***3 687***	***4 311***	***6 062***	***6 357***
Operational Buildings	3 002	2 579	2 319	2 434
Other Assets	***3 002***	***2 579***	***2 319***	***2 434***
Machinery and Equipment	**748**	**732**	**802**	**839**
Transport Assets	**7 794**	**9 816**	**10 325**	**10 840**
TOTAL EXPENDITURE OTHER ITEMS	**154 212**	**140 783**	**139 707**	**143 877**
Renewal and upgrading of Existing Assets as % of total capex	*46.5%*	*57.6%*	*72.0%*	*64.7%*
Renewal and upgrading of Existing Assets as % of depreciation	*44.4%*	*38.3%*	*31.3%*	*38.9%*
R&M as a % of PPE	*3.1%*	*2.4%*	*2.2%*	*2.3%*
Renewal and upgrading and R&M as a % of PPE	*5.0%*	*4.0%*	*3.0%*	*4.0%*

Table 154: Table A9 - Asset Management

Explanatory notes to Table A9 - Asset Management

1. The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; and also reflects the relevant asset categories. The associated repairs and maintenance and depreciation are also reflected. It also provides an indication of the resources deployed for maintaining and renewing existing assets, as well as the extent of asset expansion.
2. National Treasury has suggested that municipalities should allocate at least 40% of their capital budget to the renewal/rehabilitation of existing assets, and allocations to repairs and maintenance should be 8% of PPE. In this regard the expenditure relating to the renewal/rehabilitation of existing assets amounts to 57.6% of the capital budget, whilst repairs and maintenance constitute 2.4% of PPE.

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Household service targets				
Water:				
Piped water inside dwelling	–	–	–	–
Piped water inside yard (but not in dwelling)	–	–	–	–
Using public tap (at least min.service level)	–	–	–	–
Other water supply (at least min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Using public tap (< min.service level)	–	–	–	–
Other water supply (< min.service level)	–	–	–	–
No water supply	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	–	–	–	–
Sanitation/sewerage:				
Flush toilet (connected to sewerage)	–	–	–	–
Flush toilet (with septic tank)	–	–	–	–
Chemical toilet	–	–	–	–
Pit toilet (ventilated)	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Bucket toilet	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–
No toilet provisions	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	–	–	–	–
Energy:				
Electricity (at least min.service level)	–	–	–	–
Electricity - prepaid (min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Electricity (< min.service level)	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–
Other energy sources	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	–	–	–	–
Refuse:				
Removed at least once a week	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Removed less frequently than once a week	–	–	–	–
Using communal refuse dump	–	–	–	–
Using own refuse dump	–	–	–	–
Other rubbish disposal	–	–	–	–
No rubbish disposal	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	–	–	–	–

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Households receiving Free Basic Service				
Water (6 kilolitres per household per month)	36 063 383	38 317 522	40 725 697	43 298 452
Sanitation (free minimum level service)	9 123 753	9 716 797	10 348 389	11 021 034
Electricity/other energy (50kwh per household per month)	5 474 948	6 273 743	6 665 852	7 082 468
Refuse (removed at least once a week)	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)				
Water (6 kilolitres per indigent **household per month)**	36 063	38 318	40 726	43 298
Sanitation (free sanitation service to indigent households**)**	9 124	9 717	10 348	11 021
Electricity/other energy (50kwh per indigent **household per month)**	5 475	6 274	6 666	7 082
Refuse (removed once a week for indigent households**)**	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–
Total cost of FBS provided	**50 662**	**54 308**	**57 740**	**61 402**
Highest level of free service provided per household				
Property rates (R value threshold)				
Water (kilolitres per household per month)				
Sanitation (kilolitres per household per month)				
Sanitation (Rand per household per month)				
Electricity (kwh per household per month)				
Refuse (average litres per week)				
Revenue cost of subsidised services provided (R'000)				
Property rates (tariff adjustment) **(** impermissable values per section 17 of MPRA**)**	–	–	–	–
Property rates exemptions, reductions and rebates and impermissable values in excess of section 17 of MPRA)	19 429	20 451	21 526	22 658
Water (in excess of 6 kilolitres per indigent household per month)	–	–	–	–
Sanitation (in excess of free sanitation service to indigent households)	–	–	–	–
Electricity/other energy (in excess of 50 kwh per indigent household per month)	–	–	–	–
Refuse (in excess of one removal a week for indigent households)	–	–	–	–
Municipal Housing - rental rebates	–	–	–	–
Housing - top structure subsidies	–	–	–	–
Other	–	–	–	–
Total revenue cost of subsidised services provided	**19 429**	**20 451**	**21 526**	**22 658**

Table 155: Table A10 - Basic Service Delivery Measurement

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

KFA35: OVERVIEW AND BUDGET FUNDING

Medium-term outlook - operating revenue

The following table provides a breakdown of operating revenue over the medium-term:

The following graph is a breakdown of the operational revenue per main category for the 2021/22 financial year.

DESCRIPTION	CURRENT YEAR 2020/21		2021/22 MEDIUM TERM REVENUE & EXPENDITURE					
	Adjusted Budget	%	Budget Year 2021/22	%	Budget Year 2022/23	%	Budget Year 2023/24	%
R thousands								
Revenue By Source								
Property rates	207 801	22.52	218 711	22.65	230 193	22.51	242 278	22.52
Service charges	483 561	52.40	538 133	55.74	571 860	55.91	607 766	56.49
Transfers and subsidies	166 745	18.07	152 602	15.81	162 338	15.87	164 810	15.32
Other revenue	64 750	7.02	55 954	5.80	58 416	5.71	61 044	5.67
Total Revenue (excluding capital transfers and contributions)	**922 858**	**100.00**	**965 400**	**100.00**	**1 022 807**	**100.00**	**1 075 898**	**100.00**

Table 156: Breakdown of the operating revenue over the medium-term

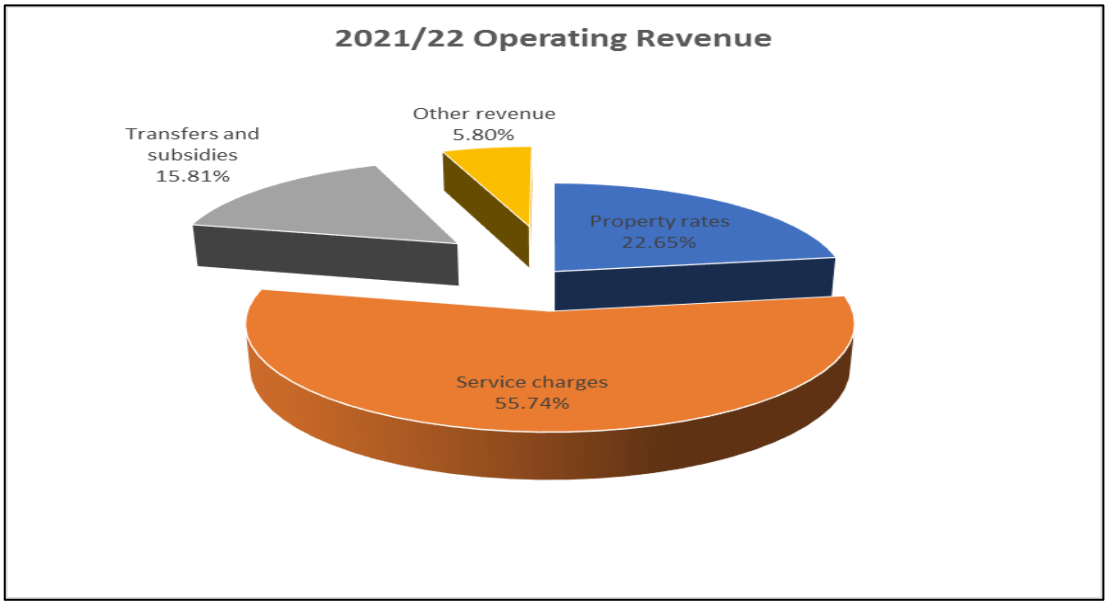

Figure 40: Breakdown of operating revenue over the 2020/21 MTREF

Tariff determination is important in ensuring appropriate levels of revenue, in order to achieve a credible and funded budget. Operating revenue is mainly derived from service charges, such as water, electricity, sanitation and refuse collection and disposal, property rates and operating grants.

The revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard.
- The Property Rates Policy.
- The level of property rates and tariff increases must ensure financially sustainable service delivery.

- The level of property rates and tariff increases to take into account maintenance and replacement of infrastructure, including the expansion of services.
- Determining fully cost reflective tariffs for trading services.
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality.
- Efficient revenue management, targeting an 93% annual collection rate for property rates and service charges.
- Growth in the revenue base.

The aforementioned principles guided the annual increases in property rates and tariffs, charged to the consumer.
Property rates amounts to R 218,711 million in the 2021/22 financial year and increases to R 242,278 million in 2023/24, representing 22.65% of the total operating revenue for the 2021/22 budget.

Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the largest component of the revenue base, amounting to R 538,133 million in the 2021/22 financial year and increasing to R 607,766 million in 2023/24. For the 2021/22 financial year, services charges amount to 55.74% of the total revenue base.

Operational grants and subsidies amount to R 152,602 million, R 162,338 million and R 164,810 million for each of the respective financial years of the MTREF, or 15.81% of total operating revenue for 2021/22.

The table below provides investment particulars by type:

INVESTMENT TYPE	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousand				
Parent municipality				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank	90 062	**45 339**	**51 975**	**50 552**
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers' Acceptance Certificates				
Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Municipal Bonds				
Municipality sub-total	**90 062**	**45 339**	**51 975**	**50 552**
Entities				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank				
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers' Acceptance Certificates				

Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Entities sub-total	–	–	–	–
Consolidated total:	**90 062**	**45 339**	**51 975**	**50 552**

Table 157: SA15 – Detail Investment Information

Investments are anticipated to increase from R 45,339 million in 2021/22 to R 50,552 million in 2023/24.

Medium-term outlook - capital revenue

The following table provides a breakdown of the funding components of the 2021/22 medium-term capital programme:

VOTE DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Funded by:				
National Government	44 888	34 385	35 831	36 959
Provincial Government	0	–	–	–
District Municipality	5 118	1 600	–	–
Transfers recognised - capital	**50 006**	**35 985**	**35 831**	**36 959**
Public contributions & donations	–	–	–	–
Borrowing	–	–	–	–
Internally generated funds	35 158	25 028	5 480	23 910
Total Capital Funding	**85 164**	**61 013**	**41 311**	**60 869**

Table158: Sources of capital revenue over the MTREF

The above table is graphically represented as follows for the 2021/22 financial year:

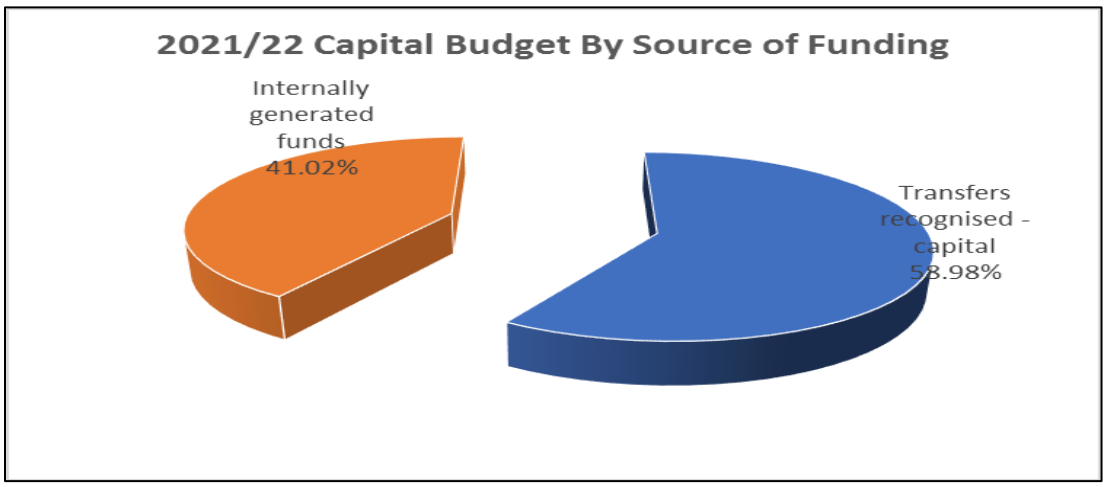

Figure 41: Sources of capital revenue for the 2020/21 financial year

Capital Grants constitute 58.98% of the total funding sources, amounting to R 35,985 million for the 2021/22 financial year and amounting to R 36,959 million or 60.72% in the 2023/24 financial year. It is to be noted that no borrowing is planned for the 2021/22 MTREF, in view of financial affordability considerations.

The following table provides a detailed analysis of the Municipality's borrowings.

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Parent municipality				
Annuity and Bullet Loans	6 747	–	–	–
Total Borrowing	6 747	–	–	–

Table 159: Table SA 17 - Detail of borrowings

The following graph illustrates the outstanding borrowing for the 2021/22 to 2023/24 period:

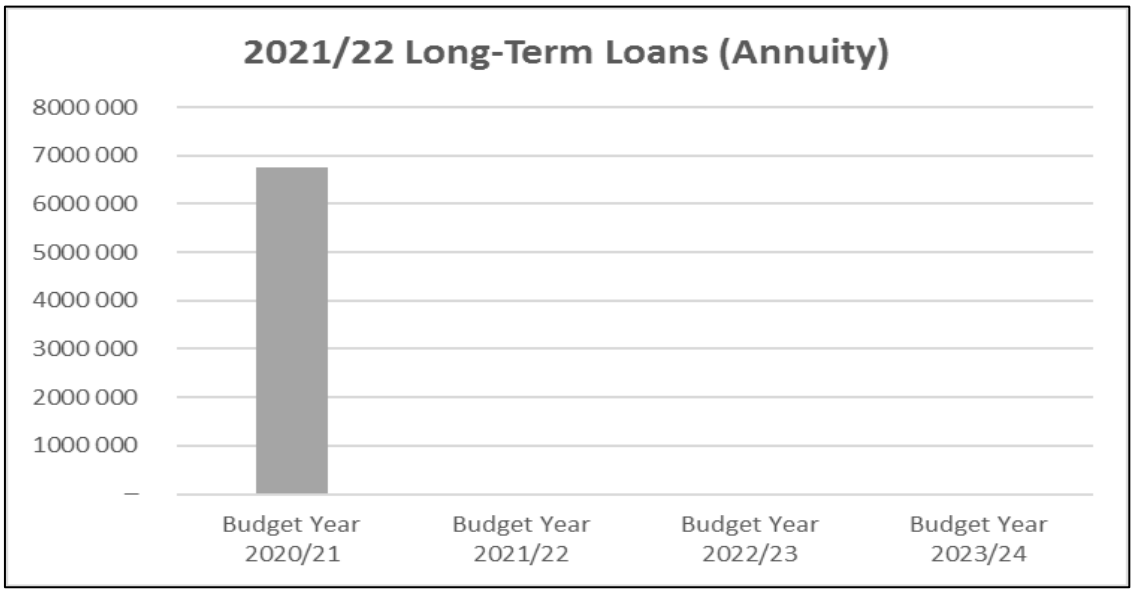

Figure 42: Growth in outstanding borrowing (long-term liabilities)

The following table indicates the capital transfers and grant receipts:

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue: General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050

District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–
Total Operating Transfers and Grants	**166 705**	**152 602**	**162 338**	**164 810**
Capital Transfers and Grants				
National Government:	**35 199**	**39 542**	**41 205**	**42 503**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	7 800	7 109	7 000
Municipal Infrastructure Grant [Schedule 5B]	29 999	31 742	34 096	35 503
District Municipality:	**1 965**	**714**	**714**	**714**
All Grants	1 965	714	714	714
Total Capital Transfers and Grants	**37 164**	**40 256**	**41 919**	**43 217**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**203 870**	**192 858**	**204 257**	**208 027**

Table 160: Table SA 18 - Transfers and grant receipts)

KFA36: CASH FLOW MANAGEMENT

Cash flow management and forecasting is a critical step in determining whether the budget is funded over the medium-term. The table includes some specific features:

- Clear separation of receipts and payments within each cash flow category.
- Clear separation of capital and operating receipts from government; and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

Budgeted cash flow statement

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	187 021	203 401	218 684	232 587
Service charges	435 205	500 464	543 267	583 455
Other revenue	48 944	39 500	41 238	43 094
Transfers and Subsidies - Operational	166 705	152 602	162 338	164 810
Transfers and Subsidies - Capital	37 164	40 256	41 919	43 217
Interest	14 780	15 706	16 620	17 485
Dividends	–	–	–	–
Payments				
Suppliers and employees	(843 870)	(927 527)	(975 470)	(1 024 551)
Finance charges	(1 388)	(716)	–	–
Transfers and Grants	(761)	(650)	(650)	(650)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**43 801**	**23 037**	**47 947**	**59 446**

CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–
Payments				
Capital assets	(85 164)	(61 013)	(41 311)	(60 869)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(85 164)**	**(61 013)**	**(41 311)**	**(60 869)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments				
Repayment of borrowing	(9 608)	(6 747)	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(9 608)**	**(6 747)**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**(50 970)**	**(44 723)**	**6 636**	**(1 423)**
Cash/cash equivalents at the year begin:	141 032	**90 062**	**45 339**	**51 975**
Cash/cash equivalents at the year-end:	**90 062**	**45 339**	**51 975**	**50 552**

Table 161: Table A7 - Budgeted cash flow statement

For the 2021/22 MTREF, the cash and cash equivalents over the medium-term is anticipated to increase from R 45,339 million in 2021/22 million to R 50,552 million in 2023/24.

Cash backed reserves/accumulated surplus reconciliation

DESCRIPTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Cash and investments available				
Cash/cash equivalents at the year end	90 062	45 339	51 975	50 552
Other current investments > 90 days	(0)	0	0	0
Non-current assets - Investments	–	–	–	–
Cash and investments available:	**90 062**	**45 339**	**51 975**	**50 552**
Application of cash and investments				
Unspent conditional transfers	–	–	–	–
Unspent borrowing	–	–	–	–
Statutory requirements				
Other working capital requirements	70 766	28 517	19 961	14 810
Other provisions	1 174	3 176	3 176	3 176
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–
Total Application of cash and investments:	**71 940**	**31 693**	**23 137**	**17 986**
Surplus(shortfall)	**18 122**	**13 646**	**28 838**	**32 566**

Table 162: Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

The underlying purpose of Table A8 is to reflect the predicted cash and investments that are available at the end of a particular budget year and how these funds were used. A surplus would indicate that sufficient cash and investments were available to meet commitments, whilst a shortfall would indicate inadequate cash and investments were available to meet commitments.

The available cash and investments amount to R 45,339 million in the 2021/22 financial year and increases to R 50,552 million in 2023/24. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) – no unspent grant funding is anticipated over the 2021/22 MTREF.
- There is no unspent borrowing from previous financial years.
- The main purpose of the other working capital requirements is to ensure that sufficient funds are available to meet commitments as and when they fall due. A key challenge is often the mismatch between the timing of receipts from debtors and payments due to employees and creditors. High levels of non-payment by debtors will result in a greater requirement for working capital, ultimately causing cash flow challenges.
- Current provision relates to Post-retirement Medical Aid Benefits Liability which has been provided for.

It is concluded that the Municipality's cash backed, and accumulated surpluses reconciliation reflects surpluses of R 13,646 million, R 28,838 million and R 32,566 million for the 2021/22, 2022/23 and 2023/24 financial years, respectively. It is to be noted that the 2021/22 MTREF is funded, when considering the funding requirements of section 18 and 19 of the MFMA. The cost coverage ratio is, however, 0.6 months, 0.7 months and 0.6 months for the 2021/22, 2022/23 and 2023/24 financial years, respectively.

Funding compliance measurement

National Treasury requires the Municipality to assess its financial sustainability against the different measures outlined below.

DESCRIPTION	MFMA SECTION	CURRENT YEAR 2020/21	2020/21 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
		Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Funding measures	_				
Cash/cash equivalents at the year-end - R'000	18(1)b	90 062	45 339	51 975	50 552
Cash + investments at the yr end less applications - R'000	18(1)b	18 122	13 646	28 838	32 566
Cash year end/monthly employee/supplier payments	18(1)b	1.3	0.6	0.7	0.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(61 471)	(68 793)	(47 133)	(39 113)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	(5.4%)	3.5%	(0.0%)	(0.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	89.4%	92.1%	94.0%	95.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	10.1%	7.1%	5.1%	4.1%
Capital payments % of capital expenditure	18(1)c;19	111.6%	115.2%	105.6%	124.1%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a		0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	(13.8%)	6.9%	5.8%	3.4%
Long term receivables % change - incr(decr)	18(1)a	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	3.1%	2.4%	2.2%	2.3%
Asset renewal % of capital budget	20(1)(vi)	17.3%	9.9%	0.0%	15.3%

Table 163: Funding compliance measurement

Below is a discussion of the different measures:

Cash/cash equivalent position

The forecasted cash and cash equivalents for the 2021/22 MTREF amounts to R 45,339 million, R 51,975 million and R 50,552 million for the respective financial years.

Cash plus investments less application of funds

For the 2021/22, 2022/23 and 2023/24 budgets, the available cash and investments exceed the application of funds by an amount of R 13,646 million, R 28,838 million and R 32,566 million, respectively.

Monthly average payments covered by cash or cash equivalents

As part of the 2021/22 MTREF, the projected cash position causes the ratio to decrease from 1.3 months to 0.6 months.

Surplus/deficit excluding depreciation off-sets

For the 2021/22 MTREF the indicative outcome is a deficit of R 109,049 million, R 89,052 million and R 82,330 million, respectively. This is made up as follows:

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Surplus/(Deficit)	(115 097)	(109 049)	(89 052)	(82 330)
Transfers and subsidies - capital	53,586	40 256	41 919	43 217
Total	**(61 471)**	(68 793)	(47 133)	(39 113)

Table 164: Surplus/deficit excluding depreciation off-sets

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective, and therefore the first two measures in the table are critical.

Property rates/service charge revenue as a percentage increase less macro inflation target

This is calculated by deducting the maximum macro-economic inflation target (which is currently 4.1%), so as to determine the real increase in revenue. The percentage growth totals 3.5%, 0.0% and 0.0% for the respective financial years of the 2021/22 MTREF.

Cash receipts as a percentage of ratepayer and other revenue

The outcome is approximately 92.1% for the 2021/22 and 94.0% for the 20222/23 and 95.0% for the 2023/24 financial years.

Debt impairment expense as a percentage of billable revenue

The provision has been set at 7% for property rates and services, for the 2021/22 and 5% for the 2022/23 and 4% for the 2023/24 financial years, in line with the revenue collection trends.

Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into account in forecasting the cash position.

Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions

No borrowing has been planned for the 2021/22 MTREF.

Transfers/grants revenue as a percentage of government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. All transfers are included in the budget.

Repairs and maintenance expenditure level

The expenditure constitutes 2.4%, 2.2% and 2.3% of Property, Plant and Equipment respectively, over the 2021/22 MTREF, whilst National Treasury has suggested an 8% level.

EXPENDITURE ON ALLOCATION AND GRANT PROGRAMMES

Grants received

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue:General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050
District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–

Total Operating Transfers and Grants	**166 705**	**152 602**	**162 338**	**164 810**
Capital Transfers and Grants				
National Government:	**35 199**	**39 542**	**41 205**	**42 503**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	7 800	7 109	7 000
Municipal Infrastructure Grant [Schedule 5B]	29 999	31 742	34 096	35 503
District Municipality:	**1 965**	**714**	**714**	**714**
All Grants	1 965	714	714	714
Total Capital Transfers and Grants	**37 164**	**40 256**	**41 919**	**43 217**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**203 870**	**192 858**	**204 257**	**208 027**

Table 165: Grants received

Grants expenditure

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
EXPENDITURE:				
Operating expenditure of Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue:General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050
District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–
Total operating expenditure of Transfers and Grants:	**166 705**	**152 602**	**162 338**	**164 810**
Capital expenditure of Transfers and Grants				
National Government:	**35 199**	**39 542**	**41 205**	**42 503**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	7 800	7 109	7 000
Municipal Infrastructure Grant [Schedule 5B]	29 999	31 742	34 096	35 503
District Municipality:	**1 965**	**714**	**714**	**714**
All Grants	1 965	714	714	714
Total capital expenditure of Transfers and Grants	**37 164**	**40 256**	**41 919**	**43 217**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**203 870**	**192 858**	**204 257**	**208 027**

Table 166: Grants expenditure

Allocations and grants made by the municipality

The table below reflects the grants and allocations made by the Municipality. It includes grants-in-aid made in accordance with the Municipality's grants-in-aid policy and transfers to entities and other organisations to primarily support their operational expenditure.

DESCRIPTION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Cash Transfers to Entities/Other External Mechanisms				
Various Organisations	761	650	650	650
Total Cash Transfers To Entities/Ems'	**761**	**650**	**650**	**650**
TOTAL CASH TRANSFERS AND GRANTS	**761**	**650**	**650**	**650**
TOTAL TRANSFERS AND GRANTS	**761**	**650**	**650**	**650**

Table 167: Allocations and grants made by the municipality

Councillors and employee benefits

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

SUMMARY OF EMPLOYEE AND COUNCILLOR REMUNERATION	CURRENT YEAR 2020/21	2021/22 MEDIUM TERM REVENUE & EXPENDITURE FRAMEWORK		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Councillors (Political Office Bearers plus Other)				
Basic Salaries and Wages	9 104	9 104	9 696	10 326
Motor Vehicle Allowance	3 081	3 081	3 282	3 495
Cellphone Allowance	1 465	1 465	1 560	1 662
Sub Total - Councillors	**13 651**	**13 651**	**14 538**	**15 483**
Senior Managers of the Municipality				
Basic Salaries and Wages	6 106	6 954	7 406	7 887
Pension and UIF Contributions	36	106	113	120
Medical Aid Contributions	13	31	33	35
Performance Bonus	453	23	25	26
Motor Vehicle Allowance	811	1 605	1 709	1 820
Cellphone Allowance	6	10	11	12
Other benefits and allowances	50	1	1	1
Payments in lieu of leave	1 150	2 358	2 511	2 674
Sub Total - Senior Managers of Municipality	**8 624**	**11 088**	**11 808**	**12 576**
Other Municipal Staff				
Basic Salaries and Wages	224 540	232 525	247 590	263 683
Pension and UIF Contributions	33 121	36 881	39 278	41 831
Medical Aid Contributions	17 256	23 684	25 105	26 737

Overtime	28 149	31 142	33 166	35 322
Performance Bonus	–	23	25	26
Motor Vehicle Allowance	9 393	9 871	11 217	11 946
Cellphone Allowance	288	85	91	97
Housing Allowances	905	1 787	1 904	2 027
Other benefits and allowances	24 869	29 863	31 854	33 925
Payments in lieu of leave	27	25	27	28
Long service awards	1 557	1 702	1 813	1 930
Sub Total - Other Municipal Staff	**340 105**	**367 590**	**392 070**	**417 554**
Total Parent Municipality	**362 380**	**392 328**	**418 416**	**445 613**
TOTAL SALARY, ALLOWANCES & BENEFITS	**362 380**	**392 328**	**418 416**	**445 613**
TOTAL MANAGERS AND STAFF	**348 729**	**378 677**	**403 878**	**430 130**
TOTAL TRANSFERS AND GRANTS	**761**	**650**	**650**	**650**

Table 168: Disclosure of salaries, allowances and benefits

Monthly targets for revenue, expenditure and cash flow

MONTHLY CASH FLOWS	BUDGET YEAR 2021/22												MTREF
R thousand	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget Year 2021/22
Cash Receipts By Source													
Property rates	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	203 401
Service charges - electricity revenue	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	310 781
Service charges - water revenue	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	83 310
Service charges - sanitation revenue	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	54 531
Service charges - refuse revenue	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	51 842
Rental of facilities and equipment	97	97	97	97	97	97	97	97	97	97	97	97	1 169
Interest earned - external investments	482	482	482	482	482	482	482	482	482	482	482	482	5 780
Interest earned - outstanding debtors	827	827	827	827	827	827	827	827	827	827	827	827	9 927
Fines, penalties and forfeits	186	186	186	186	186	186	186	186	186	186	186	186	2 238
Licences and permits	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	25 746
Transfers and Subsidies - Operational	50 867					50 867			50 867				152 602
Other revenue	862	862	862	862	862	862	862	862	862	862	862	862	10 348
Cash Receipts by Source	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**433 733**	**911 674**

MONTHLY CASH FLOWS	BUDGET YEAR 2021/22												MTREF
R thousand	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget Year 2021/22
Cash Payments by Type													
Employee related costs	30 195	30 195	30 195	30 195	46 526	30 195	30 195	30 195	30 195	30 195	30 195	30 198	378 677
Remuneration of councillors	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	13 651

Finance charges	60	60	60	60	60	60	60	60	60	60	60	60	716
Bulk purchases - Electricity	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	290 000
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	66 261
Contracted services	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 551	78 598
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	54	54	54	54	54	54	54	54	54	54	54	54	650
Other expenditure	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 364	100 339
Cash Payments by Type	**76 046**	**76 046**	**76 046**	**76 046**	**92 377**	**76 046**	**76 046**	**76 046**	**76 046**	**76 046**	**76 046**	**76 053**	**928 893**
Other Cash Flows/Payments by Type													
Capital assets	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 085	61 013
Repayment of borrowing	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	6 747
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**74 384**	**81 131**	**81 131**	**81 131**	**97 461**	**81 131**	**81 131**	**81 131**	**81 131**	**81 131**	**81 131**	**94 632**	**996 652**
NET INCREASE/(DECREASE) IN CASH HELD	**(27 699)**	**(34 446)**	**(34 446)**	**(34 446)**	**(50 776)**	**(34 446)**	**(34 446)**	**(34 446)**	**(34 446)**	**(34 446)**	**(34 446)**	**343 764**	**(44 723)**
Cash/cash equivalents at the month/year begin:	90 062	62 363	27 917	(6 528)	(40 974)	(91 750)	(126 196)	(160 642)	(195 087)	(229 533)	(263 979)	(298 425)	90 062
Cash/cash equivalents at the month/year end:	62 363	27 917	(6 528)	(40 974)	(91 750)	(126 196)	(160 642)	(195 087)	(229 533)	(263 979)	(298 425)	45 339	45 339

MONTHLY CASH FLOWS	MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
R thousand	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Cash Receipts By Source			
Property rates	203 401	218 684	232 587
Service charges - electricity revenue	310 781	337 306	362 160
Service charges - water revenue	83 310	91 144	98 643
Service charges - sanitation revenue	54 531	59 324	63 846
Service charges - refuse revenue	51 842	55 493	58 807
Rental of facilities and equipment	1 169	1 220	1 275
Interest earned - external investments	5 780	6 034	6 306
Interest earned - outstanding debtors	9 927	10 586	11 179

Fines, penalties and forfeits	2 238	2 336	2 441
Licences and permits	25 746	26 878	28 088
Transfers and Subsidies - Operational	152 602	162 338	164 810
Other revenue	10 348	10 804	11 290
Cash Receipts by Source	**911 674**	**982 147**	**1 041 431**
Other Cash Flows by Source			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	40 256	41 919	43 217
Total Cash Receipts by Source	**951 930**	**1 024 066**	**1 084 648**

MONTHLY CASH FLOWS	MEDIUM TERM REVENUE AND EXPENDITURE FRAMEWORK		
R thousand	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Cash Payments by Type			
Employee related costs	378 677	403 878	430 130
Remuneration of councillors	13 651	14 538	15 483
Finance charges	716	–	–
Bulk purchases - Electricity	290 000	302 760	316 384
Bulk purchases - Water & Sewer	–	–	–
Other materials	66 261	71 947	74 024
Contracted services	78 598	79 299	80 156
Transfers and grants - other municipalities	–	–	–
Transfers and grants - other	650	650	650
Other expenditure	100 339	103 047	108 374
Cash Payments by Type	**928 893**	**976 120**	**1 025 201**
Other Cash Flows/Payments by Type			
Capital assets	61 013	41 311	60 869
Repayment of borrowing	6 747	–	–
Other Cash Flows/Payments	–	–	–
Total Cash Payments by Type	**996 652**	**1 017 431**	**1 086 071**
NET INCREASE/(DECREASE) IN CASH HELD	**(44 723)**	**6 636**	**(1 423)**
Cash/cash equivalents at the month/year begin:	90 062	45 339	51 975
Cash/cash equivalents at the month/year end:	45 339	51 975	50 552

Table 169: Monthly targets for revenue, expenditure and cash flow

Annual budgets and service delivery and budget implementation plans – Directorates

In terms of section 53 (1)(c)(ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) constitutes a detailed plan for implementing the Municipality's delivery of services and its annual budget, which must include the following:

(a) Monthly projections of

- Revenue to be collected, by source; and
- Operational and capital expenditure, by vote.

(b) Service delivery targets and performance indicators for each quarter.

In accordance with Section 53 of the MFMA, the Executive Mayor is required to approve the SDBIP within 28 days after the approval of the budget. Furthermore, the Executive Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators, as set out in the SDBIP, are made public within 14 days after the approval of the SDBIP.

The SDBIP gives effect to the IDP and Budget of the Municipality. It includes the service delivery targets and performance indicators for each quarter, which forms the basis for the performance agreements of the Directors. It therefore facilitates oversight over the financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, the Executive Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality.

The SDBIP relating to the 2021/22 financial year will be approved by the Executive Mayor during July 2021, following the approval of the Budget.

KFA37: PROPERTY VALUATION AND PROPERTY MANAGEMENT

Valuers: DDP Valuers from Pretoria were appointed as Council Valuers on 26 April 2017. Mr Morne Coetzee, Professional Valuer was appointed as Municipal Valuer and the date of the General Valuation was 1 July 2017 and implemented on 1 July 2018. The next date of valuations is 30 June 2023.

Properties are valued as follow:

One Supplementary Valuation per year but if necessary, more than one can be maintained.

CATEGORY DESCRIPTION	*COUNT*	*VACANT*	*IMPROVED*	*TOTAL*
		Land	*Land*	*Value*
Residential Developed	*10101*		*13,300,669,000*	*13,300,669,000*
Residential-Vacant Land	*3583*		*1,034,389,000*	*1,034,389,000*
Residential-SS Residential	*2658*		*2,209,253,000*	*2,209,253,000*
Residential-SS Garage	*344*		*19,340,000*	*19,340,000*
Industry-Developed	*115*		*294,491,000*	*294,491,000*
Industry-Vacant	*27*		*20,744,000*	*20,744,000*
Bus/Com-Developed	*485*		*1,327,414,000*	*1,327,414,000*
Bus/Com-Vacant Land	*103*		*110,474,000*	*110,474,000*
Bus/Com-SS Bus/Com	*475*		*200,658,000*	*200,658,000*

Bus/Com-Accom (B&B/Guest)	*171*		*485,656,000*	*485,656,000*
Bus/Com/Ind-Accom (SS Resorts)	*35*		*29,360,000*	*29,360,000*
Farm-Agricultural	*2339*		*3,362,797,400*	*3,362,797,400*
Farm-Bus/Com (Wind Farms)	*3*		*431,000*	*431,000*
Farm-Residential	*71*		*62,676,000*	*62,676,000*
Farm-Private Towns-SS Residence	*112*		*306,201,000*	*306,201,000*
Smallholding-Agricultural	*102*		*1,962,000*	*1,962,000*
State Owned-National Govt.	*345*		*311,452,700*	*311,452,700*
State Owned-Provincial Govt.	*235*		*181,932,000*	*181,932,000*
Municipal-Developed	*4076*	*95,462,000*	*248,196,000*	*343,658,000*
Municipal-Vacant Land	*1033*	*133,441,000*	*7,488,000*	*140,929,000*
Municipal-Public Roads	*94*	*104,000*	*218,000*	*322,000*
Municipal-P.O.S.	*424*	*53,958,000*	*9,983,000*	*63,941,000*
Municipal-Agricultural	*75*	*37,522,900*	*9,658,000*	*47,180,900*
Public Service Infra. (PSI)	*248*		*19,890,000*	*19,890,000*
Private Towns-Res Developed	*1252*		*1,895,263,000*	*1,895,263,000*
Private Towns-Res Vacant Land	*1301*		*409,080,000*	*409,080,000*
Private Towns-SS Residential	*525*		*444,364,000*	*444,364,000*
Private Towns-SS Garage	*26*		*1,040,000*	*1,040,000*
Private Towns-Bus Developed	*6*		*40,100,000*	*40,100,000*
Private Towns-Bus Vacant Land	*1*		*3,000,000*	*3,000,000*
Private Towns-SS Business	*36*		*23,161,000*	*23,161,000*
Private Towns-Accom(B&B/Guest)	*1*		*3,300,000*	*3,300,000*
Privately Owned(Exempt)-P.O.S.	*527*		*76,022,000*	*76,022,000*
In/Formal Settlement-Sub Econ	*8455*		*430,370,000*	*430,370,000*
In/Formal Settlement-Remainder	*83*		*3,097,000*	*3,097,000*
Communal Land-Farm Property	*8*		*21,084,000*	*21,084,000*
Prov of Land/Restitution Act	*5*		*5,950,000*	*5,950,000*
Protected Areas-Nature Reserve	*4*		*19,790,000*	*19,790,000*
PBO-Churches	*160*		*120,113,000*	*120,113,000*
PBO-Charities	*3*		*7,200,000*	*7,200,000*
PBO-Sport	*1*		*1,800,000*	*1,800,000*
PBO-Museums	*1*		*150,000*	*150,000*
PBO-Care Facilities	*11*		*59,759,000*	*59,759,000*
Multiple Purposes	*87*		*155,228,000*	*155,228,000*
Total	**39747**	**320,487,900**	**27,275,204,100**	**27,595,692,000**

Table 170 : Property valuations

During our process we had 322 Objections, 19 Appeals and 96 Reviews. Currently the members of the Appeal Board are not yet appointed by Provincial Government.

General basis of valuation

- All properties, residential, business, farms etc. were valued at market value.
- The draft roll was submitted on 30 November 2017 and the certified roll 31 January 2018.
- Objection Closing Date: 30 April 2018 - Outcome of objections: 15 July 2018.
- Appeal Closing date: 03 September 2018.

Property Management

The Kouga Municipal Asset and Property Management function has formed an integral part of Finance Management Plan by maintaining a creditable and GRAP compliant Financial Asset Register (FAR). During the financial year 2016/17 the Municipality appointed A2A Kopano a qualified service provider with a track record in providing Asset Management Support Services to assist the municipality with a compilation of a GRAP compliant Asset Register. Currently the Asset Management team consist of 5 employees which is responsible for day to day functioning of the Asset Management department.

The Asset Management Department Key Performance Areas (KPA) are set out in the following manner:

Asset Management

- Ensuring a GRAP Compliant Asset Register.
- Ensuring compliance with Asset policy/Accounting Policy.
- Asset Verification process- year end procedures
- Reconciliations between Asset Register and General Ledger.
- Capitalization of PPE
- Impairment/Condition assessment of Asset
- Report on Capital expenditure for Movable Assets and Infrastructure Assets/WIP.
- Identification of redundant and obsolete Assets

Insurance and Litigation

- Processing of Insurance claims against and for Municipality
- Administration of Accident reports
- Insurance of Municipal Assets
- Insurance policy (review policy)
- Report on Insurance claims and litigations to Council on a monthly basis

Property Management

- Compilation of lease register
- Compilation of property register
- Property Inspections and verifications
- Drafting of lease agreements
- Contract Management
- Reporting to council on alienation of land

The Asset Register consist of +-38552 items with a total net Value of R 2.1 Billion. During the 18/19 financial year, capital addition to the Asset Register amounted to R34 million. Out of these four infrastructure projects were completed and added to the Asset Register with a total value of R 22million, R 9 million of movable asset additions and R 1.9 million of finance leased assets.

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The Asset Register can be broken down in the following categories

ASSET GROUP	NUMBER OF ASSETS
Intangible Assets	76
Investment Property	213
Land and Buildings	851
Community Assets	41
Infrastructure Assets	27305
Other Asset	10444
Leased Assets	23

Table 171: Asset Groups

The Asset Management department are and formidable team and quite clued up with the management of Municipal Assets. This a clear indication that Kouga Municipality is moving in the right direction due to the progress that has been made over the years.

The Asset Register can be broken down in the following categories

KFA38: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) STRATEGY

The standardisation of Microsoft within the KLM will enhance the ICT environment with immediate effect, as it constantly develops new products to not only meet current requirements but create new methods of achieving goals. Furthermore, skills for programming, maintenance and support for Microsoft are readily available and taught by most of tertiary institutions.

The following areas (functionalities) within ICT will be given priority in terms of the development, upgrading and ongoing monitoring of its systems and services rendered.

- Procuring internet equipment management tools to control and manage access to the Internet.
- Upgrading the wireless backbone.
- Upgrading e-mail archiving.
- Replacing the e-mail filtering device.
- Procuring network access security devices.
- Consolidating all ICT services.

The ICT focus will remain on strengthening the ICT governance framework, including paying attention to protecting the institution's ICT network in the face of growing and sophisticated security threats, extending the reach of ICT services offered by the Municipality to communities to better enhance access to municipal services and, in the process, building on continuing efforts to bridge the digital divide and lay the foundation for a knowledge economy in the Kouga area.

The need for an updated coherent, comprehensive Information and Communications Technology (ICT) Strategy for the Municipality is self-evident. To be meaningful, the ICT Strategy must be updated, aligned to the vision of the municipal leadership and provide the documentary framework within which the information systems infrastructure of the Municipality is developed and expanded to meet the demand for facilities and information.

The strategic objectives of ICT Management are therefore as follows:

- Aligning information systems to support the Municipality's business objectives.
- Providing the Municipality with quality information and/or knowledge to support and enhance decision making, collaboration and information sharing.

- Providing the abovementioned through integrated information management, communications and systems technology.
- Improving the service delivery of the Information Communication Technology Section.
- Providing strategic direction and high-level technology architecture designs to the ICT Section.
- Catering for electronic public access to municipal accounts and other relevant information via the Internet.

Websites

The municipal website, which can be found at www.kouga.gov.za, is one of the most important communication tools available to the municipality. It is updated regularly and used to disseminate a wide variety of information to the public and other interested parties. This information includes reports and documents which municipalities are legally required to make public such as the Integrated Development Plan (IDP) and the Medium-Term Revenue and Expenditure Framework (MTREF), as well as monthly finance reports which are compiled and published in accordance with the Municipal Finance Management Act (MFMA) and Division of Revenue Act (DORA).

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

The web site also hosts an integrated portal where ratepayers can access their account information once registered on the billing system to ensure that we reach local and international property owners in the Kouga area.

ICT Services

The department are in the process of installing wireless access points at all administrative municipal buildings in order to support the paper less technology solution as a cost cutting measure. This will enable councillors to have wireless internet connection to access the electronically formatted agendas for various council meetings. The municipal intranet will be utilized as a security mechanism. The municipality currently utilises radio network devices to link all satellite municipal buildings to the Jeffreys Bay administrative unit. All voice / telephone services and internet & email communication channels travel via the radio links to the main frame network which is in Jeffreys Bay. This allows the municipal staff to make and receive calls at no cost between municipal buildings.

The following Key ICT policies and strategic documents are in the process of council approval, implementation to follow as to strengthen ICT Governance in the municipal ICT environment:

- Corporate Governance of ICT Policy
- ICT Disaster Recovery Policy

The department are currently understaffed, a process was started to fill the critical vacant positions within the department to support the business.

KFA39: REVENUE STRATEGIES

The municipality's revenue strategy is built around the following components:

- National Treasury's guidelines and macro-economic policy.
- Growth in the municipality and continued economic development.
- Efficient revenue management, which strives to ensure a 95% annual collection rate for property rates and other key service charges.
- Electricity tariff increases as approved by the National Regulator of South Africa (NERSA).

- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act no 6 of 2004)
- Increase ability to extend new services and recover costs.
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the municipality.

The municipality's aim is not to exceed inflation in its annual tariff adjustments, but the following factors hamper such goal and are often beyond the control of the municipality:

- The new general valuation
- ESCOM electricity increases
- Bulk water purchases and
- National collective agreements on salary increases.

KFA40: SUPPLY CHAIN MANAGEMENT

The municipality has established a Supply Chain Management Unit. The municipality has also established the required Bid Committees, being the Bid Specification Committee, Bid Evaluation Committee and Bid Adjudication Committee. These structures are responsible for ensuring that the Municipality's procurement processes comply with the Supply Chain Management Regulations and Supply Chain Management Policy.

MEETINGS	Jan- Dec 2020
Bid Specification Committee Meeting	43
Bid Evaluation Committee1	60
Bid Evaluation Committee2	32
Bid Adjudication Committee Meeting	30

Table 172 : SCM Meetings

5.8.4 KPA 4 – GOOD GOVERNANCE

KFA41: GOVERNANCE STRUCTUURES

The governance structure of Kouga Municipality is informed by the Municipal Structures Act, No. 117 of 1998, which stipulates the roles and responsibilities that each structure within the municipality should perform. Section 53 of the Municipal Systems Act, (Act 32 of 2000) stipulates inter alia that the respective roles and areas of responsibility of each political office bearer of the municipality and of the city manager must be defined.

The Kouga Municipality is a Category B Municipality with a Mayoral Executive System combined with a Ward Participatory System. The Kouga Municipality is currently a Grade 5 municipality, however, there has been an indication the grading of the municipality will be reviewed.

Speaker and Council

The Council performs both legislative and executive functions. They focus on legislative, oversight and participatory roles, and have delegated its executive function to the Executive Mayor and Mayoral Committee. Their primary role is to debate issues publicly and to facilitate political debate and discussion.

Apart from their functions as decision makers, councillors are also actively involved in community work and the various social programmes in the municipal area.

The Council comprise of 29 elected councillors, made up of 15 Ward Councillors and 14 Proportional Representation (PR) councillors, as per the tables below:

NAME OF COUNCILLOR	POLITICAL PARTY		WARD/PR	GENDER
	Democratic Alliance (DA)	African National Congress (ANC)		
Amos Mabukane		ANC	Ward 10	Male
Benjamin Rheeder	DA		Ward 12	Male
Brenton Williams	DA		PR	Male
Bryan Dhludhlu	DA		PR	Male
Chris Hattingh Bornman	DA		Ward 11	Male
Cynthia August	DA		PR	Female
Cynthia Matroos		ANC	PR	Female
Daniel Benson	DA		PR	Male
Eldridge Februarie		ANC	Ward 7	Male
Frances Baxter	DA		PR	Female
Frederick Campher	DA		Ward 4	Male
Horatio Hendricks	DA		Ward 15	Male
Jacques Alexander (as from January 2021)	DA		PR	Male
Ludwig Vorster	DA		Ward 8	Male
Magareth Peters		ANC	Ward 13	Female
Malibongwe Dayimani		ANC	PR	Male
Marthina van Niekerk	DA		PR	Female
Melenie Biko	DA		PR	Female
Phumza Nkwalase		ANC	PR	Female
Phumzile Oliphant		ANC	PR	Male
Robert Dennis		ANC	Ward 2	Male
Robert Dennis (as from December 2020)		ANC	Ward 2	Male
Robin Jantjies	DA		PR	Male
Sibongile Jujwana		ANC	Ward 9	Male
Sindiswa Makasi		ANC	Ward 14	Female
Timothy Janjies	DA		PR	Male
Velile Vumazonke		ANC	Ward 6	Male
Willem Gertenbach	DA		Ward 3	Male
Wilma Coenraad	DA		Ward 5	
Zolani Mayoni		ANC	Ward 1	
TOTAL	**17**	**12**	**29**	

Table 173: Ward Councillors

Executive Mayor and the Mayoral Committee

The Executive Mayor is at the centre of the system of governance since executive powers are vested in him to manage the day-to-day affairs of the municipality. The key element of the executive model is that executive power is vested in the Executive Mayor, delegated by the Council, as well as the powers assigned by legislation. Although accountable for the strategic direction and performance of the municipality, the Executive Mayor operates in concert with the Mayoral Committee.

Seat of the Kouga Municipality

The Kouga Main Municipal Office building is situated in Jeffreys Bay and is the **SEAT** of the municipal council. The building currently accommodates the Office of the Executive Mayor, The Office of the Municipal Manager, the Directorate Administration, Monitoring and Evaluations and the Directorate Finance. The Directorate Planning, Development and Local Economic Development as well as the Directorate I & E are situated at a satellite office in Jeffreys Bay, the Woltemade Building.

Whereas Kouga Municipality consists of the towns of Thornhill, Loerie, Hankey and Patensie in the Gamtoos Valley inland area, Humansdorp inland and Oyster Bay, Cape St Francis, St Francis Bay and Jeffreys Bay in the coastal area was it necessary to provide administrative support in the areas outside the main administrative areas of Humansdorp and Jeffreys Bay to ensure that communities have easy access to services.

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The following services are provided in towns as indicated:

Cape St Francis	Hankey	Humansdorp	Jeffreys Bay	Loerie	Oyster Bay	Patensie	St Francis Bay	Thornhill
Serviced by St Francis Bay (Approx.4 km away)	▪ Payment/General enquiries ▪ Library ▪ Traffic licencing Centre ▪ Satellite fire station ▪ Satellite CS depot ▪ Satellite TS depot ▪ Municipal Help Desk	▪ Payment/ general enquiries ▪ Traffic Services ▪ Vehicle testing station ▪ Fire and Rescue Services ▪ Library ▪ Fire Station (Head Quarters)	▪ Seat of Council ▪ Finance Office ▪ SCM Unit ▪ Stores ▪ Administration ▪ HRM ▪ LED ▪ Community Services ▪ Technical Services ▪ Mechanical Workshop ▪ Social Services ▪ Library ▪ Customer Call Centre ▪ Satellite Fire Station	▪ Payment/ general enquiries Office ▪ Library ▪ Satellite CS Depot	▪ General Enquiries Office ▪ Satellite Fire Station (Project stopped)	▪ Payment/ general enquiries ▪ Library ▪ Satellite CS Depot ▪ Satellite TS Depot	▪ Payment/ general enquiries ▪ Satellite Fire Station ▪ Satellite CS Depot ▪ Satellite TS Depot ▪ Satellite building plan Office	▪ Payment/ general enquiries ▪ Library

Table 174: Satellite Offices

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Annual Council Calendar (26 June 2020)

MEETING	DAY	MONTH	YEAR
PORTFOLIO COMMITTEE MEETING	4/5/6	February	2020
	2/3/4	June	2020
	14/15/16	July	2020
	8/9/10	September	2020
	3/4/5	November	2020
MAYORAL COMMITTEE MEETING	9	March	2020
	7	May	2020
	21	July	2020
	1	October	2020
	27	November	2020
COUNCIL MEETING	30	January	2020
	21	February	2020
	28	February	2020
	26	March	2020
	1	May	2020
	29	May	2020
	5	June	2020
	12	June	2020
	19	June	2020
	26	June	2020
	30	June	2020
	30	July	2020
	28	August	2020
	30	September	2020
	29	October	2020
	11	December	2020

Table 175: Annual council calendar

STATUTORY DATES	
26 March 2020	End Q4 report
30 January 2020	First Draft Annual Report
28 February 2020	End of Q1 report
30 January 2020	Mid Term Report
26 March 2020	Annual Report
28 February 2020	Adjustments Budget
26 March 2020	Draft Budget/IDP
26 June 2020	Final Budget & IDP
26 June 2020	Write Offs

Table 176 : Statutory dates

Additional Committees

In addition to the above structures, the municipality has various other committees. These include:

TYPE	NAME OF COMMITTEE
APPEALS COMMITTEES	▪ Section 62 Appeal Committee
SECTION 79 COMMITTEES	▪ Municipal Public Accounts Committee (MPAC)
SECTION 80 COMMITTEES	▪ Corp. Serv. Portfolio Committee ▪ PDT Portfolio Committee ▪ I & E Portfolio Committee ▪ CS Portfolio Committee ▪ Finance Portfolio Committee ▪ Local Economic Development & Tourism
OVERSIGHT COMMITTEE	▪ Audit Committee (Sec 166 MFMA) ▪ Risk and Fraud Committee ▪ Disciplinary Board
LABOUR COMMITTEES	▪ Local Labour Forum ▪ Training Committee ▪ Employment Equity Committee ▪ Skills Development Committee
OTHER	▪ Ward Committees ▪ Revenue Enhancement Committee ▪ Rules & Ethics Committee ▪ Bid Committees ▪ Events Committee ▪ Municipal Planning Tribunal ▪ ICT Steering Committee ▪ Environmental Committee: ▪ Disaster Management Committee ▪ Bad Debts Committee: ▪ Inter-governmental Relations Committee: ▪ Ward Councillors Committee: ▪ Performance Management Committee: ▪ Budget & IDP Steering Committee ▪ Budget & IDP Implementation Committee: ▪ IDP Representative Forum ▪ Moral Regeneration Movement: ▪ CDW Round Table Committee ▪ Kouga Roads Forum Committee ▪ Housing Committees Ward based ▪ Seekoei Estuary Breaching Committee ▪ Municipal Land Committee

Table 177: Additional committees

Council Support Services

The Directorate Corp. Serv. provides administrative support to Council and its Committees through the preparation and collation of agendas, the distribution of agendas, providing/securing venues, the provision of refreshments at meetings as required, taking and distribution of minutes and oversight over the execution of resolutions taken by Council and its Committees. In order to ensure administrative effectiveness, the execution of Council Resolutions is controlled by means of action sheets and a Standard Operational Procedure for the Execution of Council Resolutions. The execution of resolutions is reported to Council and its Committees as a matter of course. Risk Reduction Committee was established in January 2019 and will be rolled out to all other Kouga areas.

Frequency of Committee Meetings

MEETING CATEGORY	NO. OF MEETINGS
Council Meetings	16
Mayoral Committee	5
Maycom/Exco Meetings	14
Top Management Meetings	20
Portfolio Meetings	30
MPAC Meetings	9
Kouga Audit Committee Meetings	5
Local Labour Forum Meetings	6
Municipal Land Committee	7
Ward Committee Meeting	91
Bid Specification Committee Meeting	23
Bid Evaluation Committee Meeting	62
Bid Adjudication Committee Meeting	18
Loud-hailing	30
Policy Workshops	5
Rule & Ethics Committee	0
Budget Steering Committee	0
IGR	2
Ad Hoc Committee Meetings	2
BIGM	22
TOTAL	**367**

Table 178 : Frequency of meetings

Administration

The Administration Directorate (Corp. Serv.) consists of the following sections that render general administrative support services to Council and the Administrative component of Kouga Municipality:

Administration

- Records Management
- Council and Committee support services
- Policy development
- By-Law development

Auxiliary Services

- Office Accommodation
- Telephones and office equipment
- Refreshments and catering

- Call Centre
- Building Maintenance

Human Resources
- Human Resources Administration
- Labour Relations
- Recruitment and Selection
- Staff Structure
- Organizational Development
- Job Evaluation

Employment Equity and Skills Development
- Employment Equity
- Skills Development

Legal Services
- Ensuring legal compliance
- Legal guidance and advice to Council and Administration
- Review and compilation of the Municipal Code
- Mitigate legal risks.

Records and Document Management

The Electronic document records management system (EDRMS) is managed by the Department: Corporate Services in the Administration section. EDRMS is a document management system through which correspondence is logged and distributed, ensuring that documents are filed as per the file plan and made available electronically.

The system is currently being rolled out throughout the institution to ensure an integrated system that will simplify the sending and retrieval of information and minimizing the need for storage of physical documents. The system also has a functionality that provides for a workflow program for signing of documents and tracking of documents without the hassle of sending emails back and forth.

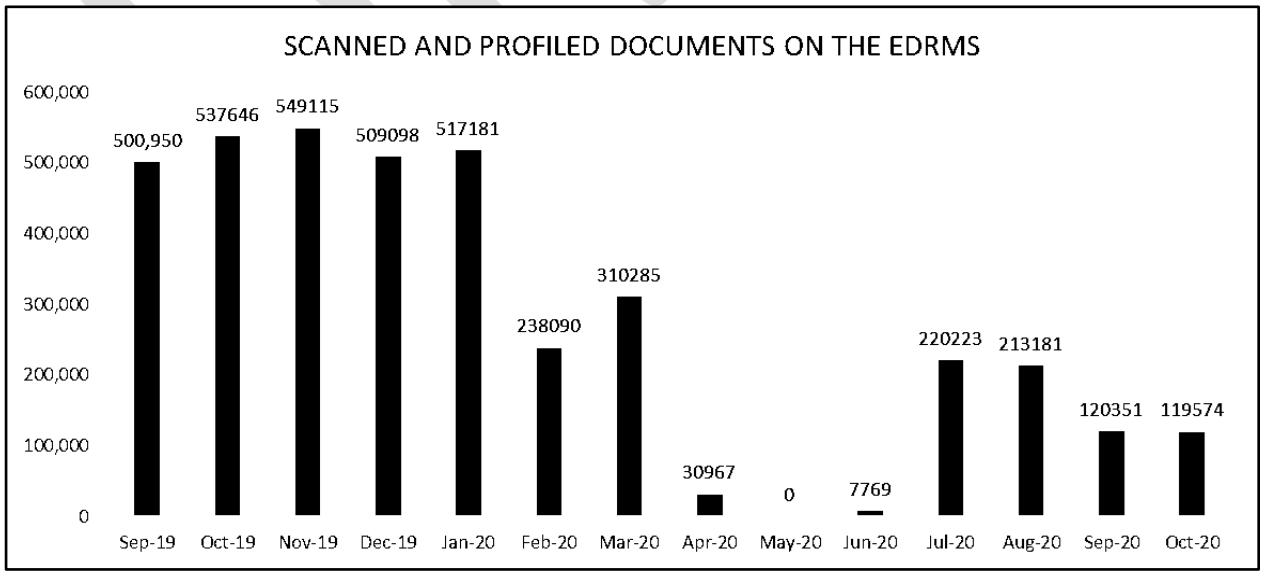

Figure 43L Scanned and profiled documents

This system plays a critical role in working towards a paperless environment and to date more than 3 million documents has been scanned and profiled on EDRM system. *Table 178 : Scanned and profiled documents on the EDRMS*

KFA42: Audit and Compliance

Audit and Performance Audit Committee

Section 166 of the Municipal Finance Management Act no. 56 of 2003, requires every municipality to establish and maintain an audit committee, as an independent appraisal function.

Section 166:
(1) Each municipality and each municipal entity must an audit committee, subject to subsection (6).
(2) An audit committee is an independent advisory body which must – (a) advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, or the board of directors, the accounting officer and the management staff of the municipal entity, on matters relating to:
(i) Internal financial control and internal audits.
(ii) Risk management.
(iii) Accounting policies.
(iv) The adequacy, reliability and accuracy of financial reporting and information.
(v) Performance management.
(vi) Effective governance.
(vii) Compliance with this Act, the annual Division of Revenue Act, and any other applicable legislation.
(viii) Performance evaluation; and
(ix) Any other issues referred to it by the municipality or municipal entity.

Four meetings were held by the Audit Committee during 2020. The Audit committee comprises of 3 members. The Audit Committee has been functional and effective over the last financial year. The following table indicates the members of the Audit Committee:

Name of Representative	Capacity
Jaenre' Blignaut	Chair
Rodney Coetzer	Member
Yimile Ngqele	Member

Table 179 : Audit committee members

Internal Auditing

In terms of Section 165(1) of the Municipal Finance Management Act No. 56 of 2003 each municipality must have an internal audit Unit. Section 165(2) of the Act gives guidance on what is expected of the internal audit activity with regard to responsibility, functions and reporting requirements. The Kouga Municipality's Internal Audit activity is capacitated to provide independent, objective assurance and consulting services. Independence is maintained by being accountable to the Accounting Officer administratively and by functionality reporting to the Audit Committee, these reporting lines are clearly stated in the Kouga Internal Audit Charter.

The Internal Audit activity strives to provide value-added service to the municipality proving workable and sustainable solutions. Internal Audit engagements are conducted as stated in the audit methodology.

Audit Staff Structure

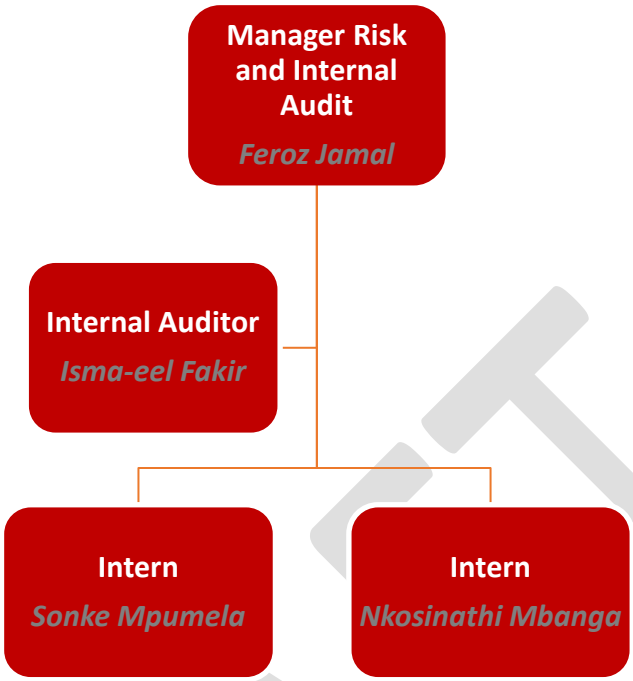

Figure 44: Audit staff structure

Audit Outcomes

Year	Opinion Received
2017/18	Unqualified
2018/19	Unqualified
2019/20	Unqualified
2020/21	

Table 180 : Audit outcomes

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KFA43: RISK MANAGEMENT

The role of the Fraud and Risk Management Committee is to provide a timely and useful enterprise risk management report to the audit committee of the municipality. The report contains the current top risks of the municipality, which includes:

- The key strategic and financial risks facing the municipality (all high-risk exposures); and
- The key operation risks per strategic goal.

RISK GRAPH

The Risk Management Section is currently not functional due to vacancies; however, the risk management functions are being attended to by Internal Audit with recommendations to management and Council. Progress on action plans is followed up with the relevant Directors on a quarterly basis.

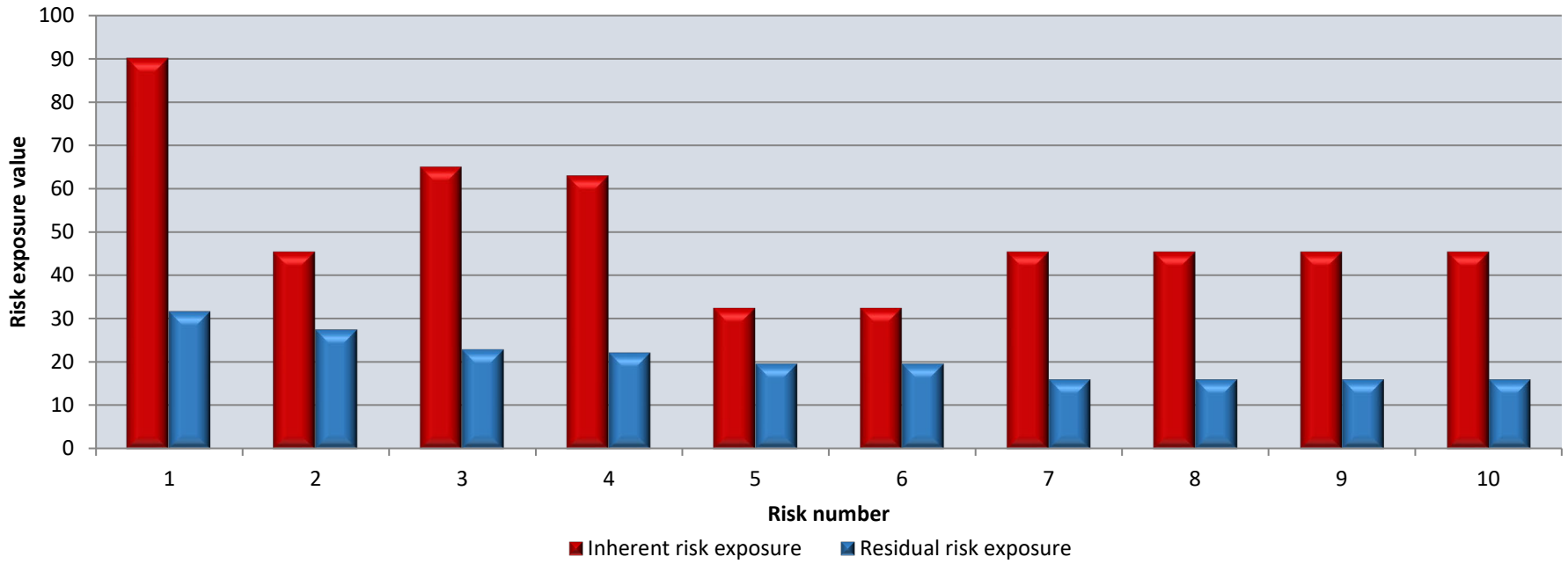

Figure 45: Risk graph

STRATEGIC RISK MANAGEMENT REGISTER – TOP 10

	Risk name	Root causes to the risk	Impact	Likelihood	Inherent risk exposure	Current business processes / controls in place to manage identified risks	Managements perceived control effectiveness	Residual risk exposure	Mitigating action plans to further address the residual risk exposure	Action owner
1	**Adverse Impact of COVID -19 on KLM**	1. COVID 19 pandemic occurring 2. Unplanned expenditure due to COVID 3. Loss of revenue due to residents being unable to pay (KLM having to give payment holidays, reduce property rates, unable to charge interest on overdue accounts) 4. Budgets need to be readjusted/realigned for COVID 19 Priorities	Catastrophic	Almost certain	**Extreme**	1. Conducting Covid 19 HIRA for all depts 2. Developed Workplans for all depts 3. Developed COVID19 Policy, Rates rebates passed by Council 4. Conducted medical Screening for all essential services employees and all employees returning to work 4. Approved realigned budget by Council 5. Administered Flu Vaccine for all essential services Employees 6. Conducted training on Workplans 7. Conducted return to work inductions 8. Provided the required PPE 9. Installed foot mechanism sanitizer stations at all building 10. Introduction registers at all building entrances 11. Conduct Infra-red temperature screening 12. Managed expenditure programme 13. Strict Revenue control 14. Budget process	**Satisfactory**	**Priority 1**	1. COVID task team set up by Top Management 2. Strict Internal controls to manage expenditure 3. Consultant appointed to conduct HIRA and Workplans 3. Enforcement of credit control policies 4. Monthly monitoring of budget by relevant personnel 4.OHS performing on-going assessment of situation on the ground and dealing with non-compliance 5. Commissioned a Training Video on Covid19	1-5. Municipal Manager: (C Du Plessis) and Directors

2	**Lack of bulk infrastructure (Elec, water, sewerage,** **Note :" Lack of" refers to land and illegal informal settlements that cannot be serviced by bulk due to, amongst other, location which makes it impossible to be connected to existing services roads, Stormwater, waste)**	1. Inability to plan for informal developments occurring in Kouga (linked with no.4) 2. Lack of ability to provide strategic planning by Infrastructure Department for haphazard informal settlement formations (linked with no.4) 3. Lack of availability of land (cemeteries) 4. Lack of some bulk infrastructure master plan (Elec, water, sewerage, roads, Stormwater) 5. Lack of funding and management of augmentation (not utilized for upgrading of infrastructure) 6. Lack of integration in planning and development (housing and infrastructure)	Critical	Likely	**High**	1. Spatial Development Plans 2. IDP 3. Comprehensive Infrastructure Master Plans to be developed 4. Storm water and partial sewer Plan. DEA provided blanket approval for water projects 5. MTREF; SLA's (between Kouga & Developer); Augmentation policy. 6. Human settlement and town planning have merged - to improve the related controls.	**Weak**	**Priority 1**	1-2. Strategic Planning Process to run concurrently with budget & IDP process to consider growth of Kouga 3. Tender process for EIA to be continually put out on future identified projects. 4. Develop new and updated business plan to source external funding 5. Ring fencing of augmentation fees; Costing of bulk services contributions by applicant prior to approval by Council; Appointment of custodian of SLA's (between developer & Kouga) 6. No further actions	1-5. Director: Infrastructure (V Felton)
3	**Business Disruptions due to inadequate ICT infrastructure, and security.**	1. Inadequate interface of various systems (stand-alone relationship) Software issues, running in silos 2. Insufficient data storage space 3. Lack of IT policy implementation **COVID 19 risks on IT** 4. Strains on network due to working from home 5. Increased risk of data leaks, lack of	Catastrophic	Likely	**Extreme**	1. ICT steering committee 2. Regularly check storage environment and discard old non-essential/replicated info 3.IT Policies 4. Network integrity checks 5. Document management policy/IT policies 6. IT newsflashes 7. Data store. Endpoint data protection Backing up to Cybex.	**Satisfactory**	**Priority 2**	1. Development of SOPs (Revenue - Finance) 2. No further actions 3. Policy to be implemented once approved 4-6. Regular monitoring of network 7. Implementation of archive management system 8. Implementation of a documented change management control process (30 June 2021)	1. CFO (R Lorgat) and 2- 8. Acting Manager: IT (A. Makomo)

		control of confidential information 6. Possible increase in fraud and phishing attacks 7. Lack of central repository for information								
4	**Inability to contain the spread of Covid-19 in KLM (wider community)**	1. Lack of sufficient testing kits within KLM 2. Lack of quarantine facilities within KLM 3. Lack of PPE 4. Lack of water for all residents within KLM for sanitation 5. Non-adherence to lockdown regulations / alerts level by residents and municipal staff within KLM	Critical	Almost certain	**Extreme**	1 and 2. National Dept of Health & Public Works 3. PPE procured by relevant sector departments & private employers 4. Water tankers made available 5. SAPS & By-Law Enforcement 6. Education and awareness programs (regular)	**Satisfactory**	**Priority 2**	1.-4. Ongoing engagement between National Dept of Health, sector departments and KLM 5. The local Command Centre between KLM & SAPS was established. The Command Centre feeds the JOC. Regular loud hailing informing residents on the regulations as well as regular patrols within KLM boundaries. Roadblocks have been conducted.	1-5. Municipal Manager: (C Du Plessis) and Directors
5	**Water losses**	1. Linking of meters with Erven not completed 2. Tampering 3. Incorrect billing data and information 4. Old water meters running slower	Serious	Likely	**Moderate**	1. Internal checks conducted by Municipality 2. A campaign has been run to identify meter tampering 2. Full meter audit done by Infrastructure 3 Data Cleansing 4. Pressure Management in place	**Weak**	**Priority 2**	1.-4. Water Pressure Management in High Zones (Ongoing)	1-4. Director: Infrastructure (V Felton)
6	**Electricity losses**	1. Linking of meters with Erven not completed 2. Illegal connections 3. Tampering 4. Incorrect classification as qualifying for lower electricity 5. Incorrect billing data and information	Serious	Likely	**Moderate**	1. Internal checks conducted by Municipality 2. Illegal connections bylaw enforced by SAPS and KLM law enforcement 3. A campaign has been run to identify meter tampering (internally - electrical) 4. Full meter audit done by Infrastructure 4. Appointed Resolve EIS to	**Weak**	**Priority 2**	1.-4 Electrical - Appoint a service provider to identify tampering and investigate illegal connections. 5. Develop an action plan to contain electricity losses and identify illegal connections using load factor investigation which can be used to flag potential tamperers.	1-5. Director: Infrastructure (V Felton) 5. CFO (R. Lorgat)

						conduct meter audit, 5. Data Cleansing				
7	**Ageing bulk and internal Infrastructure (including fleet)**	1. Poor refurbishment and replacement of existing assets (water, pump stations sewage, storm water, electricity, Internal networks - water pipes) 2. Limited funding (linked to excessive staff costs / consultant costs for Infrastructure) 3. Lack of consolidated infrastructure master plan in place 4. Limited provision for future capital infrastructure 5. Cost vs benefit is not considered in replacement 6. Fleet replacement policy not implemented due to financial constraints Ageing Fleet (refuse trucks, suction tankers, yellow plant) 7. Land availability and long EIA process	Critical	Likely	**High**	1. Maintenance Plans / Asset Policy (electricity, water & sanitation) - Rural Roads Asset Management System (RAMS) completed by DoT 2. Gazetted consultant costs 3. Master plan for Stormwater and limited for sewerage (Humansdorp Only) 4. Grant funding from NT 5. Asset and Fleet management policy (draft) 6 Specifications drafted for procurement of critical infrastructure and fleet. 7. EIA process for drop, Thornhill, hankey Patensie follow up with consultant	**Satisfactory**	**Priority 3**	1. Annual condition assessment to be completed with assistance of Assets Department and Infrastructure (1 July 2019) 2. Develop business plan to source external funding (Ongoing) 3. Develop Consolidated Master Plan for JBay St Francis, Hankey, Loerie and Patensie (everything besides Storm water and Humansdorp) 4. Addressed by Master Plan (Ongoing) 5. General: Perform interdepartmental planning to enhance revenue potential. Develop asset replacement policy. Upgrade more timeously in a scheduled way rather than responding as each matter arises (link with master plan). 5, Finalize Draft Asset and Fleet Management Policy 6. Procurement of new infrastructure including critical fleet requirements. 7. identify land for cemeteries	1-4. &6 Director: Infrastructure (V. Felton); 5. CFO (R. Lorgat) 7. Director: Community Services (N. Machelesi)
8	**Water Security and Load Shedding**	1. Drought 2. Increase in demand for water 3. Increase in population 4. Limited allocations from Water supply sources	Critical	Likely	**High**	1 -3. Drought Funding Ground water exploration Implementing water conservation and demand management (Fix leaks, metered) Boreholes being drilled 4. Augment with ground water	**Satisfactory**	**Priority 3**	1. Continuous fund stream for water conservation and demand management 2 Design to include generators for major Infrastructure 3. Awareness campaigns for the public to reduce consumption	1-3. Director Infrastructure (V. Felton)

		5. Eskom load shedding during winter				5. Generators on certain infrastructure				
9	**Economic as well as environmental losses due to natural and manmade disasters and accidents**	1. The imbalance created in our environment. Global warming and climate change. The activity of the moon and ocean currents 2. Lack of staffing to respond to cases and carry out emergency services - Inadequately skilled officials to respond to the disasters 3. Lack of attendance of members of the disaster advisory forum Committees (sector and state department entities) 4. Ageing infrastructure which is unable to cope / withstand disasters - (Stormwater drains not cleaned, water reticulation ageing) 5. Inadequate business continuity planning 6. Non- compliance with legislation and by-laws	Critical	Likely	**High**	1. Link App /in process of establishing JOC in Hdorp 1. Monitoring of weather conditions. 1.Making regular fire breaks 1. Infrastructure and coastal inspections 1. Toll free number for assistance 1. Developed a Disaster Management Plan for District 2. Trained volunteers (20), training of 15 at Links. Additional post created on organogram to compliment Disaster Management function. Additional vehicle procured for Disaster Management. Awaiting new draft Disaster Risk Management Plan form service provider. 2. Training interventions for community members 3.Monthly DM meetings, forums held between CDM and LM's 4. Ongoing maintenance (e.g., cleaning of storm water drains) 5. Implementation of DM Legislation and By-laws in respect of Disaster management. 6. Enforcing by-laws	**Satisfactory**	**Priority 3**	1. Emphasize importance of Incident Committee training (HR to facilitate and to identify individuals (Director, Managers and Sups) and establish proper JOC 2. Lobby for funding by Director: CS and Dir Corporate for new fin year 3. Invites to be sent prior to meeting (1 per quarter) 4. Buying new vehicle for DM (LDV for disaster practitioner to visit rural areas) .	1-4. Director: Community Services (N. Machelesi)
10	Ineffective service delivery	1. Lack of plans for maintenance of infrastructure assets (caravan parks, sport field caretakers' cottages, council leased properties)2.	Critical	Likely	**High**	1. Asset Management Policy (Approved) FAR2. 3 Year Maintenance Plan3. Budget Process, 4. Disciplinary Code (poor consequence management); Tracker System (but not used effectively);	**Satisfactory**	**Priority 3**	1. Adequate provision must be made in adjustment budget to Develop maintenance plan between CS and Assets2. Develop maintenance plans (water, sewer, roads & Storm water)3. Maintenance plan	1. CFO (R. Lorgat) and Director: CS (N Machelesi)2. Director: I&E (V Felton)3.

		Inadequate maintenance plan for municipal infrastructure and facilities (operational and capital)3. Draft Maintenance plan for public amenities (Sports fields, comm halls, Ablution facilities)3. Limited funding and critical human resources (Bush clearing team - 1 team only)4. Abuse/ Misuse of Property, Plant and Equipment including vandalism of community halls, sports fields etc.5. Ageing plant and equipment (Yellow plant, refuse trucks, suction tankers)6. Lack of skilled and competent staff (lack of project management skills)7. Lack of funding for Registration of unregistered Council properties8. Ineffective Disaster management system. 9. Lack of land for cemeteries				Budget process5. Asset Management Policy (Approved)6. Work place skills plan / Recruitment and Selection Policy / Organogram7. Budget process8. District Disaster management centre9. Land identified, EIA process in progress (Hdorp, Thornhill, hankey Patensie). Development of layout plans.			budget to be spent per quarter to be monitored and reported at Standing Committee (portfolio committee quarterly) for Comm Services.3. Realistic costing of maintenance & replacement programs 4. Improve Implementation of Disciplinary Code and monitoring Tracker System. Internal staff to be able use the tracker system effectively5. Replacement of the fleet - process to be completed6. The training of staff to be added to the workplace skills plan.7. Necessary budget must be made under Assets and Legal section during adjustment budget period.8. A Disaster Management Plan is being drafted by Service Provider. 9. Advocating for cremation and alternative burial methods. Development of a Master Plan for cemeteries and identify land.	Director: CS (N Machelesi)4 and 5. Director: I&E (V Felton)6. All Directors7. CFO (R Lorgat) and Legal Services Manager (L Opperman)8. and 9. Director: CS (N Machelesi)

Table 180 : *Risk register*

KFA44: POLICIES AND BY-LAWS

Policies and by-laws are instruments that guide Council, the administration and communities and provide the framework for responsible local government in the municipal area.

By-Laws

The following by-laws have been approved by Council and promulgated on 27 December 2006:

- Aerodrome By-law
- Cemeteries and Crematoria By-law
- Community Fire Safety By-law (***To be reviewed during 2019/20 financial year)***
- Customer Care and Revenue Management By-law
- Electricity By-law
- Fences and Fencing By-law
- Impoundment of Animals By-law
- Liquor Trading By-law
- Outdoor Advertising and Signage By-law
- Prevention of Public Nuisance and Keeping of Animals By-law
- Public Amenities By-law
- Roads and Traffic By-law
- Solid Waste Disposal By-law
- Sporting Facilities By-law
- Standing Rules and Orders By-law
- Storm water Management By-law
- Street Trading By-law
- Water Supply and Sanitation By-law

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POLICIES

KOUGA MUNICIPALITY - MASTER POLICY REGISTER

Policy Name	Responsible Department	KLM Unit	Status	Resolution Reference	Review 1 Res No	Review 2 Res No	Review 3 Res No
Administration of immovable property	Assets	Finance	Draft adopted		Policy and Procedure for the Disposal of Immovable Assets 18/04/F7		
Anti-Corruption Strategy and Fraud Prevention Policy 2015/17	Budget & Treasury	Finance	Approved	15/05/AME13	17/07/AME&SP2		
Beneficiary Allocation Policy	Human Settlement	PDT	To be developed				
Borrowing Policy	Budget & Treasury	Finance	Approved				
Cash Management and Investment Policy	Budget & Treasury	Finance	Approved				
Corporate Governance ICT Policy	ICT	Finance	Approved	18/03/F1			
Cost Containment Policy	Budget & Treasury	Finance	Approved				
Customer Care, Credit Control and Debt Collection Policy	Revenue	Finance	Approved	18/10/F5			
Emergency Housing Policy	Human Settlement	PDT	To be developed				
Fixed Assets Policy	Assets	Finance	Approved				
Funding and Reserves Policy	Budget & Treasury	Finance	Approved				
Human Settlement Plan	Human Settlement	PDT	To be reviewed				
ICT Charter	ICT	Finance	Approved	18/03/F1			
ICT Disaster Recovery Policy	ICT	Finance	Approved	18/03/F1			
ICT Risk Management Framework	ICT	Finance	Approved	18/03/F1			

ICT Strategy	ICT	Finance	Approved	18/03/F1			
Indigent Support Policy	Revenue	Finance	Approved		18/03/F1		
IT Policy	ICT	Finance	Approved				
Model SCM Policy for Infrastructure Procurement and Delivery Management	SCM	Finance	Approved	17/07/F6			
National Treasury Standard for Infrastructure Procurement and Delivery Management	SCM	Finance	Approved	17/07/F6			
Preferential Procurement Policy	SCM	Finance	Approved				
Property Rates Policy	Revenue	Finance	Approved	17/12/F11			
Provision of doubtful debt a write-off of irrecoverable debt Policy	Revenue	Finance	Approved	15/05/F14			
Risk Management Policy	Budget & Treasury	Finance	Approved				
Supply Chain Management Policy	SCM	Finance	Approved		18/03/F1		
Tariffs Policy	Revenue	Finance	Approved				
Virement Policy	Budget & Treasury	Finance	Approved				
Unallocated Revenue and Building Deposit Policy	Budget & Treasury	Finance	Approved				

Table 181 : Policies

It is Council's intention to develop a schedule of all policies and by-laws that will indicate an annual rotation plan for reviewing all policies and by-laws. This process will assist the municipality to be developmental and innovative in doing its business. The systems should be continuously updated to ensure that it supports the administration.

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KFA45: INTERGOVERNMENTAL RELATIONS (IGR)

Kouga Municipality participates in intergovernmental structures at a Provincial and District level. Bilateral meetings are further held so as to ensure an integrated approach to developments that cut across the competencies of various sectors of government. The Forum meets quarterly and consists of representatives from Kouga Municipality, Sarah Baartman District Municipality, Sector Departments, Parastatals and Government Agencies.

The purpose of the forum is to:

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

KFA46: COMPLAINTS MANAGEMENT

The continuous improvement of communication between the municipality and communities remains high on the agenda for the Council. Stakeholder participation will, therefore, enjoy significant attention during the course of the next five years. The public reports service delivery issues like potholes, power, and water problems etc. to the Call Centre by calling in or via the Vodacom Link application on a smartphone. The Call Centre has a dual purpose as it also serves as an operations centre for the Municipality from where the workers of the relevant departments are dispatched to deal with the reported problems.

KFA47: SLA'S AND MEMORANDUMS OF UNDERSTANDING ENTERED INTO

Kouga Municipality has contracts that are signed between Kouga Local Municipality and the District Municipality in relation to unfunded mandates such as the Fire and Disaster Management, between the Department of Sports and Recreational Facilities such as Libraries, between the Department of Economic Development and Environmental Affairs such as Environmental Health and Waste Management between the Department of Transport on Traffic Law Enforcement.

All three spheres of government are distinctive, inter-dependent and interrelated. Section 125 (3) indicates that the national government, by legislative and other measures, must assist provinces to develop the administrative capacity required for the effective exercise of their powers and performance of their functions referred to in subsection (2). Schedule 4 & 5 refers to functional areas which are supposed to be rendered by Provincial spheres and District but rendered by municipality on behalf of the mentioned the province and district. All contracts are held in securities in the Archive Section.

Service Level Agreements

ORGANISATIONS	SERVICE	SIGNED YES/NO
Department of Sport, Recreation, Arts and Culture	Library Services	
	Sports and Recreation	
Sarah Baartman District Municipality	Environmental Health Services	yes
	Fire Services and Disaster	yes
Department of Transport	Registration and licencing	yes
FAPX	Paradise Airfield	yes
Traffic Management	Management of camera speed equipment	
Department of Energy	Upgrading and electrification project	
ESKOM	Electricity Supply agreements	
Escoteck Services (PTY) Ltd	Demand site management agreement	yes
Sarah Baartman District Municipality	Local Implementation Agent	
Nelson Mandela Bay Municipality	Water Supply Agreement	no

Table 182 : Service level agreements

Memorandum of Understanding

ORGANISATIONS	SERVICE	SIGNED YES/NO
Kouga Local Tourism Association	Tourism destination marketing, events and festivals, tourism signage, tourism advertising	N/A
Kouga Sports Council	Sports development especially amongst school going youth	N/A
Humansdorp Museum	Management and promotion Humansdorp Museum and Shell Museum Jeffreys Bay	
Coega Development Corporation	SMME development and training, skills training and SMME unemployed database	
Kouga Arts Council	Arts and Culture development amongst communities	N/A
Kouga Heritage Council	Heritage awareness and promotion as well as audit of heritage assets	
St Francis Riparians	Management of canals	yes
Kromme Joint River Committee	Management of Krom River	yes
Department of Human Settlement	Bulk Infrastructure	
Kouga FM	Use of office in Kouga Cultural Centre	N/A
SASSA	Social Grants	
Coast Care	Beaches	
Nelson Mandela University	Estuary Management Plan	
BIGM Twinning with Prince Edward County – Canada		
ILLSFELD Municipality – Germany		

Table 183 : Memorandum of Understanding

KFA48: LEGAL SERVICES

The Kouga Municipality has succeeded in establishing a Panel of Legal Service Providers for a period of 3(three) years, which will decrease the irregular expenditure as highlighted by the AG in past financial years specifically in relation to legal fees. The review of the Municipal by-laws is currently still taking place in piece meal due to the shortage of human resources and a budgetary constraint, but the review of the current by-laws remains a priority.

The municipality is still experiencing a significant decrease in general litigious legal fees and has succeeded in finalizing some historic legal matters, which also affected the contingent liability of the municipality. The Legal Services department continues to provide legal sound advises to the Municipal Council and Administration.

KFA49: MUNICIPAL COURT

The Kouga Municipality is experiencing great difficulty in the effective and efficient enforcement of the municipal by-laws and the collection on issued traffic fines.

The municipality is dedicated in creating a safe and healthy environment for the community, and as its mandate, it is of utmost importance to ensure adherence to the municipal by-laws and road traffic legislation in its jurisdictional area. Hence, the Municipality is in the process of investigating the establishment of a municipal court in an attempt to ensure a safe and healthy community.

The municipal court will deal exclusively with municipal related matters which includes matters such as traffic fines issued, and the contravention of municipal by-laws and contraventions of applicable legislation such as the National Building and Building Standards Act.

KFA50: COMMUNICATION (INTERNAL AND EXTERNAL)

Local government has a legal obligation and a political responsibility to ensure regular and effective communication with the community. The Constitution of South Africa, 1996 and other statutory enactments all impose an obligation on local government and require high levels of transparency, accountability, openness, participatory democracy and direct communication with the communities to improve the lives of all.

Good customer care is clearly of fundamental importance to any organisation. A successful community strategy therefore links the people to the municipality's programme for the year. The Municipality will review its communication strategy / policy in the 2021/22 year.

Website

Municipalities are required to develop and maintain a functional website that displays relevant information as per the requirements of the MFMA and S21A and B of the MSA as amended. The municipal website is a key communication mechanism in terms of service offering, information sharing and public participation. It is a communication tool that should allow easy and convenient access to relevant information. Statutory documents and other information and documents can be viewed on www@kouga.gov.za.

Customer Care Survey

An annual survey is conducted to establish satisfaction levels of residents regarding service delivery. The survey is viewed as a public participation tool which helps the municipality to get a sense of how the community measures the performance of the municipality in relation to its core mandate of service delivery.

The survey is a platform for residents to air their views without the pressures of time or audience. Participants are also not required to identify themselves and this allows those wishing to remain anonymous to be granted that status. The survey was conducted in all three of Kouga's main spoken languages, i.e., English, Afrikaans and IsiXhosa.

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

Examples:

CATEGORY	SUB SECTION
SERVICE EXPERIENCE	Customer Care (Telephone skills, reception area, accessibility of offices, staff capacity to deal with challenges, cleanliness of our work environment/offices etc.)
SERVICE DELIVERY	• Water • Electricity • Sanitation • Roads and Storm water • Refuse Removal • Parks and Open Spaces • Halls and Sports Fields • Fire and Emergency Services • By-law enforcement and traffic • Rates and Accounts
GOOD GOVERNANCE	• Ward Committees • Access to Information • Council Meetings • Administration • IDP and Performance Management

Table 184: Customer Survey

The scoring method to express satisfaction was as follows:
1 = Extremely Poor
2 = Poor
3 = Satisfactory
4 = Good
5 = Excellent

The forms were available at municipal units and Ward Councillors Offices. Residents could also download electronic versions of the form from our website. The campaign was publicised in our community newspapers, our website and Facebook page. The Speaker also encouraged ward councillors, specifically, to help circulate the survey in their communities.

Participation in the 2019/20 survey was poor, with the number of submitted forms decreasing from 72 in the previous financial year to 39. Submissions were received from only two wards, namely, Wards 3 and 8 in Jeffreys Bay.

Communication activities

Communication activities	Yes/no	Date approved
Communication strategy		
Communication Policy		
Functional Complaint management systems	Yes	Electronic system installed in 2018

Table 185 : Communication activities

Newsletters

Type of newsletter	Circulation no.	Frequency
Internal	962 employees	Quarterly
External	14 000 residents	Bi-annually

Table 186 :Newsletters

Additional communication channels utilized:

Communication channel	Yes/no
SMS system	Yes
Facebook	Yes
Call system	Yes
Whatsapp	Yes
Newspapers (independent media)	Yes
Digital newsletters (independent media)	Yes
Radio interviews and clips	Yes

Table 187: Additional communication channels utilized

Awareness campaigns

Topic	Description	Dates	Target groups
Anti-corruption % Fraud	Information provided to employees via the internal/external newsletter, municipal website, social media platforms.	Ongoing	Employees / all community members of the Kouga municipal area
Electricity usage	Advertisements in the external newspaper and social media platforms.	Ongoing	All community members of the Kouga municipal area
Water demand management	Social media platforms, external newsletter encouraging community members to use water sparingly.	Ongoing	All community members of the Kouga municipal area
Customer Care	Advertisements and promotion of social media platforms and whatsapp system.	Ongoing	All community members of the Kouga municipal area
Education	Social media, external newsletter, advertisements of library school holiday programmes.	Ongoing	all community members of the Kouga municipal area
Environment	Social media, external newsletter, illegal dumping campaign.	Ongoing	all community members of the Kouga municipal area
Batho Pele Principles	The promotion of the Batho Pele Principles by means of posters, newsletters, social media platforms, website.	Ongoing	Employees / all community members of the Kouga municipal area
Code of Conduct	The promotion of Code of Conduct for employees by means of posters and roadshows	Ongoing	Employees
Elections	The promotion of the municipal elections, via internal / external newsletters, social media platforms, website.	Ongoing campaign until end of election period	Employees / all community members of the Kouga municipal area
Ward Committees	Invitation and awareness about ward committees, external newsletter, social media platforms, website	Ongoing campaign until the establishment of ward committees for a 5-year period	all community members of the Kouga municipal area
Corporate Identity	The promotion of corporate identity via internal/external newsletter, social media, municipal website, marketing and branding items	Ongoing	Employees / all community members of the Kouga municipal area

Save Water Campaign	The promotion of the importance of saving water / using it wisely, external newsletter, social media, branding	Ongoing	Employees / all community members of the Kouga municipal area
Fire Safety	The promotion of fire safety tips, social media platforms.	Ongoing	Employees / all community members of the Kouga municipal area
Road Safety	The promotion of safe driving habits / pedestrian safety, social media platforms.	Ongoing	Employees / all community members of the Kouga municipal area
Employee Wellness	Promotion of activities, legislation etc. internal newsletter.	Ongoing	Employees

Table 188 : Awareness campaigns

KFA51: Marketing (Branding and Website)

Branding is streamlined across all municipal departments. All media and communication aspects of all municipal events are coordinated by the Media and Communication Division. Kouga Municipality has a fully developed website, which also acts as a reference point for all other services and products within the jurisdiction of the municipality. The municipality updates the webpage to include the necessary documentation and news on a weekly basis of what is happening in the municipality. The municipal website is updated on a daily basis and when requested in order to comply with the statutory requirements.

KFA52: SOCIAL COHESION

Kouga Municipality has yet not adopted a Social Cohesion Strategy or Policy but actively participates on programmes to promote social cohesion. Kouga Municipality actively participated/arranged the following programmes in support of social cohesion and ultimately Nation Building:

SOCIAL COHESION PROGRAMMES IN KOUGA	
• Nelson Mandela Day • Moral Regeneration Movement Summit • Heritage Day celebrations • Women's Caucus Outreach Meetings • Women's Market Day • Women in Tourism and Business Networking • HIV/Aids Day and Supporting programmes • 16 Days of Activism against abuse of women and children • Heritage Day • National Book Week • Empowering women • Literacy and Heritage drive • National Book Week • Empowering women • Careers Expo • International Coastal Clean-up • International Day for the Elderly	• Breast Cancer Awareness • Christmas for Kids • School Supplies for Kids • Municipal State of the Municipality Address • International Coastal Clean-up • Library Week Programmes (Throughout the year) • Township Tourism Outreach • LED and SMME outreach • The Khoisan Struggle Show • Women's Caucus Outreach Meetings • Women's Market Day • Women in Tourism and Business Networking • National Environmental Health Day • World Environmental Health Day • National Water Week • World Food Day • Global hand wash / hygiene Day • Literacy and Heritage drive

Table 189 : Social Cohesion

5.8.5 KPA5: INSTITUTIONAL TRANSFORMATON

KFA53: ORGANISATIONAL STRUCTURE

The administrative part of the Kouga Municipality is headed by the Municipal Manager who reports directly to the Executive Mayor. Directors and certain managers are reporting directly to the Municipal Manager. There are 5 directorates that perform strategic, social, technical, financial and administrative functions assigned to the municipality. The Office of the Municipal Manager is the 6th directorate. It consists of the Internal Audit and the governance management units. The municipality has an approved organisational structure, which was reviewed on the 30th of June 2020. The performance agreements for 2019/20 have been submitted to the Department of Cooperative Government and Traditional Affairs. Currently busy with an organisational work study to review the organisational structure.

THE MUNICIPALITY HAS A WORKFORCE OF:

CATEGORY	NUMBER
S57 & s57	**6**
Permanent Employees	**963**
Contractual Employees	**284**
Vacant Positions	**28**

Table 190: Municipal workforce

The vacancy rate of the municipality stands on 2.82%. The number of people with disabilities in the employ of the municipality are 14.

The table below indicates the turn-over rate over the last three years:

Financial year	Total no of all appointments at the end of each year	New appointments	No of terminations during the year	Turn-over rate
2015/2016	120	120	76	8.8%
2016/2017	125	125	63	7.5%
2017/2018	129	129	39	3.9%
2018/2019	57	57	28	3.08%
2019/2020	75	75	33	3.4%

Table 191 : Turn-over rate

The graph below reflects the current workforce numbers per race and per gender:

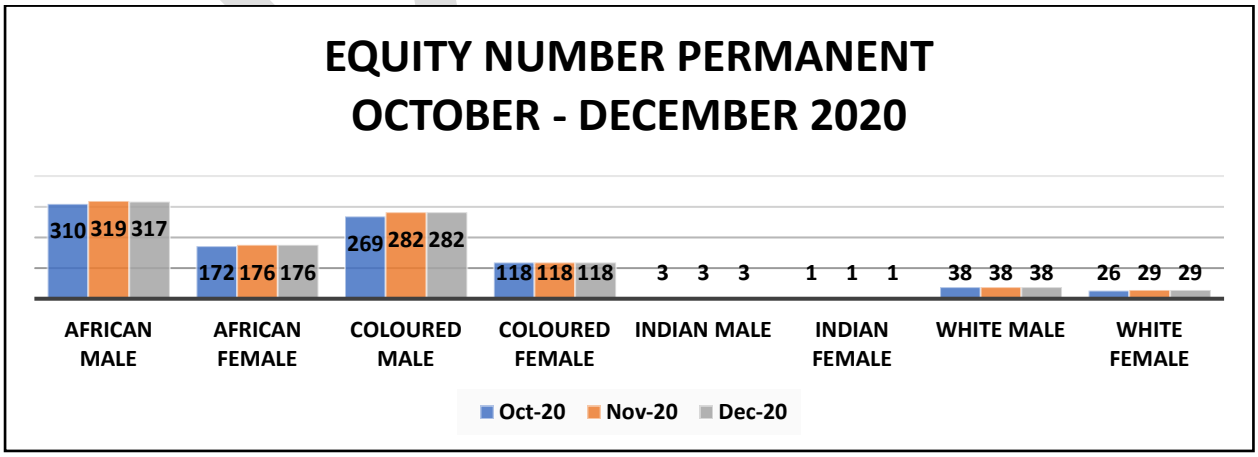

Figure 42 : Permanent and temporary equity

The table below shows our current demographics against the Provincial EAP demographics. The percentage below is for both permanent and temporary staff.

Race and gender	Oct-2020	Nov-2020	Dec-2020	Required Provincial EAP %
African Male %	33,98%	33,86%	33,49%	41,60%
African Female %	18,12%	18,39%	18,03%	40,60%
Coloured Male %	28,77%	28,89%	29,89%	5,70%
Coloured Female %	12,40%	12,01%	12,66%	5,60%
Indian Male %	0,29%	0,28%	0,24%	0,50%
Indian Female %	0,10%	0,08%	0,09%	0,40%
White Male %	3,67%	3,56%	3,04%	3,40%
White Female %	2,60%	2,81%	2,40%	2,20%

Table 192 : Staff demographics

It is important to note the under representation of African males & females. Much attention must be given to increase the number of African males & females. It is however, pleasing to note the steady increase in the number of African Males & Females. There is a considerable overrepresentation of Coloured males & females and slight underrepresentation of Indian males & females and white females.
43% of the staff members are Coloured, 52% African, and 5% White. All the section 56 and the section 57 managers have signed appointment contracts, performance agreements and performance plan which were submitted to the Department of Cooperative Government and Traditional Affairs. All S57 and S56 managers meet the minimum competency requirement by National Treasury.

Municipal Finance Management Programme (MFMP)

In 2007, the minimum competencies for officials responsible for financial and supply chain management, were regulated. Minimum higher education qualifications: work related experience and core managerial and occupational competencies are among the aspects covered by the regulations.

The minimum competency levels also seek to professionalize the local government sector and to make it a career choice for talented officials and to some extent mitigate some of the root causes of poor financial management and service delivery experienced at Local Governmental level. It is also required to report to National Treasury on a quarterly basis on the progress of the Minimum competency levels.

The Municipality had a severe backlog of financial officials not having achieved the Minimum Competency levels. To remedy this, the Municipality appointed FACHS Training Institute, through a Section 32 procurement process, to facilitate the required MFMP training. A Service Level Agreement was signed between FACHS and the Municipality which will ensure the training runs according to plan.

37 officials completed the MFMP training, in order to ensure they comply with the said regulations. However, to ensure expansion of the programme and the need to capacitate more officials in the MFMP programme, a Supervisory Programme was initiated to cater for 75 non-financial officials in supervisory positions and middle management positions.

Below is the Municipality's compliance in terms of the 2007 minimum competency regulations for officials responsible for financial and supply chain management:

Position	Highest Education Qualification	Work Related Experience	Performance Agreement Signed (where required)	Completed Required Unit Standards	Require-ments met	Compliant (consider Budget)
Accounting Officer	✓	✓	✓	✓	4	✓
Chief Financial Officer – Municipality	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Supply Chain Management Manager	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	X	✓	✓	✓	3	X
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓

Table 193: Minimum Competency levels

KFA54: HR Related Policies and Other Documents

The following HR related policies and staff documents have been developed, reviewed and approved by Council during the 2020/21 year:

KEY NO	POLICY NAME	RESPONSIBLE DIRECTORATE	DEPARTMENT
1	Acting Policy	Corp. Serv.	Human Resources
2	Code of Conduct	Corp. Serv.	Human Resources
3	Essential user policy	Corp. Serv.	Human Resources
4	Health and Safety Policy	Corp. Serv.	Human Resources
5	Leave Policy	Corp. Serv.	Human Resources
6	Medical Aid Policy	Corp. Serv.	Human Resources

7	Overtime Policy	Corp. Serv.	Human Resources
8	Recruitment and Selection Policy	Corp. Serv.	Human Resources
9	Scarce Skills	Corp. Serv.	Human Resources
10	Sexual Harassment Policy	Corp. Serv.	Human Resources
11	Subsistence and Travelling Policy	Corp. Serv.	Human Resources
12	Temporary Staff	Corp. Serv.	Human Resources
13	Training policy	Corp. Serv.	Human Resources
14	Vehicle allowance policy	Corp. Serv.	Human Resources
15	PPE policy	Corp. Serv.	Human Resources

Table 194: HR Related policies

KFA55: Human Capital and Skills Development

The table below illustrates the status quo regarding the municipality's vacancy rates per occupational category and per functional area:

Occupational Category	Approved	Filled	Vacant
Top Management	1	1	0
Senior Management / Sub Directors	5	5	0
Professional /Specialists/ Middle Management	47	45	2
Skilled Technical/ Junior Management/ Supervisors	201	196	5
Semi-skilled and Discretionary Decision Making	509	499	10

Table 195 : Posts occupational category

Directorates	Approved	Filled	Vacant
City Manager	38	38	0
Corporate Services	69	66	3
Finance	102	99	4
Community Services	469	459	10
Infrastructure and Engineering	279	271	8
Planning, Development and Tourism	34	31	3

Table 196 : Posts per functional area

In ensuring that the Municipally addresses challenges towards achieving organisational cohesion and effectiveness, the municipality drafted a Human Resources Plan to ensure fair, efficient, effective and transparent personnel administration.

The HR Plan focuses on delivering on seven (7) performance areas:

- Recruitment and Selection
- Education, Training and Development of Staff
- Employment Equity and Diversity Management
- Occupational Health and Safety
- Employee Wellness
- Personnel Administration
- Labour Relations

The HR section also achieved a clean audit, as per the audition opinion of the Auditor-General of South Africa. This is a major improvement for the Human Resource Section from previous years and has set the bar high for future audits. The HR section will strive not only to maintain the clean audit opinion, but even better it by ensuring consistency, transparency and accountability.

Education, Training and Development at Kouga Municipality is focused on the enhancement of knowledge, skills and behavioural competencies of employees and councillor to the appropriate levels. The main purpose of training and development is to ensure that staff within the organisation has the competencies necessary to performance up to the standards in their current jobs within the context of the municipality's strategic objectives.

- All senior managers positions were filled and there are no vacancies.
- Critical vacant positions on the new organizational structure are in the process to be filled.
- Existing staff is in the process to be placed according to the newly adopted organizational structure.
- The process of signing the new job descriptions has commenced.
- A number of HR policies are in the process of being reviewed for implementation.

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SKILLS DEVELOPMENT

The municipality is committed to develop the skills of the human resource capacity and therefore prepares a workplace skill plan annually. The municipality has a workplace skills plan which is updated and reviewed annually in line with the prescripts of the Skills Development Act of 1998. The WSP was submitted to LGSETA on the 30th of April 2020. The training committee has not been functional, but a new committee has been established which represents all the applicable occupational levels in the Municipality. The Act aims to improve the quality of life of the labour force, to encourage the labour force to be self-employed and to encourage workers to participate in leadership and other programmes.

The Senior and Top Management of the Municipality has completed the prescribed Financial Management qualifications. The table underneath is an extract from the reports on the prescribed Financial Management qualifications submitted to National Treasury on a quarterly basis.

Position	Highest Education Qualification	Work related experience	Performance Agreement signed (where required)	Completed required unit standards	Requirements met	Compliant (consider Budget)
Accounting Officer	✓	✓	✓	✓	4	✓
Chief Financial Officer – Municipality	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	3	✓
Senior Manager (MSA S56)	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Supply Chain Management Manager	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	X	✓	✓	✓	3	X
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓
Middle Manager: Finance	✓	✓	✓	✓	4	✓

Table 197 Financial management qualifications

The following training was completed:

TRAINING COSTS	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020
Training Cost	R0.00	R138,909.75	R640,156.75	R0	R3,831.11	R0
Associated costs	R0.00		R4,817.35	R1200	R2, 988.85	R0
Categories of Beneficiaries						
Legislators	0	0	0	0	0	0
Managers	0	4	4	0	0	0
Professionals	0	29	26	0	0	0
Technicians and Associate Professionals	0	2	18	0	0	0
Clerical Support Workers	0	0	19	0	0	0
Service & Sales Workers	0	0	9	0	0	0
Skilled Agricultural, Fishery and Related Trade Workers	0	0	0	0	0	0
Plant & Machine Operators and Assemblers	0	0	42	27	1	0
Elementary Occupations	0	0	118	5	0	0
Total Number of beneficiaries	**0**	**35**	**236**	**32**	**1**	**0**

Table 198: Training

The Municipality has also embarked on an apprenticeship programme for unemployed youth to qualify as Artisan Plumbers and Electricians. There are 42 unemployed youth attending this programme.

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EMPLOYMENT EQUITY

On the 15th of January 2020, the municipality submitted its annual Employment Equity Report to the Department of Labour. This was done after extensive consultation with organized labour and employees. As per the table below, it is clear that significant strides have been made to appoint African Females, African Males, and females in totality.

Categories	Dates	Male Race				Female Race				Foreign Nationals		Total
		A	C	I	W	A	C	I	W	Male	Female	
Top Management	*March 2018*	0	0	0	1	0	0	0	0	0	0	**1**
	September 2021 target	0	0	0	1	0	0	0	0	0	0	**1**
	December 2020	0	0	0	1	0	0	0	0	0	0	**1**
Senior Management	*March 2018*	0	1	0	1	2	0	1	0	0	0	**5**
	September 2021 target	0	1	0	1	2	0	1	0	0	0	**5**
	December 2020	0	0	1	1	2	0	1	0	0	0	**5**
Professionally qualified and experienced specialists and mid management	*March 2018*	2	6	0	10	2	3	0	2	0	0	**25**
	September 2021 target	6	5	1	9	4	2	0	4	0	0	**31**
	December 2020	6	11	1	11	4	6	0	6	0	0	**45**
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	*March 2018*	32	68	0	14	29	23	0	16	0	0	**182**
	September 2021 target	52	66	1	15	39	28	0	13	0	0	**217**
	December 2020	43	59	1	16	34	28	0	15	0	0	**196**
Semi-skilled and discretionary decision making	*March 2018*	134	125	0	7	33	35	0	3	0	0	**337**
	September 2021 target	168	132	1	5	76	46	1	7	0	0	**436**
	December 2020	193	174	0	7	71	48	0	6	0	0	**499**
Unskilled and defined decision making	*March 2018*	101	83	0	0	61	47	0	1	0	0	**293**
	September 2021 target	106	52	0	2	80	35	0	1	0	0	**275**
	December 2020	77	36	0	2	65	36	0	2	0	0	**218**

Table 199 : Employment equity

It is very pleasing to note from the above figures, that the Municipality is edging towards achievement of its targets. The Municipality made a concerted effort to enhance Employment Equity in the Municipality resulting in the identification of 14 staff with disabilities. The Municipality has endeavoured to clear any misperception of disabled employees by embarking on Roadshows which resulted in employees no longer fearing being disadvantaged due to their disabled status. This resulted in employees voluntarily disclosing their disability.

HUMAN RESOURCES PLAN

Below is the Human Resource Plan (Change Management Implementation Plan) which is directly linked to the SDBIP and IDP which ensures compliance as per section 53 of the MFMA, section 25 of the Municipal Systems Act and section 67 of the Municipal Systems Act:

NO	KPA/PLANNED ACTIVITIES	IMPLEMENTATION DATE	COMPLETION DATE	RESPONSIBLE PERSON	PROGRESS REPORT
1.	***Organizational Structure*** –Proposed Organizational Structure to be adopted and implemented. ▪ Letters to be sent to individual employees that are moved/ placed to other positions and also those where Job Titles have been changed. ▪ All Managers/ Directors must ensure that none of their subordinates are requested to perform any duties/ job functions outside the scope of their current job descriptions save for those that are requested to act in a particular position for a limited time. "Internal Arrangements must be avoided and if changes are required, HR must be informed."	2020/08/17	2020/08/30	• Human Resource • All Managers/ Directors	Completed
2.	***Job Descriptions*** All job descriptions to be reviewed as per the revised Organizational Structure, once adopted. This will include new posts, changed posts and integrated posts.	2020/08/17	2021/01/30	• Human Resource Manager • OD Specialist	In progress
3.	***Staff Establishment*** All departments/ sections staff establishment to be considered in terms of new posts and the filling of critical posts. These have been identified in the Organizational Structure Report and also the Work-study Summarized Report.	2020/08/17	2020/09/30	• Human Resources • Each Departmental Director	Completed
4.	***Job Evaluation*** Conduct Job Evaluation for all new/ changed posts once structure has been approved.	2020/08/17	2021/04/30	• Human Resource Manager • OD Specialist	In progress
5.	***Overtime***	2020/08/17	2021/06/30	All Directors	In progress

	▪ Recommendations on the iPERFORM Main Report (Departmental Change Management Implementation Plans) and Summarized Report must be implemented. The Overtime Policy must be work-shopped with all Directors/ Managers. ▪ All staff working in excess of 10hrs Overtime per week as identified in each Department must be curtailed. The Revised Structure together with supervisory training and other identified interventions shall ensure that workloads will be planned and evenly distributed. Supervisors and Managers must comply with the provisions of the Overtime Policy and Procedure prior to approving overtime. ▪ Summary ▪ Overtime is excessive in the municipality and we are of the opinion that with the correct interventions in the Departmental Change Management Implementation Plan overtime can be greatly reduced. Overtime average almost R2 million per month. The statistics includes overtime from October 2019 to February 2020. The verification of overtime statistics for the 8-month period i.e. July 2019 to February 2020 confirms that there is a common trend on the average overtime worked per month. The municipality has spent almost R17 million on overtime for this period. (See departmental figure below) ▪ We have found some evidence where overtime is abused but at the same time, we have found that overtime in most cases is an infringement of Good Labour Practice. There is no compliance in terms of maximum hours that can be worked in terms of the Basic Conditions of employment Act. We have identified an employee that is working in a clerical position (substantive post) but because this employee worked in the water plant previously, she is called upon to work in the plant over the week-end and accumulates overtime. The reason for this is due to the vacancies/ unfilled posts in the Plants. The danger of this is that this employee does not want to lose the overtime as she has budgeted for this extra income as part of her salary. ▪ Most of the employees have provided adequate reasons for overtime worked. The reasons provided ties in with other related issues identified in the Work-study. There is a concern with regards to those working 11 – 30 hours overtime per week (more than that prescribed by the BCEA). We identified some employees were working overtime outside the scope of their substantive posts without HR being notified. Overtime can be minimized provided that it is going to be controlled by managers as per our recommendations and in line with the Overtime Policy of the municipality. There must be full compliance by all managers with the Overtime Policy. If the 4 factors (high workload; absenteeism, unforeseen delays and emergencies) can be addressed, then				

	the municipality will win the battle to reduce overtime. Our recommendations related to these factors (e.g. planning, supervision, etc.) and the changes in the revised structure will definitely reduce the overtime worked. ▪ **Planning, Development & Tourism** – The overtime in this Directorate is negligible as only 4 x Employees in Human Settlements & Town Planning work Overtime. The Structure has been revised and the critical posts identified to be filled which will reduce the overtime. Streamlining of work processes especially pertaining to community/ public meetings/ work outside the office, etc. will assist with better coordination. (Average overtime over a month is approximately R38 000.) ▪ **Infrastructure & Engineering** – 102 Employees with excessive overtime with the majority indicating that they worked on average of 40 hours per month through agreement with management. The predominant reasons include – High Workload; Emergency work; Planned overtime on weekends; staff shortages; and after-hours work. (Average monthly overtime is approximately R8 million.) ▪ **Community Services**- Fire & Disaster – 28 Employees with excessive overtime. This is negligible due to the nature of the work i.e. handling of emergencies after hours. Another contributing factor is the shortage of staff. The revised structure and reporting relationships together with other interventions (e.g. identifying resources during peak periods such as school holidays, festive season, Easter weekends, stand-by duties, etc.) may assist in reducing the overtime. ▪ **Community Services** (Traffic & Law Enforcement) – 5 x Security Officers with high overtime due mainly to absenteeism and covering a double shift, including responding to emergencies. This figure is negligible due to the nature of the work. 9 x Law Enforcement Officers have high overtime which is due to shortage of staff and high workload. 1 x Senior Lifeguard with high overtime. (We cannot provide additional figures as the work-study has not been completed for this Directorate). (Average monthly overtime is approximately R9 million.) ▪ **Corporate Services** – 4 x Employees with high overtime which includes the Printing Clerk; 2 x Ward Assistants and Senior Admin Officer: Archives. This is negligible due to the nature of the work performed but can be reduced. (Average monthly overtime is approximately R250 000.) ▪ **Finance** – 9 x Employees with high overtime with three indicating unforeseen delays, four indicating overtime during Financial year-end and two with high work-load. These figures will be reduced through the revised structure and financial procedures. (Average monthly overtime is approximately R60 000.) ▪ **Office of the Municipal Manage**r – 2 x Personal Assistants with high overtime. The structure has been revised with the creation of new posts to alleviate the work-load of				

	the Personal Assistants. Overtime is negligible due to the nature of after-hours work especially for attending meetings of the Mayor and Speaker.				
6.	***Communication*** ▪ The Internal Communication Strategy should be revised and implemented for the entire municipality through workshops. The appointment of the Communications Officer to deal with Internal Communications will ensure much better communication to all employees. ▪ Every Director, Manager and Supervisor must appraise their respective subordinates on relevant issues through weekly or monthly meetings.	2020/08/17	2020/10/01	• Human Resource Internal • Communications Officer • Managers/Directors	Completed
7.	***Job Satisfaction*** ▪ The vast majority (98%) of employees portray the right attitude in terms of job satisfaction. They understand their reason/ role for being employed in a municipality i.e. their contribution to enhance service delivery. ▪ There are only 3 employees that are not satisfied, and these are because of personal reasons which will be reported separately to HR to resolve their issues. ▪ Overall, this is a good trait to have where the majority of employees are satisfied with working for the municipality although some of their work environment has challenges. ▪ Our recommendation on all the challenges identified in the main report is that the Directors and Line Managers must take ownership of the Change Management Implementation Plan. The Senior OD Specialist must ensure that monitoring and evaluation takes place, and that implementation is carried out and non-compliances reported on.	2020/08/17	2021/01/31	• Human Resources • Directors Managers	In progress

Table 200 : Human Resources Plan

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Resources Expenditure

The municipality has an Employment Equity Plan, as well as a Human Resource Strategic Framework linked to the SDBIP which serves as its plan for the financial year. The following schedule reflects the personnel expenditure for Kouga Municipality in respect of the years 2020/2021

WAGE BILL	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020
Gross Wage Bill	R26 376 835.83	R25 804 838.98	R26 424 726,03	R28 483 106,08	R 41 377 739,36	R 27 018 122,29
% Increase - Gross Wage Bill	0%	-2%	2%	8%	45%	-35%
Net Wage Bill	R12 823 928,81	R12 300 628,44	R12 684 515,13	R 13 910 224,59	R 26 913 281,03	R 13 291 681,76
% Increase - Net Wage Bill	0%	-4%	3%	10%	93%	-51%

Table 201 : Personnel Expenditure

The Municipality has a new Organisational structure in place. This structure has been aligned to ensure that departments are aligned towards achieving more effective service delivery. Positions that are not critical has been frozen, and staff has been transferred to ensure the Municipality enhance productivity and curb staff expenditure. The Municipality strive towards adhering to section 66 of the Municipal Systems act as amended.

Staff Benefits

Pension and Retirement Funds

The following schedule reflects membership numbers in respect of the various pension and retirement funds:

MEMBERSHIP: PENSION AND RETIREMENT FUNDS	
Names of Pension Funds	**No of Members**
Consolidated Retirement Fund	453
LA retirement fund	1
National Fund for Municipal Workers	7
South African Local Authority Pension Fund	8
MWRF Provident fund	181
Momentum	198
MCPF	3
Retirement Fund No. CC	4
Consolidated Retirement Fund Councillors 15%	6

Table 202 : Pension and Retirement Funds

Medical Aid funds

As per the provisions of the SALGBC Collective agreements staff members of Kouga Municipality may select participation in any of the following Medical Aid Funds:

- Bonitas
- Key Health
- Hosmed
- LA Health
- SAMWU Med

The following schedule reflects membership numbers of the different Medical Aids of Kouga Staff members:

MEMBERSHIP: MEDICAL AID FUNDS	
Names of Medical Aids	**No of Members**
Bonitas	177
Key Health	17
Hosmed	69
LA-Health	156
SAMWU-Med	68

Table 203 : Medical Aid Funds

Leave

Leave benefits for staff members are regulated through the provisions of SALGBC Collective Agreements and the provisions of the internal Leave policy. The Human Resource section have introduced a new triplicate leave book system. These books were implemented effective from the 1st of October 2018 by all departments within the Kouga Municipality. This new system will ensure that leave is more effectively controlled and managed.

The following schedule reflects leave taken by employees over the 2019/2020 period:

LEAVE DAYS TAKEN	July 2019	August 2019	September 2019	October 2019	November 2019	December 2019
Annual Leave	421	285	344	351	381	274
Sick Leave	214	104	118	160	160	91

Table 204: Leave

Staff Appointments

Below is a summary of all recruitment and promotions that occurred for the year:

RECRUITMENT	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020
Number of Discharges	18	3	18	3	2	5
% Staff Turnover	2%	0%	2%	0%	0%	0%
Number of Promotions	1	0	1	0	0	0
Number of new employees	5	2	2	8	19	7

Table 205: Staff appointments

Staff Terminations

The following schedule reflects staff terminations for Kouga Municipality during the 2019/20 year:

RECRUITMENT	July 2020	August 2020	September 2020	October 2020	November 2020	December 2020
Number of Discharges	18	3	18	3	2	5
% Staff Turnover	2%	0%	2%	0%	0%	0%
Number of Promotions	1	0	1	0	0	0
Number of new employees	5	2	2	8	19	7

Table 206: Staff terminations

Labour Relations

Relations with Organised Labour in Kouga Municipality is regulated and done in terms of the provisions of the SALGBC Main Collective Agreement.

The Labour relations unit has embarked on the following initiatives:

- Workshop all employees on the Code of Conduct as per section 69 of the Municipal Systems act
- Workshop all employees on the Conditions of service for employees
- Workshop all employees on the SALGBC disciplinary Code collective agreement
- Workshop all employees on the new Human Resource Policies
- Responding to all grievances in writing within the prescribed timeframes

Local Labour Forum

Local Labour Forum Meetings are required to be held at monthly intervals and the composition of the Local Labour Forum consists of 50% representation by the Employer and 50% representation by the Employee components as per the threshold set by the SALGBC Main Collective agreement. The Municipality is striving towards better Labour relations with Organised Labour, and to ensure unions and the employer work together to create a better working environment.

Labour Relations: Staff Discipline

Staff discipline is largely attended to internally through employees trained in chairing disciplinary hearing and employees trained in representing the employer at disciplinary hearings. The new SALGBC Disciplinary Code and Collective agreement are being utilised. The Municipality strive to adhere 100% procedurally to ensure legislative compliance. Staff turnover because of disciplinary hearings is regarded as low to insignificant when compared to the number of staff members employed by Kouga Municipality. The Municipality is striving to apply corrective discipline, and always apply the rules and standards as set out by Schedule 8 of the Labour Relations Act.

The following schedule reflects the status of disciplinary interventions for the 2019/2020 year:

DISCIPLINARY MATTERS	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020
Number of disciplinary matters	2	5	4	10	6	3
Number of Matters at arbitration	4	0	3	0	1	1
Number of Matters in the Labour Court	1	0	2	0	1	0
Number of Matters Finalised	0	2	0	2	5	2
Number of Grievances	1	2	1	1	1	0
Number of Grievances finalised	1	0	3	2	0	0
TOTAL	9	9	13	15	14	6

Table 207: Disciplinary matters

Occupational Health and Safety

The key strategic objectives for Occupational Health and Safety are:

- Identification, evaluation, monitoring and control of all occupational Health and Safety Programmes for Council.
- Facilitate and co-ordinate OHS programmes to ensure compliance to all relevant legislation.
- Implementation of Health and Safety related work programmes.

Occupational Health and Safety Committees

According to the Occupational Health and Safety Act NO 85 of 1993 (amended by ACT 181 of 1993) Section 17, 18, 19 and 20 the Council is obliged to establish Health and Safety Representatives as well as Health and Safety Committees. A number of 40 Health and Safety Representatives has been elected and represent of all Units of Kouga Municipality. Occupational Health and Safety Inspections are done regularly.

Occupational Health and Safety Interventions for 2019/2020:

OCCUPATIONAL HEALTH AND SAFETY	Jul-2020	Aug-2020	Sep-2020	Oct-2020	Nov-2020	Dec-2020
Number of injuries on duty reported	2	4	6	4	2	2
Number of Medical Surveillance	60	0	60	80	190	180
Number of monthly safety representative meetings	4	1	1	2	2	2
Number of Employee Assistance interventions	1	1	1	2	2	1
TOTAL	67	6	68	88	196	185

Table 208: Occupational Health and Safety Interventions

The municipality still remains vigilant in its fight against COVID19 and continues to take all necessary precautions to protect its employees and members of the public who utilize our facilities.

In the graph below the following statistics are illustrated:

- As at 31 December 2020, 121 Employees including Councillors recovered from COVID-19.
- 5 Employees including Councillors are deceased.
- No employees in hospital
- 31 Employees are still positive with Covid-19.

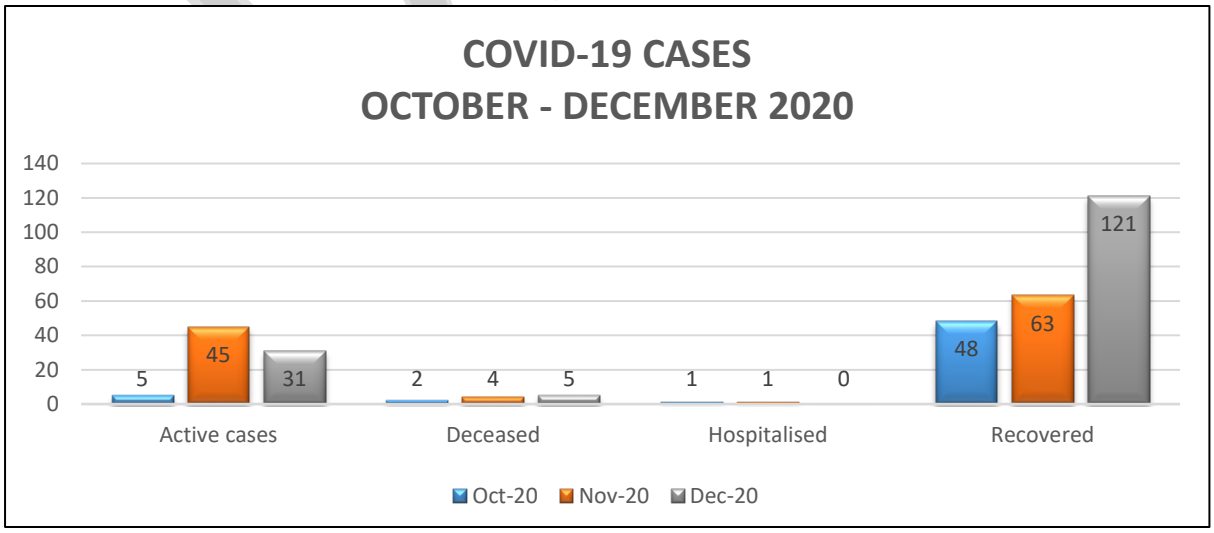

Figure 43: Covid-19 cases

As per table 3 below, the following strict measures have been implemented to manage the COVID-19 requirements and plans.

COVID-19 Health and safety mitigation measures implemented	In Place	
	Yes	No
A COVID-19 risk assessment	x	
All employees working at the workplace have permits to work	x	
A valid COVID-19 Management Plan	x	
A COVID-19 Contingency Plan	x	
A COVID-19 Policy	x	
Staff rotational schedules have been implemented	x	
All building and work areas have been sanitized and disinfected	x	
Cleaning routines in place (Sanitizing surfaces, sweeping floors and walkways)	x	
Floors cleaned thoroughly once a day	x	
All employees always have access to hand sanitizer	x	
All employees have access to clean water, soap & dry disposable towels	x	
Security access control and visitors screening	x	
Employees have access to masks, gloves, and sanitizer	x	
Employees working with public have access to face shields or screens	x	
Employees trained on the use of PPE (Masks, Respirators, gloves)	x	
Employees being screened daily upon entry	x	
All relevant employees received and signed acknowledgement for COVID-19 effects on vulnerable employees	x	
Social distancing being practiced (1.5m) and all facilities / areas meet the max. capacity rule (i.e. 1 person per 4 square meters)	x	
Procedures in place to deal with sick employees	x	
Restriction to access to premises	x	
All essential service employees and permitted services employees went for Medical screening conducted by the Medical surveillance service provider	x	
All vulnerable employees identified and referred for medical assessments	x	

Table 209:: Covid-19 requirements and plans

The following major projects was planned for the Human Resource section for the 2019/2020 Financial year:

PROJECT NAME	PROJECT OUTCOMES	COMPLETION DATE
Unqualified audit opinion	HR to achieve an unqualified audit opinion	Completed- Clean audit achieved
HR survey	Conduct a HR survey with 75% percent positive responses	Completed- Achieved
Electronic recruitment system	Implement a new electronic recruitment system	Completed- Achieved
Employment Equity report	Submit Employment Equity report to DOL	Completed- Achieved
Employment Equity Report	Submit Employment Equity Report to Department of Labour	Completed- Achieved
Organisational Work study	Appoint a service provider	Completed- Achieved
Job evaluation	Complete the job evaluation programme in Kouga	30 June 2020
HR policies	Implement 11 new HR policies	Completed- Achieved
Medical Surveillance	Appoint a service provider	Completed- Achieved
Employee assistance	Appoint a service provider to conduct EAP at the Municipality	Completed- Achieved
WSP	Submit a credible WSP to LGSETA	30 April 2020

MFMA programme	Appoint a service provider to conduct MFMA training	Completed- Achieved
Training tender	Appoint a service provider to conduct various training at Kouga in terms of the WSP	Completed- Achieved
Risk assessment	Appointment of a service provider to conduct a risk assessment	Completed- Achieved
COIDA	Submit COIDA to DOL	30 June 2020
Twinrix	Procure Twinrix injections for all affected employees	Completed- Achieved

Table 210 : Human Resources projects for 2019/20 financial year

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CHAPTER 6: PUBLIC PARTICIPATION AND COMMUNICATION

The Kouga Municipality is a Category B Municipality with a Mayoral Executive System combined with a Ward Participatory System. The Kouga Municipality is currently a Grade 5 municipality, however, there has been an indication the grading of the municipality will be reviewed.

The council comprise of 29 councillors made up of 15 ward councillors and 14 proportionally representative councillors. 15 Ward Committees has been established and is fully functional and greatly assist in the community participation processes.

The Kouga Municipality has 9 Community Development Workers and are a very important link between the ward councillor and the community. Some of the wards function without a CDW for several years and Gogta should be engaged to critically look at appointing CDW's in the affected wards. The CDW's play an important role in effective communication, information gathering and dissemination, and referring issues from grass roots level to relevant spheres of government.

6.1 PUBLIC PARTICIPATION AND WARD COMMITTEES

The Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), as amended, required municipalities to involve local communities within IDP planning process and to promote participative democracy. The IDP is the strategic planning instrument of a municipality and forms the basis of the municipal budget. Public Participation is a Key Performance Area for the municipality and is included in the performance agreement of senior management.

The Speaker's office is responsible for the duties and administration of Ward Committees with the support of the Public Participation Unit. The municipality has a structured ward committee system, guided by the public participation policy and which is in line with the National Policy Framework for public participation. The municipality has 1 official responsible for ward committees and is appointed in the Office of the Speaker.

Communications with communities and stakeholders are largely done in writing and by means of telephonic communications. Public participation meetings are advertised as per legislative provisions with notices posted at municipal offices and community halls as well as other places frequented by communities and augmented by loud hailing for communities in the relevant areas. Loud hailing despite it being effective is burdening the Administration for reason that it involves cost and overtime work as loud hailing was found to be more effective after working hours. The vast geographical area contributes towards the high costs of loud hailing. Investigations are being conducted to secure alternative effective means of loud-hailing and/or other effective means of communication with communities.

Other than Public Participation through the Ward Committee Structures and Ward Constituency Meetings public participation is conducted on the Budget, IDP and Project registers as well as where applicable on By-Laws such as for instance the Liquor Trading Hours By-Law. It has been found that public participation

meetings are generally reasonably well attended, but that the interest of the communities largely focuses on housing delivery programmes.

❖ **IDP Public Participation**

The IDP is about determining stakeholder and community needs and priorities which need to be addressed in order to contribute to the improvement of the quality of life of residents within the municipal area. Various stakeholders and sectors were involved during the drafting of IDP.

In the light of the Covid-19 Pandemic to minimise the risk of spreading the virus, the municipality cancelled the public meetings. The electronic options available at the municipality were a challenge as not all the residents have access to internet. The municipality has however created a unique email address where residents could submit their inputs and comments which were addressed by management for consideration in the Final 2021/22 IDP/Budget. The following mediums were used to reach the public during the IDP review:

- Notices in the local newspaper
- Placement of comment boxes at municipal offices, libraries and ward councillor offices
- USB's loaded with IDP for comment by the public
- Radio interviews
- Video clips by the Executive Mayor

❖ **Ward Committees**

Kouga Municipality ensures that Ward committees play an important role in bridging the gap between the municipality, council and the community. Ward Committee meetings are held once a month. Outcomes of ward committee meetings are documented and referred to user departments for actioning.

❖ **War Rooms**

There are currently no functional war rooms in this municipality. The Council did not approve war rooms.

❖ **CDW's**

The Kouga Municipality has 7 Community Development Workers, and they are a very important link between he Ward Councilor and the community. Some areas have been without CDW's for several years and COGTA should be engaged to critically look at appointing CDW's in those affected Wards. The CDW plays an important role in effective communication, information gathering and dissemination, and referring issues from grass roots level to relevant spheres of government.

❖ **Petition Management**

Kouga Municipality established a Petitions Committee to deal with petitions submitted to ensure that concerns and complaints lodged by Communities and stakeholders are being addressed and that actions implemented have the necessary oversight, thus, to ensure that the matters raised are attended to. The Terms of Reference for the Petitions Committee was adopted by Council.

The members of the Petitions Committee are as follows:

● Speaker	Chairperson
● Ward Councilor	Member
● Director Corp. Serv.	Member
● Director Finance	Member
● Director I&E	Member
● Director PD & Tourism	Member
● Director CS	Member

6.1.1 Status of Ward Committees and Public Participation Policies

New ward committees were established in all 15 wards of the Kouga Municipality during November/December 2016 and the re-establishment of Ward 11 took place in November 2017. Kouga Municipality has a total of 150 Ward Committee Members, exclusive of the 15 Ward Councillors.

The reimbursement of out-of-pocket expenses for Ward Committee Members is based on the National Framework: Criteria for determining out of pocket expenses for Ward Committee Members as published under Government Notice 973 in Government Gazette 32627, dated 8 October 2009. An amount of R1000 is paid per ward committee member.

The ward committees comprise of geographical as well as sector representatives in communities and are regarded as the statutory consultative fora in the public participation process of the IDP review. The respective ward councillor is automatically the chairperson of the ward committee and monthly meetings keep the community informed of all municipal related matters. It is also incumbent on ward committee members to regularly interact with their constituencies and to ensure maximum participation in all planning processes of Kouga Municipality. A formal agenda is followed and inputs from these committees are fed into the Section 80 Committees and then on to the Mayoral Committee.

The ward committees played a significant role in the development of the IDP review to ensure that the broader public participates and prioritised the basic needs and development requirements in the different wards. The priority needs in the wards mostly cantered on basic services such as housing, storm water, water, sanitation, job creation, unemployment, roads and safety. After the inputs obtained from the public, a more targeted round or prioritization have been done to prioritize programmes and projects which have been costed by the Budget and Treasury Department.

Kouga Municipality adopted a Communication and Public Participation Strategy. The matter of attendance of Public Participation Meetings and outreach programmes is further addressed in the Standard Rules of Order for Kouga Municipality which amongst others requires the Top Management attend such public participation meetings and outreach sessions to ensure that accountability towards the community is being affected. a Stakeholder Register was established to ensure that the relevant stakeholders are interacted with and is it updated as and when required. Although Kouga Municipality does not have registered traditional leaders, the representatives from the Khoi and San groups within the area recognised and as such invited to meetings which may have an impact on their communities.

Where Ward Committees chose to raise IDP and/or planning related matters outside the Ward Based Planning and/or public participation processes, such matters are dealt with from the minutes of the Ward Committee Meetings by referring such to the IDP Section for capturing. Relationships between the Ward Committees and Council is cordial in all instances even though some Ward Committees expressed concerns that matters raised by the Committees are not receiving the attention the Ward Committee requires. In order to ensure that all matters raised by Ward Committees are considered by Council, are all minutes of Ward Committee meetings submitted to Council.

In terms of Policy provisions are Ward Committees required to appoint a Ward Coordinator from its members to amongst others arrange meetings of the Committee in liaison with the Ward Councillor and to take minutes at meetings of the Ward Committee. It was identified as a need that members of Ward Committees be skilled in certain administrative procedures such a taking minutes to ensure that the burden on the administrative section is reduced and at the same time capacitating members of Ward Committee. All ward councillors are supported by a ward assistant to coordinate all the activates in the ward.

6.1.2 Ward Committee Structures

Ward 1 – Crl Z Mayoni

Surname	Initial	Portfolio
April	Z	Religion
Goeda	A	Safety and Security
Metuse	LM	Education
Ntahlu	CN	Women
Petersen	C	Business
Phezisa	NW	Youth, elderly and disabled
Shoco	SW	Sport
Speelman	LP	Farming
Tyala	P	Health
Williams	GM	Environment

Ward 2 – Crl ZR Dennis

Surname	Initial	Portfolio
Dela	S	Youth
Hlebo	NV	Health
Jansen	JT	Women
Latile	M	Religion
Perils	LL	Resigned
Perils	LC	Education
Ratolla	SL	Tourism
Simamane	SR	Deceased

Ward 3 – Crl W Gertenbach

Surname	Initial	Portfolio
Cloete	NJ	Religion
Ellis	JE	Sport and Recreation
Fouche	DS	Farming/Afriforum
Heystek	SC	Environment/Legal
Kruger	CA	Vulnerable Groups
Rodrigues	MG	Education and Youth
Schamrel	J	Business
Slabbert	T	Health and Welfare
Thiart	SH	Geographical
Womersley	CE	Safety and Security

Ward 4 – Crl F Campher

Surname	Initial	Portfolio
Baartman	JA	Business
Coetzee	A	Safety and Security
De Lange	AP	Sport
Geswint	MB	Youth
Groenewald	EJ	Education
Plaatjies	PF	Agriculture/Farming
Pockpass	PM	Women
Potgieter	RA	Health
Potgieter	N	Environment

Ward 5 – Crl Z W Coenraad

Surname	Initial	Portfolio
Booysen	MJ	Religion
Dearling	AJ	Education
Floors	D	Safety and Security
Fortuin	J	Vulnerable
Goeda	V	Ward Assistant
Jaars	CR	Youth
Jacobs	GW	Business
Magielies	Z	Women
Queensy	M	Social Services
Ruiters	D	Sport and Recreation
Ruiters	RRL	Health

Ward 6 – Crl V Vumazonke

Surname	Initial	Portfolio
Hermanus	T	Ward Assistant
Jantjies		Business
Maboso	TN	Farming and Fisheries
Matroos	NS	Education
Mbuqe	NC	Environmental Affairs
Oliphant	M	Health
Ranagu	JA	Elderly, Youth, Disabled
Tana	BV	Community Safety
Thomas	NP	Sport
Velebayi	SM	Religion
Williams	PC	Women

Ward 7 – Crl E February

Surname	Initial	Portfolio
Charlie	NE	Women
Grootboom	G	Agriculture
Grootboom	G	Education
Kapank	RR	Sports and Recreation
Mbenya	TE	Safety and Security
Mooi	L	Health
Mvimbeli	CN	Environment
Philander	G	Youth
Trongo	NB	Business
Wewers	SFR	Religion

Ward 8 – Crl L Vorster

Surname	Initial	Portfolio
Andrews	J	Public open spaces/ Public Parks/Green belts and nature trails
Cronje	ST	Business and liquor licences
Erasmus	LD	Education /Law enforcement / Overgrown Plots
Landman	TA	Health /water leaks/pipe breakages
Louw	MA	Religion / potholes
Mc Carthy	VB	Electrical outages/service the main line sewerage pumps
Moyles	AKD	Overgrown plots
Pieters e	JH	Disability and Elderly
Tinley	L	Sport, surfing and water quality
Venter	TC	Community Safety/Traffic
Wilkinson	K	Ward Assistant

Ward 9 – Crl S Jujwana

Surname	Initial	Portfolio
Dayimani	NE	Women
Jaffon	D	Youth
Katoo	MM	Health
Miggels	J	Safety
Mjako	CM	Agriculture
Nakase	LS	Business
Ntakana	N	Religion
Ntantiso	BL	Education
Nyondo	GV	Sport
Plaatjies	G	Environment

Ward 10 – Crl A Mabukane

Surname	Initial	Portfolio
Claasen	MYE	Youth and disabled
Davids	T	Business
Jonas	P	Safety and Security
Klaas	BE	Women
Maarman	JJ	Religion
Mdodana	ZJ	Agriculture
Mooi	RR	Environment
Nelson	AD	Education
Ngqoza	NM	Health and social services
Roberts	P	Sports and recreation

Ward 11 – Clr H Bornman

Surname	Initial	Portfolio
Boyens	M	Surfing & Sport
Heystek	M	Woman
Davel	J	Environmental
Fouche	GC	Business
Heystek	AS	Safety & Security
Kucera	SH	Tourism
Melville	CCG	Business
Pretorius	F	Health & Safety
Ungerer	M	Education

Ward 12 – Alderman B Rheeder

Surname	Initial	Portfolio
De Beer	AB	Paradise Beach
Langlands	M	Kromme Enviro Trust
Schoeman	HN	Cape St Francis
Siziba	P	Woman
Stegman	GF	Business

Ward 13 – Crl M Peters

Surname	Initial	Portfolio
Carelse	C	Agriculture
Fortuin	NK	Women
Haarvoor	VH	Sports
Katoo	NP	Safety and Security
Mbeki	O	Religion
Mhlalase	N	Youth
Mtuzula	N	Business

Mvimbeli	PG	Health
Swepu	VN	Environment
Tobie	SR	Education

Ward 14 – Crl S Makasi

Surname	Initial	Portfolio
Dyenga	SH	Safety and Security
Gqirana	TE	Religion
Grates	DS	Health
Kati	S	Agriculture
Mpangele	N	Youth and disabled
Ndabambi	TE	Business
Nkwalase	N	Education
Nyathi	M	Cleaning
Siwane	KJ	Women

Ward 15 – Crl H Hendricks

Surname	Initial	Portfolio
Carelse	M	Business
De Hart	EG	Environment
Draghoender	RA	Youth
Lawack	DB	Education
McLean	SJ	Health
Miles	GD	Women
Ndaku	M	Farming
Sysaar	F	Sport

Table 211 : Ward Structures

The Public Participation Unit has also been beefed up with the appointment of a Public Participation Coordinator assisted by 3 Public Participation Officers. This unit plays a crucial role in the functionality of the ward participatory system of the municipality as well as getting public involved in all matters of the municipality.

6.1.3 Ward Based Planning

Ward Based Planning forms the basis for contributions by Wards and Ward Committees to the IDP. This is further augmented by public participation programs and outreach programs that form part of the Budget and IDP processes to ensure that the general community is not excluded from the planning processes. Where Ward Committees choose to raise IDP and/or planning related matters outside the Ward Based Planning and/or public participation processes, such matters are dealt with in the minutes of the Ward Committee Meeting by referring such matters to the IDP Section for capturing.

Relationships between the Ward Committees and Council are cordial in all instances even though some Ward Committees expressed concerns that matters raised by the Committees are not receiving the attention it requires. To ensure that all matters raised by Ward Committees are considered by Council all Minutes of the Ward Committee meetings are submitted to Council.

Ward based plans are a form of participatory planning designed to promote community action, with clear linkages to the IDP. It also helps speed up the implementation of the IDP. This also ensures that the IDP objectives become the collective responsibility of community members, ward councillors, ward committees, community, business community, non-governmental and community-based organisations and all other stakeholders in the Kouga area of jurisdiction. This is further augmented by the public participation programmes and outreach programs that form part of the budgeting and IDP processes to ensure that the general communities are not excluded in planning processes.

6.2 COMMUNITY NEEDS

6.2.1 Reviewed ward priorities

During October 2019, the 15 ward committees of the Kouga Municipality held workshops i.r.o. work-based plans for the 2020/21 IDP Review. The community consultation meetings were held during October and November 2019 to review their ward priorities for 2020/21. The following tables depict the priorities and critical needs of each ward. The inputs received during the Mayoral Imbizo Roadshows conducted during July-August 2019 were also incorporated in the reprioritization process.

WARD 1

Clr Z Mayoni

No.	Reviewed Priorities for 2021/22	Responsible Directorate
1.	Fixing of potholes	*Infrastructure & Engineering*
2.	Considering of v-channels and regular storm water risk in Umzamowethu and Oyster Bay	*Infrastructure & Engineering*
3.	Poor access to internal roads and need for sand to help with roads upgrading	*Infrastructure & Engineering*
4.	Need for water supply in any form to irrigate and boost planted grass and plants	*Infrastructure & Engineering*
5.	Illegal electrical connections	*Infrastructure & Engineering*
6.	Fix vandalized ablution facilities at beach area	*Community Services*
7.	Overgrown erven	*Community Services*
8.	Scholar patrol	*Community Services*
9.	Waste drop off zones and placement of skips	*Community Services*
10.	Maintenance of clinic and operations thereof	*Community Services*
11.	Stray animals	*Community Services*
12.	Establishment of Clinic Committee	*Community Services*
13.	Provision of beach walks for elderly and disabled	*Community Services*
14.	Rehabilitation of dunes and undeveloped erven in Brander Street	*Community Services*
15.	Supply of wheelie bins	*Community Services*
16.	Acquisition of land for housing and commonage	*Planning, Development & Tourism*
17.	Promotion of SMME's and high unemployment rate	*Planning, Development & Tourism*

Table 212: Ward 1 Priorities

WARD 2

CLR R Dennis

No.	Repviewed Priorities for 2021/22	Responsible Directorate
1.	Re-design of sewer network to prevent regular spilling's in Pellsrus and Tokyo Sexwale.	*Infrastructure & Engineering*
2.	Upgrading of gravel roads: Snoek Street Manta Street Seeleeu Street Klipvis Street Strepie Street Galjoen Street Pellsrus 220 Housing Project	*Infrastructure & Engineering*
3.	Relocation of Tsjokks Informal Settlement to Ocean View Phase 2.	*Planning, Development & Tourism*
4.	Development of land earmarked for Tsjokks into a new Multi-Purpose Centre.	*Community Services*
5.	Extension to Clinic to accommodate visitors/patients of Ward 2,3,8,11&14 in Jeffreys Bay.	*Community services*
6.	Playpark and other Social Amenities for Pellsrus 220 Housing Project and Madiba Bay.	*Community Services*
7.	Upgrading of Ward Councillors Office.	*Corporate Services*
8.	Upgrading of stormwater flooding in Govan Mbeki Street.	*Infrastructure & Engineering*
9.	Refurbishment of Pellsrus Day Camping ablution facility and surrounding area.	*Community Services*
10.	New School.	*Community Services*
11.	New Creche.	*Community Services*
12.	New Sport Field.	*Community Services*
13.	Streetlights for Pellsrus 220 Housing Project.	*Infrastructure & Engineering*
14.	Development of historical day-camping area, behind Pellsrus Caravan Park into a recreational park.	*Community Services*
15.	Beautification of Public Open Space between Kapenaar Street and Chris Hani Avenue.	*Community Services*

Table 213: Ward 2 Priorities

WARD 3

Councillor W Gertenbach

No	Reviewed Priorities for 2021/22	Responsible Directorate
1.	Supply line from Melkhout to affected wards	*Infrastructure & Engineering*
2.	Replace the water pipeline along Mimosa Street	*Infrastructure & Engineering*
3.	Concrete curbing along roads/streets	*Infrastructure & Engineering*
4.	Maintenance to all stormwater drains in the ward	*Infrastructure & Engineering*
6.	Roll out of CCTV cameras	*Community Services*
7.	Cycling lanes	*Infrastructure & Engineering*

Table 214 : Ward 3 Priorities

WARD 4

Councillor F Campher

No.	Reviewed Priorities for 2021/22	Responsible Directorate
1.	Street names: ▪ Jeugkamp, 7de Laan, Maak 'n Las, Donkerhoek (Mooi Uitsig)	*Planning, Development & Tourism*
2.	Lower bridge upgrading in Fortuin Street by the PPK Church in Kruisfontein	*Infrastructure & Engineering*
3.	Upgrading of Roads for the entire ward (too many potholes)	*Infrastructure & Engineering*
4.	High mast lights: ▪ Van Lingen Park(391), Donkerhoek, Mooi Uitsig	*Infrastructure & Engineering*
5.	Bush clearing around Kruisfontein Primary School and between Gill Marcus and Donkerhoek	*Community Services*
6.	Skip bins in: ▪ Donkerhoek, Mooi Uitsig, Van Lingen Park	*Community Services*
7.	Cameras for "hot spots" in Gill Marcus, Donkerhoek, Mooi Uitsig	*Community Services*
8.	Notice boards for "illegal dumping sites"	*Planning, Development & Tourism*
9.	Ward Councillor office: notice board	*Corporate Services*
10.	More community taps for new are "Mooi Uitsig"	*Infrastructure & Engineering*

Table 215: Ward 4 Priorities

Get Involved
Have your say

WARD 5

Councillor W Coenraad

No.	Reviewed Priorities for 2021/22	Responsible Directorate
1.	Paving of sidewalks which was left incomplete in Booyce Street in Arcadia	*Infrastructure & Engineering*
2.	Security cameras needed in hotspots (crime areas)	*Community Services*
3.	Bush clearing	*Community Services*
4.	Installation of speedhumps	*Infrastructure & Engineering*
5.	Installation of LED street lights	*Infrastructure & Engineering*
6.	Tarring and paving of streets and illegal dumping with notice boards	*Infrastructure & Engineering*

Table 216: Ward 5 Priorities

Get Involved
Have your say

WARD 6

Councillor V Vumazonke

No.	Reviewed Priorities for 2020/21	Responsible Directorate
1.	High unemployment rate and the provision of learnerships for students/graduates	*Corporate Services*
2.	Streetlights	*Infrastructure & Engineering*
3.	Poor resealing of internal roads and potholes	*Infrastructure & Engineering*
4.	Regular sewerage spillings in residential areas	*Infrastructure & Engineering*
5.	Illegal electrical connections in Joe Slovo Informal Settlement	*Infrastructure & Engineering*
6.	Upgrade community hall in Vergenoeg	*Community Services*
7.	Roll-out of CCTV cameras	*Community Services*
8.	Establish new housing committees	*Planning, Development & Tourism*
9.	Beautification of entrance to Kwanomzamo	*Community Services*

Table 217: Ward 6 Priorities

Get Involved
Have your say

WARD 7

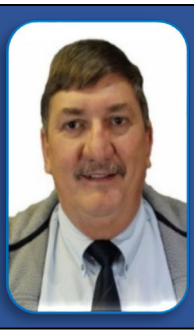
Councillor E February

No.	Reviewed Priorities for 2021/22	Responsible Directorate
1.	Formalization of Tjoksville in Thornhill	*Infrastructure & Engineering*
2.	Acquire land for housing	*Planning, Development & Tourism*
3.	Initiate skills development programmes in construction in Loerie and Thornhill	*Planning, Development & Tourism*
4.	Upgrading of roads in Loerie and Thornhill	*Infrastructure & Engineering*
5.	Installation of bulk infrastructure	*Infrastructure & Engineering*
6.	Construction of houses in Loerie and Thornhill	*Planning, Development & Tourism*
7.	Identify land for commonages in Loerie and Thornhill	*Planning, Development & Tourism*
8.	Upgrading of old and existing cemeteries in Loerie and Thornhill	*Community Services*
9.	Upgrading of the sports fields in Loerie and Thornhill	*Community Services*

Table 218: Ward 7 Priorities

Get Involved
Have your say

WARD 8



Councillor L Vorster

No.	Reviewed Priorities 2021/22	Responsible Directorate
1.	Speedhumps for the following streets: ▪ 2 x Magnolia ▪ 2 x Myrtle / Broom ▪ 1 x Dogwood ▪ 2 x Noorsekloof ▪ 2 x Dr Mike Heroldt	*Infrastructure & Engineering*
2.	Erection of 200 street names	*Infrastructure & Engineering*
3.	Donation of wheelchairs to House Frank and Amala	*Community Services*
4.	Need for water leak detector	*Infrastructure & Engineering*
5.	Need for a safe haven for street children	*Community Services*
6.	Parking bays for the disabled at Checkers in Da Gama Rd	*Infrastructure & Engineering*
7.	Speed up approval of building plans	*Planning, Development & Tourism*

Table 219: Ward 8 Priorities

Get Involved
Have your say

WARD 9

Councillor S Jujwana

No.	Reviewed Priorities 2021/22	Responsible Directorate
1.	Construction of houses	*Planning, Development & Tourism*
2.	Paving of Tar Roads (Populier/Geelhout/ and Protea Street).	*Infrastructure & Engineering*
3.	Installation of High Mast light. (Cllr and Ward Committee to identify area.)	*Infrastructure & Engineering*
4.	Re-direct sewer overflow behind Centerton Sports Field.	*Infrastructure & Engineering*
5.	Construction of a new a library.	*Community Services*
6.	Construction of a playpark for children.	*Infrastructure & Engineering*

Table 220 : Ward 9 Priorities

Get Involved
Have your say

WARD 10

Councillor A Mabukanne

No.	Reviewed Priorities for 2020/21	Responsible Directorate
1.	Fencing of cemetery.	*Community Services*
2.	Acquire land for housing.	*Planning, Development & Tourism*
3.	Construction of 2000 houses.	*Planning, Development & Tourism*
4.	Investigate the land at the Post Office & Tolbos for housing.	*Planning, Development & Tourism*
5.	Erection of streetlights and High Mast Lights.	*Infrastructure & Engineering*
6.	Demarcation of areas for SMME's and the provision of permits.	*Planning, Development & Tourism*
7.	Eradication of buckets.	*Infrastructure & Engineering*
8.	Acquire land for the new cemetery.	*Planning, Development & Tourism*
9.	Speed humps at Tier and Stuurman Street.	*Infrastructure & Engineering*

Table 221: Ward 10 Priorities

WARD 11

Councillor H Bornman

No.	Reviewed Priorities for 2021/22	Responsible Directorate
1.	Upgrade sewer pump station and line from La Mer to Koraal Street.	*Infrastructure & Engineering*
2.	Upgrade CBD	*Planning, Development & Tourism*
3.	Installation of walkways, benches and lights from Dolphin Beach to Caravan Park.	*Community Services*
4.	Paving of Erf 107, opposite Spur for parking.	*Planning, Development & Tourism*
5.	More playparks to be provided at beach areas and open spaces.	*Community Services*
6.	Roll out of CCTV cameras	*Community Services*
7.	Cycling lanes	*Infrastructure & Engineering*

Table 222 : Ward 11 Priorities

WARD 12

Alderman B Rheeder

No.	Reviewed Priorities 2021/22	Responsible Directorate
1.	High mast lights – Lower Golf Course	*Infrastructure & Engineering*
2.	Stand-alone taps	*Infrastructure & Engineering*
3.	Upgrade Lower Golf Course entrance	*Infrastructure & Engineering*
4.	Eradication of bucket system	*Infrastructure & Engineering*
5.	Fire prevention and bush clearing in Paradise Beach, St Francis Bay and Cape St Francis	*Community Services*
6.	Upgrading of roads and stormwater	*Infrastructure & Engineering*
7.	Construction of spit and rock revetment at St Francis Bay beach	*Planning, Development and Tourism*
8.	Installation of waterborne sewerage system for St Francis Bay	*Infrastructure & Engineering*
9.	Maintenance of bridge and fire breaks	*Infrastructure & Engineering*
10.	Construction of houses in Lower Golf Course	*Infrastructure & Engineering*
11.	Tarring of Da Gama Road in Cape St Francis	*Planning, Development & Tourism*
12.	Installation of high mast lights in the Lower Golf Course	*Infrastructure & Engineering*
13.	Installation of hydrants at braai areas at Paradise Beach and St Francis Bay	*Infrastructure & Engineering*

14.	Replace outdated water pipes in Paradise Beach, St Francis Bay, Shore Road, Canal Road and Cape St Francis. (Secure Churchill pipeline)	*Infrastructure & Engineering*
15.	Placing of V-drain draining dish – Immergroen Avenue and beach signage Paradise Beach	*Infrastructure & Engineering*
16.	Request for a container to run a soup kitchen and other activity at the Lower Golf Course	*Infrastructure & Engineering*
17.	Cycling Lanes	*Infrastructure & Engineering*

Table 223: Ward 12 Priorities

WARD 13

Councillor M Peters

No.	Reviewed Priorities 2021/22	Responsible Directorate
1.	Housing.	*Infrastructure & Engineering*
2.	Special Needs School for Rosedale.	*Dept of Education*
3.	Internal sewer system for Weston.	*Infrastructure & Engineering*
4.	Vandalism of WWTP in Weston.	*Infrastructure & Engineering*
5.	Hand-over of Unfinished Sports Field in Weston.	*Community Services*
6.	Commonage land.	*Planning, Development & Tourism*
7.	Multi-Purpose Centre for Hankey.	*Community Services*
8.	Streetlights or High Mast Lights.	*Infrastructure & Engineering*
9.	Internet facility at Library.	*Finance (ICT)*
10.	Deterioration of old mud houses.	*Infrastructure & Engineering*
11.	Beautification of entrance to Weston.	*Infrastructure & Engineering*
12.	Church erven.	*Planning, Development & Tourism*
13.	Overflow of Weston Bridge during heavy rains.	*Infrastructure & Engineering*
14.	Maintenance works to the Hankey-Humansdorp Link Road.	*Infrastructure & Engineering*
15.	Recreational facility for the elderly.	*Community Services*
16.	Narrow Road from Weston to Hankey is risky, narrow and should be widened.	*Infrastructure & Engineering*

Table 224: Ward 13 Priorities

WARD 14

Councillor S Makasi

No.	Reviewed Priorities 2021/22	Responsible Directorate
1.	Formalisation of informal settlements	*Infrastructure & Engineering*
2.	Construction of ablution facility at the Aston Bay Beach	*Community Services*
3.	Upgrading of sewer system in Aston Bay and Ocean View	*Infrastructure & Engineering*
4.	Installation of storm drainage system in Aston Bay and old Ocean View housing Project	*Infrastructure & Engineering*
5.	Paving and re-tarring of roads/streets in Aston Bay and Ocean View	*Infrastructure & Engineering*
5.	Installation of 2 High Mast Lights in Ocean View	*Infrastructure & Engineering*
6.	Replacement of asbestos water pipes in Aston Bay	*Infrastructure & Engineering*
7.	Low water pressure in Aston Bay	*Infrastructure & Engineering*
8.	Construct acceptable speed humps in Ocean View	*Infrastructure & Engineering*

Table 225: Ward 14 Priorities

WARD 15

Councillor H Hendricks

No.	Reviewed Priorities 2021/22	Responsible Directorate
1.	Upgrade internal sewer system from town to Upper Golf Course.	*Infrastructure & Engineering*
2.	Provision of internal reticulated sewer system for Graslaagte and Moeras River.	*Infrastructure & Engineering*
3.	Construction of a Multi-Purpose Centre at the Country Club.	*Community Services*
4.	Installation of High Mast Light in Arcadia.	*Infrastructure & Engineering*
5.	Eradication of bucket system	*Infrastructure & Engineering*
6.	Roll-out of CCTV cameras	*Community Services*

Table 226: Ward 15 Priorities

6.2.2 CONSOLIDATED WARD PRIORITIES 2021/22

NO.	CONSOLIDATED ANALYSIS OF WARD DEVELOPMENT PRIORITIES	WARD PRIORITIES 2020/21	WARD PRIORITIES 2021/22	NEW AVERAGE RATING
1.	**ROADS AND STORMWATER** (resealing, internal asphalt roads, internal gravel roads, potholes, maintenance, provincial roads, speed humps, street naming and names, public parking and access roads, Paradise Beach Cause Way and Airfield, maintenance of supporting pillars of bridge at canals, stormwater blockages in residential areas and internal roads, lack of stormwater system in most towns).	15	12	High
2.	**SANITATION & BUCKET ERADICATION** (upgrading and maintenance to existing aging sewerage systems, spilling's and overflows, eradication of septic and conservancy tanks, bulk sewerage to unlock housing projects, provision and maintenance of chemical toilets, alternative/eradication of bucket system, containerise ablutions facilities).	15	9	High
3.	**HOUSING** (suitable land for all forms of housing, unlocking of state land, housing needs register, formalisation of informal settlements, IRDP Housing, Community Residential Units, Social Housing, FLISP, Safe-Haven, housing for vulnerable and destitute, backyard dwellers, rectification of old stock and infrastructure, title deeds, social amenities, church sites, business sites, bulk needs to unlock housing projects).	15	9	High
4.	**SPORT AND RECREATION** (upgrading and maintenance, supervision and partnership with sports codes, cricket field, netball field, recreational parks, cycling lanes, libraries).	6	7	High
5.	**ELECTRICITY** (Melkhout supply line, network negotiations with NMM, upgrading of infrastructure, led/solar lights, high masts, illegal connections. Replacements of distribution boxes, prepaid supply for informal settlements).	14	6	High
6.	**WATER** (bulk, quality, pressure, pipe breaks, upgrading of aging infrastructure, monthly allocations of Hankey and Patensie, Fire hydrants).	11	6	High

7.	**COMMUNITY HALLS/MPCC** (new, upgrade, maintain, fencing and security).	**9**	**4**	**Medium**
8.	**LOCAL ECONOMIC DEVELOPMENT** (opportunities for skilled and unskilled, mini markets, shell kiosks, redevelopment of CBD IN Jeffreys Bay, land for commonage, emerging farming, overdue land claims, plant and equipment, water supply, access to commercial funding models).	**11**	**4**	**Medium**
9.	**CEMETERIES** (lack of space and overcrowding, land identification, rezoning, sub-division and environmental compliance, fencing and beautification, ablution facilities).	**4**	**3**	**Medium**
10.	**WASTE MANAGEMENT** (cleaning of areas, issuing of wheelie bins, black bags for informal settlements, overgrown erven and open spaces, mini-skips, illegal dumping & littering).	**13**	**2**	**Medium**
11.	**SKILLS DEVELOPMENT** (upskilling of grade 12 and local graduates, youth development centre, job creation).	**12**	**2**	**Medium**
12.	**PLAYPARKS** (new, upgrade, repair, fence, maintain, provision of security & caretaker, MIG funded outdoor gym for all areas).	**10**	**2**	**Medium**
13.	**COMMUNICATION** (Wi-fi, poor cell phone reception).	**2**	**2**	**Medium**
14.	**HEALTH, MEDICAL CARE FACILITIES, CLINICS, FIRE AND AMBULANCE SERVICES** (shortage of staff, mobile clinics, clinics/medical centres, overcrowding, waiting rooms, access for emergency and health vehicles in settlements, ablution facilities at all beaches, dune stabilisation, rehabilitation and beach asset maintenance, fire risks prevention, satellite fire station and completion of blocked station in Oyster Bay).	**9**	**1**	**Low**
15.	**EDUCATION** (creches, primary and high schools,).	**2**	**1**	**Low**

Table 227: Consolidated Ward Priorities

6.2.3 SUMMARY OF PROVINCIAL AND NATIONAL GOVERNMENTMANDATE

Some of the ward priorities listed in 6.2.2 above is the mandate of other spheres of government. A summary is listed below:

PROVINCIAL GOVERNMENT MANDATE	NATIONAL GOVERNMENT MANDATE	PARASTATALS / OTHER ORGANS OF STATE
Housing	South African Police Services (SAPS) – capacity, visibility, police station	Post office
Education – primary and high school	Department of home affairs	Eskom
Health – expand clinic facilities/day hospital, medical centre	Department of labour – skills training	Sassa
Cultural affairs, sport, library services expansion, sport facilities	Department of Agriculture, Forestry and Fishery (DAFF) – poaching control	
Transport and public works, provincial roads upgrade, public transport	Department of higher Education – tertiary institution	
Social development, youth programmes, youth centre, care for the elderly		

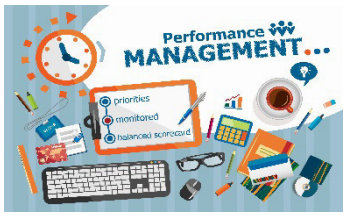
Table 228:Summary of Provincial and National Government mandate

6.2.4 IDP REPRESENTATIVE FORUM

In accordance with Section 15 of the *Local Government: Municipal Planning and Performance Regulations (No. 796, 24 August 2001)* Kouga Municipality has resolved to establish an IDP Representative Forum to enhance community participation in:

i) The drafting and implementation of the municipality's integrated development plan (IDP); and
ii) The monitoring, measurement and review of the municipality's performance in relation to the key performance targets set by the municipality.

The IDP Representative Forum meet once a year during the review period and stakeholders (sector departments) and members of the public attend the meeting.



CHAPTER 7: PERFORMANCE MANAGEMENT

Performance management is a process, which measures the implementation of the organisation's strategy. It is also a management tool to plan, monitor, measure and review performance indicators to ensure efficiency.

The Kouga Municipality's Performance Management System (PMS) is the primary mechanism to monitor, review and improve the implementation of its Service Delivery and Budget Implementation Plan (SDBIP) and to measure the progress made in achieving the objectives as set out in the IDP. The Performance Management Policy Framework as approved by Council provides for performance implementation, monitoring and evaluation at organisational as well as individual levels.

The format of the SDBIP is prescribed by MFMA Circular Number 13 issued by National Treasury. In terms of the said Circular Number 13, the SDBIP must provide a picture of service delivery areas, budget allocations and enable monitoring and evaluation.

"MFMA CIRCULAR NO. 13

The SDBIP serves as "contract" between the administration, council and community expressing the goals and objectives set by Council as quantifiable outcomes that can be implemented by the administration over the next twelve months. The SDBIP provides the vital link between the mayor, council and the administration and facilitates the process for holding management accountable for its performance. The SDBIP is a management, implementation and monitoring tool that will assist the mayor, councillors, city manager, senior managers and community."

RESPONSE REQUIRED	MUNICIPAL ACTION	PROGRESS	TIME FRAME
ROLL OUT OF PERFORMANCE MANAGEMENT TO BE EFFECTIVE ON ALL LEVELS	Performance reporting	Performance reporting to • Municipal Manager • Council • Annual Performance Report	Monthly Quarterly Annually
	Implement performance on all appropriate levels by 2022	Individual performance management system up to the second line of managers is currently being implemented	2017-2022

Table 229 : Performance Management Process

7.1 ORGANISATIONAL PERFORMANCE

The organisational performance is monitored and evaluated via the SDBIP. The organisational performance of the municipality is evaluated by means of a municipal scorecard at organisational level and through the departmental service delivery implementation plan (Dept. SDBIP) at directorate and departmental level. The top layer SDBIP set out consolidated service delivery targets and provides an overall picture of performance for the municipality, reflecting performance as determined by the IDP review process. The departmental SDBIP capture the performance targets of each defined department in support of the achievement of institutional objectives as captured in the SDBIP.

7.2 INDIVIDUAL PERFORMANCE

All directors have entered performance agreements. This has led to a specific focus on service delivery and means that:

- Each director must develop a performance scorecard which is based on the balanced scorecard model.
- At the beginning of each financial year all the senior managers (Section 56 employees) sign Performance Agreements.

The performance management system has not yet been cascaded down to managers reporting to section 56 employees and to lower levels throughout the municipality.

7.3 PERFORMANCE INDICATORS

Section 38 (a) of the Systems Act requires municipalities to set appropriate key performance indicators as a yardstick for measuring performance, including outcomes and impact, regarding the community development priorities and objectives set out in its Integrated Development Plan. Section 9 (1) of the regulations of the Act maintains in this regard, that a municipality must set performance indicators, including input indicators, output indicators and outcome indicators in respect of each of the developmental priorities and objectives. Every year, as required by Section 12 (1) of the Regulations to the Systems Act, the municipality also set performance targets for each of the key performance indicators. The IDP process and the performance management process should therefore be seamlessly integrated.

7.4 PERFORMANCE REPORTING

7.4.1 Quarterly Reporting

Quarterly reporting on the implementation of the SDBIP affords Council an oversight opportunity on the overall performance of the municipality towards achieving the annual targets as defined in the IDP. It further affords management the opportunity to intervene to ensure that annual targets shall be achieved.

7.4.2 Mid-Year Assessment

The performance of the first 6 months of the financial year assessed and reported on in terms of section 72 of the MFMA. The assessment must include the measurement of performance, the identification of corrective actions and recommendations for the adjustments of performance indicators, and possible adjustment of the SDBIP, if necessary.

7.5 PERFORMANCE MANAGEMENT FUNCTION

The Performance Management function at Kouga Municipality is supported with assistance and guidance from the Sarah Baartman District Municipality. This support is on-going and as and when required as well as thought the medium of the Performance Management Forum. Kouga Municipality adopted a Performance Management Policy Framework in 2014 which details the broader principles and actions required in the performance management cycle. More detailed policies for Section 56/57 managers as well as a policy for normal staff have been developed.

The Municipal Manager and Directors have all signed performance agreements within the prescribed time frames and the agreements have been posted on the Municipal Web Site and submitted as per legislative requirements. The Sarah Baartman District Municipality's electronic performance management system is being utilised.

A Service Delivery and Budget Implementation Plan (SDBIP) is developed annually for approval by the Mayor within 28 days of the adoption of the IDP. The SDBIP details the Annual Targets breaking it down into measurable quarterly targets so as to ensure oversight on performance by the Mayor and Council. The Institutional SDBIP is used for the development of performance targets of the Municipal Manager and Directors to ensure alignment in this regard and the ultimate achievement of Institutional Objectives for the year. The Institutional SDBIP is then used for the development of the Departmental SDBIP's (work plans) which in turn is used to frame the operational target of Line Managers and in doing so populating their performance commitments. Challenges with the Performance Management System are largely restricted to reporting related issues.

The overall performance results achieved by the municipality in terms of the 2019/20 top layer SDBIP are as follows:

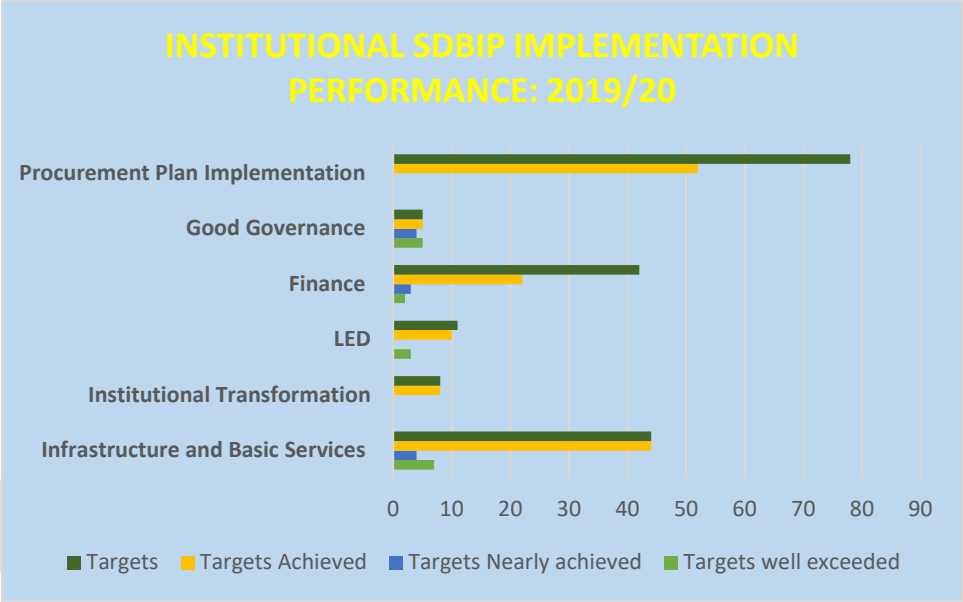


Figure 44 : Top layer SDBIP

7.6 PERFORMANCE STANDARDS

DOCUMENTARY EVIDENCE, METHOD OF CALCULATION AND PERFORMANCE STANDARDS

PROGRAM DRIVER	KEY PERFORMANCE INDICATOR	DOCUMENTARY EVIDENCE	MEANS OF CALCULATING PERFORMANCE	PERFORMANCE STANDARDS
Municipal Manager	% Achievement of overall institutional SDBIP performance targets for period under review	Institutional SDBIP; Records of achievement of targets	Number of Institutional SDBIP targets fully achieved/ exceeded, divided by total number of Institutional SDBIP Targets, multiplied by 100 = % Institutional SDBIP Targets achieved (For the purposes of calculating this target the Departmental SDBIP targets shall be excluded)	1 = less than 90% 2 = 90 to 94% 3 = 95% 4 = 96 to 98% 5 = 99% and more
All Directors	% Achievement of Departmental SDBIP performance targets for period under review	Departmental SDBIP; Records of achievement of targets	Number of Departmental SDBIP targets fully achieved/ exceeded, divided by total number of Departmental SDBIP Targets multiplied, by 100 = % Departmental SDBIP Targets achieved	1 = less than 90% 2 = 90 to 94% 3 = 95% 4 = 96 to 98% 5 = 99% and more
Municipal Manager and All Directors	% Compliance with the Audit Corrective Action Plan	Audit Corrective Action Plan: Record of corrective actions implemented	Number of Audit Corrective Action targets fully achieved, divided by total number of Action Plan Targets, multiplied by 100 = % Action Plan Targets achieved	1 = less than 90% 2 = 90 to 94% 3 = 95% 4 = 96 to 98% 5 = 99% and more
CFO, Municipal Manager	% Revenue collected against revenue raised	Reconciliation statements of revenue raised, and revenue received in respect of the reporting period	Actual Revenue collected, divided by total revenue raised, multiplied by 100 = % Revenue Collected. (For purposes of calculations, collection of outstanding debt older than 30 days shall not be taken into account, thus revenue raised shall only be calculated on revenue raised per month and revenue collected in the ensuing month, for quarterly and annual performance the monthly average shall be utilized to determine the average percentage revenue raised over the reporting period).	1 = Less than 90% 2 = 90 to 96% 3 = 97% 4 = 98% 5 = More than 98%
CFO, Municipal Manager	% reduction in outstanding debt (60 days and older)	Reconciliation statements of debt older than 60 days and debt collected	Subtract the amount of debt collected from the amount of debt raised, divide the amount reduction by the original amount of debt raised and multiply the rate of reduction by 100 = % reduction. (For purposes of calculating the reduction in bad debt shall debt written off not be taken into consideration provided that the reduced bad debt as a result of the write-off shall be used as debt raised)	1 = Less than 10% reduction 2 = 10 to 14% reduction 3 = 15% reduction 4 = 16 to 20% reduction 5 = more than 20% reduction
Directors, Municipal Manager	% Expenditure of Capital Budget	Approved Capital Budget; Reconciliated financial statements on actual capital budget expenditure	Actual Capital Budget Expenditure, divided by Capital Budgetary provisions, multiplied by 1000 = % Capital Budget expenditure. (For the purposes of calculating expenditure committed funding shall not be taken into account i.e. only funds actually spent at time of reporting shall be taken into account)	1 = Less than 90% expenditure 2 = 90 to 94% expenditure 3 = 95% expenditure 4 = 96 to 98% expenditure 5 = 99% and more expenditure

Directors	% expenditure of operational budget for the acquisition of goods and services	Approved Operational Budget; Reconciliated financial statements on operational budget expenditure	Actual Operational Budget Expenditure, divided by Operational Budgetary provisions, multiplied by 100 = % Operational Budget expenditure. (For the purposes of calculating expenditure committed funding shall not be taken into account)	1 = Less than 90% expenditure 2 = 90 to 94% expenditure 3 = 95% expenditure 4 = 96 to 98% expenditure 5 = 99% and more expenditure
CFO	% reduction in unauthorized expenditure	Audit amount of unauthorized expenditure of prior year/reporting period; Audit amount of unauthorized expenditure for current reporting period	Subtract the amount of unauthorized expenditure for the period under review from verified amount of unauthorized expenditure over the previous reporting period, divide the reduction by the original amount of unauthorized expenditure and multiply the rate of reduction by 100 = % reduction.	1 = Less than 5% reduction 2 = 5 to 9% reduction 3 = 10% reduction 4 = 11 to 15% reduction 5 = more than 15% reduction
Municipal Manager Dir Corp Services	% Staff costs against total operational budget	Approved Operational Budget; Reconciliated financial statements on staff costs	Divide total staff costs by total operating budget and multiply by 100 = % staff costs (Note for purposes of this calculation Councillors, EPWP and CDW workers shall be excluded).	1 = More than 36% 2 = 34 to 36% 3 = 33% 4 = 32 to 30% 5 = Less than 30%
Dir Corp Services	% Vacancy rate for approved Budgeted posts	Approved Organogram, Approved staff budget with record of vacancies (date vacancy has arisen, and date vacancy filled)	For purposes of this calculation only positions that remains vacant for periods longer than 4 months from date of vacancy shall be deemed a vacant position. Vacant positions divided by approved budgeted positions, multiplied by 100 = vacancy rate	1 = More than 5% 2 = 2.1 to 5% 3 = 2% 4 = 1.5 to 1.9% 5 = Less than 1.5%
Dir I&E	% households in residential areas with Access to potable Water	Verified figures of households in informal areas with access to a communal standpipe within 200m of residence; Reconciliated financial statements of water connections levied.	Add number of households with piped tap inside house, number of households with tap inside yard and number of households with communal tap within 200m, divide sum by number of households in the municipality and multiply by 100 = % of households with access to potable water	1 = Less than 90% 2 = 90 to 99% 3 = 100% 4 = 100% plus 100 additional households connected 5 = 100% plus more than 100 additional households connected
Dir I&E , Municipal Manager	% water losses against water purchased/ produced and water sold	Reconciliation financial statement of water sold; water accounted for but not sold (Municipal installations). Reconciliation financial statement of water purchased, and water produced.	Add kilolitres of water sold and kilolitres of water accounted for but not sold (municipal installations) and divide by the total of kilolitres of water produced and water purchased, multiplied by 100 = % water losses	1 = More than 35% water losses 2 = 31 to 35% water losses 3 = 30% 4 = 28 to 29% 5 = Less than 28% water losses
Dir I&E	% households with Access Electricity	Verified figures of numbers of households in informal areas situated in areas serviced by Kouga Municipality; Reconciliated financial statements of electrical connections levied and or pre-paid electrical connections	Number of households where an electrical connection is available divided by total number of households = % of households with access to electricity (Note that all households in areas serviced by the Nelson Mandela Bay Metro and ESKOM shall be excluded from the calculations)	1 = Less than 90% 2 = 90 to 99% 3 = 100% 4 = 100% plus 100 additional households connected 5 = 100% plus more than 100 additional households connected

Municipal Manager and Dir I&E	% electricity losses against electricity purchased and electricity sold	Reconciliated financial statements on the KWH electricity purchased; Reconciliated financial statements on KWH electricity sold and or accounted for (Municipal installations)	Divide KWH electricity sold/accounted for by KWH electricity purchased multiplied by 100 = % electricity losses	1 = More than 15% 2 = 13 to 15% 3 = 12% 4 = 11 to 10% 5 = Less than 10%
Dir I&E	% of households with access to Sanitation Services	Reconciliated financial statements of sanitation service basic fees indicating number of households billed against total number of households on billing system. Reconciliated financial statements indicating households not billed i.e. payments per service rendered. Verification of number of households in informal settlements and number of sanitation facilities provided within 200m. For additional households connected, completion certificates.	Add the number of households billed for sanitation services with the number of households not paying sanitation basic fees but pay per services rendered, add the number of households in informal areas serviced with sanitation within 200 m from the household, divide by total number of households and multiply by 100 = % of households with access to Sanitation Services	1 = Less than 90% 2 = 90 to 99% 3 = 100% 4 = 100% plus 100 additional households connected/ Serviced 5 = 100% plus more than 100 additional households connected/ Serviced
Municipal Manager and Dir I&E	% expenditure on DOE grant	Record of DOE grant allocation; DOE grant expenditure (Payment certificates)	Actual DOE grant expenditure divided by DOE grant received multiplied by 100 = DOE grant expenditure (Committed amounts not paid shall not be included in calculations) (No reduction in the DOE grant funding as a result of under expenditure shall be considered in calculations and any such forfeiture shall result in a performance score of 1 [unacceptable performance]).	1 = Less than 90% expenditure 2 = 90 to 94% expenditure 3 = 95% expenditure 4 = 96 to 98% expenditure 5 = 99% and more expenditure
Municipal Manager and Dir I&E	% expenditure on MIG grant	Record of MIG grant allocation; MIG grant expenditure (Payment certificates)	Actual MIG grant expenditure divided by MIG grant received multiplied by 100 = MIG grant expenditure (Committed amounts not paid shall not be included in calculations) (No reduction in the MIG grant funding as a result of under expenditure shall be considered in calculations and any such forfeiture shall result in a performance score of 1 [unacceptable performance]).	1 = Less than 90% expenditure 2 = 90 to 94% expenditure 3 = 95% expenditure 4 = 96 to 98% expenditure 5 = 99% and more expenditure
Municipal Manager and Dir PDT	% expenditure of Budget for LED Programs and Projects	Record of LED Program and Project Budget allocation; LED Program and Project expenditure records.	Actual LED Program and Project budget expenditure divided by LED Program and Project budget allocated multiplied by 100 = LED Program and Project budget expenditure (Committed amounts not paid shall not be included in calculations)	1 = Less than 90% expenditure 2 = 90 to 94% expenditure 3 = 95% expenditure 4 = 96 to 98% expenditure 5 = 99% and more expenditure
Dir PDT, Municipal Manager	Number of jobs created through capital projects and LED initiatives	Documents verified by Project Manager on the number of temporary and/or permanent jobs created through capital projects and LED initiatives	Add the total number of jobs created from verified job creation documents over the reporting period	1 = 2 = 3 = 4 = 5 =
Dir Com Serv.	% of households within the urban edge provided with refuse removal services once a week	Records of total number of households in Kouga both in formal and informal settlements, Reconciliated refuse removal schedules. Call centre records of refuse not removed	Reconciliate refuse removal schedules to determine if all areas were serviced weekly, recording the number of households serviced weekly and the number of households not serviced in any week [from refuse removal schedules and call centre records]. (Note any additional services that may be rendered over peak holiday periods shall not cancel out services not rendered in any other week, additional service rendered shall for purposes of calculation be regarded as a single weekly service) Divide number of households serviced	1 = Less than 90% 2 = 90 to 99% 3 = 100% 4 = 100% plus 100 additional households Serviced 5 = 100% plus more than 100 additional households serviced

			per week by total number of households and multiply by 100 = % of households within the urban edge provided with refuse removal services once a week	
Dir Corp Serv	Number of new appointments as per Equity plan Employed in 3 highest categories of employment	Employment Equity Plan: Records of appointment made in the 3 highest categories of employment	Calculate number of appointments made against employment equity plan targets	1 = 2 = 3 = 4 = 5 =
Dir Corp Serv, Municipal Manager	% expenditure of Skills Dev Budget	Record of Skills Development Budget allocation; Workplace Skills Plan; Skills Development expenditure records	Actual Skills Development budget expenditure divided by Skills Development budget allocated multiplied by 100 = Skills Development expenditure (Committed amounts not paid shall not be included in calculations and all skills expenditure not reflected on the Workplace Skills Plan shall not be included in calculations)	1 = Less than 90% expenditure 2 = 90 to 94% expenditure 3 = 95% expenditure 4 = 96 to 98% expenditure 5 = 99% and more expenditure
CFO	% compliance with National Treasury reporting calendar	National Treasury Reporting Calendar; Proof of submission of National Treasury Reports	Actual number of National Treasury Reports submitted on or before the deadline divided by National Treasury Reports required = % compliance with National Treasury Reporting Calendar (Note reports submitted after deadlines shall be regarded as non-compliant)	1 = Less than 90% 2 = 90 to 95% 3 = 96% 4 = 97 to 98% 5 =99% and more
CFO	Liquidity Ratio (Months cost coverage)	Reconciliated financial statement of cash at hand; Reconciliated financial statement of running cost required per month	Divide Reconciliated financial statement of running cost required per month by reconciliated financial statement of cash at hand = Liquidity Ratio. (For calculating quarterly and annual performance, running costs and cash at hand shall be as for the reporting period).	1 = Less than 1:1 2 = 1:1 to 1:1.9 3 = 1:2 (Cash at hand shall cover running costs for 2 months) 4 = 1:2.1 to 1:3 5 = More than 1:3
CFO	% of debt service payments (interest and redemption) as a percentage of the operating budget	Reconciliated financial statement on interest and redemption paid; Approved Total Operating Budget.	Divide the total interest and redemption paid by the total approved Operating Budget multiplied by 100 = % of debt service payments	1 = 2 = 3 = 4 = 5 =
CFO	% outstanding service debtors to revenue	Reconciliated financial statement on outstanding service debtors; Reconciliated financial statement on actual revenue received	Divided the rand value of outstanding service debtors by actual revenue received multiplied by 100 = % outstanding service debtors to revenue.	1 = 2 = 3 = 4 = 5 =
CFO, Municipal Manager	Number of clean audit opinions by the AG	Audit Opinion by the Auditor General	Result of Audit Opinion by the Auditor General	1 = Disclaimer 2 = Qualified 3 = Unqualified with 6 or more matters raised 4 = Unqualified with less than 5 matters raised 5 = Clean Audit

CFO	% of creditors paid within 30 Days of receipt of Invoice	Reconciliated financial statement of the number of invoices for payment received; Reconciliated financial statements of invoices paid	Number of invoices paid within 30 days of receipt divided by number of invoices received for the payment period multiplied by 100 = % of creditors paid within 30 days of receipt of invoice	1 = Less than 90% 2 = 90 to 94% 3 = 95% 4 = 96 to 97% 5 = 98% and more
CFO, Municipal Manager	% of indigent residents as per Indigent register with access to free basic services	Indigent Register: Reconciliated Financial Statement of free basic services provided to households	Number of households provided with free basic services as per reconciliated financial statements divided by number of households registered on Indigent Register multiplied by 100 = Percentage Households as per indigent register with access to free basic services	1 = Less than 95% 2 = 95 to 97% 3 = 98% 4 = 99% 5 = 100%
CFO	% Up-Time of the ICT System	Records of interruptions in the running of the ICT System	Number of hours the ICT System was functional and running divided by the total number of business hours multiplied by 100 = % up=-time of ICT System	1 = Less than 90% up-time 2 = 90 to 94% up-time 3 = 95% up-time 4 = 96 to 98% up-time 5 = 99% and more up-time
All Directors	% compliance with Procurement Plan	Procurement Plan: Documentary proof of bids awarded	For purposes of calculating compliance with the procurement plan only compliance with the due date of award shall be considered. Only awards made on or before due date for award shall be regarded as being achieved and awards made after due date for award shall be regarded as not achieved. Number of procurement awards on or before due date as per procurement plan divided by total number of items on procurement plan multiplied by 100 = % compliance with the Procurement Plan.	1 = Less than 90% 2 = 90 to 95% 3 = 95% 4 = 96 to 97% 5 =98% and more
Dir I&E	% compliance with drinking water standards	Records of number of water samples taken; records of number of water samples not compliant with drinking water standards	Number of water samples not compliant with drinking water standards based on first test divided by number of water samples taken multiplied by 100 = % compliance with drinking water standards	1 = Less than 95% 2 = 95 to 97% 3 = 98% 4 = 99% 5 =100%
Dir I&E	Sewer spills			1 = 2 = 3 = 4 = 5 =
	RISK Register matters that can be used for KPI's at institutional level or departmental level. Land Audit Housing Allocation Policy			

Table 230: Performance Standards

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7.7 INSTITUTIONAL PERFORMANCE REVIEW 2019/20 YR

DIRECTORATE COMMUNITY SERVICES

Capital budget item	Project driver	Project number	2019/20 Targets							
			30/09/19		31/13/19		31/3/20		30/06/20	
			Target	Actual	Target	Actual	Target	Actual	Target	Actual
Vehicles (Traffic)	**Dir. Comm. Serv.**	CP23	-	-	-	-	Item submitted to BSC		Leading department tender evaluation report submitted to SCM	
							7/10/20		30/4/20	
Comment and corrective actions			4 bakkies and 3 vehicles (sedans) deliver in quarter 2							
Vehicles (Lifesaving)	**Dir. Comm. Serv.**	CP21 CP23	Item submitted to BSC		Leading department tender evaluation report submitted to SCM		-	-	-	-
			2/7/19	19/6/19	30/9/19	30/9/19				
Comment and corrective actions			Vehicles have been delivered by the appointed service providers on 24 January and 7 February 2020							
Vehicles Fire Department	**Dir. Comm. Serv.**	CP23	-	-	-	-	Item submitted to BSC		Leading department tender evaluation report submitted to SCM	
							7/1/20	20/9/20	10/4/20	22/1/20
Comment and corrective actions			Service provider appointed, awaiting delivery of vehicle							
Fencing – Humansdorp	**Dir. Comm. Serv.**	CP23	Item submitted to BSC -		Leading department tender evaluation report submitted to SCM		-	-	100% will be spend by end of June	
Comment and corrective actions			Kruisfontein Civic Centre + Kwanomzamo Hall – order no. 108839 = R381 800.00 + order no. 108838 = R415 725,00 Fencing at Hankey Fire station completed – order no. 97298 = R196 776,25 Fencing at C-Place cemetery ablution block – order no. 202207 = R79 025,00 Fencing at Vusumzi Landu Hall, Patensie Hall, Pellsrus Gym, C-Place Cemetery completed Thornhill Hall fencing completed – order no. 108838 = R415 725,00 9 FACILITIES WERE FENCED							
	Dir. Comm. Serv.	CP1003	Item submitted to BSC		Leading department tender evaluation report submitted to SCM				100% will be spend by end of June	
			2/1/19	4/7/19	30/9/19	16/10/19				

Comment and corrective actions				Tender advert for supply and delivery of grass cutting closed on the 16th of September 2019. BEC report to be submitted to supply chain on 16 October 2019. Tender approved on 27 February 2020. Busy with procurement order for chipper (202090 = R273 240), side cutters x 38 (205089 = R215 004). Side cutters x 38 (205089 = R215 004) and Kudu lawn mowers (205669 = R479 550) was delivered with a total expenditure of R649 210. 38 side cutters + 20 lawn mowers delivered.							
Machinery and equipment Lifesaving		**Dir. Comm. Serv.**	PC1002	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
Comment and corrective actions											
Q1	Lifeguard uniform – 7-day notice serve at BSC and was approved on 20 September 2019. Medical equipment – information sign boards, flegs and quad bike – 7-day notice served at BSC on 20 September 2019 and was approved to be advertised			2/07/19	4/7/2019	30/09/19	16/10/19	-			
Q2	The quad bike served at BEC on 11 December 2019 and was referred to the leading department. It is set to serve at BEC on 22 January 2020.			2/07/19	20/9/19	30/09/19	11/12/19	-	-	-	-
Furniture and Equipment (CCTV cameras)		**Dir. Comm. Serv.**	PC1003					Item submitted to BSC		Leading department tender evaluation report submitted to SCM	
								10/1/20		25/3/20	
Comment and corrective actions				Completed CCTV cameras installed							
Life Guards Tower		**Dir. Comm. Serv.**	PC1004	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
				5/8/19		30/9/19					
Comment and corrective actions				**Lifeguard towers delivered and installed during quarter 1 (completed) order no. 109846 (targets exceeded).**							
Upgrading of sports facilities		**Dir. Comm. Serv.**	CP074	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
				26/8/19		2/12/19					
Comment and corrective actions				Q1	Upgrade of Sea Vista Sports field tender advertised on 13 September 2019.						
				Q2	Tender will be tabled in the BEC in January 2020						
				Q3	Tender will be discussed in the BEC. Project Management unit deals with this project.						
				Q4	MIG funding handed over to Infrastructure & Engineering Directorate as per the adjustment budget .						
Upgrading of Kwanomzamo Sports Facility		**Dir. Comm. Serv.**	CP095	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					

			26/8/19		2/12/19	1/1019				
Comment and corrective actions			Q1	Tender advert for appointment of consultant for design of Kwanomzamo sport field closed on 6 August 2019. BEC report submitted to supply chain will be discussed at next BEC meeting on 11 October 2019.						
Upgrading of Pellsrus, Kabeljous, Cape St Francis Beach Parks	**Dir. Comm. Serv.**	PCA001	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
			5/7/19		14/10/19					
Comment and corrective actions			- Kabeljous ablution facility was repaired and renovated. Works included installation of security gate, painting, erection of aprons and bush clearing around the toilets. Fitting of locks and letches. - Works at Kabeljous park commenced. Building of braai stands, board walk, painting of trees and landscaping in progress. - Cape St Francis ablution facility works included changing of sewerage pipes, backwash paint, installation of a new toilet set. - Kabeljous, Pellsrus and Cappe St Francis ablution facilities upgraded. Procurement of waste bins for Kabeljous, Pellsrus and Cape St Francis Parks. - Pellsrus Park ablution facility was fenced to curb vandalism. - Kabeljous Park, building of the disability ramp. - Kabeljous, Pellsrus and Cape St Francis ablution facilities upgraded. - Part 1 of landscaping and erecting of play park at the Kabeljous Park completed. - Play Parks delivered for Pellsrus and Cape St Francis beach parks.							
Security guarding	**Dir. Comm. Serv.**	OP1	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
Comment and corrective actions										
Security guarding tender awarded to Smart Security. Q2 monitoring alarm tender warded to Gap (2019). Awaiting the SLA and will commence on 15 April 2020.			-	5/4/19	22/7/19	2/10/19	-	-	-	-
Hire landfill compactors and waste trucks	**Dir. Comm. Serv.**	OP1	Item submitted to BSC		Leading department tender evaluation report submitted to SCM. Tender to be evaluated					
			5/7/19		11/12/19					
Comment and corrective actions			The tender was cancelled due to affordability. Full budget was spent on hiring of plant.							

DIRECTORATE			Community Services		2019/20 targets											
Department/ Directorate	Program Driver	Key Performance Area	IDP Objective	Key Performance Indicator	Annual Target	Revised Target	30/9/19		3/12/19	31/3/20			30/6/20	Baseline		
							Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	Number of cemetery design and layout completed by 30 June 2020.	2	-	-	-	-	-	-	-	2	2	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of cemetery EIA' s implemented by 30 June 2020.	1	-	-	-	-	-	-	-	1	0	-	1
Comment and corrective actions				The process for the basic assessment process is 18 months. The service provider has assessed the site for critical biodiversity, terrestrial ecosystem, groundwater impact, archaeology and heritage. Applied for Section 30A. Awaiting approval from the DEDEAT.												

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Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of public ablution facilities upgraded (Pellsrus, Kabeljous, Cape St Francis).	3	-	-	2	3	3	-	-	-	-	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of caravan parks upgraded (Yellowwoods, Jeffreys Bay).	2	-	-	1	2	2	-	-	-	-	-	2

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Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of community halls upgraded (Kruisfontein Civic, Newton Hall).	2	-	-	1	1	-	-	1	1	2	-	1
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of chairs and tables procured for community halls	100 Tables 1000 Chairs	-	-	-	-	-	-	-	-	-	100 T 1000 C	-
Comment and corrective actions				The procurement of tables and chairs could not be finalised in Q1 & Q3 due to price escalation by service provider however the approval was granted. Awaiting the service provider to deliver the 1000 chairs. Had problems with delivery during Covid-19.												

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Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of sports fields upgraded (Loerie and Thornhill Clubhouses).	2	-	-	-	1	1	-	-	1	95%	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of sports fields upgraded (Pellsrus, Sea Vista, Kwanomzamo).	3	-	-	-	1	0	1	2	1	1	-	1

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	No. of play parks upgraded (Gill Marus, Arcadia, Kwanomzamo, Kabeljous).	4	-	1	-	1	-	1	9	1	2	-	-
Comments and corrective actions				11 x play parks (Order 205094 = R235 620) deliver. 2 x paly parks were installed at Yellowsoods, Hankey.												
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.3 To manage the provisioning and maintenance of caravan parks, resorts, play parks, sports fields, community halls, beaches, public ablution facilities and cemeteries to the community	% budget expenditure on grass cutting and bush clearing equipment	100%	-	-	-	25%	-	50%	-	25%	100%	1	1
Comment and corrective actions				Side cutters x 38 (order 205089 = R251 004), kudu lawn movers (order 205699 = R479 550) was delivered, total expenditure R649 210. 38 side cutters + 20 lawn movers delivered.												

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.4 To provide effective and efficient fire and disaster management services	No. of disaster management plans reviewed by 30 June 2020	1	-	-	-	-	-	-	-	1	1	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.4 To provide effective and efficient fire and disaster management services	No. of meetings of the Disaster Risk Management Forum	District 4 JOC 16		1	0	1	1	1 (4)	0	1 (12)	12 JOC	-	-
Comment and corrective actions				The Disaster Risk Management Forum was postponed due to Covid-19 pandemic that was scheduled to be held on 12 March 2020, however internal JOC meeting for Covid 19 replaced the Disaster Risk management Forum. 4 x JOC meetings for Covid-19 replaced al the Disaster Risk management Forum Meeting												

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.4 To provide effective and efficient fire and disaster management services	No. of vehicles and equipment procured for lifesaving and fire and disaster (3 vehicles and 2 rescue equipment).	5	-	-	-	3	3	1	1	1	1	1	3
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.4 To provide effective and efficient fire and disaster management services	No. of lifeguards trained	15	-	-	-	15	25	-	-	-	-	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.5 To provide effective and efficient safety and security services	No. of vehicles procured	3	-	-	-	3	8	-	-	-	-	-	2

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.5 To provide effective and efficient safety and security services	No. of stray animals impounded	120	-	5	12	80	80	15	60	20	16 (168)	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.5 To provide effective and efficient safety and security services	% expenditure of budget on procurement of safety equipment	100%	-	-	-	50%	100%	50%	-	-	-	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.6 to ensure clean and safe environment that is well maintained and manged	% completion in of coastal management plan	50%	-	-	-	-	-	-	-	50%	100%	-	-

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.6 to ensure clean and safe environment that is well maintained and manged	% completion in the development of a climate change strategy	1	-	-	-	-	-	-	-	1	1	-	-
Comment and corrective actions				Draft terms of reference developed for appointed Environmental Specialists to finalise a climate change strategy has been put on hold due to the movement of funds for Covid-19 pandemic.												
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.6 to ensure clean and safe environment that is well maintained and manged	No. of climate change projects implement in collaboration with German partners	1	-	-	-	-	-	-	-	1	1	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.6 to ensure clean and safe environment that is well maintained and manged	No of environmental awareness campaigns conducted I awareness campa	4	-	1	1	1	1	1	1	1	1	-	-

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.6 to ensure clean and safe environment that is well maintained and manged	No. of progress reports submitted to portfolio committee on rehabilitation of St Francis Spit and Oyster Bay dunes	4	-	1	1	1	1	1	1	1	1 (6)	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.6 to ensure clean and safe environment that is well maintained and manged	No. of trees planted	200	-	-	-	50	50	50	50	100	395	-	-
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.6 to ensure clean and safe environment that is well maintained and manged	No. of meetings of the Environmental Management Forum	4	-	1	1	1	1	1	1	1	1 (9)	-	-

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	No. of Integrated Management strategies reviewed by 30 June 2020	1	-	-	-	-	-	-	-	1	0	0	1
Comments and corrective actions				IWMP and EC Recycling Strategy workshop with Council could not take place due to Covid-19. The recycling strategy reviewed by the Department of Environment Affairs. Provincial department will advise when it will be filtered down to the municipality for review and comments.												
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	% capital budget expenditure on waste management projects	100%	-	5%	-	25%	100%	40%	-	30%	98%	-	100%
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	% expenditure of solid waste infrastructure repairs and maintenance budget	100%	-	25%	25%	25%	25%	25%	-	25%	100%	-	100%

Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	% of formal households within the urban edge provided with refuse removal services once a week	100%	-	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	% increase in refuse removal coverage of informal areas	10%	-	-	-	5%	5%	5%	5%	-	100%	0	0
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	% of commercial enterprises within the urban edge provided with refusal services 3 times per week	100%	-	25%	25%	25%	25%	25%	-	25%	100%	-	100%

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Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	No. of wheelie bins provided to residents	13 336	-	-	-	-	4410	4410	-	8956	8956 (16280)	-	13 366
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.1 To coordinate all functions/ powers regarding solid waste management assigned to the municipality	No. of clinics within the urban edge provided with refuse removal services	100%	-	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.2 To ensure that visitors and residents have a safe and healthy environment	No. of water samples submitted for bacteriological and chemical analysis	420 B 140 C (75B) 75C)	-	105B 35C	105B 35C	105B35C	105B 35C	105B 35C	105B 35C	105B 35C (75B) 75C)	178B 108C	420B 140C	420B 140C

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Community Services	**Dir. Comm. Serv.**	Infrastructure and Basic Service Delivery	SOD4.2 To ensure that visitors and residents have a safe and healthy environment	No. of premises subjected to environmental health inspections	1960 (IDP780)	-	490	634	490	889	490	744	490	739 (3006)	-	-

DIRECTORATE CORPORATE SERVICES

Capital budget item	**Project driver**	**Project number**	**2019/20 Targets**							
			30/09/19		31/13/19		31/3/20		30/06/20	
			Target	Actual	Target	Actual	Target	Actual	Target	Actual
Library upgrade	**Dir. Corp. Serv.**	CP56	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
Comment and corrective actions			Fully complied with all submission dates. Bulk filer installed incorrectly as of 30 April 2020. Supplier to commence with corrections after lockdown							
Buildings	**Dir. Corp. Serv.**	CP30	Item submitted to BSC		Leading department tender evaluation report submitted to SCM		Various tenders and quotes			
			2/10/19	2/10/19	19/12/19					
Comment and corrective actions			This item provides for a large variety of goods and services to be procured and includes the repairs to buildings, replacement of flooring, painting, blinds, burglar proofing, cupboards, air conditioning, minor building works, etc. Target submission dates have been complied with. Supply Chain Policy requires review to allow for geographical preferencing in the acquisition of goods and services in support of Local Economic Development goals.							
EDMS	**Dir. Corp. Serv.**	PC201	Item submitted to BSC							
			2/6/19		31/10/19					
Comment and corrective actions			Acquisition of the EDMS was put on hold at institutional level awaiting the outcome of the possible acquisition and implementation of the SAP ERP system. This had as a result that submission dated to bid committees count not be complied with. By 31 December 2019, no progress was made with the acquisition of SAP and the EDMS was acquired through a section 36 deviation.							
Biometric system	**Dir. Corp. Serv.**	PC2001	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
			29/3/19		15/7/19	15/7/19				
Comment and corrective actions			Tender specifications were submitted to BSC prior to the commencement of the financial year. The departmental tender report was submitted to BEC by 15 July 2020. It must be noted that BEC failed to meet on a number of occasions which delayed the acquisition of the biometric system.							

Document imaging and storing	**Dir. Corp. Serv.**	OP1	Item submitted to BSC		Leading department tender evaluation report submitted to SCM	
				31/7/19	Service provider appointed on 31/7/19	
Comment and corrective actions						
EAP	**Dir. Corp. Serv.**	OP206				
Comment and corrective actions			Service provider appointed by 31 July 2019. All submission dates complied with			
Medical Surveillance	**Dir. Corp. Serv.**	OP1	Item submitted to BSC		Leading department tender evaluation report submitted to SCM	
Comment and corrective actions			BEC submission made by 31 July 2019 and service provider was appointed by 31 August 2019. All submission dates complied with.			
Cleaning Services	**Dir. Corp. Serv.**	OP1				
Comment and corrective actions			Leading department report submitted to SCM by 31 July 2019. All submission dated complied with.			

DIRECTORATE			**Corporate Services**		**2019/20 targets**											
Department/ Directorate	Program Driver	Key Performance Area	IDP Objective	Key Performance Indicator	Annual Target	Revised Target	30/9/19		3/12/19		31/3/20		30/6/20		Baseline	
							Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Corporate Services Dir. Corp.	**Dir. Corp.**	Institutional Development and Transformation	SOD5/1 To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	Number of organogram reviews by 30 June 2020	1	-	-	-	-		-	-	1	1	-	-

Corporate Services Dir. Corp.	**Dir. Corp.**	Institutional Development and Transformation	SOD5/1 To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	Vacancy rate for approved budgeted posts	2.7%		2.7%	2%	2.7%	2.2%	2.7%	3.2%	2.7%	1.01%		
Comment and corrective actions				Q1	• 2% vacancy rate as at 31 July 2019, • 1.6% rate as at 31 August 2019 • 1.8% vacancy rate at 30 September											
				Q2	• 2.7% vacancy rate as at 31 October 2019 • 2.1% vacancy rate as at 30 November 2019 • 2.2% vacancy rate as at 31 December 2020											
				Q3	• 2.1% vacancy rate as at 31 October 2019 • 1.4% vacancy rate as at 30 November 2019 • 3.2% vacancy rate as at 31 December 2020											
				Q4	• 3.2% vacancy rate as at 31 April 2020											
Corporate Services	**Dir. Corp.**	Financial Viability and Management	SOD 6.1 To manage and control the implementation of budget policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of new appointments as per equity plan employed in 3 highest categories of employment	AF 2 AM 2	-	-	1 AM	-	3 AM 1 AF	-	2 IM 1CF	AF 2 AM 2	(6 AM) (3 AF) (2 IM)	-	-

Corporate Services	**Dir. Corp.**	Institutional Developmentand Transformation	SOD5/1 To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	No. of employment equity reports submitted to the Dept of Labour by 15 February 2020	1	-	-		-	-	1	1	-	-	1	1
Corporate Services	**Dir. Corp.**	Institutional Developmentand Transformation	SOD5/1 To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	% expenditure of Skills Dev. Budget	100%	-	5%	54%	40%	58.5%	50%	95.5%	5%	90%	-	-

Corporate Services	**Dir. Corp.**	Institutional Developmentand Transformation	SOD5/1 To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	No. pf Work Place Skills Plans submitted to and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	LG SETA by 30/4/20											
Comment and corrective actions			No action required as at 31 March 2020. It must be noted that due to National lockdown, the submission of the WSP has been extended to 30 May 2020 and that the WSP was submitted during the extended period.													
Corporate Services	**Dir. Corp.**	Institutional Developmentand Transformation	SOD5/1 To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	No. of OHS Forum meetings held	4	-	1	2	1	1	1	1	1	0 (4)	4	4
Comment and corrective actions				No meetings possible due to Covid-19 lockdown as at 30 April 2020. The target of 4 meetings per annum has been met. With the Advent of Covid-19 a number of Covid meetings were held												

Corporate Services	**Dir. Corp.**	Institutional Transformation and Transformation	SOD5/1 To render human resources management and support services to the municipality that will sustain the optimum utilization of the municipality' s human capital	No. of OHS Risk assessments completed by 30 June 2020	1	-	-	1	-	-	-	-	1	1 31/7/19	-	-
Corporate Services	**Dir. Corp.**	Good Governance and Public Participation	SOD5.2 To provide professional, effective and efficient administrative support to Council and Administration	% reduction in printing cost of agenda against budgeted amount	10%	-	2%	51.23%	2%	57.83%	2%	19.55%	4%	10.79%		
Corporate Services	**Dir. Corp.**	Good Governance and Public Participation	SOD5.2 To provide professional, effective and efficient administrative support to Council and Administration	No. of documents imaged and stored off-site	250 000	-	-	-	-	150000	100000	3162365	150000	3193332	-	-

Corporate Services	**Dir. Corp.**	Good Governance and Public Participation	SOD5.2 To provide professional, effective and efficient administrative support to Council and Administration	% completion of library conversion	100%	-	100%	100%	-	-	-	-	-	-	-	-
Corporate Services	**Dir. Corp.**	Good Governance and Public Participation	SOD5.2 To provide professional, effective and efficient administrative support to Council and Administration	Amount reduction in Telkom bill against budgeted amount	R60 000	-	R5 000	20018	R10 000	13502	R1500 0	14210	R30 0	R696 055	-	-

DIRECTORATE FINANCE

Capital budget item	**Project driver**	**Project number**	**2019/20 Targets**							
			30/09/19		31/13/19		31/3/20		30/06/20	
			Target	Actual	Target	Actual	Target	Actual	Target	Actual
Filing system (SCM)	**CFO**	CP54	Item submitted to BSC		Leading department tender evaluation report submitted to SCM		Tender awarded			
			17/7/19	14/8/19	30/10/19					
Comment and corrective actions			Tender closed 30 September 2019. Specifications served at BSC on 14 August 2019. Tender warded 18 March 2020 – refer Notice 173/200							
Shelving	**CFO**	CP54			n/a		n/a			
Comment and corrective actions										
Funds utilized for other assets					n/a		n/a			
Containers (SCM)										
Comment and corrective actions										

Specifications served at BSC on 6 September 2019. Tender closed 10 October 2019. Advertised as RFQ. Awarded on 31 October 2019. Refer notice 185/2019 and warded.			Item submitted to BSC		Awarded					
			23/7/19	6/9/29	24/10/19	31/10/19				
WIFI Solutions	**CFO**	PCO19	Item submitted to BSC		Leading department tender evaluation report submitted to SCM		Tender awarded			
			30/08/19	Not reported	15/12/19	Not reported				
Comment and corrective actions			Tender closed on 2/10/19. Tender warded 31/10/19. Refer to notice 186/2020.							
End user endpoint software	**CFO**	CPO75	Item submitted to BSC				Tender awarded			
			30/8/19		15/11/19	Not reported				
Comment and corrective actions			Tender closed 30/9/19. Tender awarded on10/2/20							
Street light poles	**CFO**	OP1	Item submitted to BSC.		Leading department tender evaluation report submitted to SCM					
			30/7/19	Not reported						
Comment and corrective actions			Awarded at BAC on 19 September 2019. 3-year contract as and when required.							
Air conditioners	**CFO**	OP1	Leading department tender evaluation report submitted to SCM							
			21/7/2019	21/7/19						
Polythene refuse bags	**CFO**	OP1			Item submitted to BSC		Tender closed		Leading department tender evaluation report submitted to SCM	
					1/11/19			19/3/20		3/6/20
Comment and corrective actions			Tender advertised 12 February 2020. Closing 19 March 2020. Refer notice 1 of 2020. Dates revised due to pander and operational requirements							
Tyres and tubes	**CFO**	OP1			Item submitted to BSC		Tender closed		Leading department tender evaluation report submitted to Scm	
					1/11/19		19/3/20	25/3/20		3/6/20
Comment and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised 12 February 202. Closing 25 March 2020. Refer notice 1 of 2020. Dates revised due to pandemic and operational requirements.							
Protective clothing	**CFO**	OP1			Item submitted to BSC		Tender advertised		Tender closing date extended due to pandemic	
					1/11/19			12/03/20		4/6/20
Comment and corrective actions			Awaiting feedback from Occupational Health Section. Tender will only be advertised in 2020 due to closure of businesses. Tender advertised on 12 March 2019; initial closing date was 21 April 2020. Refer to notice 34/2020. Tender closed 4 June 2020.							
Valves and pipes	**CFO**	OP1			Item submitted to BSC		Tender closed		Leading department tender evaluation report submitted to SCM	

				8/11/2019			25/3/20		5/5/20
Comment and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised on 25 March 2020. Refer notice 1/2020. Dates revised due to pandemic and operational requirements						
Disinfectant Dip	**CFO**	OP1		Item submitted to BSC		Tender closed		Leading department tender evaluation report submitted to SCM	
				8/11/19			19/3/20		25/5/20
Comments and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised on 12 Feb 2020. Closing date 19 March 2020. Refer notice 1/2020. Dates revised due to pandemic and operational requirements						
Road marking paint	**CFO**	OP1		Item submitted to BSC		Tender closed		Leading department evaluation report submitted to SCM	
				8/11/19			19/3/20	16/4/20	25/5/20
Comments and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised on 12 Feb 2020. Closing date19 March 2020. Refer to notice 1/2020. Tender closed on 4 June 2020.						
Stationery	**CFO**	OP1		Item submitted to BSC Tender advertised		Tender advertised		Tender closing date extended due to pandemic	
				5/11/19	Not reported	19/3/20	12/3/20	4/6/20	4/6/20
Comment and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised 12 March 2020. Initial closing date was 21 April 2020. Refer notice 34/2020. Tender closed 4 June 2020.						
Water meters	**CFO**	OP1		Item submitted to BSC Tender advertised		Tender advertised		Tender closing date extended due to pandemic	
				15/11/19	Not reported			4/6/20	4/6/20
Consumables	**CFO**	OP1		Item submitted to BSC Tender advertised		Tender advertised		Tender closing date extended due to pandemic	
				15/11/19	Not reported			4/6/20	4/6/20
Comment and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised 12 March 2020. Initial closing date was 21 April 2020. Refer notice 34/2020. Tender closed 4 June 2020.						
Oil and grease	**CFO**	OP1		Item submitted to BSC Tender advertised		Tender advertised		Tender closing date extended due to pandemic	
				22/11/19	Not reported		12/3/20	4/6/20	4/6/20
Comment and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised 12 March 2020. Initial closing date was 21 April 2020. Refer notice 34/2020. Tender closed 4 June 2020.						
Water fittings	**CFO**	OP1	90%		% budget expenditure	% budget expenditure		% budget expenditure	
Comment and corrective actions			Tender will only be advertised in 2020 due to closure of businesses. Tender advertised 12 March 2020. Initial closing.date was 14 April 2020. Refer notice 34/2020. Tender closed 4 June 2020.						

Protective clothing – General/safety gear	**CFO**	OP1	90%	% budget expenditure		% budget expenditure		% budget expenditure		
				Item submitted to BSC		Tender advertised		Tender closing date extended due to pandemic		
				22/11/19	Not reported	19/3/20	12/3/20	4/6/20	4/6/20	
Comment and corrective actions			Awaiting feedback from Occupational Health Section. Tender advertised 12 March 2020. Initial closing date was 21 April 2020. Refer 34/2020. Tender closed 4 June 2020.							

DIRECTORATE			**Finance**		**2019/20 targets**											
Department/ Directorate	Program Driver	Key Performance Area	IDP Objective	Key Performance Indicator	Annual Target	Revised Target	30/9/19		3/12/19		31/3/20		30/6/20		Baseline	
							Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	% compliance with National Treasury reporting calendar, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of Annual Financial Statements submitted to the AG by 30 August 2020	1	1	1	1	-	-	-	-	-	-	1	1
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of employment equity reports submitted to the Dept of Labour by 15 February 2020	1	-	-		-	-	1	1	-	-	1	1
Comment and corrective actions					Submitted 30 August 2020											
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of draft budgets submitted by 31 March 2020	1	1	-	-	-	-	1	1	-	-	1	1

Comment and corrective actions					Submitted 26 March 2020. Revised draft budget submitted 5 June 2020 due to changes required as a result of Covid-19											
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of final budgets submitted to Council for approval by 31 May 2020	1	1	-	-	-	-	-	-	1	1	1	1
Comment and corrective actions					Budget submitted on 26 June 2020. The delay was due to the Covid-19 pandemic. Council met every 7 days in June 2020 and approved the budget on 26 June 2020. Complied with Local Government Circular C4 of 2020.											
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of Adjustment Budgets submitted to the MM and portfolio councillor by 15 December 2019	1	1	-	-	1	1	-	-	-	-	-	-
Comment and corrective actions					Not reported for quarter 2. A Special Adjustment Budget was submitted and approved by Council on 12 June 2020. National Treasury instructed that a Special Adjustment Budget be considered by 15 June 2020 to incorporate Covie-19 expenditure as well as reprioritization of MIG funds to assist in water and sanitation.											
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of Budget Monitoring Committee	10	10	2	0	3	1	3	1	2	4	-	-

Comment and corrective actions					No Budget Monitoring Committee Meetings were held. There were however a number of meetings held to discuss the current budget and the reduction thereof due to the Covid-19 pandemic. The budget was being monitored continuously to ensure that non-priority projects were put on hold due to anticipated drop in the collection rate											
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	Liquidity ratio	1:1	1:1	1:1	2:47	1:1	-	1:1	-	1:1	1:32.1	-	1:1
Comment and corrective actions					1:32:1											
Finance	**CFO**	Financial Viability Management	SOD6.1 To manage and control the implementation of the budget, policies, systems and procedures, statements and reporting processes to ensure legislative compliance	No. of unqualified audit opinions by the AG	1	1	-	-	1	1	-	-	-	-	Unqualified	Unqualified
Comment and corrective actions					1 Unqualified opinion received											
Finance	**CFO**	Financial Viability Management	SOD6.2 To administer the recording, authorization, executing and reporting of expenditure transactions	% of creditors paid within 30 days of receipt of invoice	100%	100%	100%	50%	100%	Not reported	100%	Not reported	100%	97%	-	198%

Comment and corrective actions					95% - creditors are paid within 30 days. Where creditors are not paid within 30 days, detailed reasons are provided are mainly attributed to queries on invoices.											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	% revenue collection rate between revenue raised and revenue collected	96%	96%	96%	85.12%	96%	-	96%	-	96%	95.4%	94%	94%
Comment and corrective actions					95.4% -this collection rate was exceptional under the Covid-19 circumstances											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of VAT recovery service providers appointed by 30 September 2019	1	1	1	0	-	-	-	-	-	1	-	-
Comment and corrective actions					Service provider was appointed in January 2020.											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of debt collection service providers appointed by 30 October 2019	1	1	-	-	1	0	-	-	-	-	-	-

Comment and corrective actions					No debt collection service provider appointed.											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of handovers to debt collector of debt exceeding 90 days	6	6	1	0	2	-	2	-	1	0	-	-
Comment and corrective actions					No handovers done.											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of Debt Collection Meetings	4	4	1	12	1	-	1	-	1	0	-	-
Comment and corrective actions					12 Meetings. No debt collection meetings in Q4 due to Covid-19.											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of Revenue Enhancement Strategy Meetings	6	6	1	1	2	-	2	-	1	0	-	-
Comment and corrective actions					1 meeting in Q1. No meetings held in Q4 due to Covid-19. A number of meetings was however held to strategize on how to manage the cashflow / financial sustainability this period.											

Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of Revenue Collection Monitoring Meeting	8	8	2	1	2	Not reported	2	Not reported	2	2	-	-
Comment and corrective actions					1 Meeting in Q1, 2 meetings held in Q4 where the collection rate was discussed for April and May 2020.											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	% of indigent residents as per indigent register with access to free basic services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Comment and corrective actions					100% have access .											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of indigent registration drives	1	1	-	1	-	-	1	-	-	-	-	-

Comment and corrective actions					Registration drives completed September 2019.											
Finance	**CFO**	Financial Viability Management	SOD6.3 To implement and maintain revenue policies and credit control procedures to ensure sound revenue management practices and compliance	No. of Indigent Steering Committee Meetings	4	4	1	1	1	Not reported	1	Not reported	1	0	-	-
Comment and corrective actions					1 meeting in Q1. No Steering Committee Meetings held in Q4 due to Covid-19.											
Finance	**CFO**	Financial Viability Management	SOD6.4 To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy	1st phase implementation of ERP Solution project by 30 June 2020	1	1	-	-	-	-	-	-	1	0	-	-
Comment and corrective actions					Implementation of ERP Solution Project did not continue. However, the 1st phase of development of various modules on the SAMRAS system commenced (SCM. Payroll, organogram, contract management).											

Finance	**CFO**	Financial Viability Management	SOD6.4 To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy	No. of ERP project managers appointed by 30 September 2019	1	1	-	-	1	0	-	-	-	-	-	-
Comment and corrective actions					No longer required as the ERP Project did not continue.											
Finance	**CFO**	Financial Viability Management	SOD6.4 To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy	% up-time of the ICT system	98%	98%	98%	98%	98%	Not reported	98%	Not reported	98%	98%	-	-
Comment and corrective actions					98%											
Finance	**CFO**	Financial Viability Management	SOD6.4 To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy	No. of ICT Steering Committee Meetings	6	6	1	3	2	Not reported	2	Not reported	1	0	2	4

Comment and corrective actions					Meetings held in Q1. No meetings held in Q4 due to Covid-19.											
Finance	**CFO**	Financial Viability Management	SOD6.4 To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy	% of ICT policies reviewed by 30 November 2019	100%	100%	-	-	100%	Not reported	-	-	-	-	-	100%
Comment and corrective actions					Not reported.											
Finance	**CFO**	Financial Viability Management	SOD6.4 To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy	No. of ICT reports submitted to Finance Portfolio Committee	6	6	1	3	2	Not reported	2	Not reported	1	1	6	6
Comment and corrective actions					ICT reports submitted for Q1, Q2 and Q3 not reported. Q4 1 ICT report submitted.											
Finance	**CFO**	Financial Viability Management	SOD6.4 To plan, coordinate and render ICT services to the municipality to ensure efficient operations and support services in terms of the ICT strategy and policy	No. of ICT software application and cost reports submitted to the Finance Portfolio Committee	6	6	1	3	2	Not reported	2	Not reported	1	0	-	-
Comment and corrective actions					Q1 – 3 reports submitted. No reports for Q2, Q3 and Q4.											

Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	% compliance with procurement plan	90%	90%	90%	27.7%	90%	Not reported	90%	Not reported	90%	75%		90%
Comment and corrective actions					75 compliance with procurement plan.											
Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	% Capital Budget Expenditure	95%	95%	5%	8.25%	25%	Not reported	40%	Not reported	30%	75.3%	73%	90%
Comment and corrective actions					75.3% expenditure was achieved. The capital budget was reviewed to identify projects to be place on hold due to the cash flow management process under the Covid-19 circumstances. The lockdown has also resulted in service providers not being able to operate for almost 2 months towards the end of the financial year. The finance department achieved 75.5% expenditure – a major part of the under expenditure was due to savings achieved upon implementation.											

Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	No. of days for the processing of requisitions	5	5	5	5	5	Not reported	5	Not reported	5	Unknown	-	-
Comment and corrective actions					Unknown – the turnaround time at SCM is very slow due to the lack of resources.											
Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	No. of working days for the evaluation of 7-day notices	7	7	7	3	7	Not reported	7	Not reported	7	7	-	-
Comment and corrective actions					7 days											
Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	No. of days for the preparation of tender reports by leading departments form closing date of tender	30	30	30	30	30	30	30	Not reported	30	30	-	-
Comment and corrective actions					Done within 30 days.											

Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	No. of days for the adjudication of tender from closing date	100	100	100	80	100	80	100	Not reported	100	120	-	-
Comment and corrective actions					Q1 and Q2 = 80 days for adjudication of tender from closing date. Q3 not reported. Q4 = bids were extended due to Covid-19. Most tenders had a 120-day validity period. Extensions requested.											
Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	No. of meetings on the implementation of the procurement plan	6	6	1	2	2	2	2	Not reported	1	0	-	-
Comment and corrective actions					Q1 = 2 meeting on the implementation of the procurement plan. Q2 and Q3 = the implementation of the procurement plan is discussed at top management meetings. 2 meetings held due to Covid-19 . 5 meetings held for the year.											
Finance	**CFO**	Financial Viability Management	SOD6.5 To manage supply chain management services to ensure proper systems, policies and procedures and control for demand, acquisition, logistics and disposal management	No. of reports submitted on dysfunctional and redundant movable assets to be disposed of submitted to Council by 31 August					-	-	-	-	-	-		-

Comment and corrective actions					No reports submitted .											
Finance	**CFO**	Financial Viability Management	SOD6.7 To administer assets management and lease register	No. of municipal land audits conducted by 31 December 2019	1	1	-	-	1	0	-	-	-	1	-	-
Comment and corrective actions					Audit on leases was performed and assessment completed .											
Finance	**CFO**	Financial Viability Management	SOD6.7 To administer assets management and lease register	No. of municipal land registers completed by 31 December 2019	1	1	-	1	1	1	-	-	-	-	-	-
Comment and corrective actions					No target for Q1 but land register completed.											
Finance	**CFO**	Financial Viability Management	SOD6.7 To administer assets management and lease register	No. of meetings of the Land Advisory Committee	6	6	2	1	1	Not reported	2	Not reported	1	1	-	-
Comment and corrective actions					Q1 = 1 meeting of land advisory committee. Q4 = 1 meeting of land advisory committee.											

Finance	**CFO**	Financial Viability Management	SOD6.7 To administer assets management and lease register	No. of service providers appointed for the insurance of the municipal assets by 30 October 2019	1	1	-	-	1	0	-	-	-	-	-	-
Comment and corrective actions					No appointment made. Contract extended until 30 October 2020.											
Finance	**CFO**	Financial Viability Management	SOD6.7 To administer assets management and lease register	No. of reports on insurance claims submitted to Finance Portfolio Committee (bi-monthly reports)	6	6	1	0	2	Not reported	2	Not reported	1	1	-	-
Comment and corrective actions					1 report submitted in Q4.											
Finance	**CFO**	Financial Viability Management	SOD6.7 To administer assets management and lease register	% of insurance claims finalized within 90 days of incident	100%	100%	100%	80%	100%	Not reported	100%	Not reported	100%	-	-	-
Comment and corrective actions					Q1 = 80% claims finalized within 90 days. Q4 = none noted on the insurance claims report.											

Finance	**CFO**	Financial Viability Management	SOD6.7 To administer assets management and lease register	Update and validate municipal lease agreements by 31 December 2019	1	1	-	-	1	Not reported	-	-	-	-	-	-
Comment and corrective actions					Based on land assessment, there were a number of leases that are expired.											

DIRECTORATE INFRASTRUCTURE AND ENGINEERING

Capital budget item	**Project driver**	**Project number**	**2019/20 Targets**							
			30/09/19		31/13/19		31/3/20		30/06/20	
			Target	Actual	Target	Actual	Target	Actual	Target	Actual
Machinery and Equipment	**Dir I & E**	PC1002					Item submitted to BSC		Leading department tender evaluation report submitted to SCM	
							10/1/20	10/1/20	20/3/20	20/3/20
Comment and corrective actions			Specifications submitted 10 January 2020 and tender evaluation report submitted to BEC on 20 March 2020. Machine and equipment procured on quotation basis. Completed							
Vehicles	**Dir I & E**	**CP21**	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
			28/6/19		11/10/19					
Comment and corrective actions			Tender 19/2020 awarded. Awaiting TLB delivery. Written notice to deliver within 7 days as per tender requirements. 8 x TLB delivered on 28 October 2019. Value of order R8 246 725.							
Energy and demand side management	**Dir I & E**	PC1002					Item submitted to BSC Machinery and Equipment		Leading department tender evaluation report submitted to SCM	
							14/8/2019		17/10/19	
Comment and corrective actions			**Tender advertised 14 August 2019, closed on 6 September 2019. Evaluation stage currently. Purchase orders issued on 14 December 2019. Delivery schedule for February 2020, payment on delivery. Submit demand management spec to BSC by 10 January 2020 and tender report to BEC by 23 March 2020. All units delivered on 28 February 2020 and installation by electrical staff started in March 2020. Full amount paid in by DoE and service providers paid for delivery of the LED units. Real Time trading was awarded the 200Watt & 400Watt LED floodlights and PH Marketing was awarded the 37Watt LED fittings.**							

			Installations took place and 6 youth members from the Kouga area was employed during the construction period. The consultant was appointed in May 2020 that drafted the close out report, conducted measurement and verification. Various meters were programmed and installed, measuring equipment were procured to GIS all installations to build another case for future applications. 100% budget was spent on this item.						
New overhead lines 66kv overhead lines (JBay to Melkhout)	**Dir I & E**	PC1008	Item forecast to be submitted to BSC		Leading department tender evaluation report submitted to SCM				
			25/10/19						
Comment and corrective actions			Tender documents had to be adjusted to comply with Eskom's new specifications. A site meeting was held on 8/10/19 between Kouga and Eskom to clarify issues on site. Eskom required new structure designs and height measurements. Document to be ready by 25/10/19. Approval on specifications from Eskom received January 2020 and tender advertised 31 January 2020. (1 800 000 budget) Tender was held up by Eskom due to special permission and to go ahead with the project. Permission was granted in January and the tender immediately served at BSC and advertised 31 January 2020. Evaluation report complied and sent to BEC to serve on 13 March 2020. No meeting has taken place to table the report. The contractor was appointed 12 June 2020, construction started at the end of June due to the delay of the lockdown period the project was delayed. An application for a roll over to be submitted in order spend the 100% project budget.						
Upgrading of the Sea Vista Waste Water Treatment Works	**Dir I & E**	PC608	R15 859 937	90%	% budget expenditure		% budget expenditure		% budget expenditure
			25%	28%	25%	38%	30%	30%	10%	-
Comment and corrective actions		**Q1**	R4 495 450,30 certified payment end September 2019. Only R1 452 837,06 Pd. Procurement concluded prior years.						
		Q2	R10 565 526 payments certified for December 2019.						
		Q3	30% expenditure R15 859 937 budget. Expenditure as at 30/3/20 = R12 775 777.64 ex VAT.						
		Q4	No information provided						
Upgrading of gravel roads in Jeffreys Bay	**Dir I & E**	PC075	R363 655	90%	% Budget expenditure		% Budget expenditure		% Budget expenditure
			Item submitted to BSC				Leading department tender evaluation report submitted to SCM		
			3/9/19		-		13/1/20	13/1/20	
Comment and corrective actions			Project submitted to COGTA for approval on 13 November 2019. Submit gravel road update tender report to BEC by 13 January 2020 and 35% expenditure. MIG project. Tender for the appointment of a suitably qualified PSP for the design and admin of the upgrading of gravel roads were advertised under notice no. 33/2020 on 28 February 2020.						
Patensie Sewage Package Plan	**Dir I & E**	PC011	R4 429 441	90%	% Budget expenditure		% Budget expenditure		% Budget expenditure
							35%	45%	55%	
Comment and corrective actions			**Q1**	No expenditure info provided					
			Q2	No expenditure info provided					
			Q3	35% expenditure (R4 429 441budget)					
			Q4	No expenditure info provided					
Upgrade sanitation system Old Hankey	**Dir I & E**	PC012	R434 783	90%	% Budget expenditure		% Budget expenditure		% Budget Expenditure

							Item submitted to BSC		Leading department tender evaluation report submitted to SCM		
							15/1/20	15/1/20	30/3/20	30/3/20	
ComQ3ment and corrective actions			Specifications submitted 15 January 2020. Tender evaluation report submitted 30 March 2020								
LV Networks (Informal areas, electrification / illegal	**Dir I & E**	OP1	R1 000 000	90%	% Budget Expenditure		Item submitted to BSC		Leading department tender evaluation report submitted to SCM		
							25/7/19		6/9/19	31/1/20	
					10%		% Budget Expenditure		% Budget Expenditure		
							45%	45%	35%	100%	
Comment and corrective actions			Tender advertised, closed 24/10/19. Tender served at BEC on 31 January 2020, supply and delivery of materials. 45% expenditure (1 000 000 budget). 100% budget spend, all material receiver for the project. Lockdown delays experienced with delivery dates, but all delivered withing the financial year.								
Pump station capital	**Dir I & E**	CP37			Item submitted to BSC		Leading department tender evaluation report submitted to SCM				
					17/10/19		13/1/20	13/1/20			
Comment and corrective actions			Tender report submitted to BEC 13 January 2020. Expenditure 10%								
Security Camera	**Dir I & E**	PC002			Item submitted to BSC		Leading department tender evaluation report submitted to SCM				
					19/7/19		30/9/19				
Comments and corrective actions			In the process of obtaining quotes. 45% expenditure (R2 000 000 budget)								
Fending of Jeffreys Bay and Kruisfontein Reservoir	**Dir I & E**	PC506					Item submitted to BSC		Leading department evaluation report submitted to SCM		
							20/1/20	20/1/20	23/3/20	23/3/20	
Comments and corrective actions			Order no 109682 issued on 179/19 for fencing of Hankey WWTW. Order no. 109861 issued on 17/9/19 for fencing of Jeffreys Bay Reservoir. Fencing of Jeffreys Bay Reservoir and installation of gates complete. Payments made to service provider on 17/12/19. Submit reservoir fencing specs to BSC by 20/1/20 and tender report to BEC by 23 March 2020.								
Roads Capital	**Dir I & E**	OP1	Item submitted to BSC		Leading department tender evaluation report submitted to SCM						
					26/7/19		30/1/19				
Comment and corrective actions			Item to appoint a professional service provider to be tabled at BAC. Tender for design, EIA etc. Appointment letter dated 30 October 2019, professional service provider appointed, project inception meeting held on 18 November 2019 (Duine Road Extension). Appointment letter dated 30 October 2019, 45% expenditure (R1 500 000 budget).								
Bucket Eradication Programme	**Dir I & E**	PC1015					Item submitted to BSC		Tender closing date extended due to pandemic		
							6/3/20	-	29/5/20		

Comment and corrective actions			Tender 49/2019 for the supply and delivery of mobile ablution facilities awarded on 27 June 2019. Order no. 108660 was issued on 31/7/19 for two units, which was delivered on 5 August 2019 for purpose to familiarise ward councillors. Order no. 110911 for the supply and delivery of 20 mobile ablution facilities issued, value of order R2 140 150, awaiting delivery of units. Submit bucket eradication specs to BSC by 6 March 2020.						
St Francis bulk main outfall sewer	**Dir I & E**	PC014			Item submitted to BSC		Leading department evaluation report submitted to SCM		
					17/10/19		13/12/19		
Comment and corrective actions			**Q2**	Liaise with Dept Environmental Affairs for authorization for new route as planned route runs through wetlands					
			Q3	25% expenditure (R500 000 budget).					
Sewer replace old pumps	**Dir I & E**	PC015	Item Submitted to BSC		Leading department tender evaluation report submitted to SCM				
			20/9/19		13/12/19				
Comment and corrective actions			Appointment letter dated 30 October 2019. Professional service provider appointed. Inception meeting held on 18 November 2019.						
Electrical replacement of old and dangerous switch gear – Saffery substation Humansdorp	**Dir I & E**	PC004	Item submitted to BSC		Leading department tender evaluation report submitted to SCM				
			15/11/19	-	18/1/19				
Comment and corrective actions			R2 000 000 Tender cancelled due to specialist expertise required. Money was transferred to the augment the budget on other tenders like the high masts, PPE and vehicles.						
Electrical replacement of old MV cables to main substation – Humansdorp	**Dir I & E**	PC005	Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM				
			8/10/19		21/11/19				
Comment and corrective actions			Tender cancelled						
Electrical supply of tri switches – St Francis Bay	**Dir I & E**	PC006	Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM				
			16/8/19		18/10/19				
Comment and corrective actions			Appointment letter signed by municipal manager in June. Delivery of switches delayed due to lockdown period.						
Electrical supply auto recloser – St Francis Bay	**Dir I & E**	PC007			Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM		
					31/10/19	2/11/19	24/1/20	6/1/20	
Comment and corrective actions			Appointment letter signed by municipal manager in June. Delivery of switches delayed due to lockdown period.						
Electrical mini substation 22000/11000/400 – St Francis Bay	**Dir I & E**	PC009			Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM		
					27/7/19		18/10/19		
Comment and corrective actions			Tender to be advertised on 31/1/2020 for 14 days on urgent procurement. Submit 5MV transformer tender report to BEC by 13 March 2020. Greengo appointed on 17 March 2020 for the supply and delivery of 2 3150kVa transformers. Appointment letter issued on 7 May 2020. Manufacturing time 12 weeks, delivery expected middle August 2020.						
Electrical oil circuit breakers – replacement with vacuum or gas breakers	**Dir I & E**	PC0010	Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM				
			1/11/19	7/2/20	19/12/19	24/1/20			

Comment and corrective actions			Scheduled for submission to BSC on 7 February 2020. Submit oil circuit breaker tender report to BEC by 24 January 2020 and 35% expenditure. Tender closed on 13 March 2020. Evaluation currently done for award of the supply and delivery of vacuum circuit breaker.					
Purchase storage containers (3)	**Dir I & E**	CP096			Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM	
					10/1/20	7/1/20	1/3/20	1/3/20
Comment and corrective actions			Specifications prepared for submission to BSC on 7/1/20, 7-day tender. Submit container specs to BSC by 10 January 2020 and tender report to BEC by 1 March 2020. Tender awarded for the supply and delivery of 3x 6 meter containers to Walco containers. Requisition submitted to supply chain on 25 March 2020. Containers delivered on 19 June 2020 and budget spent 100% in 2019/20 fy.					
Kwanomzamo Wastewater Treatment Works	**Dir I & E**	PC010	Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM			
			31/10/19		24/1/20	24/1/20		
Comment and corrective actions			Consultant appointed on 2 August 2019. Conditional assessment of existing works undertaken, and report received 13/9/19. Draft tender document received on 8 October 2019. Discussion re tender document between KM and Professional service provider held on 10 October 2019. Tender documents envisage to BSC 18 October 2019. Tender advertised under notice no. 222/2019 on 1 November 2019. Compulsory clarification meeting held on 18 November 2019. Tender closed on 13 December 2019. Tender report submitted to BEC on 24 January 2020.					
Humansdorp, Kruisfontein and Ocean View Electrification	**Dir I & E**	PC003	Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM			
			16/8/19		17/10/19	17/10/19		
Comment and corrective actions			BEC no quorum on 17/10/19. Contractor appointed 28/10/19. Contractor to move on site 14 January 2020. 30% expenditure (R5 219 130 budget). The Kruisfontein 200 house electrification and bulk project has been awarded for the value of R6 200 000 to VE reticulation. R2.8 million was taken away by National Treasury for the following reasons: 1. Kouga failed to appoint the electrical contractor by end July 2019. Due to Kouga internal arrangements we could not go out on tender until the new financial year. 2. Kouga failed to spend 50% by February. 3. Kouga failed to produce housing units or beneficiaries to these properties. Reduced scope of work from 200 to 100 housing units. Completion 90% by end June. Project was delayed due to lockdown period.					
High mast lights	**Dir I & E**	CP1999	Item submitted t0 BSC		Leading department tender evaluation report submitted to SCM			
			20/9/19		5/11/19	30/1/20		
Comment and corrective actions			Tender currently advertised and closing on 22/10/19. Served at BEC on 30/1/20. 75% expenditure (R1 200 000 budget). The high mast tender is currently serving at BEC after the first attempt by BEC to cancel due to minutes not taken. Another meeting was arranged with service providers to get clarity on the form of offer the scope of the project. Item referred back to BEC but BEC cannot entertain the item due to lack of a quorum for meetings. High mast appointment letter signed by MM on 12 June 2020, but the work could not be done due to money taken away with adjustment budget.					

DIRECTORATE			Infrastructure & Engineering		2019/20 targets											
Department/ Directorate	Program Driver	Key Performance Area	IDP Objective	Key Performance Indicator	Annual Target	Revised Target	30/9/19		3/12/19		31/3/20		30/6/20		Baseline	
							Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Infrastructure and Engineering	Dir I & E	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% households in formal residential areas with access to potable water	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Infrastructure and Engineering	Dir I & E	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% of informal households within the urban edge with access to water within 200m	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	No. of employment equity reports submitted to the Dept of Labour by 15 February 2020	1	-	-		-	-	1	1	-	-	1	1
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% of clinics within the urban edge have access to water	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% of schools within the urban edge with access to water	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	No. of water demand/conservation management loss reduction programs completed by 31 October 2019	1	1	1	-	-	1	-	1	-	1	-	-
Infrastructure and Engineering	**Dir I & E CFO**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% water losses	35%	35%	36%	35%	36%	-	36%	36%	35%	-	35%	35%
Comment and corrective actions					Q2	Not reported										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% capital expenditure on water infrastructure projects	100%	100%	5%	12.73%	25%	43.06%	40%	70%	30%	-	95%	100%
Comment and corrective actions					1:32:1											

Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% expenditure of water supply infrastructure repairs and maintenance budget	100%	100%	5%	12.73%	25%	43.06%	40%	70%	30%	-		
Comment and corrective actions					Q1	12.73%										
					Q2	43.06%										
					Q3	70/100%										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	No. of buckets converted from bucket sanitation to a more acceptable level of sanitation (Stofwolk, Thornhill, Sea Vista, Ocean View, Kwanomzamo	1500	1500	-	-	250	-	1000	1250	250	-	0	1500
Comment and corrective actions					No target set for Q1. 2 x mobile ablution facilities delivered in August for inspection. Clarity still outstanding (1) if targeted communities will accept these structures (2) as to how these structures will be cleaned and maintained once erected on site. 20 mobile ablution facilities ordered, awaiting delivery 1250/1000 buckets converted to a more suitable sanitation system Not reported											

Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% of clinics within the urban edge with access to sanitation services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% of schools within the urban edge with access to sanitation services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% capital budget expenditure on internally funded sanitation capital projects	100%	100%	5%	4.56%	25%	49.36%	40%	70%	30%	-	-	100%

Comment and corrective actions					Q1	5.46%										
					Q2	49.38%										
					Q3	70/100%										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD201 to manage the rendering of water services and to provide bulk and potable water and sanitation services to the community.	% expenditure of sanitation infrastructure and maintenance budget	100%	100%	5%	16.52%	25%	60.88%	40%	70%	30%	-	-	100%
Comment and corrective actions					Q1	16.52%										
					Q2	60.88%										
					Q3	70/100%										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.2 To manage the provisioning of electrical services	% electricity	17%	17%	18%	-	18%	-	17%	17%	17%	-	18%	12%
Comment and corrective actions					Q1	Electrical meter inspections continue to curb losses and close down on consumers stealing electricity, the installations of prepaid meters to non-paying consumers.										
					Q2	Meter inspections continued, prepaid monitoring system installed at technical department, prepaid metes replaced with split phase meters.										
					Q3	Reduce electricity losses to 17%. A huge discovery on electrical losses was at Woodlands Dairy where 500 000 units of electricity was unaccounted for but now rectified . Regular checks on meters at houses and businesses are conducted.										
					Q4	New losses could not be presented at the end of June2020, financial year was not finalized.										

Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.2 To manage the provisioning of electrical services	% formal residential households serviced by Kouga have access to electrical services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.2 To manage the provisioning of electrical services	% of clinics within the urban edge have access to electricity services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.2 To manage the provisioning of electrical services	% of schools within the urban edge have access to electricity services	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.2 To manage the provisioning of electrical services	% capital budget expenditure on internally funded electrical infrastructure projects	100%	100%	0%	0%	30%	-	40%	70%	30%	-	95%	95%
Comment and corrective actions					Q1	No target set for Q1 : R9 million internal funding on capital projects										
					Q2	Most projects are scheduled for completion in 3rd quarter and spending will increase.										
					Q3	70/100%										
					Q4	Not reported										
Infrastructure and Engineering		Infrastructure and Basic Service Delivery	SOD2.2 To manage the provisioning of electrical services	% expenditure on DOE grant	100%	100%	5%	0%	25%	10%	40%	45%	30%	90%	95%	100%
Comment and corrective actions					Q1	0% expenditure. Tender currently being evaluated, and appointment will be made at end of October 2019										
					Q2	Contractor on site, all material ordered, and expenditure will increase drastically in Q3, currently at 10%										
					Q3	70/100%. 45 expenditure on DOE reduced amount by INEP. R2.8 million was taken away on these projects by National Treasury.										
					Q4	Not reported										

Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.2 To manage the provisioning of electrical services	% expenditure of electrical infrastructure repairs and maintenance budget	100%	100%	5%	68%	25%	68% (Q1)	40%	70%	30%	100%	95%	100%
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.3 To manage the construction, repair and maintenance of roads and storm water systems	No. of roads master plans developed by 30June 2020	1	1	-	-	-	-	-	-	1	RAMS	-	-
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.3 To manage the construction, repair and maintenance of roads and storm water systems	% capital budget expenditure for the construction of roads	100%	100%	5%	5.40%	25%	12.10%	40%	70%	30%	-	-	100%

Comment and corrective actions					Q1	5.40%										
					Q2	12.10%										
					Q3	70/100%										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.3 To manage the construction, repair and maintenance of roads and storm water systems	% planned road construction completed	100%	100%	-	-	5%	-	60%	65%	35%	-	-	100%
Comment and corrective actions					Q1	No target set for Q1										
					Q2											
					Q3	65% completion of planned road construction										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.3 To manage the construction, repair and maintenance of roads and storm water systems	% of households within the urban edge with access to gravel or graded roads	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Comment and corrective actions					Not reported.											

Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.3 To manage the construction, repair and maintenance of roads and storm water systems	% reduction in road infrastructure requiring upgrade	1%	1%	-	-	-	-	-	-	1%	-	New	1%
Comment and corrective actions					Q1	No target set for Q1										
					Q2	No target set for Q2										
					Q3	No target set for Q3										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.3 To manage the construction, repair and maintenance of roads and storm water systems	% expenditure of roads infrastructure repairs and maintenance budget	90%	90%	15%	5.39%	40%	31.01%	30%	85%	15%	-	New	-
Comment and corrective actions					Q1	5.39%										
					Q2	31.01%										
					Q3	85/90%										
					Q4	Not reported										

Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.3 To manage the construction, repair and maintenance of roads and storm water systems	% expenditure of storm water infrastructure repairs and maintenance budget	90%	90%	15%	9.38%	40%	50.78%	30%	85%	15%	-	New	-
Comment and corrective actions					Q1	9.38%										
					Q2	50.78%										
					Q3	85/90%										
					Q4	Not reported										
Infrastructure and Engineering	**Dir I & E**	Infrastructure and Basic Service Delivery	SOD2.4 To manage the coordination and implementation of project management processes with regard to engineering project (MIG)	%MIG expenditure	100%	100%	5%	-	40%	-	30%	35%	25%	-	100%	100%
Comment and corrective actions					Q1	An amount of R8 275 304,70 was certified for payment up to the end of September 2019 of which only R5 232 692,06 has been paid.										
					Q2	An amount of R15 415 001 was certified for payment up to end of December 2019										
					Q3	35/100% MIG expenditure. 48.5% spent as at end of March 2020. Late transfer of funding also impacted on the rate of progress on site.										
					Q4	Not reported										

DIRECTORATE PLANNING, DEVELOPMENT AND TOURISM

Capital budget item	Project driver	Project number	2019/20 Targets							
			30/09/19		31/13/19		31/3/20		30/06/20	
			Target	Actual	Target	Actual	Target	Actual	Target	Actual
Furniture and Equipment	**Dir PDT**		Item submitted to BSC		Leading department tender evaluation report submitted to SCM				Completed	
			16/7/19		30/9/19					
Comment and corrective actions			Offers affected by the Covid-19 lockdown. The expenditure will be made in Q4. The furniture was delivered, and the budget spent.							
Mini fresh food and craft markets in Jeffreys Bay and Hankey	**Dir PDT**		Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
			28/6/19		30/8/19					
Comment and corrective actions			Tender specification preparation and tender document management was moved to Infrastructure and Engineering.							
Land acquisition : purchase of land for human settlements Ward 6 & 7	**Dir PDT**	0								
Comment and corrective actions			Acquisitions and transfers completed in full.							
Precinct plans, Jeffreys Bay, Humansdorp, St Francis Bay	**Dir PDT**	PO1	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
			20/9/19	25/10/19	13/12/19	22/3/20				
Comment and corrective actions			Specifications approved by BSC. Tender advertised under notice 05/2020 and the tender closed on 17 February 2020. The tender has been evaluated by BEC on 22 March 2020. Item tabled at BAC 28 April 2020. Progress affected by Covid-19 lockdown. The tender was awarded, and PSC established for JB precinct plan.							
Professional service panel	**Dir PDT**	OP207	Item submitted to BSC		Leading department tender evaluation report submitted to SCM					
			26/7/19	20/9/19	20/11/19					
Comment and corrective actions			The item served at BSC on 20 September 2029. Adjusted budget - no budget allocation for expenditure on this project. The appointment of the panel was finalized in Q4. Q3 deliverables affected by the Covid-19 lockdown. The project will be completed in 20/21 due to Covid-19.							
ILUS (Land Use Scheme)	**Dir PDT**	PO705	Item submitted to BSC		Leading department tender evaluation report submitted to SCM				Council approved final ILUS report. The final draft plan in public participation and consultation phase	
			16/7/19		27/9/19		19/9/19			

Comment and corrective actions			The item was submitted to BSC. The terms of reference were submitted to BEC meeting on 27 September 2019. Tender was awarded to Urban Dynamics. Inception meeting with service provider and project steering committee on 31 January 2020. The draft report submitted to the municipality for comments. The project is 70% completed. The project was affected by Covid-19 lockdown restrictions and final report is approved by Council and gazetted for public participation .				
Appoint service provider for the review of the Human Settlement Sector Plan by 30 June 2020	**Dir PDT**	PO705	Item submitted to BSC		Leading department tender evaluation report submitted to SCM		55%
			16/7/19	27/9/19	19/9/19		
Comment and corrective actions			Item at BEC considered the tender and made recommendations on 30 April 2020. Tender notice 219/2020 closed on 2 December 2020. The service provider was appointed.				
Review LED Strategy by 30 June 2020	**Dir PDT**	PO705	Item submitted to BSC		Leading department tender evaluation report submitted to SCM		
			16/7/19	27/9/19	19/9/19		
ComQ3ment and corrective actions			Final Draft awaiting final comments. Will be tabled to Council for adoption in Q4. 88% budget expenditure. The LED strategy was adopted by Council in June 2020.				

DIRECTORATE			**Planning, Development Tourism**		**2019/20 targets**											
Department/ Directorate	Program Driver	Key Performance Area	IDP Objective	Key Performance Indicator	Annual Target	Revised Target	30/9/19		3/12/19		31/3/20		30/6/20		Baseline	
							Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual
Planning and Development	**Dir PDT**	Local Economic Development	SOD3.1 To manage the rendering of spatial and land use planning, surveying, valuations, and building control services.	% building plans finalized within 30 days of submission of a complaint plan	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Planning and Development	**Dir PDT**	Local Economic Development	SOD3.1 To manage the rendering of spatial and land use planning, surveying, valuations, and building control services.	% of land use applications finalized within 60 days of a complainant submission	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Comment and corrective actions					The MPT considered land use applications submitted through virtual meetings. Timeframes were observed.											
Infrastructure and Engineering	**Dir PDT**	Local Economic Development	SOD3.1 To manage the rendering of spatial and land use planning, surveying, valuations, and building control services.	No. informal settlements formalized by 30 June 2020	1	1	-	-	-	-	-	-	1	3	New	1
Comment and corrective actions					The following informal settlements were formalised: 1. Donkerhoek 200 2. No. R10 3. Stofwolk 343											

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Planning and Development	**Dir PDT**	Local Economic Development	SOD3.2 To manage the funding, administration of housing projects and administration of housing processes of housing applications to ensure proper service delivery to the community	No. of housing audits completed by 30 June 2020	1	1	-	-	-	-	-	-	1	4	-	1
Comment and corrective actions					The following housing audits were done: 1. Stofwolk = 343 2. Donkerhoek = 200 3. Ocean View = 576 4. No. R10 = 195											
Planning and Development	**Dir PDT**	Local Economic Development	SOD3.2 To manage the funding, administration of housing projects and administration of housing processes of housing applications to ensure proper service delivery to the community	No. of service providers appointed by 30 June 2020 for the review of the Human Settlement Sector Plan	1	1	-	-	-	-	-	-	1	1	-	-

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Planning and Development	**Dir PDT**	Local Economic Development	SOD3.3 To plan and develop a coherent and integrated framework for local economic development and tourism	No. of LED strategies reviewed by 30 June 2020	1	1	-	-	-	-	-	-	1	1	0	1
Planning and Development	**Dir PDT**	Local Economic Development	SOD3.3 To plan and develop a coherent and integrated framework for local economic development and tourism	No. of LED Forum meetings	4	4	1	1	1	1	1	0	1	0	4	4
Comment and corrective actions					Q1	The LED Forum was held on 18 July 2019.										
					Q2	Led Forum held on 5 October 2019.										
					Q3	March 2020 scheduled meeting could not proceed as a result of Covid-19 precautions.										
					Q4	The LED Forum meetings were affected by Covid-19 restrictions prohibiting gatherings.										
					Q4	Not reported.										
Planning and Development	**Dir PDT**	Local Economic Development	SOD3.3 To plan and develop a coherent and integrated framework for local economic development and tourism	% expenditure of budget for LED programs and projects	100%	100%	15%	19%	50%	36%	25%	-	10%	-		100%

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Comment and corrective actions					Q1	19% expenditure on LED budget .										
					Q2	36% expenditure on LED budget.										
					Q3	Not reported.										
					Q4	The LED budget was reprioritized and allocated to the emergency response budget Covid-19.										
Planning and Development	**Dir PDT**	Local Economic Development	SOD3.3 To plan and develop a coherent and integrated framework for local economic development and tourism	No. of jobs created through capital projects and LED initiatives	550	550	50	-	400	50	50	-	50	20	736	0
Comment and corrective actions					Q1											
					Q2	50 jobs were created through Community Public Works Programme										
					Q3	Not reported										
					Q4	Performance affected by Covid-19 lockdown restrictions. 20 employment opportunities were created during the installation of 220 water tanks to various. Informal settlements for Covid-19										
Planning and Development	**Dir PDT**	Local Economic Development	SOD3.3 To plan and develop a coherent and integrated framework for local economic development and tourism	No. of jobs created through PPP	20	20	-	359	5	73	10	-	1	20 (452 for year)	New	20
Comment and corrective actions					Q1	No target set for Q1. Approximately 334 job opportunities created through Winterfest. 25 jobs through Calamari Festival.										
					Q2	33 jobs through the Calamari Festival (excl. stalls). 40 jobs through wine tasting event.										
					Q3	Not reported										
					Q4	20 Employment opportunities were created during the installation of 220 water tanks to various informal settlements for Covid-19.										

*Table 231:: **institutional performance review 2019/20 yr***

CHAPTER 8:

MUNICIPAL PROJECTS

8.1 FINAL CAPITAL BUDGET – 2021/22

PROJECT DESCRIPTION	PROPER PROJECT DESCRIPTION	FUNDING SOURCE	DRAFT ANNUAL BUDGET 2021/22	DRAFT ANNUAL BUDGET 2022/23	DRAFT ANNUAL BUDGET 2023/24
CORPORATE SERVICES					
Capital:Non-infrastructure:New:Intangible Assets:Licences and Rights:Effluent Licenses	Bio-metric System	Internal	800 000	-	-
Capital:Non-infrastructure:New:Other Assets:Operational Buildings:Yards	Fencing of municipal building	Internal	605 883	-	-
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and equipment	Internal	180 000	100 000	100 000
Capital:Non-infrastructure:New:Computer Equipment	Computer equipment	Internal	100 000	100 000	100 000
Capital:Non-infrastructure:New:Intangible Assets:Licences and Rights:Computer Software and Applications	Computer software and applications	Internal	237 000	-	-
			1 922 883	**200 000**	**200 000**
EXECUTIVE & COUNCIL					
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and office equipment	Internal	350 000	150 000	150 000
Capital:Non-infrastructure:New:Computer Equipment	Computer equipment	Internal	1 070 000	350 000	350 000

Capital:Non-infrastructure:New:Machinery and Equipment	Public address system & data projector	Internal	70 000	-	-
Capital:Non-infrastructure:New:Community Assets:Community Facilities:Markets	Ward councilors capital project	Internal	750 000	-	-
Capital:Non-infrastructure:Existing:Renewal:Investment Property:Revenue Generating:Unimproved Property	Vehicle and trailer	Internal	500 000	-	-
			2 740 000	**500 000**	**500 000**
FINANCIAL SERVICES					
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and office equipment	Internal	360 005	-	-
Capital:Non-infrastructure:New:Machinery and Equipment	Machinery and equipment	Internal	250 000	-	-
Capital:Infrastructure:New:Information and Communication Infrastructure:Data Centres	Cibex software	Internal	600 000	500 000	-
Capital:Infrastructure:New:Information and Communication Infrastructure:Data Centres	WIFI solution	Internal	100 000		
Capital:Non-infrastructure:Existing:Upgrading:Computer Equipment	Network upgrade	Internal	250 000	-	-
Capital:Non-infrastructure:New:Transport Assets	Vehicles	Internal	900 000	-	-
			2 460 005	**500 000**	**-**
INFRASTRUCTURE & ENGINEERING					
Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:MV Networks	BULK 66kv over headlines	Internal	1 400 000	-	-
Capital:Infrastructure:New:Sanitation Infrastructure:Pump Station	New bypass Sewer Rising Main and Pump Stations JBay	Internal	1 430 000	-	-
Capital:Infrastructure:New:Sanitation Infrastructure:Reticulation	Piped Reticulation - St Francis Bay	Internal	500 000	-	-
Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Replace 250mm Water Main Mimosa Street JBay	Internal	205 000	-	-
Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Replace 250mm Water Main Canal Road St Francis Ba	Internal	350 000	-	-
Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Replace Main Waterline Sout Rivier Bridge Crossing	Internal	700 000	-	-

Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Repair Leaking Concrete Water Tower Paradise Beach	Internal	310 000	-	-
Capital:Non-infrastructure:New:Other Assets:Operational Buildings:Yards	Fencing Sea Vista Reservoir	Internal	500 000	-	-
Capital:Infrastructure:New:Electrical Infrastructure:MV Substations	Saffery Substation	Internal	1 000 000	-	-
Capital:Non-infrastructure:New:Machinery and Equipment	Walk Behind Persestrian Roller	Internal	200 000		
Capital:Non-infrastructure:New:Machinery and Equipment	Machinery & Equipment	Internal	180 000	180 000	180 000
Capital:Non-infrastructure:Existing:Upgrading:Community Assets:Sport and Recreation Facilities:Outdoor Facilities	Upgrading of Sports Facilities	MIG	4 136 957	4 447 363	4 630 878
Capital:Infrastructure:Existing:Upgrading:Sanitation Infrastructure:Waste Water Treatment Works	Upgrade Sanitation System Old Hankey	MIG	9 230 435	16 848 715	2 462 096
Capital:Infrastructure:New:Sanitation Infrastructure:Waste Water Treatment Works	Fencing Waste Water Treatment Plant	Internal	1 500 000	800 000	800 000
Capital:Infrastructure:New:Solid Waste Infrastructure:Waste Processing Facilities	Upgrade Loerie sewer pump station	Internal	850 000	-	-
Capital:Infrastructure:New:Electrical Infrastructure:MV Networks	High mast lights	Internal	600 000	-	-
Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	Ocean View Electrification	INEP	6 782 609		6 086 955
Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	Humansdorp , Kruisfontein Electrification & Bulk -	INEP		6 181 739	
Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure:Roads	Upgrading of Gravel Roads in Humansdorp	MIG	14 234 651	8 353 009	23 779 547
Capital:Infrastructure:Existing:Upgrading:Sanitation Infrastructure:Reticulation	Upgrade Sewer Rising Mains JBay (La Mer-4A-4B)	Internal	600 000	-	-
Capital:Infrastructure:New:Solid Waste Infrastructure:Waste Transfer Stations	Construct emergency overflow pond Koraal Sewer pu	Internal	520 000	-	-
Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	Roads Capital	Internal	-	-	7 500 000
			45 229 652	**36 810 826**	**45 439 476**
PLANNING, DEVELOPMENT & TOURISM					
Capital:Non-infrastructure:Existing:Renewal:Community Assets:Community Facilities:Cemeteries/Crematoria	Restoration of Fisherman Grave Site	Internal	50 000	-	-

Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and Office Equipment	Internal	500 000	250 000	220 000
Capital:Non-infrastructure:New:Community Assets:Community Facilities:Centres	Kouga Business Support Centre	Internal	300 000	100 000	100 000
Capital:Non-infrastructure:New:Computer Equipment	Computer Equipment	Internal	100 000	-	100 000
Capital:Non-infrastructure:New:Intangible Assets:Licences and Rights:Computer Software and Applications	Computer Software and Applications	Internal	220 000	250 000	300 000
Capital:Non-infrastructure:New:Investment Properties:Non-revenue Generating:Unimproved Property	Land Acquisition	Internal	-	-	1 000 000
			1 170 000	**600 000**	**1 720 000**
COMMUNITY SERVICES					
Capital:Infrastructure:New:Water Supply Infrastructure:Distribution	Cemeteries Ablution Facilities New	Internal	570 000	520 000	300 000
Capital:Non-infrastructure:New:Community Assets:Sport and Recreation Facilities:Outdoor Facilities	5X Trailers	Internal	200 000	-	-
Capital:Non-infrastructure:Existing:Upgrading:Community Assets:Sport and Recreation Facilities:Outdoor Facilities	Upgrading of Cape St Francis	Internal	100 000	100 000	-
Capital:Non-infrastructure:New:Machinery and Equipment	Machinery and equipment	Internal	2 260 000	1 000 000	1 700 000
Capital:Infrastructure:Existing:Renewal:Information and Communication Infrastructure:Capital Spares	Fencing Sport and Recreation Facilities	Internal	1 500 000	-	-
Capital:Non-infrastructure:New:Computer Equipment	Computer Equipment	Internal	80 000	80 000	110 000
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and Office Equipment	Internal	380 000	400 000	300 000
Capital:Non-infrastructure:New:Community Assets:Community Facilities:Fire/Ambulance Stations	Fencing Humansdorp Fire Station	Internal	600 000	600 000	-
Capital:Non-infrastructure:Existing:Renewal:Investment Property:Revenue Generating:Unimproved Property	Vehicles	District	1 600 000	-	-
Capital:Non-infrastructure:New:Transport Assets	Vehicles	Internal	200 000	-	2 500 000
Capital:Infrastructure:New:Information and Communication Infrastructure:Data Centres	Fencing New and Existing Cemeteries	Internal	-	-	1 000 000
Capital:Infrastructure:Existing:Upgrading:Rail Infrastructure	Thornhill Fire Serviice Department - Satellite Building	District	-	-	1 600 000

Capital:Infrastructure:New:Information and Communication Infrastructure:Capital Spares	Fencing Humansdorp Landfill	Internal	-	-	5 500 000
			7 490 000	**2 700 000**	**13 010 000**
			61 012 540	**41 310 826**	**60 869 476**
Transfers recognised - capital			35 984 652	35 830 826	36 959 476
Internally generated funds			25 027 888	5 480 000	23 910 000
			61 012 540	**41 310 826**	**60 869 476**

Table 232:: Capital Project List 2020/21

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8.2 INTERNAL PROJECTS: MIG FUNDED – 2020/21

KEY PERFORMANCE AREA: INFRASTUCTURE AND BASIC SERVICE DELIVERY			INSTITUTIONAL OBJECTIVE: 100% OF LED PROJECT BUDGET SPENT ON LED PROJECTS						
ID	**PROJECT DESCRIPTION**	**PROJECT OUTPUT**	**WARD**	**GFS**	**SOURCE OF FUNDING**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
	Construction of Action Sports Park	Park Beautification	Pellsrus	LED	MIG	**2 492 496.00**	**0**	**0**	**0**
	Construction of New Produce Markets	Construction of New Produce Markets	Hankey/ Jeffreys Bay	LED	MIG	**58 906.50**	**1 404 093.50**	**147 818.58**	**1 256 274.92**
	LED Project		Kouga	LED	MIG	**0**	**0**	**0**	**1 585.835**
KEY PERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY			**INSTITUTIONAL OBJECTIVE: SOCIAL DEVELOPMENT**						
ID	**PROJECT DESCRIPTION**	**PROJECT OUTPUT**	**WARD**	**GFS**	**SOURCE OF FUNDING**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
	Upgrade Sport Facilities	Communities have Sport Fields	Thornhill		MIG	**4 599 045.00**	**4 444 005**	**4 527 367.50**	**4 757 505**
KEY ERFORMANCE AREA: INFRASTRUCTURE AND BASIC SERVICE DELIVERY			**INSTITUTIONAL OBJECTIVE: 100% OF RESIDENTS HAVE ACCESS TO WATER AND SANITATION**						
ID	**PROJECT DESCRIPTION**	**PROJECT OUTPUT**	**WARD**	**GFS**	**SOURCE OF FUNDING**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
	Upgrade Kruisfontein WWTW	Residents have access to sanitation	Arcadia/ Kruisfontein		MIG	**15 225 784.50**	**2 500 000**	**0**	**0**
	Patensie Bulk Sewer infrastructure	Residents have access to sanitation	Ramaphosa Village		MIG	**6 150 864.00**	**0**	**0**	**0**
	St Francis Bay WWTW	Residents have access to sanitation	St Francis Bay		MIG	**8 284 068.00**	**21 278 601.50**	**18 238 928**	**0**
	Patensie WWTW	Residents have access to sanitation	Patensie		MIG	**0**	**0**	**5 093 857.23**	**9 605 993.70**
	Upgrading of gravel roads	Residents have access to road infrastructure	Jeffreys Bay/ Humansdorp		MIG	**0**	**0**	**418 203.77**	**1 999 999.5**
	Upgrade Sanitation System Old Hankey	Residents have access to sanitation	Hankey		MIG	**0**	**0**	**500 000**	**14 357 567**

Table 233 : Internal Projects – MIG Funding

8.3 WARD SPECIFIC PROJECT ALLOCATIONS FOR 2021/22

The R100 000 per ward specific project allocations per ward for the 2021/22 financial year are cited below:

WARD 1 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Oyster Bay	Oyster Bay	Wendy House Oyster Bay Soup Kitchen	R28 000.00
		Cleaning of Storm water channels and drains	R18 500.00
		Light poles and spray lights at Oyster Bay Sport Fields	R28 500.00
	Umzamowethu	Renovations at Kokkewiet Play School	R15 000.00
WARD 2 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Jeffreys Bay	Pellsrus New 220	1 x Playpark Installation	R9000.00
		Flood lights	R16 000.00
		Clean Up Project	R10 000.00
		Street Names	R20 000.00
WARD 3 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Jeffreys Bay		1 x Playpark Installation	R9 850.00
		Curbing and Drains	R20 000.00
		Speedbumps (I&E)	R20 000.00
WARD 4 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Humansdorp		Street Names	R20 000.00
	Gill Marcus	1 x Playpark Installation	R9 660.00
		Speedbumps (I&E)	R18 000.00
		Steel pavilions/Rugby Stands	R20 000.00
WARD 5 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Humansdorp		1 x Playpark Installation	R9 560.00
		2 x Wheelchairs	R6198.00
		High Mast light - Civic	R10 000.00
		Speedbumps (I&E)	R20 000.00

		Installation of Alarm System at Protea Club Old Age Home	R15 000.00
WARD 6 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Humansdorp	Kwanomzamo	Playpark Installation	R9 750.00
		Paving on route to Cemetery	Not enough Capital Funding
		Speedbumps (I&E)	R20 000.00
		Renovation at School (Floor)	R28 000.00
WARD 7 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Thornhill	Loerie	3 x Playpark Installations	R30 000.00
		Donate PPE and Equipment to Loerieheuwel Combined School	R30 000.00
		Fencing of Playparks	Not enough funding
WARD 8 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Jeffreys Bay	Wavecrest	10 x Wheel Chairs donation to Old Age Home	R40 000.00
		Poles and Street name boards	R20 000.00
		Speedbumps (I&E)	R20 000.00
WARD 9 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Hankey		2 x Playpark Installations	R21 750.00
	Phillipsville	2 x Rugby Stand at Sport Grounds	R28 500.00
		Building Toilets for RDP houses	R28 550.00
	Phillipsville	Renovations at Crèche	R28 200.00
WARD 10 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Patensie		1 x Playpark Installation	R8000.00
	Noxolo Creche Kabouter Play School/Creche	Play School Equipment	R13 760.00
	Holding Hands Soup Kitchen	Chest Freezer and Cooking Pots	R10 000.00
	Patensie	5 x Wheelchairs	R15 495.00
WARD 11 – 2021/22			
Town	**Local area**	**Project description**	**Budget**

Jeffreys Bay	C-Place	Street lights and Flood lights	R 9000.00
		1 x Playpark Installation	R10 000.00
		Camera System	R30 000.00
WARD 12 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
St Francis Bay	St Francis/ Cape St Francis	Street Names signs	(Not enough Capital Funding) R50 000
Paradise Beach	Paradise Beach	New Cameras and Camera System Upgrade	R53 300.00
Humansdorp	Lower KwaNomzamo	High Mast light and Street lights	R16 000.00
WARD 13 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Humansdorp		1 x Playpark Installation	R11 800.00
	Weston	Taxi Rank Shelter	R24 900.00
	Chigwell Primary School	Media Projector	R12 900.00
		Paving of Tshume Street	(Not enough Capital Funding)
	Weston	Renovations of Pre-School	R20 000.00
WARD 14 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Jeffreys Bay	Ocean View	1 x Playpark installation	R6 800.00
	Ocean View	Spotlights/Flood lights	R18 673.13
	Aston Bay	CCTV Camera System	R20 000.00
	Ocean View	Soccer equipment	R25 000.00
	Ocean View	Speedbumps	R25 000.00
		Speedbumps I&E	R25 000.00
WARD 15 – 2021/22			
Town	**Local area**	**Project description**	**Budget**
Humansdorp	Moerasrivier Arcadia Golf Course	2 x Playpark Installations 1 x New Playpark	R17 865.00 R24 000.00
	St Patrick Schools	3 x Portable Aircons	R24 146.55
	Boskloof Area Golf Course	Spotlights & Street lights	R 9 4587.50
	Humansdorp	Masks and Sanitizer for schools	R 3 900.00

Table 234 : Ward specific development fund

8.4 PROJECT STAGES OF DEVELOPMENT – FUNDING SECTOR DEPARTMENTS

PROJECT STAGES OF DEVELOPMENT									
Pre-Implementation			SCM			Implement		Complete	
Consultant	Investigation	Design	BSC/Advert	BEC	BAC	Handover	In progress	Sign - off	Retention
1	2	3	4	5	6	7	8	9	10
Project Description	**Housing Project**	***Funder***	**Budget**	**Expenditure**	**% Spent**	**Stage of Development**	**Contract Start**	**Contract Duration**	**Comments**
Hankey New Reservoir and Bulk Gravity Feed	Hankey 990	***DoHS***	10 213 260.00	5 137 123.50	50.2985677	8	08-May-14	6	**Practical completion issued April 2015**
Hankey Wastewater Pump Station Phase 3		***DoHS***	4 764 910.05	2 957 068.06	62.059263	8	04-Apr-14	5	**Practical completion issued July 2015**
Hankey Wastewater Treatment Works Phase 2		***DoHS***	6 504 064.10	2 802 601.66	40.9025769	8	04-Apr-14	7	**Practical completion issued October 2015**
Upgrade Sewer Pump stations – Pellsrus	Pellsrus 220 & Ocean View 1500	***DoHS***	3 009 621.05	902 730.25	29.991085	8	08-Sep-14	4	**Practical completion issued April 2015**
Upgrading of Apiesdraai Sewer Pump station		***DoHS***	17 069	7 304 805.76	48.4656491	8	26-Jun-14	7	**Certificate of completion issued 4 February 2016**
Construction of Churchill Reinforced Concrete Reservoir – Jeffrey bay		***DoHS***	26 113 689.34	356 468.45	1.36509524	8		8	**Contractor on site**
Upgrade of Patensie WWTW	Patensie 278	***DoHS***	5 857 506.73	361 195.57	8.64108731	8	13-Aug-14	7	**Dispute with Contractor**
Patensie Bulk Sewer Infrastructure		***DoHS***	25 054 963.89	6 681 371.93	29.7417404	8	26-Jun-14	6	**Practical completion issued 10 December 2015**

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Construction of a Reservoir and Bulk Water Supply in Patensie		***DoHS***	18 756 262.78	2 164 590.20	11.5406263	8	08-Aug-14	8	**Contactor on site**
Construction of Kruisfontein Western Outfall Sewer and Associated Works	Kruisfontein 2500 & Arcadia 139	***DLGTA***	8 191 369.00	5 944 097.66	72.5653753	8	26-Jun-14	4	**Certificate of completion issued**
Plant and Design Built Works: Extensions to Kruisfontein Wastewater Treatment Works		***DLGTA***	60 864 203.37		0	7	Jan-15	32	**Contractor on site**
Weston Wastewater Treatment Works	Weston 196	***DLGTA***	14 261 297.77	7 924 411.48	55.5658511	8	27-Feb-14	8	**Practical completion 12 October 2015**
Upgrading of Centerton Sports Facility		***DLGTA***	3 104 418.20	1 750 322.25	56.3816515	8	26-Jun-14	4	**Practical completion issued**
Upgrading of Kruisfontein Sports Facility		***DLGTA***	3 899 940.00	3 298 211.41	84.5708244	8	26-Jun-14	4	**Contract terminated**
Kruisfontein Sports Facility - Perimeter Fence		***DLGTA***	1 425 254.65	1 273 733.36	89.3688268	8	29-Apr-14	4	**Practical completion issued**
Electrification Pholla Park & Shukushukuma		***DOE***	3 200 000.00	3 200 000.00	100	9	Mar-15	6	**Completed November 2014**
Electrification Pholla Park & Ocean View		***DOE***	2 540 000.00	120 459.43	4.74249724	7	18-Nov-14	6	**Contractor on site**

Table 235: Project stages of development

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8.5 PROJECT IMPLEMENTATION BY SECTOR DEPARTMENTS

Sector engagements take place on a district level, with representation by National and Provincial Sector Departments, the Mayors and IDP Managers of the 7 local municipalities. The relevant sector department implements the programme/project without the involvement of the resources of the Kouga Municipality. (**Reliant on the District to supply information)**

DEPARTMENT	PROJECT NAME	PROJECT DESCRIPTION	GRANT OR/AND INVOLVEMENT		
			2018/19	2019/20	2020/21
Department of Energy	Electrification of 1500 houses Ocean View		R10.2 million 25% spending	R6 million	R5.2 million
Department of Water and Sanitation	Wastewater Treatment Works (WWTW) – Kruisfontein		R2.5 million		
	Wastewater Treatment Works (WWTW) – Sea Vista		R21 278 601		
	Refurbishment of existing water infrastructure of Kwanomzamo WWTW				
	Kouga LM	Groundwater development	R8 401 000		
	Hankey	Groundwater development	R33 179 000	R 3 292 141	
	Jeffreys Bay	Development of boreholes	R4 500 000	R 21 982 812	
	Humansdorp	Equipping boreholes	R5 427 000	R 1 373 206	
	Cape St Francis	Equipping boreholes	R5 910 000	R 1 674 877	
	Oyster Bay	Equipping boreholes	R1 311 000	R 4 850 129	
	Kouga LM	Meter and internal leak audits, repairs to leaks, water meters repairs, reticulation pipe replacement and reservoir level control. Groundwater development	R92 500 000	R622 552	
Department of Human Settlements	Hankey 990		In Progress	In Progress	In Progress
	Kruisfontein 2500 (391)		In Progress	In Progress	In Progress
	Ocean View 1500		In progress	In progress	In progress
	Patensie 278		In Progress	In Progress	In Progress
	Pellsrus 220		In progress	In progress	In progress
	Hankey Weston 196		In progress	In progress	In progress
	Development / soil preparation and production inputs (Food security)				

Department of Sport, Recreation, Arts and Culture	**Libraries**: Renovations to Jeffreys Bay Library		R11.2 million	Tender was cancelled and will be re advertised.	Tender was cancelled and will be re advertised.
Department of Social Development: Social Welfare Services	Recommended NOP funding		R6 771 855		
Department of Environmental Affairs	Oyster Bay Dune Rehabilitation Project	▪ Creation of vegetated berms ▪ Protection wall ▪ Constructing 2 male toilets plus 1 shower and 1 disable toilet. ▪ 2 female toilets, 1 shower and 1 disable toilet. ▪ A mobile lifeguard tower. ▪ Paving		R10 000 000	Awaits DEA for funding.
	St Francis Bay Coastal Infrastructure Upgrade	▪ Construction of coastal boardwalk ▪ Ablution facilities ▪ Tidal pool ▪ Beach facilities ▪ Dune stabilization and rehabilitation		R10 000 000	Awaits DEA for funding
	Krom River	▪ Fire Control and Prevention ▪ Alien Plant Clearing Project			Not indicated
	Kouga Work for Water Project	▪ Alien Plant Clearing Project			Not indicated
	Kouga Nursery	▪ Alien Plant Clearing and Land Rehabilitation			Not Indicated
	St Francis Bay	▪ Alien Plant Clearing Project			Not indicated
Department of Roads	Gravel and serviced roads				
South African Social Security Agency (SASSA) (Humansdorp District)	Social Grants		R328 835 220		
Department of Public Works	Refurbishment of Humansdorp Magistrate's Office	▪ Construction of additional accommodation ▪ Refurbishment of existing offices		R90 000 000	

Table 236 : Project implementation by sector departments

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8.6 DEPARTMENT OF EDUCATION - CURRENT PROJECTS IN THE HUMANSDORP CMC (CIRCUIT MANAGEMENT CENTRES)

NAME OF SCHOOL	SCOPE OF WORK	CONTRACT VALUE	PROGRESS	COMMENTS
Makukhanye Primary School	Ablution facilities 26 new toilets	R4 125 316.08	Construction 85%	Contract terminated due to non-performance. A new contractor was appointed, and work is progressing well except that the contractor must be monitored regularly for workmanship and safety issues.
Kruisfontein Primary School	Ablution facilities 33 new toilets	R5 285 234.26	Construction 85%	Contract terminated due to non-performance. A new contractor was appointed, and work is progressing well except that the contractor must be monitored regularly for workmanship and safety issues.
Andrieskraal / De Miskraal / Du Preez Primary School	New admin space, New furniture, new site work, new toilets, new teaching space, new water facilities	R4 5 592 505.71	Construction 100%	Final works taken
Humansdorp Senior Secondary School	New Infrastructure	R3 369 000	Stage 4: Concept and viability or feasibility	The project started in July 2017 and the end date is 31/03/2020.
Graslaagte Primary School	New infrastructure	R2 7545 000	Stage 4: Concept and viability or feasibility	The project started in July 2017 and the end date is 31/03/2020.

Table 237 : DOE Projects

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8.7 DEPARTMENT OF HUMAN SETTLEMENT – INTEGRATED SETTLEMENT GRANT FUNDED PIPELINE PROJECTS

PROJECT NAME	PROJECT BUDGET		PROJECT DELIVERABLES		START & COMPLETION	CHALLENGES AND OUSTANDING ISSUES
	BUDGET	EXPENDITURE	PROJECT SCOPE	UNITS COMPLETED		
Kruisfontein 2500(391) **Contractor: Bendolite** **Consultant: Tshepega** **(Ward 4 & 5)**	R 66 602 848.15	R 54 367 287	391 and 407 internal services	Fdns – 387 Wls –387 Rfs – 387 Completions. -387 395 internal services	Start date 01/07/16 Planned Completion 31/07/2018 Revised Completion 31/03/2020	The Contractor is constructing both internal services and top structure. The contractor had to re-do some of the paving that was incorrectly laid by his subcontractors. Some of the paving was stolen by the community. The contractor appointed new team on site to accelerate progress on site. (4 disabled people)
Oceanview 1500 **Contractor: Norland Construction.** **Consultant: Bosch Projects** **(Ward 14)**	R 46,904,141	R 46,704,213	1500	Fdns – 0 Wls – 0 Rfs – 0 Completions - 0 Sites - 1100	Start date: June 2018 Planned Completion: June 2020 Completion: June 2020	Project was reduced due to informal structures that are not moving from the project area. The contractor is still working on available spaces within the project area.
Pellsrus 220 **Contractor: Ikhaya Developers** **Consultant: Stemele Botch** **(Ward 2)**	R 35 673 635.40	R 17 565 650.00	220	Not Started - 89 Fdns – 44 Wls – 0 Rfs – 44 Completions. – 43 Sites: 220	Start date: Oct 2017 Planned Completion: Oct 2019 Revised Completion: June 2020	There were delays in construction of internal services, the designs were changed due to change of scope from surfaced roads to gravel. (infrastructure). The project has just been enrolled with NHBRC; contractor has commenced with top structures. (4 disabled people)

Table 238: Dept of Human Settlements Projects

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8.8 MULTI-YEAR HUMAN SETTLEMENT PROJECTS

PROJECT NAME	PROJECT BUDGET	PROJECT DELIVERABLES	CHALLENGES AND OUSTANDING ISSUES
Hankey 990 (728 units) (Ward 13)	R 40 040 000	728 sites	Land surveyor is busy with site pegging. ROD is in place. Civil infrastructure to commence in 2020/2021 financial year.
Hankey Weston 196 (Ward 13)	R 10 780 000	196 sites	The draft GP has been submitted to SG. ROD is in place. Civil infrastructure to commence in 2020/2021 financial year.
Kruisfontein 2500 Phase 2 (800 units) (Ward 4 & 5)	R 44 000 000	800 sites	Awaiting ROD approval. Land surveyor has been appointed and to commence on approval of EIA.
Arcadia 139 (Ward 4)	R 7 645 000	139 sites	Land surveyor to commence with site pegging. ROD is in place. Civil infrastructure to commence in 2020/2021 financial year.

Table 239 : Multi-year Human Settlement Projects

8.9 COMMUNITY NEEDS REQUIRING SECTOR DEPARTMENT INTERVENTION

The following needs or actions required from Sector Departments were identified during the IDP development process. The municipality will, during IGR and the District Representative Forum engagements, regularly follow-up on these matters in order to provide feedback on possible actions to communities.

DEPARTMENT	PROJECT DESCRIPTION
Department of Agriculture	• Support and education to emerging farmers • Access to water • Supply of plant and equipment • Release and or lease of state and municipal land for commonage and emergency farming
Department of Community Safety/SAPS	• Satellite police station for Ward 1 • Collaboration with municipal law enforcement to maximise safety in wards • Gangsterism at schools and townships • Involvement of SA Army • Establishment of community police forums • Enforcement of non-compliance of liquor on and off consumption in townships
Department of Education	• Overcrowding at all Kouga Schools • Need for Kouga FET College

	• Future use of unused (2) school sites in Jeffreys Bay
Department of Sports, Arts and Culture	• Maintenance of sports fields (Backlogs) and new facility for cricket in ward 4 & 5 • Construction of inclusive multi-purpose sports centres in Ward 4, 6, 7 and 14.
	• Library in Andrieskraal, Ward 1,10 & 14 • Wi-fi for all libraries
Department of Health	• Staffing of clinics in Ward 1,2, 4, 5, 9, 13 &14 • New clinics or extension to existing ones in ward 2 & 6 • Mobile more clinics in ward 4 (Kruisfontein and Die Berg) & ward 14
Department of Land Reform and Rural Development	• Release and or lease of state and municipal land for commonage and emergency farming in ward 1,4,7,9,10 and 14 • Comprehensive rural development programme for Ward 4, 7, 9, 10, 14 • Land for housing for farming community in Andrieskraal (Ward 9 & 10) • Outstanding land claims in Ward 13 and 9
Department of Social Services	• Increase social development programmes i.e. drug abuse, alcohol abuse etc in ward 1,2,4,5,6,7,9,19,14 and 15 • Consider building of old age and frail centres for the less privileged communities • Educational programmes to address decrease gr8 and gr12 school leavers
Department of Human Settlement	• Consider the housing needs register applications to do allocations in terms of national criteria • Rectification of the RDP houses in Kouga • Rectification of historical mud houses in Ward 13 • Refurbishment of ageing infrastructure of PRE/POST State funded houses • Unlocking of blocked housing projects • Destitute and vulnerable project in ward 2 • Formalisation of informal settlements (NUSP) • Multi-purpose centres and social amenities for all housing projects on provincial database • Release of state land (Papiesfontein)
Department of Environmental Affairs	• Recycling projects, campaign and environmental education • Assistance required for Paradise Beach Causeway • Vehicles on demarcated high and low tide beach areas in ward 2 and 14
Department of Transport	• Live Capturing Units equipment and staff needed

Table 240 : Sector Department Interventions

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OFFICIAL SIGN-OFF

It is hereby certified that this is the Integrated Development Plan Review for 2021/22:

- ✓ Was developed by the IDP Manager under the guidance of the Municipal Manager.
- ✓ Was prepared in line with the current strategic plan of the municipality which took into consideration all the relevant legislation, policies and other mandates especially from the public through public participation processes.

Colleen Dreyer

_____

Ms Colleen Dreyer

IDP Manager

Date: 31 March 2021

_____

Mr C Du Plessis

Municipal Manager

Date: 31 March 2021

_____

Councillor H Hendricks

Executive Mayor

Date: 31 March 2021

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ANNEXURE A

SDF PROCESS SUMMARY

The municipality appointed Umhlaba Consulting to review the 2015 Municipal Spatial Development Framework (MSDF). Subsequently, a project steering committee was established to overlook and guide the review process in accordance with Section 6 the Spatial Planning and Land Use Management By-law: Kouga Municipality, 2016. On 12 June 2020, a draft document was tabled before the executive Council for approval and permission to proceed with public participation.

On 25 June 2020, a notice was published in the Kouga Express and Kouga Municipal Website. The notice was also published on the Eastern Cape Provincial Gazette. The notice invited all interested and affected parties to provide comments within 60 days from date of publication. All comments received were considered by the project steering committee and the SDF was amended taking into consideration the comments received. The PSC at a meeting held on 19 February 2021 recommended that the SDF be submitted to Council for approval. Council at a meeting held on 26 February 2021 resolved (resolution No: 21/02/PD11) that the SDF be adopted.

SUMMARY OF THE KOUGA SPATIAL DEVELOPMENT FRAMEWORK

1. Background

Section 28(3) and 29 of the Local Government Municipal Systems Act (Act No 32 of 2000) read together with Section 20 of the Spatial Planning and Land Use Management Act, 2013(Act No. 16 of 2013), and section 6 of the Spatial Planning and Land Use Management By-law: Kouga Municipality, 2016 requires local municipalities to develop a Spatial Development Framework (SDF). The SDF provides a strategic, indicative, and flexible forward planning instruments to guide decisions on land development and renders a set of policies, principles and directives for spatial development.

The Kouga Municipal (KM) SDF seeks to influence the overall spatial distribution of current and future land use within the municipal area in order to give effect to the vision, goals and objectives of the municipal Integrated development Plan (IDP). While the KM SDF is integral to a complete IDP, it should be noted that the SDF is also an integrative instrument of municipal management. The essential distinction between the respective roles and content of the SDFs and IDP lies in the focus of the SDF on 'things-that-can-be-mapped' while the IDP deals with the full scope of municipal management including budgeting, institutional resourcing, etc.

2. Vision

The vision for spatial development and management is described as follows:

"Kouga is a municipal area where well protected natural resources provide economic opportunities and a framework within which a network of well-connected SMART settlements, with a unique town feel, provides social and economic opportunities for all residents."

This Vision is built on the following components:

1. A hierarchy of settlements
2. Networks – Mobility and Logistics
3. Protect natural resources/Integrated Environmental Management
4. Promoting Agriculture and Rural Development
5. Efficient functioning of settlements / Resilient, Inclusive, Smart and Sustainable Settlements

1. Hierarchy of settlements

- Support the growth expansion and investment in the primary nodes of Humansdorp and Jeffreys Bay.
- Secondary nodes should fulfil the function of basic service delivery and port to the rural hinterland.
- Carefully consider establishment of new rural nodes and support service delivery in minor and existing smaller nodes.
- Nodal development should support service delivery, compact urban form and higher densities to maintain sustainability.
- Commercial activity and social facilities within nodes should adhere to the "10 minute walking distance" criteria to ensure accessibility and sustainable service delivery.

2. Networks – mobility and logistics

- Maintain the integrity of the N2 access corridor between Port Elizabeth and Cape Town.
- Regional corridors include the R331 (Gamtoos Valley), R330 and R332 (Gamtoos Valley and Humansdorp linkage), R102 (especially between the Jeffreys Bay and Humansdorp), R330 (Humansdorp and St Francis linkage).
- The function of these regional access routes should be maintained through upgrading and road maintenance to ensure economic development and growth, especially within the agriculture and rural development sectors.
- Integrity of corridors should be protected with detailed assessment of access design and future development.

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3. Efficient Settlements (Resilient, inclusive and SMART

- In support of the nodal strategies, existing primary, secondary and rural nodes should be strengthened through infill and densified developments.
- Increased densities and the utilisation of vacant land within the nodes.
- Support sustainability principles and cost-effective service delivery.
- Support the SPLUMA principles with the minimisation of urban sprawl and the promotion of more compact cities and towns.
- Infill and densification should take cognisance of the existing urban fabric and character of the surrounding area.
- The urban edge sets guidelines for future medium to high density urban development.

4. Protect natural resources / Integrated Environment Management

- Protection of critical biodiversity areas as identified through the Eastern Cape Biodiversity Plan and the Garden Route Biodiversity Plan should be prioritised and developments within these areas should be subject to an Environmental Impact Assessment process or other processes as stipulated by the relevant legislation.
- Protection of critical biodiversity areas as identified through the Eastern Cape Biodiversity Plan and the Garden Route Biodiversity Plan should be prioritised and developments within these areas should be subject to an Environmental Impact Assessment process or other processes as stipulated by the relevant legislation.

5. Promoting Agricultural and Rural Development

- Special growth and investment areas include areas for subsidised housing, rural development initiatives around Thornhill, the Gamtoos Valley and Oyster Bay.
- Future development of Thuyspunt and the integrity of the Thuyspunt site.
- The sustainable utilisation of the Gamkab land.

SPATIAL CONCEPT

The KM SDF has a longer term focus to ensure the future growth and development does not result in unsustainable low density settlement sprawl and the destruction of the ecosystem and agricultural resources on which the KM's economy depends. The unsustainable and destructive development will also prevent equitable access to resources and will perpetuate the spatial divisions of the past.

The municipal framework sets aside a large component of the area for the protection and management of natural areas and higher value agricultural land. The ecological and economic services that these areas provide enable the agricultural and tourism sectors to function effectively.

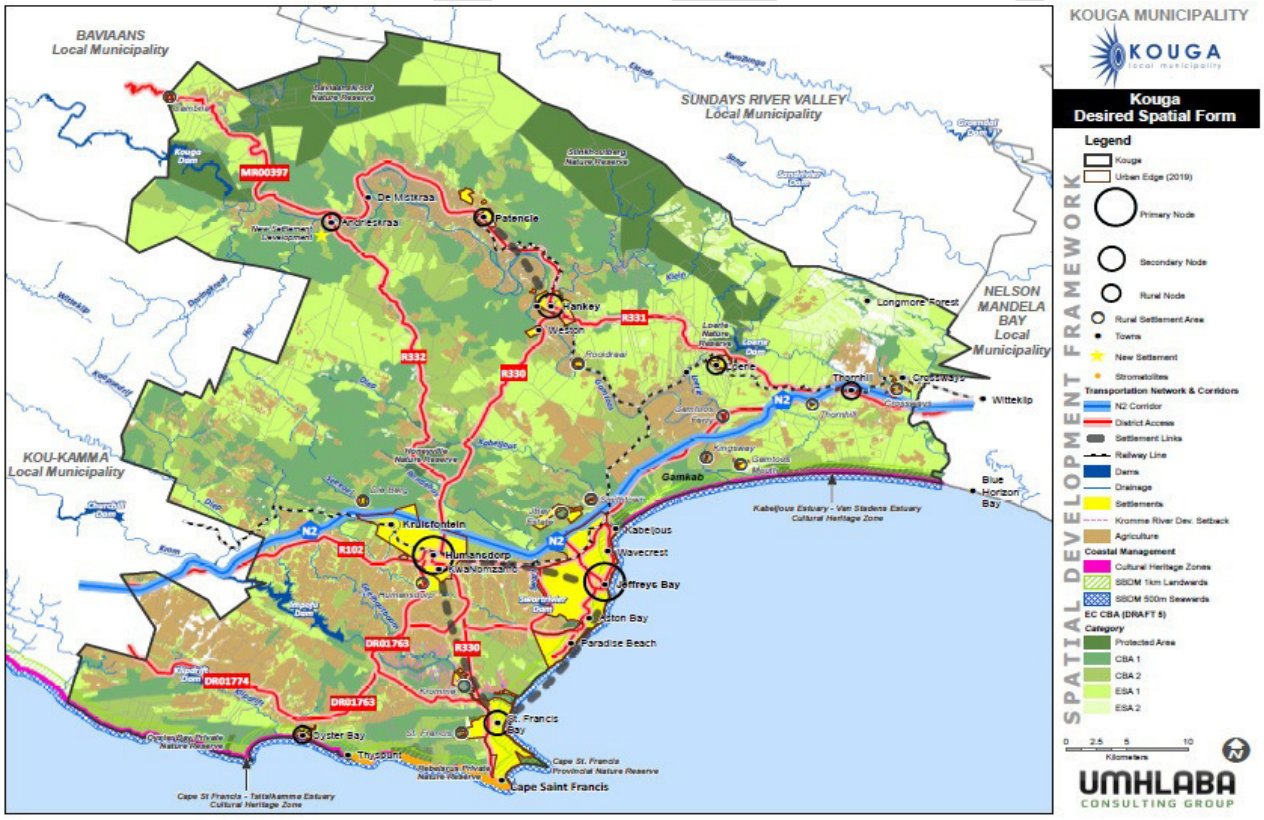
The framework sets out a hierarchy of settlements which range from old 'forestry' stations to the primary urban areas of Jeffreys Bay and Humansdorp. These settlements are connected by a comprehensive network of transportation routes which serve both a mobility and logistics function. These routes are also significant from a tourism perspective.

As the Gamtoos agricultural sector is expected to grow significantly, the need for human settlement and its associated facilities will also grow. The framework therefore identifies Andrieskraal as the potential location for the establishment of a new settlement to address these needs.

The framework highlights the development 'triangle' of Jeffreys Bay, Humansdorp and St Francis Bay where the highest pressure for development is experienced and the secondary nodes of Hankey and Patensie for focussed investment in infrastructure and human settlement development.

Urban and rural edges are delineated all settlements in order to protect of valuable agricultural , natural and cultural and to enable the development of sustainable settlements. The municipal wide SDF proposals are set out on **Error! Reference source not found.** and are to be read together with the Land Use Management Guidelines set out in Chapter 5.

The composite SDF (below) depicts the desired spatial structure of Kouga. It depicts the priority areas for urban development (including areas for residential, business, industrial and other urban expansion), as well areas identified for conservation, agriculture, tourism and other uses.



EFFECTED AMENDMENTS

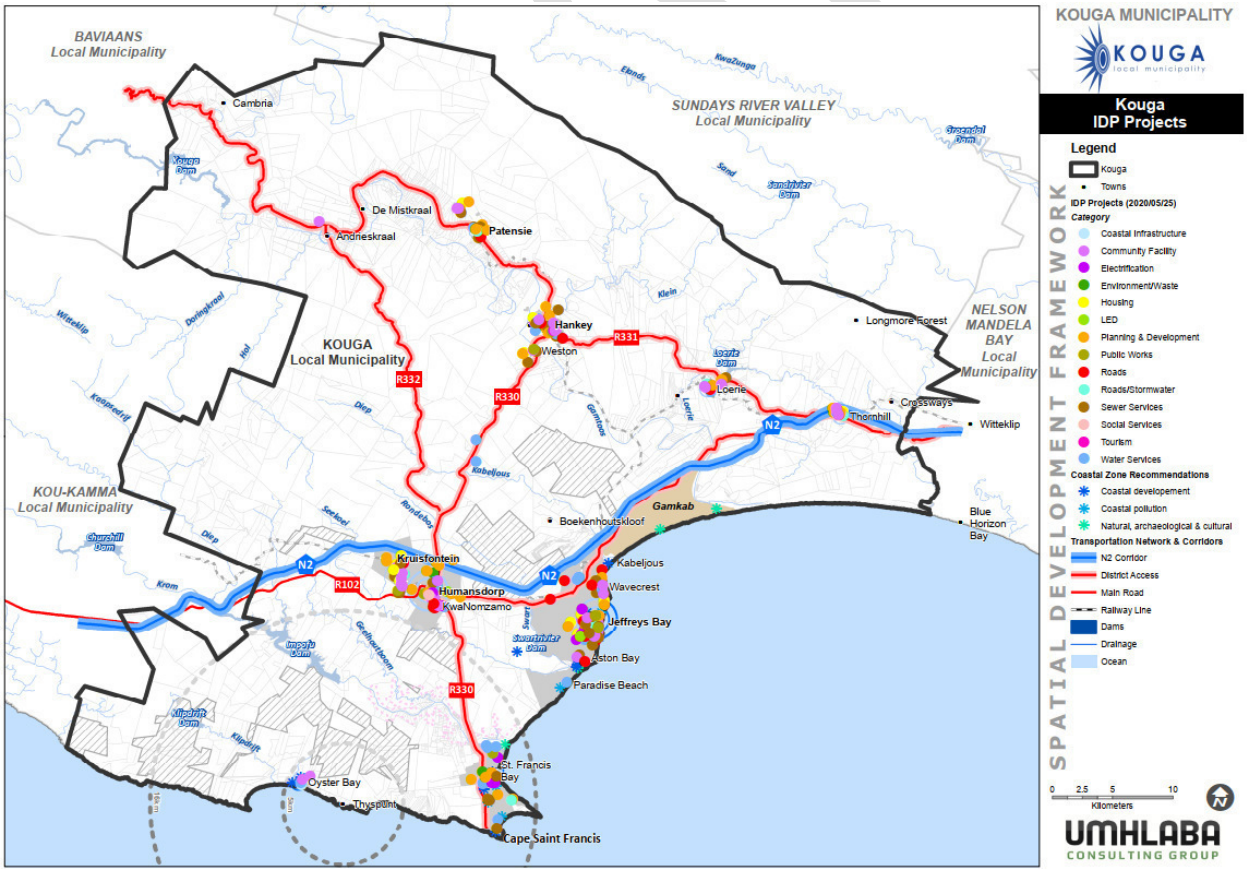
- The 2015 SDF Implemetation Plan required the municplaity to administor land applications in term of the repealed planning ordibance, and the reperaled The SDF was amended to align with the newly adopted Intergrated Land Use Scheme (ILUS).

- The SDF was amended to allow additional uses that are compatible with the immediate environmet, therefore, ecouraging mixed uses. This aimed at reducing redtape when considering land use applications.

- Accommodating Urban Growth – In Jeffreys Bay and Humansdorp, inclusionary housing at appropriate densities is proposed to accommodate the estimated population growth. The medium-term residential growth focus is directed to the vacant land situated within existing settlement areas. This is to integrate the diverse communities whilst efficiently using the existing infrastructure.

- The SDF identifies priority intervention areas on which precintc plans must be developed. This helps guide land use decesions by proposing guidelines and parameters that are site specific.

- The vision is amended to acknowledge the unique charatcter of all setllemet areas. This will allow appropriate densities for major nodes and secondary nodes.



CAPITAL EXPENDITURE FRAMEWORK

JEFFREYS BAY PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
120	Planning & Development	J Bay	Precinct Plan - The Central Business District									
121	Planning & Development	J Bay	Identify Land for the development of an integrated municipal campus/precinct – Feasibility studies etc									
122	Planning & Development	J Bay	Identify Land for the development of an integrated municipal campus/precinct – Feasibility studies etc									
123	Roads	J Bay	Humansdorp Commercial Link to Jeffreys Bay									
124	Housing	J Bay	Identify land for the development of FLISP and Social Housing project implementation									
125	LED	J Bay	Identify land for food gardens									
126	Community Facility	J Bay	Identify land for cemeteries									
127	Planning & Development	J Bay	JBay Densification Policy									
128	Roads	J Bay	Duine Road Realignment and Planning									
129	Planning & Development	J Bay	Vacant Land Development Incentives (Link with the densification policy)									
130	Housing	J Bay	Update the Humans Settlement Plan									
131	Water Services	J Bay	Engage with NMBM re their Water Master Planning									

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
132	Water Services	J Bay	Prepare a new Water Master Plan									
133	Sewer Services	J Bay	Address sewer capacity shortfall as well as the upgrading of the in-series pump stations along the coast									
134	Roads/Stormwater	J Bay	Prepare a stormwater master plan to address localised flooding									
135	Roads	J Bay	Upgrade Da Gama Road (Provincial)									
136	Roads	J Bay	Upgrade St Francis Road (Provincial)									
137	Roads	J Bay	Upgrade Koraal Street (C-Place)									
140	Electrification	J Bay	Upgrade Electrical reticulation in Oceanview									
141	Planning & Development	J Bay	LSDF Planning: Jeffreys Bay LSDF Planning – Can be undertaken as a whole or in component parts i.e North, Central, South and Paradise Beach									
142	Planning & Development	J Bay	Precinct Plan - Koraal/Dolphin Street Precinct									
143	Planning & Development	J Bay	Precinct Plan - Ferreira Town Precinct Plan (Supertubes)									
144	Planning & Development	J Bay	Precinct Plan - Da Gama/Kabeljous									
1	Community Facility	J Bay	Construction of Action Sports Park - Pellsrus	MIG			R2 492 496.00	0	0	0		
3	LED	J Bay	Construction of New Produce Market - JBay	MIG			R29 453.25	R702 046.75	R702 046.75			
23	Sewer Services	J Bay	Upgrade Sewer Pump Stations - Pellsrus		R3 009 621.05	R902 730.25						
24	Sewer Services	J Bay	Upgrading Apiesdraai Sewer Pump Station - Aston Bay		R17 069	R7 304 805.76						

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
25	Water Services	J Bay	Construction of Churchill Reinforced Concrete Reservoir - JBay		26 113 689.34	356 468.45						
36	Electrification	J Bay	Electrification - Pholla Park & Ocean View		2 540 000.00	120 459.43						
40	Electrification	J Bay	Electrification of 1500 houses in Ocean View					R10.2 million	R6 million	R5.2 million		
46	Water Services	J Bay	JBay - Development of Boreholes					R4 500 000	R21 982 812			
53	Housing	J Bay	Ocean View 1500		R46 904 141	R46 704 213		In progress	In Progress	In Progress		
55	Housing	J Bay	Pellsrus 220		R35 676 635.40	R17 565 650		In progress	In Progress	In Progress		
57	Community Facility	J Bay	Renovations to Jeffreys Bay Library					R11.2 million				
103	Roads	J Bay	D25. Provide a new and alternative route for residents in Aston Bay and surrounding areas should the causeway across the Seekoei be flood-damaged or removed (future) (recommendation of the Seekoei Estuary EMP).	N/A			N/A	N/A	N/A	N/A		
104	Roads	J Bay	D28. Provide reasonable and safe public access between Paradise Beach and Aston Bay across the existing causeway by - Maintain and upgrade the road across the causeway; and Install splash reflectors on either side of the causeway to reduce the incidence of splash over wash on the tarred surface	N/A			N/A	N/A	N/A	N/A		
105	Roads	J Bay	D31. Prioritise upgrading beach access and parking areas, with ablution facilities near Pellsrus in Jeffreys Bay. The existing parking area near Manta/Snoek Streets needs urgent upgrading to improve recreational use and safety.	N/A			N/A	N/A	N/A	N/A		

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
106	Roads	J Bay	D32. Informal parking areas along Kabeljauws Road at the Kabeljous Estuary (SW bank) needs to be upgraded, formalised, and maintained	N/A			N/A	N/A	N/A	N/A		
301	Sewer Services	J Bay	Construct emergency overflow pond Koraal Sewer pump station							2 400 000		
303	Public Works	J Bay	Fencing Main substation Jeffreys Bay							500 000		
305	Sewer Services	J Bay	New by-pass sewer rising main and pump stations Jeffreys Bay							1 500 000	6 000 000	11 000 000
308	Water Services	J Bay	Repair leaking concrete water tower Paradise Beach							300 000	2 800 000	
310	Water Services	J Bay	Replace 250mm Watermain Mimosa Str Jeffreys Bay							330 000	2 000 000	
312	Electrification	J Bay	Retrofit oil circuit breakers Main substation Jeffreys Bay								800 000	800 000
314	Sewer Services	J Bay	Sewer pump station level monitoring									250 000
317	Sewer Services	J Bay	Upgrade sewer rising mains JBay							2 100 000		
318	Roads	J Bay	Upgrading of Gravel Roads in Jeffreys Bay	MIG						7 890 511	8 270 189	8 166 090
319	LED	J Bay	LED Project: Establishment of Business Support Centre (Ocean View)							300 000	315 000	330 750
320	Tourism	J Bay	Tourism: Restoration of Fisherman Gravesite							100 000	105 000	110 250
322	Sewer Services	J Bay	Ablution facility launching site main beach								367 500	385 875
326	Sewer Services	J Bay	Upgrading of Pellsrus ablution facilities							150 000	157 500	165 375
402	Community Facility	J Bay	Play park with installation						40 000			
403	Community Facility	J Bay	JoJo tanks – for 2 Creches in the ward						30 000			
404	Community Facility	J Bay	Play park with installation						40 000			

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
405	Community Facility	J Bay	Upgrading braai area/facility Tecoma						20 000			
411	Roads	J Bay	Speedhumps						120 000			
415	Public Works	J Bay	G5 Level on parking area main beach						22 770			
416	Community Facility	J Bay	Play park and Installation						40 000			
417	Public Works	J Bay	Upgrading boardwalk – Verbena Street						20 000			
420	Community Facility	J Bay	Play park and installation						30 000			
421	Roads	J Bay	Speedhumps Dolphin Drive						28 405			
500	Sewer Services	J Bay	Ablution facilities		R4 125 316.08							

HUMANSDORP PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
145	Planning & Development	Hdorp	Develop a gateway at the N2 Intersection (create interaction with the route)									
146	Planning & Development	Hdorp	Agri Industry – Feasibility Study – This project will address the possibility of the location of intensive production to the north of the N2 as well as the expansion of the existing industrial area around the solid waste site to accommodate agri support, processing and storage associated with the agri-industry/HUB									

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
147	Public Works	Hdorp	Upgrading and Redevelopment of the Magistrates Court – DPW						R90 000 000			
148	Environment/Waste	Hdorp	Prepare a regional waste management plan to address the need to relocate the Humansdorp Solid Waste Site.									
149	Housing	Hdorp	Identify land for the development of FLISP and Social Housing project implementation									
150	Public Works	Hdorp	Integration of functions and upgrading of the municipal buildings									
151	LED	Hdorp	Identity land for food gardens									
152	Community Facility	Hdorp	Identify land for cemeteries									
153	Planning & Development	Hdorp	Kruisfontein Densification and Intensification (LSDF and Precinct Planning)									
154	Water Services	Hdorp	Prepare a new Water Master Plan which addresses ground water protection (Land Use management Proposals)									
156	Sewer Services	Hdorp	Investigate a new bulk gravity sewer is proposed from the industrial area to Kruisfontein – To reduce demand on Kwanomzamo works									
157	Roads/Stormwater	Hdorp	Prepare a stormwater management plan – Use the outcomes of the Kruisfontein									

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
			Housing Specialist Studies (Floodline, drainage etc.)									
159	Roads	Hdorp	Construction/upgrading of Felix Road to effectively integrate Kruisfontein.									
161	Planning & Development	Hdorp	Precinct Plan - The Central Business District (CBD)									
162	Planning & Development	Hdorp	Precinct Plan – Eastern Mixed-Use Zone									
163	Planning & Development	Hdorp	Precinct Plan - Kruisfontein West Densification proposals and incentives									
164	Planning & Development	Hdorp	Humansdorp Densification Policy and Areas									
165	Planning & Development	Hdorp	Precinct Plan – JBay-Humans Industrial Corridor									
166	Planning & Development	Hdorp	Prepare a Commonage management plan								1 050 000	1 102 500
168	Planning & Development	Hdorp	N2 – R102 Industrial Expansion Precinct Plan (Can be integrated with the solid waste site and N2 Gateway Precincts)									
5	Sewer Services	Hdorp	Upgrade Kruisfontein WWTW	MIG			15 225 784.50	2 500 000	0	0		
9	Roads	Hdorp	Upgrading Gravel Roads - Humansdorp	MIG			0	0	418 203.77	11 479 597		
29	Sewer Services	Hdorp	Construction of Kruisfontein Western Outfall Sewer & Associated Works		8 191 369.00	5 944 097.66						

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
30	Sewer Services	Hdorp	Extensions to Kruisfontein WWTW		60 864 203.37							
33	Community Facility	Hdorp	Upgrading Kruisfontein Sports Facility		3 899 940.00	3 298 211.41						
34	Community Facility	Hdorp	Kruisfontein Sports Facility - Perimeter Fence		1 425 254.65	1 273 733.36						
35	Electrification	Hdorp	Electrification - Pholla Park & Shukushukuma		3 200 000.00	3 200 000.00						
41	Sewer Services	Hdorp	WWTW - Kruisfontein					R2.5 million				
43	Water Services	Hdorp	Refurbishment of existing water infrastructure of Kwanomzamo WWTW									
47	Water Services	Hdorp	Humansdorp - Equipping Boreholes					R5 427 000	R1 373 206			
52	Housing	Hdorp	Kruisfontein 2500		R66 602 848.15	R54 367 287		In Progress	In Progress	In Progress		
61	Social Services	Hdorp	Social Grants					R328 835 220				
62	Housing	Hdorp	Arcadia 139		R7 645 000							
63	Housing	Hdorp	Kruisfontein 2500 Phase 2		R44 000 000							
302	Public Works	Hdorp	Fencing Kruisfontein Waste Water Treatment Plant							800 000		
313	Electrification	Hdorp	Saffery Substation							1 500 000		
325	Community Facility	Hdorp	Fencing Humansdorp Fire Station							200 000		

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
406	Community Facility	Hdorp	2 x Play parks with installation						80 000			
407	Community Facility	Hdorp	Play park and installation						40 000			
408	Community Facility	Hdorp	Play park with installation						40 000			
409	Roads	Hdorp	Speedhumps in Nanto street						28 463			
422	Community Facility	Hdorp	3 x Play parks and installation						90 000			
501	Sewer Services	Hdorp	Ablution facilities		R5 285 234.26							
503	Community Facility	Hdorp	New Infrastructure		R3 369 000							
504	Community Facility	Hdorp	New Infrastructure		R2 754 500							

PATENSIE PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
218	Planning & Development	Patensie	Prepare a densification policy as well as densification areas in Patensie.									
219	Water Services	Patensie	Increase water capacity to accommodate additional development									
220	Sewer Services	Patensie	Formalise the agreement with Correctional Services to take over the operation of the WWTW at the prison									

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
221	Sewer Services	Patensie	Upgrade Patensie (Town) conservancy tanks to waterborne if the area is to be targeted for densification and human settlement development									
222	Sewer Services	Patensie	Identify an alternative arrangement for the discharge of pack shed effluent in order to create capacity for human settlement.									
223	Roads/Stormwater	Patensie	Prepare a stormwater Management Plan – Particularly to address runoff from the Main Road									
224	Roads	Patensie	Upgrade the Hankey-Patensie Road (R400). This will serve to enable the two settlements to function as one with regard to community and social facilities.									
225	Planning & Development	Patensie	Prepare the Patensie and Cyril Ramaphosa LSDF									
226	Planning & Development	Patensie	Patensie Main Road Corridor Precinct									
227	Planning & Development	Patensie	Prepare a commonage Management Plan for Patensie and Cyril Ramaphosa									
6	Sewer Services	Patensie	Patensie Bulk Sewer Infrastructure	MIG			6 150 864.00	0	0	0		
8	Sewer Services	Patensie	Patensie WWTW	MIG			0	0	5 093 857.23	2 500 000		
26	Sewer Services	Patensie	Upgrade Patensie WWTW		5 857 506.73	361 195.57						

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
27	Sewer Services	Patensie	Patensie Bulk Sewer Infrastructure		25 054 963.89	6 681 371.93						
28	Water Services	Patensie	Construction of Reservoir & Bulk Water Supply - Patensie		18 756 262.78	2 164 590.20						
54	Housing	Patensie	Patensie 278					In Progress	In Progress	In Progress		
306	Sewer Services	Patensie	Patensie Sewage Package Plant							6 379 942		
323	Community Facility	Patensie	Fencing community hall - Cyril Ramaphosa							250 000	262 500	275 625
414	Community Facility	Patensie	Play park and installation						40 000			

HANKEY PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
208	Planning & Development	Hankey	Prepare a densification policy for Hankey									
209	Water Services	Hankey	Upgrade the Water Supply Capacity in Hankey									
210	Sewer Services	Hankey	Upgrade the conservancy tank system in the "Old Hankey" and the CBD/town areas if these are to be used for densification to accommodate housing.									

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
211	Sewer Services	Hankey	Connect the newly constructed Weston WWTW to eradicate the 'bucket system' – Dept Human Settlements									
212	Roads/Stormwater	Hankey	Prepare a storm water management plan for Hankey – Particularly to address flooding around Vukani High School									
213	Roads	Hankey	Upgrade the Hankey to Loerie (R400) route									
214	Roads	Hankey	Upgrade the gravel roads									
215	Planning & Development	Hankey	Prepare the Hankey and Western LSDF – (Focused on the identification of additional land for human settlement)									
216	Planning & Development	Hankey	Prepare the Hankey and Weston Main Road Corridor Precinct Plan									
217	Planning & Development	Hankey	Prepare a Hankey Commonage Management Plan									
2	LED	Hankey	Construction of New Produce Market - Hankey	MIG			29 453.25	702 046.75	702 046.75	0		
10	Sewer Services	Hankey	Upgrade Sanitation System Old Hankey	MIG			0	0	500 000	7 902 794	15 652 174	17 036 336
20	Water Services	Hankey	Hankey New Reservoir & Bulk Gravity Feed		10 213 260.00	5 137 123.50						
21	Sewer Services	Hankey	Hankey Wastewater Pump Station Phase 3		4 764 910.05	2 957 068.06						
22	Sewer Services	Hankey	Hankey Wastewater Treatment Works Phase 2		6 504 064.10	2 802 601.66						
31	Sewer Services	Hankey	Weston WWTW		14 261 297.77	7 924 411.48						

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
32	Community Facility	Hankey	Upgrading Centerton Sports Facility		3 104 418.20	1 750 322.25						
45	Water Services	Hankey	Hankey - Groundwater Development					R33 179 000	R3 292 141			
51	Housing	Hankey	Hankey 990		R40 040 000			In Progress	In Progress	In Progress		
56	Housing	Hankey	Weston 196		R10 780 000			In progress	In Progress	In Progress		
300	Public Works	Hankey	Fencing of municipal buildings							200 000	200 000	200 000
315	Sewer Services	Hankey	Upgrade Centerton sewer pump station							1 000 000		2 000 000
316	Sewer Services	Hankey	Upgrade Hankey water treatment works							600 000	5 000 000	9 450 000
321	Tourism	Hankey	Tourism: Upgrading / Renovation of the Phillips Tunnel							100 000	105 000	110 250
323	Community Facility	Hankey	Fencing community hall - Weston							250 000	262 500	275 625
324	Community Facility	Hankey	Fencing of Cemetery - Hankey							250 000	525 000	551 250
412	Community Facility	Hankey	2 x Play parks and installation						80 000			
413	Community Facility	Hankey	Upgrading of Creches						28 850			
418	Public Works	Hankey	Taxi/Bus Shelter – Weston						24 000			
419	Community Facility	Hankey	New Play park and installation						30 000			

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LOERIE PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
189	Water Services	Loerie	Upgrade water supply capacity in Loerie									
190	Water Services	Loerie	Upgrade the existing small-bore to full waterborne supply									
191	Sewer Services	Loerie	Upgrade the problematic sewer Pump Station - Loerie							3 000 000		
192	Roads/Stormwater	Loerie	Prepare a stormwater management plan for Loerie – Particularly to address the flooding around the access to Loerieheuwel									
193	Roads	Loerie	Upgrade gravel roads									
194	Planning & Development	Loerie	Prepare the Loerie LSDF/Precinct Plan									
195	Planning & Development	Loerie	Prepare a Loerie Commonage Management Plan									
323	Community Facility	Loerie	Fencing community hall - Loerie							250 000	262 500	275 625
324	Community Facility	Loerie	Fencing of Cemetery - Loerie							250 000	525 000	551 250
410	Community Facility	Loerie	Play parks and installation						30 000			

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THORNHILL PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current	20/21	21/22	22/23
196	Planning & Development	Thorn	Prepare a densification policy for Thornhill									
197	Housing	Thorn	Upgrade the informal areas									
198	Community Facility	Thorn	Identify land where a satellite fire station can be established									
199	Community Facility	Thorn	Identify land for the expansion of cemeteries									
200	Community Facility	Thorn	Upgrade the Katriena Felix Community Hall									
201	Water Services	Thorn	Upgrade the water supply infrastructure to enable additional human settlement to be accommodated									
202	Roads/Stormwater	Thorn	Prepare a stormwater management plan – Address flooding around the school									
203	Roads	Thorn	Upgrade gravel roads									
204	Roads	Thorn	Upgrade Divisional Road 1927 (The road past the hotel)									
205	Planning & Development	Thorn	Prepare the Thornhill LSDF									
206	Planning & Development	Thorn	Prepare a precinct plan for the main corridor through town									
207	Planning & Development	Thorn	Identify land for commonage purposes and prepare a Thornhill Commonage Management Plan									
4	Community Facility	Thornhill	Upgrade Sports Facilities	MIG			4 599 045.00	4 444 005	4 527 367.50	4 757 505		
323	Community Facility	Thornhill	Fencing community hall - Thornhill							250 000	262 500	275 625

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324	Community Facility	Thornhill	Fencing of Cemetery - Thornhill							250 000	525 000	551 250
410	Community Facility	Thornhill	Play parks and installation						30 000			

ST FRANCIS BAY PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
169	Planning & Development	St Francis	Precinct Plan Sea Vista Entrance Mixed Use									
170	Planning & Development	St Francis	St Francis and Cape St Francis Densification Policy and Identification of densifications areas.									
171	Planning & Development	St Francis	Santareme Densification area									
172		St Francis	Transfer of Erf 400 from the Department of Public Works to Kouga Municipality									
173	Planning & Development	St Francis	Development plan for Erf 554 - Rezoning of Erf 554 (St Francis Bay) for sporting facilities									
174	Sewer Services	St Francis	Upgrade Cape St Francis ablution facilities									
175	Water Services	St Francis	Upgrade the water supply suspension bridge to a more robust and sustainable arrangement.									
176	Water Services	St Francis	Prepare a Water Master Plan									
178	Sewer Services	St Francis	Prepare a sewer master plan and action plan.									
179	Sewer Services	St Francis	Upgrade main gravity sewer									

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
180	Roads/Stormwater	St Francis	Prepare a stormwater management plan which will address amongst other matters the stormwater runoff from behind Santareme.									
181	Roads	St Francis	Project - General road maintenance									
182	Environment/Waste	St Francis	Identify Waste Dropoff Sites									
183	Electrification	St Francis	Upgrade sections of the St Francis Bay electrical reticulation									
184	Electrification	St Francis	Upgrade electrical reticulation in Sea Vista to avoid losses									
185	Electrification	St Francis	Increase electrical capacity (Increase ESKOM's notified demand)									
186	Planning & Development	St Francis	Prepare the St Francis and Sea Vista LSDF									
187	Planning & Development	St Francis	St Francis CBD Precinct Planning									
188	Planning & Development	St Francis	Homestead Road and Sea vista Planning									
7	Sewer Services	St Francis	St Francis Bay WWTW	MIG			8 284 068.00	21 278 601.50	18 238 928	0		
48	Water Services	St Francis	Cape St Francis - Equipping Boreholes					R5 910 000	R1 674 877			
59	Coastal Infrastructure	St Francis	St Francis Bay Coastal Infrastructure Upgrade						R10 000 000			
90	Environment	St Francis	C10. Apply to formally close the St Francis Bay landfill site and implement rehabilitation measures.	N/A			N/A	N/A	N/A	N/A		

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PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
101	Roads	St Francis	D23. Insufficient parking and traffic congestion along the Boulevard between St Francis Way and President Reitz Road in Cape St Francis must be addressed. Existing parking areas need to be maintained	N/A			N/A	N/A	N/A	N/A		
304	Public Works	St Francis	Fencing Sea Vista Reservoir								700 000	
307	Water Services	St Francis	Piped Reticulation in St Francis Bay							2 500 000	2 000 000	2 000 000
309	Water Services	St Francis	Replace 250mm Watermain Canal Rd, St Francis Bay							1 500 000	1 000 000	
311	Water Services	St Francis	Replace main waterline Sout Rivier bridge crossing St Francis Bay							1 000 000	5 000 000	
326	Sewer Services	St Francis	Upgrading of Cape St Francis ablution facilities							150 000	157 500	165 375

OYSTER BAY PROJECTS

PROJECT NO	SUB-CATEGORY	SETTLEMENT	PROJECTS/ACTIONS	FUNDING SOURCE	BUDGET	EXPENDITURE	17/18	18/19	19/20 Current			
										20/21	21/22	22/23
49	Water Services	Oyster Bay	Oyster Bay - Equipping Boreholes					R1 311 000	R4 850 129			
58	Coastal Infrastructure	Oyster Bay	Oyster Bay Dune Rehabilitation Project						R10 000 000			
97	Coastal Infrastructure	Oyster Bay	D9. The use of existing beach access points to access private property in the area west of the settlement of Oyster Bay area is not controlled, and the municipality should	N/A			N/A	N/A	N/A	N/A		

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			consider investigating alternate access points to these properties (e.g. by means of servitudes over other properties on the landward side of coastal properties / properties in dynamic process areas)									
400	Community Facility	Oyster Bay	2 x Playparks and installation (Tender in process)						80 000			
401	Community Facility	Oyster Bay	Flood lights						9 573			

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ANNEXURE B

IDP /BUDGET /PMS PROCESS PLAN FOR 2021/2022

FINAL REVIEW OF THE 5 YEAR PLAN 2017/2022

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Approved 28 August 2020

Council Resolution 20/08/MM2

1. INTEGRATED STRATEGIC TIME SCHEDULE IN TERMS OF THE PROCESS FOR REVIEWING THE IDP AND BUDGET FOR THE 2021/2022 FINANCIAL YEAR

PHASE 0
PREPARATION PHASE /PRE- PLANNING

ACTION	PURPOSE	RESPONSIBIITY	PROPOSED DATE	ACTUAL DATE	EVIDENCE
Sarah Baartman District Municipality Framework IDP Co-ordinator meeting	Workshop CDMF with all LM – alignment	Sarah Baartman District Municipality and IDP Coordinators	31 July 2020	31 July 2020	Draft District framework
Lock budget	Uploading of adopted budget for 2018/19 and issue certificate of captured data.	CFO	15 July 2020	15 July 2020	Issued Certificate
Upload SDBIP 2019/20 on website and publicise	Notify the public of set targets and performance indicators	PMS Manager	Not later than 5 August 2020		Website access
4th Quarter Performance Report and finalize Annual Performance Evaluation	Evaluate performance according to the Performance Agreements	MM and Mayor	31 July 2020		Evaluated Reports
Q4 review by Internal Audit Unit	Prepare of Annual Performance Report for MPAC	MM, PMS Manager and Internal Audit Unit	31 July 2020		Reviewed Reports
Review of performance by MPAC and adoption by Council	Moderate Performance Evaluation Reports in preparation for Council's consideration for adoption	MPAC and Council	End August 2020	August 2020	Moderated Reports adopted by Council
Finalise Performance Agreements (2019/20) of Municipal Manager and Managers reporting to the Municipal Manager and Submit to MEC and publicise within 14 days	Legal Requirement	Municipal Manager	31 July 2020	31 July 2020	Formal Letter and website access
Review Process Plan and develop IDP and Budget time schedule for 2020/21 (MFMA S35(1).	Alignment with Draft Sarah Baartman DM Framework.	(Legal requirement) Sarah Baartman DM and Local Municipality.	19 July 2020	12 August 2020	Aligned Draft IDP and Budget time schedule / Process Plan with Sarah Baartman DM Draft Framework.

Table IDP and Budget time schedule / Process Plan and District Framework Plan to Council for adoption	Council adoption - Legal Compliance	Municipal Manager, Mayor, Council, IDP official and CFO	Before end of August 2020	28 August 2020	Council Resolution.
Upload the IDP and Budget time schedule / Process Plan on the municipal website, place on notice boards and advertise in a local newspaper	To notify stakeholders of key dates and encourage participation in these processes.	Municipal Manager and IDP Official	within 10 days of adoption (specify own specific date)	6 September 2020	Advertisement
Submit adopted Process Plans and Council Resolution to EC-COGTA.	Enable EC-COGTA to monitor implementation of process plan as legislated (S31 of MSA) and compile Provinces planning calendar	MM and IDP Manager	Within 10 days of adoption	6 September 2020	E-mail or formal letter
Submit Performance Agreements (2019/20) of Municipal Manager and Managers reporting to the Municipal Manager and Submit to MEC and publicise within 14 days after approval by Council	**S53 MFA 14-days after adoption.**	Municipal Manager	30 August 2020		Check legal requirement
PHASE 1 - ANALYSIS PHASE					
Ward based planning	Conduct ward-based planning with all 15 ward committees	IDP Manager, ward councillors and ward committee members	2nd week of October 2020	November 2020	Kouga Municipality
Conduct situation analysis and update the status quo (Strategic Planning Session)	SWOT Analysis on the internal and external environment; determine existing level of development and backlogs. Consider changes in the current environment: Gap analysis of the IDP Assessment 2019/20 and 2018/19 Annual Performance Reports and develop corrective action plans	IDP Manager (Administration and Council)	Before conducting community engagements (September /October2020)	November 2020	Corrective action plans
In collaboration with Council, develop & publicise Community Based Planning Programme	Make community aware of CBP sessions. Secure venues and arrange logistics for scheduled meetings.	Office of the Mayor, Municipal Manager, IDP Officer and CFO	October 2020	No happened due to Covid-19	CBP Programme
Undertake ward-wide public participation meetings	Present IDP Process Plan / Time Schedule; Present 2019/20 ward priorities; report back on project progress; cost implications and challenges. Obtain new needs to be prioritised for 2020/21.	Municipal Manager, Directors, IDP Officer, Mayor and Council	October/November 2020	Not happened due to Covid-19	Attendance Registers, presentations and minutes and new priorities.
Submission of 2018/19 Annual Financial Statements to Office of the Auditor-General	Legal Compliance to obtain Audit Opinion	Municipal Manager and CFO	End of August 2020		Letter of Acknowledgement by Office of the AG.

Submit draft 2018/19 annual performance report to the Auditor-General	Legal compliance	Municipal Manager and PMS Manager	End of August 2020		Letter of Acknowledgement by Office of the AG.
Submit draft 2018/19 annual performance report	Legal Compliance to obtain Audit Opinion	Municipal Manager and CFO	End of August 2020		Letter of Acknowledgement by Office of the AG
Attend District IDP Rep Forum Meetings	Legal Compliance.	Municipal Manager, CFO, Sec 56 Managers	10 September 2020		Attendance Register
Attend District IDP Consultation Committee meeting	Alignment and information sharing.	IDP Co-ordinators and Mayors	23 October 2020		Attendance Register
Organogram review	Legal Compliance to Enable the IDP implementation	Municipal Manager, Directors and Council	October 2020 to January 2021	January 2021	Attendance Register and organogram status
Q1 Performance Reporting	Evaluation Sec 56 managers, lower levels if applicable and institution PMS - Legal compliance	Municipal Manager and PMS Manager	15 October 2020		Evaluation Reports
Q1 review by Internal Audit	Preparation of Annual Performance Report for MPAC	MM and PMS Officer and Internal Audit Unit	October 2020		PMS Manager
Review of performance by MPAC and adoption by Council	Moderate Performance Evaluation Reports in preparation for Council	MPAC and Council	Before end of November 2020		Moderated Reports adopted by Council
Submit first quarter returns 30 days after the end of the quarter	MFMA compliance	MM, CFO	Before the end of October 2020		Acknowledgement of receipt from National and Provincial Treasury
Convene 1st IDP and Budget Steering Committee Meeting	Report on community-based planning, proposed amendments to organogram. Present consolidated directorate projects and budget needs	Municipal Manager, Council and CFO and directors	March 2021	16 March 2021	Attendance register and organogram status
PHASE 2 - STRATEGIES					
Draft 3-year Budget forecast on human resources costs	To ensure that the budget cost on human resource stays within the prescribed percentage	CFO and AME Director	October 2020		3-year budget forecast report
Submit proposed DRAFT 2019/20 Operating and Capital Budget requirements by directorates to the CFO	Preparation of the proposed adjustment budget and indicative 2019/20 forecast.	Municipal Manager, CFO and Section 56 Managers (Directors)	Last week of October 2020		Directorate draft budget requirements.
Review Budget related policies	Legal Compliance -review, update and check relevance	CFO	January 2021		Council Resolution

Submit Sector plans and KPA inputs on IDP, Directorates to submit Departmental SDBIP to PMS Manager	To inform the review and updating of the IDP and Institutional SDBIP	Municipal Manager, CFO and Directors	By end of October 2020		KPA input and SDBIP per directorate
Mid-year engagements with Provincial Treasury and Cogta	To monitor the budget process and ensure that timeframes and compliance issues are met	Municipal Manager, CFO and Directors	18 February 2021		Attendance registers and presentations
PHASE 3 – PROJECTS					
Attend District IDP Consultation Committee meeting	Alignment and information sharing.	IDP Co-ordinators and Mayors	12 March 2020		Attendance Register
Convene 1st IDP Representative Forum Meeting	Present adopted Process Plan. IDP Review and Assessment. Progress on planned projects.	Council, Municipal Manager, CFO, directors, public representatives and sector departments	March 2021	Not happened to due to Covid-19	Attendance register, presentation and minutes
Meeting with COGTA-EC	To monitor the implementation of planning phases identified in the Time Schedule /Process Plan as per sect 31 of MSA	EC-COGTA & IDP Officer	1st week in December 2020		Minutes and attendance register
Prepare and submit audit action plan.	To address the shortfalls identified by the AG.	Municipal Manager and CFO	End December 2020		Copy of the Audit Action Plan.
PHASE 4 – INTEGRATION PHASE					
Table the 2019/20 Adjustment budget	Legal compliance, if necessary to adjust existing budget	Municipal Manager and CFO	28 February 2021		
Finalise the annual review of tariffs, fees and charges	To determine increase to be undertaken to cover service delivery	Municipal Manager, CFO and directors	28 February 2021		Amended tariff list
Submission of the Sec 72 Performance Report	Legal Compliance	MM, CFO and Mayor	25 January 2021		Reports
Q2 Performance Reporting.	Evaluation Sec 56 managers, lower levels if applicable and institution PMS - Legal compliance	MM and PMS Officer	January 2021		Evaluation Reports
Q2 review by Internal Audit	Preparation of Annual Performance Report for MPAC	MM, PMS Manager and Internal Audit Unit	End of January 2021		Reviewed Reports

Review of performance by MPAC and adoption by Council	Moderate Performance Evaluation Reports in preparation for Council	MPAC and Council	End of February 2021		Moderated Reports adopted by Council
IGR Session to facilitate alignment	Align provincial and national programmes with IDP	Municipal Manager	By end of February 2021	24 March 2021	Attendance Register
Confirm National and Provincial Government allocations to the Municipality for incorporation into the Draft Budget for tabling	To incorporate grant funding from National and Provincial Government into the Draft Budget.	CFO	Publication of DORA toward mid- to-end February 2021 Specify your own date		Allocation circular
Budget and Benchmark engagements with Provincial Treasury and Cogta	To monitor the budget process and ensure that timeframes and compliance issues are met.	Municipal Manager, CFO and Directors	29 April 2021		Attendance registers and presentations
Convene the 1st IDP Representatives Forum meeting to present Draft IDP for consideration	Present the **FINAL IDP**. Report on public engagement and outcome of the 21-days public inspection and invite any last changes or additions to sector project register.	Municipal Manager, Mayor and IDP Official	March 2021		Presentations, minutes and attendance register
Table 2020/21 Draft IDP and Capital and Operating Budgets, ward-based budgets and draft tariffs, fees and charges	Council to consider and adopt the final Draft IDP and Budget.	Municipal Manager and CFO	Not later than end March 2019	31 March 2021	Adopted Final Draft IDP and Budget resolution.
Submit adopted draft IDP to the MEC for local government	Pre- assessment interaction.	MM and IDP Officer	Within 10 days of adoption	6 April 2021	Letter of acknowledge-mint/email
Upload the Council Approved Draft IDP and Budget (2020/21) on the municipal website and place a notice in local newspapers for public inspection (21days)	Legal Requirement to allow public to raise objections / comments on the adopted Draft IDP and Budget.	Municipal Manager; CFO and IDP Officer	Within 10 days of adoption	6 April 2021	Advertisement and website
PHASE 5 – APPROVAL PHASE					
Attend the 2nd District IDP Representatives Forum meeting – alignment	Present the Final Draft IDP, Draft Budget and Draft SDBIP. Sector Dept. report on project implementation for 2018/19 and confirm project and budget allocations for 2019/20. (Finalise external project alignment)	Municipal Manager, Mayor, CFO and IDP Official	8 April 2021		Presentations, minutes and attendance register

Convene the 2nd IDP and Budget Steering Committee – alignment	Finalise internal alignment and project register. Ensure budget alignment between the Draft IDP and Draft SDBIP with agreed upon targets and performance indicators per project.	Municipal Manager, IDP Manager, CFO and directors	May 2021		Reports, presentations, minutes and attendance register
In collaboration with Council develop and publicise the Draft IDP and Budget 2020/21 Community Engagement Programme	Make citizens aware of outreaches, prior to the adoption of the Draft IDP and Budget. Secure venues and arrange logistics for scheduled meetings.	Office of the Mayor, Municipal Manager, IDP Officer and CFO	March/April 2021	6 April 2021	Public notices.
Q3 Performance Reporting.	Evaluation Sec 56 managers, lower levels if applicable and institution PMS - Legal compliance	MM and PMS Officer	End of April 2021		Evaluation Reports
Q3 review by Internal Audit	Preparation of Annual Performance Report for MPAC	MM, PMS Manager and Internal Audit Unit	End April 2021		Reviewed Reports
Review of performance by MPAC	Moderate Performance Evaluation Reports	MPAC and MM	End April 2021		Moderated Reports adopted by Council
IDP Pre- assessment interaction.	Monitor state of readiness to adopt Final IDP and Budget.	COGTA and LM	during April 2021		Minutes
Undertake ward-wide public participation meetings	Allow opportunity for community to be part of municipal planning and be informed of the impact of IDP within their ward.	Office of the Mayor, Ward Councillors, Municipal Manager, CFO and Directors	April/May 2021		Attendance Registers presentations and minutes.
Consolidate all public participation inputs and comments in respect of 2020/21 Draft IDP and Budget	Table to Mayor for consideration before the adoption of the Final 2019/20 IDP and Budget.	Municipal Manager and CFO	Last week in April 2021		Consolidated ward comments
Convene the 2nd IDP Representatives Forum meeting to present Final Draft IDP for consideration	Present the **FINAL IDP**. Report on public engagement and outcome of the 21-days public inspection and invite any last changes or additions to sector project register.	Municipal Manager, Mayor and IDP Official	May 2021		Presentations, minutes and attendance register
Attend District IDP Representative Forum	Legal Compliance.	Municipal Manager, CFO, Sec 56 Managers	19 May 2021		Attendance Register
Convene 4th IDP and Budget Steering Committee - consider comments and finalise	Interrogate community comments and finalise SDBIP/IDP alignment and any necessary amendments to the IDP and budget.	Municipal Manager and IDP Official and CFO	May 2021		Reports, presentations, minutes and attendance register
Adopt the Final 2020/21 IDP and MTEF Budget.	Legal compliance. Council to consider and approve.	Municipal Manager, CFO and Council	Before end May 2021 Align to Council Calendar		Adopted IDP and council resolution

Upload adopted Final 2020/21 IDP and MTEF Budget on the municipal website	Legal compliance and access to strategic documents.	Municipal Manager and CFO	10 days after adoption		Website access.
Submit approved IDP and Budget to the MEC for local government	Legal compliance	Municipal Manager	Within ten days of adoption		Formal letter
Final IDP Provincial Assessment 2020/21	MEC comments	DM, LM, KPA leaders, COGTA, Sector Departments	July/August 20/21		Signed MEC comments and individual assessment reports

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KOUGA MUNICIPALITY (EC 108)

SPECIAL COUNCIL MEETING

OFFICE OF THE MUNICIPAL MANAGER

DATE: 31 MARCH 2021 **ITEM NO: 21/03/MM3**

SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN: 2019/20 FINANCIAL YEAR: AMENDMENT OF SDBIP TARGETS FOLLOWING THE MID-YEAR PERFORMANCE ASSESSMENT

1. Introduction

It is the purpose of this report to submit to Council proposals for the adjustment of non-financial targets in the 2019/20 Service Delivery and Budget Implementation Plan.

An extract from the adjustments made to the Capital Budget is attached hereto for reference as Annexure "A".

2. Legislative provisions

Section 54(1)(c) of the MFMA provides as follows with regard to the review of the SDBIP:

"***54.*** *(1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must—*
(a) consider the statement or report;
(b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
(c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;"

3. SDBIP review

Proposed amendments to the Institutional SDBIP are as per the schedule attached hereto as Annexure "C" where the adjustments budget changes to the capital projects are reflected with the initial Quarter 3 and 4 targets and proposals on the amendment of such targets.

The principle applied in the proposals for the amendment of the SDBIP is that underperformance in quarters 1 and 2 does not justify changed targets to ensure achievement, but rather that adjustments in targets be considered where the funding for the project has been adjusted.

It is however correct that in some instances under performance in quarters 1 and 2 resulted in budget adjustments for projects for the mere reason that it would be impossible to achieve the target within the time remaining and as such funds were reallocated to projects which can be achieved.

As for the Operational SDBIP which is focused on areas of operation of senior managers, changes to the Operational SDBIP were necessitated largely for uniformity and to address matters raised by Audit. The changes to the Operational SDBIP are reflected in Annexure "D".

Adjustments to the SDBIP for the 2019/20 year shall have a result that the individual performance plans of the Municipal Manager and other Senior Managers be adjusted accordingly through addenda to performance agreements.

The adjustment of performance plans shall be affected on approval of the amended non-financial targets in the 2019/20 SDBIP.
Amendments to the financial performance information in the 2019/20 SDBIP following the adjustments budget are reflected in Annexure "B".
The adjusted Institutional and Operational SDBIP for the 2019/20 year is attached hereto as Annexure "E".

4. Recommendation

4.1 That in terms of the provisions of Section 54(1)(c) of the MFMA, the proposed amendments to the institutional and operational targets of the 2019/20 Service Delivery and Budget Implementation Plan as set out in Annexure "E" be approved.

4.2 That in terms of the provisions of Section 54(1)(c) of the MFMA, the amendments to the financial targets of the 2019/20 Service Delivery and Budget implementation Plan as set out in Annexure "B", that resulted from the adoption of the Adjustments Budget be noted.

4.3 That the Municipal Manager affects the required changes to the performance plans to ensure that the performance plans are aligned to the SDBIP targets for the 2019/20 year.

A Koegelenberg

Item prepared by : Manager: Performance Management Systems

Item approved by : The Municipal Manager

ANNEXURE "A"

Item Description	Funding	Special Adjustment Budget 2020/21	Adjustments	Adjustments Budget 2020/21
CORPORATE SERVICES				
EDMS	Internal	1 560 455	(724 603)	835 852
Library upgrade & amp; ndash; Corporate Services	Internal	22 000	(22 000)	-
Computer Software and Applications	Internal	434 000	(369 309)	64 691
Computer Equipment	Internal	402 220	131 400	533 620
Fencing of municipal building	Internal	100 000	369 309	469 309
Bio-metric System	Internal	600 000	(300 000)	300 000
Furniture and Equipment	Internal	352 446	(170 000)	182 446
		3 471 121	**(1 085 203)**	**2 385 918**
EXECUTIVE & COUNCIL				
Computer Equipment	Internal	147 445	17 966	165 411
Vehicle	Internal	400 000	300 000	700 000
Furniture and Equipment	Internal	16 847	100 000	116 847
Ward councillors Capital project	Internal	850 000	-	850 000
		1 414 292	**417 966**	**1 832 258**
PLANNING & DEVELOPMENT & TOURISM				
Land acquisition housing projects	Internal	360 000	-	360 000
Computer Software and Applications	Internal	315 000	-	315 000
Vehicles	Internal	400 000	-	400 000
Furniture and equipment	Internal	250 000	28 050	278 050
Restoration of Fisherman Grave Site	Internal	100 000	-	100 000
Kouga Business Support Centre	Internal	300 000	-	300 000
Computer Equipment	Internal	30 000	305 426	335 426
		1 755 001	**333 476**	**2 088 477**

FINANCE				
SCM Furniture	Internal	327 833	(11 407)	316 426
Computer Equipment	Internal	900 000	534 920	1 434 920
Furniture and Equipment	Internal	141 005	58 995	200 000
Cibex Software	Internal	681 497	681 497	681 497
WIFI Solution	Internal	75 904	-	75 904
Machinery and Equipment	Internal	156 465	-	156 465
DISASTER RECOVERY SERVER	Internal	637 267	(637 267)	
Office upgrade ICT	Internal	153 950	(153 950)	
		3 073 921	**472 788**	**2 865 212**
COMMUNITY SERVICES				
Vehicle	Internal	1 296 500	(861 439)	435 061
Vehicle	District	5 118 200	-	5 118 200
Jack Hammer and water pump	Internal	250 000	-	250 000
Kouga Skip Bins	Internal	200 000	-	200 000
Machinery and Equipment (Security Cameras System)	Internal	750 000	-	750 000
Fleet Management	Internal	100 000	-	100 000
Machinery and Equipment	Internal	647 638	(72 438)	575 200
Computer Equipment	Internal	30 000		30 000
Furniture and Equipment	Internal	144 760	-	144 760
Fencing Humansdorp Fire Station	Internal	200 000	-	200 000
Upgrading of Sports Facilities	Internal	153 457	-	153 457
Upgrading of Pellsrus, Kabeljous, Cape St Francis	Internal	150 000	-	150 000
Fencing Community Hall	Internal	200 000	-	200 000
		9 240 555	**(933 877)**	**8 306 678**

ANNEXURE "B"

3 INCOME - BUDGETS

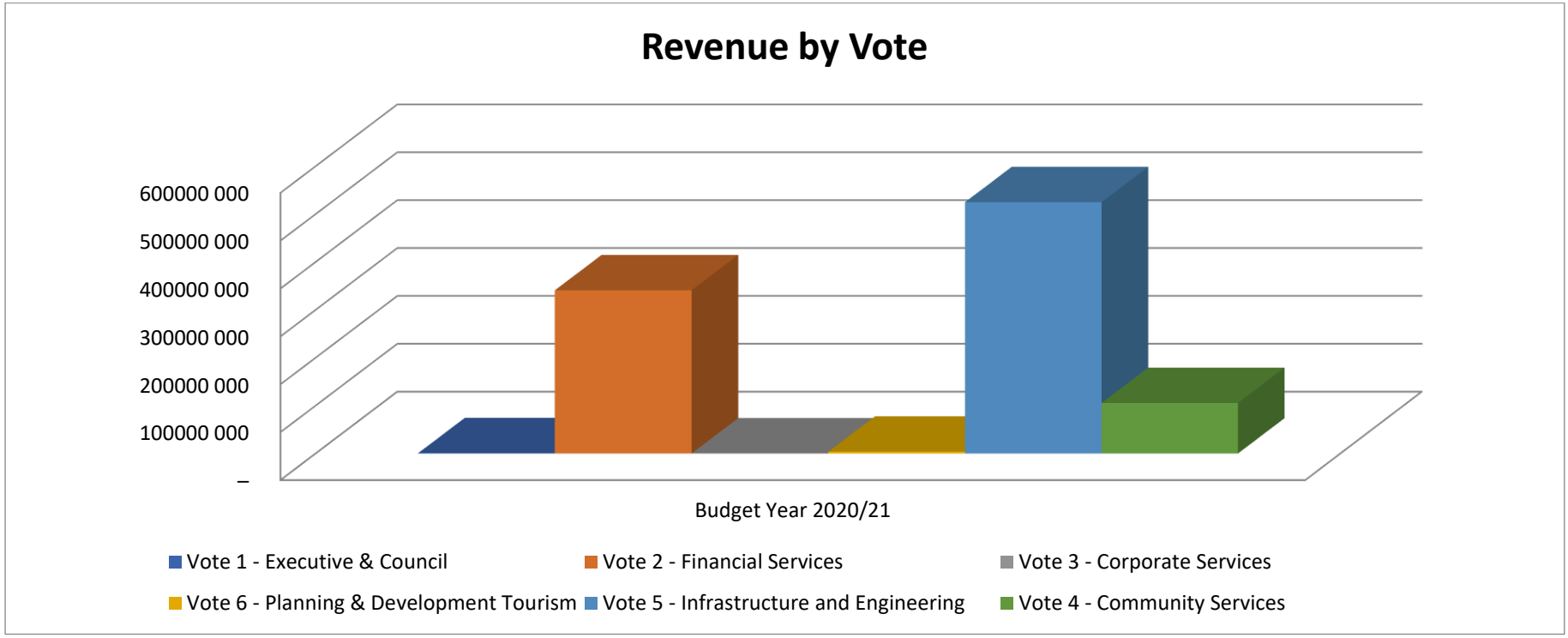
3.1. Revenue by Source

Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Revenue By Source											
Property rates	207 801	135 444	69 267	98 445	103 901	135 444	173 168		207 801		65.18%
Service charges - electricity revenue	291 625	150 203	97 208	74 322	145 812	150 203	243 021		291 625		51.51%
Service charges - water revenue	83 642	42 627	27 881	21 662	41 821	42 627	69 702		83 642		50.96%
Service charges - sanitation revenue	55 057	28 217	18 352	14 616	27 528	28 217	45 881		55 057		51.25%
Service charges - refuse revenue	53 237	28 132	17 746	14 883	26 619	28 132	44 364		53 237		52.84%
Rental of facilities and equipment	1 122	461	374	198	561	461	935		1 122		41.05%
Interest earned - external investments	5 552	2 407	1 851	1 170	2 776	2 407	4 627		5 552		43.35%
Interest earned - outstanding debtors	10 253	4 561	3 418	1 759	5 127	4 561	8 544		10 253		44.48%
Fines, penalties and forfeits	2 150	295	717	199	1 075	295	1 791		2 150		13.72%
Licences and permits	24 732	12 476	8 244	6 928	12 366	12 476	20 610		24 732		50.45%
Transfers and subsidies	166 745	117 311	55 582	62 723	83 373	117 311	138 955		166 745		70.35%
Other revenue	20 941	8 230	6 980	2 385	10 470	8 230	17 451		20 941		39.30%
Total Revenue (excluding capital transfers and contributions)	**922 858**	**530 364**	**307 619**	**299 290**	**461 429**	**530 364**	**769 048**		**922 858**		**57.47%**

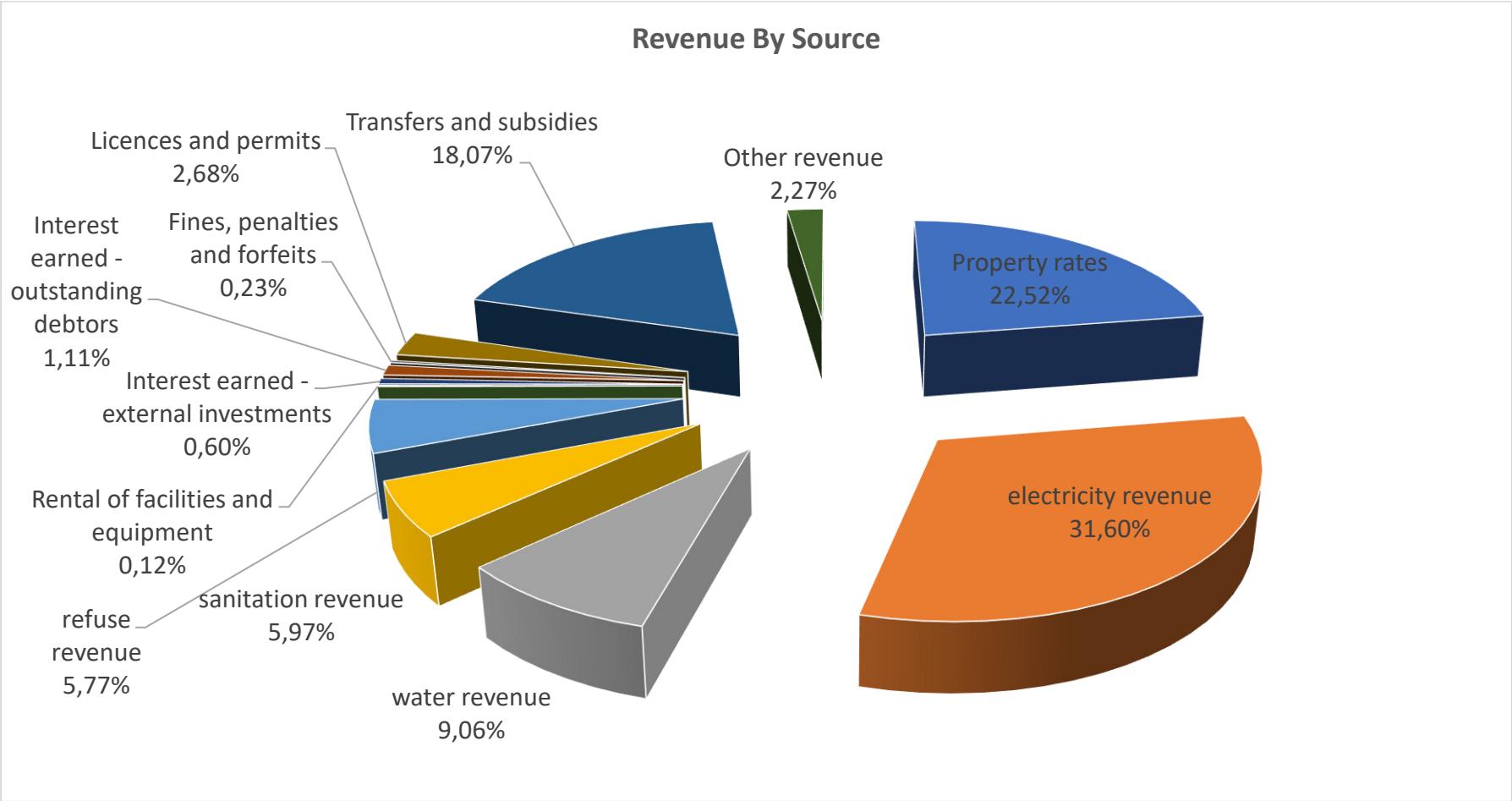
3.2. Revenue by Vote

Vote Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Revenue by Vote											
Vote 1 - EXECUTIVE COUNCIL	706	–	235	–	353	–	588		706		0.00%
Vote 2 - FINANCIAL SERVICES	340 936	257 722	113 645	162 931	170 468	257 722	284 114		340 936		75.59%
Vote 3 - CORPORATE SERVICES	307	96	102	–	153	96	255		307		31.38%
Vote 4 - COMMUNITY SERVICES	105 577	46 005	35 192	23 772	52 789	46 005	87 981		105 577		43.57%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	524 996	229 324	174 999	115 477	262 498	229 324	437 497		524 996		43.68%
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	3 922	2 110	1 307	1 091	1 961	2 110	3 268		3 922		53.80%
Total Revenue by Vote	**976 444**	**535 257**	**325 481**	**303 271**	**488 222**	**535 257**	**813 703**		**976 444**		**54.82%**

3.3. Budgeted Revenue Graph (illustration)



3.4. Source of Budgeted Income Graph (illustration)



4. EXPENDITURE - BUDGETS

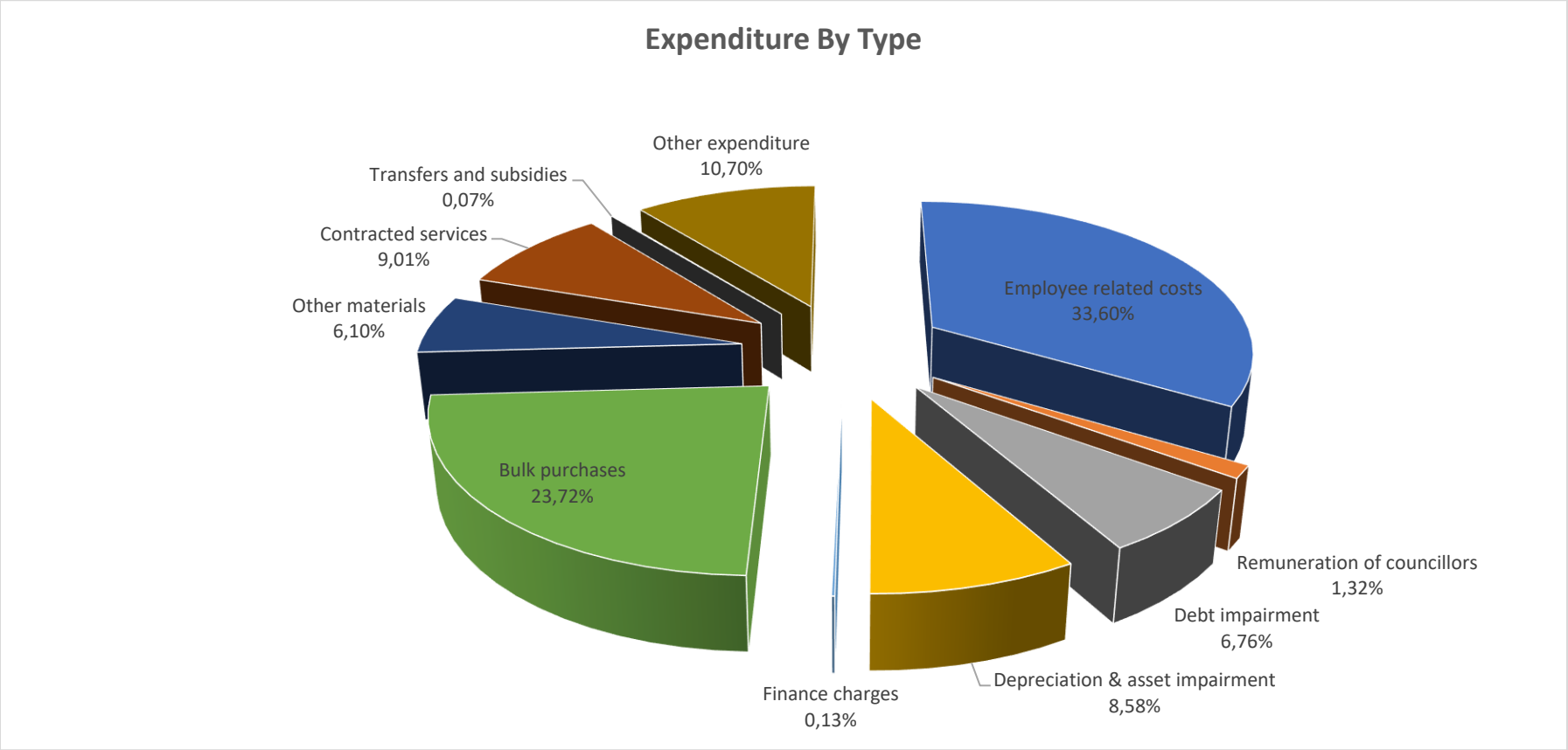
4.1 Operating Expenditure by Vote

Vote Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Expenditure by Vote											
Vote 1 - EXECUTIVE COUNCIL	45 903	19 128	15 301	7 664	22 952	19 128	38 253		45 903		41.67%
Vote 2 - FINANCIAL SERVICES	108 439	32 234	36 146	12 750	54 220	32 234	90 366		108 439		29.73%
Vote 3 - CORPORATE SERVICES	47 075	18 259	15 692	8 906	23 537	18 259	39 229		47 075		38.79%
Vote 4 - COMMUNITY SERVICES	206 883	94 495	68 961	38 687	103 442	94 495	172 403		206 883		45.68%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	601 518	248 501	200 506	137 728	300 759	248 501	501 265		601 518		41.31%
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	28 096	10 734	9 365	4 291	14 048	10 734	23 413		28 096		38.21%
Total Expenditure by Vote	**1 037 915**	**423 351**	**345 972**	**210 027**	**518 957**	**423 351**	**864 929**		**1 037 915**		**40.79%**

4.2 Operating Expenditure by Type

Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Expenditure By Type											
Employee related costs	348 729	165 391	116 243	74 175	174 365	165 391	290 608		348 729		47.43%
Remuneration of councillors	13 651	6 397	4 550	3 183	6 825	6 397	11 376		13 651		46.86%
Debt impairment	70 162	7	23 387	–	35 081	7	58 468		70 162		0.01%
Depreciation & asset impairment	89 066	30 636	29 689	18 382	44 533	30 636	74 222		89 066		34.40%
Finance charges	1 388	751	463	407	694	751	1 157		1 388		54.13%
Bulk purchases	246 173	136 251	82 058	82 599	123 087	136 251	205 145		246 173		55.35%
Other materials	63 363	13 257	21 121	5 813	31 681	13 257	52 802		63 363		20.92%
Contracted services	93 559	28 105	31 186	9 443	46 780	28 105	77 966		93 559		30.04%
Transfers and subsidies	761	100	254	–	381	100	634		761		13.14%
Other expenditure	111 062	42 456	37 021	16 024	55 531	42 456	92 552		111 062		38.23%
Total Expenditure	**1 037 915**	**423 351**	**345 972**	**210 027**	**518 957**	**423 351**	**864 929**		**1 037 915**		**40.79%**

4.3 Budgeted Expenditure Graph (illustrative)



Item Description	Funding	Special Adjustment Budget 2020/21	Adjustments	Adjustments Budget 2020/21
CORPORATE SERVICES				
EDMS	Internal	1 560 455	(724 603)	835 852
Library upgrade – Corporate Services	Internal	22 000	(22 000)	-
Computer Software and Applications	Internal	434 000	(369 309)	64 691
Computer Equipment	Internal	402 220	131 400	533 620
Fencing of municipal building	Internal	100 000	369 309	469 309
Bio-metric System	Internal	600 000	(300 000)	300 000
Furniture and Equipment	Internal	352 446	(170 000)	182 446
		3 471 121	**(1 085 203)**	**2 385 918**
EXECUTIVE & COUNCIL				
Computer Equipment	Internal	147 445	17 966	165 411
Vehicle	Internal	400 000	300 000	700 000
Furniture and Equipment	Internal	16 847	100 000	116 847
Ward councilors Capital project	Internal	850 000	-	850 000
		1 414 292	**417 966**	**1 832 258**
PLANNING & DEVELOPMENT & TOURISM				
Land acquisition housing projects	Internal	360 000	-	360 000
Computer Software and Applications	Internal	315 000	-	315 000
Vehicles	Internal	400 000	-	400 000
Furniture and equipment	Internal	250 000	28 050	278 050
Restoration of Fisherman Grave Site	Internal	100 000	-	100 000
Kouga Business Support Centre	Internal	300 000	-	300 000
Computer Equipment	Internal	30 000	305 426	335 426
		1 755 001	**333 476**	**2 088 477**
FINANCE				
SCM Furniture	Internal	327 833	(11 407)	316 426
Computer Equipment	Internal	900 000	534 920	1 434 920
Furniture and Equipment	Internal	141 005	58 995	200 000
Cibex Software	Internal	681 497	681 497	681 497
WIFI Solution	Internal	75 904	-	75 904
Machinery and Equipment	Internal	156 465	-	156 465
DISASTER RECOVERY SERVER	Internal	637 267	(637 267)	
Office upgrade ICT	Internal	153 950	(153 950)	
		3 073 921	**472 788**	**2 865 212**

Item Description	Funding	Special Adjustment Budget 2020/21	Adjustments	Adjustments Budget 2020/21
COMMUNITY SERVICES				
Vehicle	Internal	1 296 500	(861 439)	435 061
Vehicle	District	5 118 200	-	5 118 200
Jack Hammer and water pump	Internal	250 000	-	250 000
Kouga Skip Bins	Internal	200 000	-	200 000
Machinery and Equipment (Security Cameras System)	Internal	750 000	-	750 000
Fleet Management	Internal	100 000	-	100 000
Machinery and Equipment	Internal	647 638	(72 438)	575 200
Computer Equipment	Internal	30 000		30 000
Furniture and Equipment	Internal	144 760	-	144 760
Fencing Humansdorp Fire Station	Internal	200 000	-	200 000
Upgrading of Sports Facilities	Internal	153 457	-	153 457
Upgrading of Pellsrus, Kabeljous, Cape St Francis	Internal	150 000	-	150 000
Fencing Community Hall	Internal	200 000	-	200 000
		9 240 555	**(933 877)**	**8 306 678**
INFRASTRUCTURE & ENGINEERING				
Saffery Substation	Internal	1 000 000	1 031 855	2 031 855
High Mast Lights	Internal	-	903 430	903 430
LED _ Street Lights	Internal	-	200 000	200 000
SUBSTATION SECURITY	Internal	200 000	200 000	400 000
New overheadlines 66kv overheadlines(Jbay to Melk	Internal	3 043 086	-	3 043 086
Electrcial supply of tri switches St francis Bay	Internal	200 000	-	200 000
Machinery & Equipment	Internal	150 000	-	150 000
Electrical Mini sub station 22 000/11000/400 St Fr	Internal	485 935	-	485 935
Humansdorp, Kruisfontein and Osean View Electrific	INEP	4 521 739	-	4 521 739
Electrical Oil circuit breakers replacement with v	Internal	800 000	(60 000)	740 000
Electrcial Supply auto recloser St Francis Bay	Internal	400 000	(115 000)	285 000
Electrcial 5 MV 22000/11000 transformer	Internal	1 406 000	(183 430)	1 222 570
Kouga Backup Generators	Internal	500 000	230 000	730 000
Fencing Main Substation Jeffrey's Bay	Internal	500 000	-	500 000
LV Networks (Informal Areas, Electrification/illeg	Internal	1 000 000	(532 440)	467 560
Purchase of mini sub station 11000/400,22000/400	Internal	422 552	(422 552)	-
Humansdorp, Kruisfontein and Osean View Electrific	Internal	800 000	(496 863)	303 137

ANNEXURE "C"

Adjusted/New Target **Unchanged Target** **Target removed**

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
CORPORATE SERVICES						
Biometric Systems	200,000	300 000	20% completion in the procurement of a biometric system	100% completion in the procurement of a biometric system	20% completion in the implementation of a municipal wide biometric system	100% completion of the implementation of a municipal wide_biometric system for selected offices/sites within the budget allocation
Computer Equipment	200,000	533 620	50% Completion of the procurement of desk top computers	100% Completion of the procurement of desk top computers	N/a	15 desk top computers procured
Computer Software and Applications	50,000	64 691	50% completion of the procurement of IP Phones	100% completion of the procurement of IP Phones	N/a	Remove from SDBIP purchased as and when required
EDMS	799,455	835 852	25% completion of the installation of an EDMS system	100% completion of installation and commissioning of EDMS system	50% completion of the installation of an Institution wide EDMS system	One institution wide EDMS system installed and commissioned
Library Upgrade	-	0			N/a	No funding remove from SDBIP
Furniture and Equipment	-	182 446	None	None	N/a	Not to be included in SDBIP

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
						procure on quotation
Fencing of municipal buildings	100,000	469 309	N/a	100% Completion of fencing of Hankey Municipal Offices	N/a	100% completion of Ward 5 Ward Office fencing
EXECUTIVE & COUNCIL						
Computer Equipment	85,000	165 411	Procure Service Provider for 3 laptops and 1 printer	3 Laptops and 1 printer procured	Procure Service Provider for 3 laptops and 1 printer	3 Laptops and 1 printer procured
Furniture and Equipment	-	116 847	New	New	N/a	Not included in SDBIP procure per quotation
Vehicle	-	700 000	New	New	Commence procurement process for Double Cab LDV for Mayoral Office	1 Double Cab LDV procured for Mayoral Office
Ward Councillors' Capital Projects	750,000	850 000	Procure Service providers for Ward Councillors Capital Projects	100% Completion of Ward Councillors Capital Projects	Procure Service providers for Ward Councillors Capital Projects	100% Completion of Ward Councillors Capital Projects
FINANCE						
Cibex Software	600,000	681 497	Implement 75 Cibecs licences to devices	Implement 75 Cibecs licences to devices	Implement 75 Cibecs licences to devices	Implement 75 Cibecs licences to devices
SCM Furniture	-	316 426	New	New	N/a	100% completion in the procurement of SCM Furniture
Machinery and Equipment	-	156 465	New	New	N/a	Not included in SDBIP procure per quotation
DISASTER RECOVERY SERVER	-	0	New	New	N/a	No funding provided

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
Furniture and Equipment	-	200 000	New	New	N/a	Not included in SDBIP procure per quotation
Office upgrade ICT	-	0	New	New	N/a	No funding provided
WIFI Solution	-	75 904	New	New	N/a	Not included in SDBIP procure per quotation
Computer Equipment	200,000	1 434 920	Only Q2 target 100% comp proc		N/a	100% completion in the planned procurement of computer equipment
PLANNING, DEVELOPMENT & TOURISM						
Computer Equipmentl	30,000	335 426	Q2 target only 100% comp proc comp equip		N/a	100% completion in the procurement of computer equipment
Computer Software and Applications	315,000	315 000	Appoint service provider	100% completion of procurement of Computer software applications	N/a	100% completion of procurement of Computer software applications
Furniture and equipment	-	278 050	New	New	N/a	100% completion in the procurement of furniture and equipment
Land acquisition housing projects	360,000	360 000	Q2 target only final approval by Council 31 Dec 2020		N/a	Final Council approval for land acquisition for housing projects by 31 December 2020
Establishment of Business Support Centre (Ocean View	300,000	300 000	N/a	100% completion of Establishment of Business	N/a	100% completion of Establishment of Business

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
				Support Centre (Ocean View)		Support Centre (Ocean View)
Tourism: Restoration of Fisherman Gravesite	100,000	100 000	100% completion of restoration of Fishermen Grave Site.	N/a	N/a	100% completion of restoration of Fishermen Grave Site.
Vehicles	400,000	400 000	Q2 target only Vehicle procured		N/a	Vehicle procured by 31 March 2021
INFRASTRUCTURE & ENGINEERING						
Construct emergency overflow pond Koraal Sewer pump station	2,400,000	0	N/a	100% completion of design for the emergency overflow pond Koraal Sewer Pump Station and construction tender documentation	Remove from SDBIP no funding allocation	Remove from SDBIP no funding allocation
Fencing Kruisfontein waste water treatment plant	800,000	800 000	100% completion of Fencing Kruisfontein wastewater treatment plant	~~N/a~~	25% completion of Fencing Kruisfontein wastewater treatment plant	100% completion of Fencing Kruisfontein wastewater treatment plant
Fencing Main substation Jeffrey's Bay	500,000	500 000	70% completion of fencing Main Substation Jeffreys Bay	100% completion of fencing Main Substation Jeffreys Bay	70% completion of fencing Main Substation Jeffreys Bay	100% completion of fencing Main Substation Jeffreys Bay
Backup Generator 2	500,000	730 000	N/a	1 Generator purchased	N/a	2 backup Generators purchased
Humansdorp, Kruisfontein and Osean View Electrific	4,521,739	4 521 739	70% completion of Humansdorp, Kruisfontein and Ocean View Electrification	100% completion of Humansdorp, Kruisfontein and Ocean View Electrification	70% completion of Humansdorp, Kruisfontein and Ocean View Electrification	100% completion of Humansdorp, Kruisfontein and Ocean View Electrification
Machinery and Equipment	300,000		70% completion of the purchase of	100% completion of the purchase	N/a	Machinery and equipment purchased on

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
			machinery and equipment	of machinery and equipment		RFQ remove from SDBIP
New by-pass sewer rising main and pump stations Jbay	1,000,000	500 000	N/a	100% completion design and construction tender documents for the New by-pass sewer rising main and pump stations Jbay	N/a	Appoint consultant for design the New by-pass sewer rising main and pump stations Jbay
New overheadlines 66kv overheadlines(Jbay to Melk	1,300,000	1,300,000	75% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)	100% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)	55% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)	100% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)
Patensie Sewage Package Plant	6,379,942	8 353 038	80% completion of Patensie Sewage Package Plant	100% completion of Patensie Sewage Package Plant	80% completion of Patensie Sewage Package Plant	100% completion of Patensie Sewage Package Plant
Volts Miniature Substation		422 522	New	New	Commence procurement processes for Volts Mini Sub Station	1 Volts Mini-substation purchased
OceanView Substation Re-Allocation		3 000 000	New	New	Commence process for the relocation of the Ocean View Substation	Ocean View Substation relocated by 30 June 2021
66kv line construction between melkhout sub & JBay mains		3 043 086	New	New	Construction of 66kV line between	Construction of 66kV line between

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
					Melkhout and J-Bay Mains.	Melkhout and J-Bay Mains completed.
Tri-switches St Francis Bay		200 000	New	New	Commence procurement process for Tri-Switches St Francis Bay	Installation of Tri-switches St Francis bay completed.
electrical mini sub-station 22000/11000/400 St Francis Bay		485 935	New	New	Commence procurement process for electrical mini sub-station 22000/11000/400 St Francis Bay	electrical mini sub-station 22000/11000/400 St Francis Bay procured by 30 June 2021
electrical oil circuit breakers replacement		740 000	New	New	Commence procurement process for electrical oil circuit breakers replacement	electrical oil circuit breakers replacement completed by 30 June 2021
electrical supply auto recloser St Francis Bay		285 000	New	New	Commence procurement process for electrical supply auto recloser St Francis Bay	electrical supply auto recloser St Francis Bay installed by 30 June 2021
electrical 5mv 22000/11000 transformer		1 222 570	New	New	Commence procurement process for electrical 5mv 22000/11000 transformer	electrical 5mv 22000/11000 transformer procured by 30 June 2021
LV Networks(informal areas		467 560	New	New	Commence LV Networks project for informal areas	LV Networks project for informal areas completed by 30 June 2021
Roads		2 270 000	New	New	Commence roads project	100% completion of Roads project

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
Security Camera		150 000	New	New	Commence process for acquisition of security cameras	Security Camera installation process completed by 30 June 2021
Humansdorp Kruisfontein Ocean View Electrification		301 137	New	New	Commence project for the electrification of areas of Humansdorp, Kruisfontein and Ocean View	project for the electrification of areas of Humansdorp, Kruisfontein and Ocean View completed by 30 June 2021
Piped Reticulation in St Francis	1,500,000	275 000	N/a	100% completion of design and construction tender document for Piped Reticulation in St Francis	Commence process for the appointment of a consultant for the design of piped reticulation in St Francis Bay	Consultant for the design of piped reticulation in St Francis Bay appointed by 30 June 2021
Repair leaking concrete water tower Paradise Beach	300,000	250 000	N/a	100% completion of the design and construction tender document for the Repair of leaking concrete water tower Paradise Beach	N/a	100% completion of the design and construction tender document for the Repair of leaking concrete water tower Paradise Beach
Replace 250mm Watermain Canal Rd, St Francis	1,000,000	300 000	N/a	100% completion design and construction tender document for 250mm Watermain replacement, Canal Rd, St Francis	Commence procurement process for the appointment of a consultant for the design of 250mm Watermain replacement, Canal Rd, St Francis	Consultant for he design of 250mm Watermain replacement, Canal Rd, St Francis appointed by 30 June 2021

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
Replace 250mm Watermain Mimosa Str Jbay	330,000	500 000	N/a	100% completion of design and construction tender document completion for the 250mm Watermain replacement Mimosa Str Jbay	N/a	100% completion of design and construction tender document completion for the 250mm Watermain replacement Mimosa Str Jbay
Replace main waterline Sout Rivier bridge crossing St Francis Bay	1,000,000	300 000	N/a	100% completion the design and construction tender document for the main waterline replacement Sand Rivier bridge crossing St Francis Bay	Commence process for the appointment of consultant for the design of the main waterline replacement Sand Rivier bridge crossing St Francis Bay	Consultant appointed by 30 June 2021 for the design of the main waterline replacement Sand Rivier bridge crossing St Francis Bay
Saffery Substation	1,000,000	2 031 855	90% completion of planned upgrades to Saffery Substation	100% completion of planned upgrades to Saffery Substation	90% completion of planned upgrades to Saffery Substation	100% completion of planned upgrades to Saffery Substation
Security Cameras & Substation Security	200,000	400 000	75%-completion of the planned installation of Cameras and Substation security	100% completion of the planned installation of Cameras and Substation security	**50%** completion of the planned installation of Cameras and Substation security	100% completion of the planned installation of Cameras and Substation security
Upgrade Hankey water treatment works	600,000	400 000	N/a	100% completion of design and construction tender document for upgrades to Hankey Water	Commence procurement process for the appointment of a consultant for the design of upgrades to Hankey Water	Consultant appointed by 30 June 2021 for the design of upgrades to Hankey Water

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
Upgrade Loerie sewer pump station	1,600,000	250 000	N/a	100% completion of design and construction tender document for upgrades to Loerie sewer pump station	Commence procurement process for the appointment of a consultant for the design of upgrades to Loerie Sewer Pumpstation	Consultant appointed by 30 June 2021 for the design of upgrades to the Loerie Sewer Pumpstation
Upgrade Sanitation System Old Hankey	7,902,794	12 484 841	50% completion of upgrading Sanitation System Old Hankey	100% completion of upgrading Sanitation System Old Hankey	25% completion of upgrading Sanitation System Old Hankey	50% completion of upgrading Sanitation System Old Hankey
Upgrade sewer rising mains Jbay (La Mer-4A-4B) Prep	1,000,000	690 000	N/a	100% completion design and construction tender document for the upgrading of sewer rising mains Jbay (La Mer-4A-4B) Prep	Commence process for the appointment of consultant for the design of the upgrading of sewer rising mains Jbay (La Mer-4A-4B) Prep	Consultant appointed by 30 June 2021 for the design of the upgrading of sewer rising mains Jbay (La Mer-4A-4B) Prep
Upgrading of Gravel Roads in Humansdorp	7,890,511	1 739 130	30% Completion of Planned Upgrading of Gravel Roads in Humansdorp	100% Completion of Planned Upgrading of Gravel Roads in Humansdorp	N/a	Tender Document for the upgrading of gravel roads in Humansdorp completed by 30 June 2021
Upgrading of Sports Facilities	3,912,926	5 682 636	50% Completion of Planned Upgrading of Sports Facilities	100% Completion of Planned Upgrading of Sports Facilities	50% Completion of Planned Upgrading of Sports Facilities	100% Completion of Planned Upgrading of Sports Facilities
Upgrade KwaNomzamo WWTW		5 926 679	New	New	20% completion of the upgrading of the Kwanomzamo WWTW	100% completion of the upgrading of the Kwanomzamo WWTW
HV Switching Station		200 000	New	New	Commence procurement	HV Switching Station

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
					processes for the HV switching Station	completed by 30 June 2021
High Mast Lights	-	903 430	New	New	Commence procurement process for 2 high mast lights	2 high mast lights installed
LED Street lights	-	200 000	New	New	N/a	100 street lights converted to LED streetlights
COMMUNITY SERVICES						
Computer Equipment	30,000	30 000	1 boardroom projector and screen procured	-	1 boardroom projector and screen procured	-
Upgrading of Sport Facilities	-	153 457	New	New	20% Completion of Thornhill clubhouse	Completion of Thornhill clubhouse by 30 June 2021
Fencing of Community Hall	200,000	200 000	100% completion of fencing of Yellow Woods	-	100% completion of fencing of Yellow Woods	-
Furniture and equipment	-	144 760	New	New		Procured on quotation not for inclusion in institutional SDBIP
Humansdorp Fire Station , Fencing	200,000	200 000	100% completion of fencing of Humansdorp Fire Station	-	100% completion of fencing of Humansdorp Fire Station	-
Jack Hammer and water pump	350,000	250 000	-	2 Jack hammers and 2 water pumps procured	-	2 Jack hammers and 2 water pumps procured
Machinery and Equipment	278,500	575 200	-	1 Chipper Procured	-	2 chippers procured by 30 June 2021
Security Cameras	750,000	750 000	-	-100% completion of	N/a	4 Security cameras installed

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
				Security and related infrastructure planned for the year		in Humansdorp and 4 Security cameras installed in Jeffreys Bay
skip bins	200,000	200 000	10 X 6m3 Skip Bins Procured	-	10 X 6m3 Skip Bins Procured	-
Upgrading of Pellsrus, Kabeljous, Cape St Francis	150,000	150 000	100% completion of project for installation of play equipment, outdoor benches and bins planned for the year	-	100% completion of project for installation of play equipment, outdoor benches and bins planned for the year	-
Vehicles	1,325,000	435 061	Complete procurement processes	1 Rescue Vehicle Procured	Complete procurement processes	1 Rescue Vehicle Procured
Vehicles	1,965,100	5 118 200	Complete procurement processes	1 Mini Pumper procured	Complete procurement processes	1 Mini Pumper procured
Wheelie Bins	1,036,522		2000 Wheelie Bins Procured	-		No funding allocation, remove from SDBIP
Fleet Management		100 000	New	New		Done on quotation basis not for inclusion in institutional SDBIP

ANNEXURE "D"

ADJUSTMENTS TO 2019/20 OPERATIONAL SDBIP

= Unchanged = Changed/New Target = Indicator removed

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
OFFICE OF THE MUNICIPAL MANAGER																
Corporate Services	Keep Kouga Smart	Institutional Development and Transformati on	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% expenditure of Skills Dev Budget	95%	95%	10/96%		50/95%		90/95%		95/95%			
Infrastructure and Engineering	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% electricity losses against electricity purchased and electricity sold	17%	20%	20%		20%		20%		20%			
				% expenditure on DOE grant	95%	95%	10/95%		45/95%		80/95%		95/95%			
				% water losses against water purchased/	35%	35%	35%		35%		35%		35%			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
				produced and water sold												
Infrastructure and Engineering	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% expenditure on MIG grant	95%	100%	10/95%		45/95%		90/95%		100/100%			
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% expenditure of Budget for LED Programs and Projects	95%	95%	10/95%		20/95%		90/95%		95/95%			
CFO	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Revenue collected against revenue raised	85%	92%	85%		85%		92%		92%			
				Number of unqualified audit opinions by the AG	1	1	-		1		-		-		1	1
				% Reduction in staff overtime compared to previous year	10%	10	2.5/10%		5/10%		7.510%		10/10%		New	New
Manager PMS	Keep Kouga Growing	Good Governance	KG 3. Provide professional, efficient, people centred human resources and administrative	Number of Institutional Performance Reports	4	4	1/4		2/4		3/4		4/4		4	4

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
		and Public Participation	services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	submitted to Council and the Performance Audit Committee												
Municipal Manager	Keep Kouga Growing	Good Governance and Public Participation		Number of Senior Managers subjected to performance reviews	6	6	6/6		6/6		6/6		6/6		6	6
Manager PMS	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Due date compliance with submission of SDBIP to the Mayor after budget approval	28 days	28 days	-		-		-		28 Days		28 days	28 days
Manager Internal Audit	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Number of Audit Committee Meetings held	4	4	1/4		2/4		3/4		4/4		4	4
				Due date compliance with the review of the Risk Register	30/6/21	30/6/21	-		-		-		30/6/21			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Manager Legal Services	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Number of reports on Institutional Legal Risks submitted to Council	4	4	1/4		2/4		¾		4/4		4	4
Manager IDP	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Due date compliance with the adoption of the IDP Process Plan	31/8/20	31/8/20	31/8/20		-		-		-		31/8/19	31/8/18
				Due date compliance with the submission of the IDP to Council for adoption	31/5/21	31/5/21	-		-		-		31/5/21		31/5/20	31/5/19
Manager PMS	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Due date compliance with the submission of the Annual Report to Council for adoption	31/3/21	31/5/21 (MFMA Circ 104)	-		-		-		31/5/21		31/3/20	31/3/19

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Manager HR	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Due date compliance with the approval of the Organogram	30/6/21	30/6/21	-		-		-		30/6/21		30/6/20	30/6/19
Corporate Services	Keep Kouga Smart	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% Implementation of urgent and high priority outcomes of the work-study and change management plan as determined by the MM for the 2020/21 year	80%	80%	80%		80%		80%		80%		New	New
				% Implementation of Phase 1 of the Job Evaluation Results	90%	90%	-		90%		-		-		New	New
CFO	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is	Liquidity Ratio (Months cost coverage)	1:087	1:087	1:087		1.087		1:087		1:087		1:0.75	1: 0.87

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			committed to prudent management of public funds by promoting accuracy and transparency.													
DIRECTOR CORPORATE SERVICES																
Corporate Services	Keep Kouga Smart	Institutional Development and Transformati on	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Vacancy rate for approved Budgeted posts	4%	4%	4%		4%		4%		4%			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Corporate Services	Keep Kouga Growing	Institutional Development and Transformati on	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% expenditure of Skills Dev Budget	95%	95%	10/96%		50/95%		90/95%		95/95%			
Corporate Services	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New
Corporate Services	Keep Kouga Smart	Good Governance and Public participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local	% Completion of urgent and high priority repairs to Councillor Offices (List as approved by MM within R300 000 budget)	90%	95%	5/95%		15/95%		55/95%		95/95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			government services to Kouga citizens													
Corporate Services	Keep Kouga Smart	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% Implementation of urgent and high priority outcomes of the work-study and change management plan as determined by the MM for the 2020/21 year	80%	80%	5/80%		15/80%		35/80%		80/80%		New	New
Corporate Services	Keep Kouga Smart	Good Governance and Public participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% Implementation of Phase 1 of the Job Evaluation Results	90%	90%	-		90%		-		-		New	New
~~Corporate Services~~	~~Keep Kouga Smart~~	~~Good Governance and Public participation~~	~~KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed,~~	~~% Compliance with the implementation of Covid 19 risk~~	~~90%~~	~~removed~~	~~90%~~		~~90%~~		~~90%~~		~~90%~~		~~New~~	~~New~~

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			~~equitable and efficient local government services to Kouga citizens~~	~~Departmental workplan~~												
Corporate Services	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from date of receipt by the Directorate	90%	90%	90%		90%		90%		90%		New	New
~~All Directors~~	~~Keep Kouga Growing~~	~~Financial Viability and Management~~	~~KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.~~	~~Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations~~	~~28/2/21~~	Remove no applicable t Dir	~~N/a~~		~~N/a~~		~~28/2/21~~		~~N/a~~		~~New~~	~~New~~

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	~~% compliance with due dates as set out in the procurement plan relevant to the directorate~~ Procurement Plan compliance calculated on the first submission of the Departmental Tender Specification Report to the Bid Evaluation Committee)	95%	95%	5/95%		45/95%		80/95%		95/95%		New	New
DIRECTORATE INFRASTRUCTRURE AND ENGINEERING																

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Infrastructure and Engineering	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% electricity losses against electricity purchased and electricity sold	17%	20%	17%		17%		17%		17%		13%	15%
				% expenditure on DOE grant	95%	95%	10/95%		45/95%		80/95%		95/95%			
Infrastructure and Engineering/ Municipal Manager	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% water losses against water purchased/ produced and water sold	35%	35%	35%		35%		35%		35%			25
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% expenditure on MIG grant	95%	95%	10/95%		45/95%		80/95%		95/95%			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Infrastructure and Engineering	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New
~~Infrastructure and Engineering~~	~~Keep Kouga Smart~~	~~Institutional Development and Transformati on~~	~~KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens~~	~~% Compliance with the implementation of Covid 19 risk Departmental Workplan~~	~~90%~~	~~Remove~~	~~90%~~		~~90%~~		~~90%~~		~~90%~~		~~New~~	~~New~~
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from	90%	90%	90%		90%		90%		90%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.	date of receipt by the Directorate												
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of street lights converted to LED luminaires	250	100 (Budg R200 000 R2 000 per light	-		~~150~~		~~100~~ 50/100		- 100/100		New	New
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Due date compliance with the establishment of a municipal vehicle park Hanley	31/3/21	31/3/21	-		-		31/3/21		-		New	New
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic	KG 1. Provide quality, sustainable municipal	% Fleet kept in operational condition	95%	95%	95%		95%		95%		95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
		Service Delivery	infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Due date compliance with the repairs to the workshop store roof. (Leak and paint)	30/6/21	30/6/21	-		-		-		30/6/21		New	New
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Due date compliance with the submission of a report on measures to be taken to address electricity outages in Ocean View and Aston Bay	31/12/20	31/12/20	-		31/12/20		-		-		New	New
				Due date compliance with the submission of motivations for budgetary provisions for measures to reduce electricity outages in Ocean View and Aston Bay	31/1/21	31/1/21	-		-		31/1/21		-		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
DIRECTORATE PLANNING, DEVELOPMENT AND TOURISM																
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% expenditure of Budget for LED Programs and Projects	95%	95%	10/95%		20/95%		90/95%		95/95%			
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development		Number of jobs created through capital projects and LED initiatives	800	300	100/300		200/300		250/300		300/300			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Number of days for the approval of compliant building plans for structures less than 500M2	30	30	30		30		30		30		20	30
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Number of days for the processing of compliant land use applications (Exclusive of public participation processes)	60 days	90 days (180 Day SPLUMA	90		90		90		90		90	90
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Expenditure of the budget allocation for the development of the Humansdorp Precinct Plan	95%	55%	-		-		20/55%		55/55%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
~~Planning Development and Tourism~~	~~Keep Kouga Growing~~	~~Local Economic Development~~	~~KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.~~	~~% completion of subdivision of Erf 499 for future disposal~~	~~100%~~	~~100%~~	~~25%~~		~~50/100%~~		~~75/100%~~		~~100100/9~~		~~New~~	~~New~~
Planning Development and Tourism	~~Keep Kouga Growing~~	~~Local Economic Development~~	~~KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.~~	~~% reduction in old building plans where occupation certificates are not on record~~	~~50%~~	~~remove~~	-		~~15%~~		~~15%~~		~~20%~~		~~New~~	~~New~~
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% conversion to electronic submissions of building plans	90%	90%	-		25/90%%		60/90%		90/90%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
~~Planning Development and Tourism~~	~~Keep Kouga Growing~~	~~Local Economic Development~~	~~KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.~~	~~% Customer queries responded to within 14 days~~	~~90%~~	~~90%~~	~~15/90%~~		~~30/90%~~		~~50/90%~~		~~90/90%~~		~~New~~	~~New~~
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% of outstanding Council resolutions on land implemented.	80%	80%	25/80%		50/80%		75/80%		80/80%		New	New
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Completion of the disposal of erven 2078, 2079, 2081 ,2081, 3296 and 3297 HUMANSDORP	100%	90%	50/100%		70/100%		80/100%		100100/%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
~~Planning Development and Tourism~~	~~Keep Kouga Growing~~	~~Local Economic Development~~	~~KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.~~	~~Number of Immovable Property Adjudicating Committee meetings convened.~~	~~4~~	~~3~~	~~1/4~~		~~2/4~~		~~3/4~~		~~4/4~~		~~New~~	~~New~~
Planning Development and Tourism	~~Keep Kouga Growing~~	~~Local Economic Development~~	~~KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.~~	~~% of lease Agreements reviewed/revised~~	~~90%~~	~~90%~~	~~25/90%~~		~~35/90%~~		~~60/90%~~		~~90/90%~~		~~New~~	~~New~~
Planning Development and Tourism	~~Keep Kouga Growing~~	~~Local Economic Development~~	~~KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.~~	~~Due date compliance with the conclusion of an SLA on the operation of the Humansdorp swimming pool~~	~~31/12/20~~	~~31/12/20~~	~~-~~		~~31/12/20~~		~~-~~		~~-~~		~~New~~	~~New~~

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Completion of the alienation of Erf 353 Humansdorp	100%	80%	-		5/80%		40/80%		80/80%		New	New
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Completion of the alienation of 98 wet erven	100/100%	80%	-		5/80%		40/80%		80/80%		New	New
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Planning Development and Tourism	~~Keep Kouga Smart~~	~~Institutional Development and Transformation~~	~~KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens~~	~~% Compliance with the implementation of Covid 19 risk departmental workplan~~	~~90%~~	~~Remove~~	~~90%~~		~~90%~~		~~90%~~		~~90%~~		~~New~~	~~New~~
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from date of receipt by the Directorate	90%	90%	90%		90%		90%		90%		New	New
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Number of counts conducted of households in informal settlements	2	2	-		1/2		-		2/2		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													
DIRECTORATE COMMUNITY SERVICES																
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	~~%~~ Number of registered food suppliers inspected for compliance with relevant legislation	90%	2 300	575/2300		1150/2300		1725/2300		2300/2300		740	740
Community Services	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Average number of working days for the processing of business licenses	5	5	5		5		5		5			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Maintain Blue Flag Beach status (Compliance measurement)	1	1	-		1/1		1/1		-		1	1
Community Services	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New
Community Services	~~Keep Kouga Smart~~	~~Institutional Development and Transformation~~	~~KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens~~	~~% Compliance with the implementation of Covid 19 risk departmental workplan~~	~~90%~~	~~Remove~~	~~90%~~		~~90%~~		~~90%~~		~~90%~~		~~New~~	~~New~~

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from date of receipt by the Directorate	90%	90%	90%		90%		90%		90%		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	Due date compliance with the submission of business plans for projects relevant to the Directorate to be	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.	considered for inclusion in the budget												
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of illegal dumping sites to be rehabilitated and cleared	30	30	3/30		12/30		21/30		30/30		New	New
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Installation of weighbridge at Humansdorp Landfill	1	1	-		-		-		1/1		New	New
~~Community Services~~	~~Keep Kouga Green~~	~~Infrastructure and Basic~~	~~KG 1. Provide quality, sustainable municipal infrastructure to consistently~~	~~Improve cleanliness levels in CBD's~~	~~Level 2 Cl~~	~~Remove~~	~~Level 4 C~~		~~Level 4 C~~		~~Level 3 C~~		~~Level 2 C~~		~~New~~	~~New~~

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
		~~Service Delivery~~	~~maintaining and improving the needs of the people of Kouga.~~													
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of trees planted to reduce impact of climate change and o green Kouga	1000	1 000	250/1000		500/1000		750/1000		1000/1000		New	200
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of roadblocks to be conducted to keep Kouga safe	16	16	4/16		8/16		12/16		16/16		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of joint operations to be conducted to keep Kouga safe	16	16	4/16		8/16		12/16		16/16		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of fines issued	3000	3000	300/3000		1000/3000		2000/3000		3000/3000		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
~~Community Services~~	~~Keep Kouga Growing~~	~~Infrastructure and Basic Service Delivery~~	~~KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.~~	~~Establishment of a public complaints desk to improve service delivery~~	~~1~~	~~remove~~	~~1~~		~~-~~		~~-~~		~~-~~		~~New~~	~~New~~
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of meetings held to ensure that the Shoprite Taxi Rank relocate to Bureau Street and is operational by 30 June 2021	4	4	1/4		2/4		3/4		4/4		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of stray animals impounded on Kouga Roads	140	140	30/140		60/140		100/140		140/140		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of inspections of road markings and signs	120	120	30/120		60/120		90/120		120/120		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of kilometers covered for road marking	180km	180km	45/180kn		45/90km		135/180kn		180/180kn		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To achieve a response time within 15 minutes from leaving the station to the scene	70%	70%	70%		70%		70%		70%		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To provide 4 fire awareness campaigns at schools	4	4	1/4		2/4		3/4		4/4		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To provide 4 fire awareness campaigns at Wards	4	4	1/4		2/4		3/4		4/4		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic	KG 1. Provide quality, sustainable municipal infrastructure to consistently	To provide 8 lifesaving awareness campaigns	8	8	2/8		4/8		6/8		8/8		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
		Service Delivery	maintaining and improving the needs of the people of Kouga.													
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To conduct quarterly lifesaving meetings with NSIR and other lifesaving bodies	4	4	1/4		2/4		3/4		4/4		New	New
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of club house upgraded (Tokyo Sport Field Q2 and Patensie Sport field Q3)	2	2	-		1/2		2/2		-		New	New
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of community halls upgraded (Pellsrus Hall Q3 and Loerie Hall Q4)	2	2	-		-		1/2		2/2		New	2
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of public ablution facilities upgraded (Kabeljouws Q2, Pellsrus Q3, Cape St Francis Q3)	3	3	-		1/3		3/3		-		New	2

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of Caravan Parks upgraded (Yellow Woods Q2, Pellsrus Q4)	2	2	-		1/2		-		2/2		New	2
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of entrances identified and beautified in partnership with the local businesses	4	4	-		2/4		-		4/4		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of Public Open Spaces to be cleared	40	40	5/40		10/40		25/40		40/40		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of overgrown private plots to be cleared (Health and fire hazard)	472	472	-		-		236/472		472/472		New	New
Community Services	Keep Kouga Smart	Institutional Development and	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff	To conduct Disaster Management Joint Operations Committee/	16	16	4/16		8/16		12/16		16/16		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
		Transformati on	and council for a transformed, equitable and efficient local government services to Kouga citizens	Workstream meetings (Covid)												
DIRECTORATE FINANCE																
Finance / CFO Municipal Manager	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Revenue collected against revenue raised	85%	92%	85%		85%		92%		92%			
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% compliance with National Treasury reporting calendar	95%	95%	95%		95%		95%		95%			
Finance	Keep Kouga Growing	Financial Viability and Management		Liquidity Ratio (Months cost coverage)	1:087	1:087	1:087		1:087		1:087		1:087		1:0.75	1: 0.87

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Finance CFO/ Municipal Manager	Keep Kouga Growing	Financial Viability and Management	promoting accuracy and transparency.	Number of unqualified audit opinions by the AG	1	1	-		1		-		-		1	1
Finance /All Directors	Keep Kouga Growing	Financial Viability and Management		% of creditors paid within 30 Days of receipt of Invoice	100%	100%	100%		100%		100%		100%			
Finance	Keep Kouga Growing	Infrastructure and basic service delivery	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% of indigent residents as per Indigent register with access to free basic services	100%	100%	100%		100%		100%		100%			
Finance	Keep Kouga Growing	Financial Viability and Management		Current Ratio	1.58:1		1.58:1		1.58:1		1.58:1		1.58:1		1.58:1	1.44:1
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			administration which is committed to prudent management of public funds by promoting accuracy and transparency.													
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Completion of Asset Register	100%	100%	-		10/100%		50/100%		100/100%		New	New
~~Finance~~	~~Keep Kouga Smart~~	~~Institutional Development and Transformation~~	~~KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens~~	~~% Compliance with the implementation of Covid 19 risk departmental workplan~~	~~90%~~	~~remove~~	~~90%~~		~~90%~~		~~90%~~		~~90%~~		~~New~~	~~New~~

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the completion of an implementation plan on Completion of Revenue	31/12/20	31/3/21	-		-		31/3/21		-		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the appointment of the Manager ICT	28/2/21	28/2/21	-		-		28/2/21		-		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	Due date compliance with ensuring that an annual auction is held by not later than 31 December 2020	31/12/20	31/12/20	-		31/12/20		-		-		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the preparation and submission of a report to Council on the sale of municipal properties currently rented	31/12/20	31/12/20	-		31/12/20		-		-		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the completion and submission of a report to Council on the viability assessment for the establishment of a Kouga Development Agency	31/12/20	31/12/20	-		31/12/20		-		-		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean	Due date compliance with the preparation of	31/3/21	31/3/21	N/a		N/a		31/3/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			administration which is committed to prudent management of public funds by promoting accuracy and transparency.	the draft budget for approval by 31/3/21												
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the preparation of the final budget for adoption by 31 May 2021	31/5/21	31/5/21	N/a		N/a		31/5/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New

ANNEXURE "E"

Service Delivery & Budget Implementation Plan

Year: 2020/21

MARCH 2021 ADMENDMENT

APPROVED PER COUNCIL RESOLUTION

……

DATED ……

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1 INCOME - BUDGETS

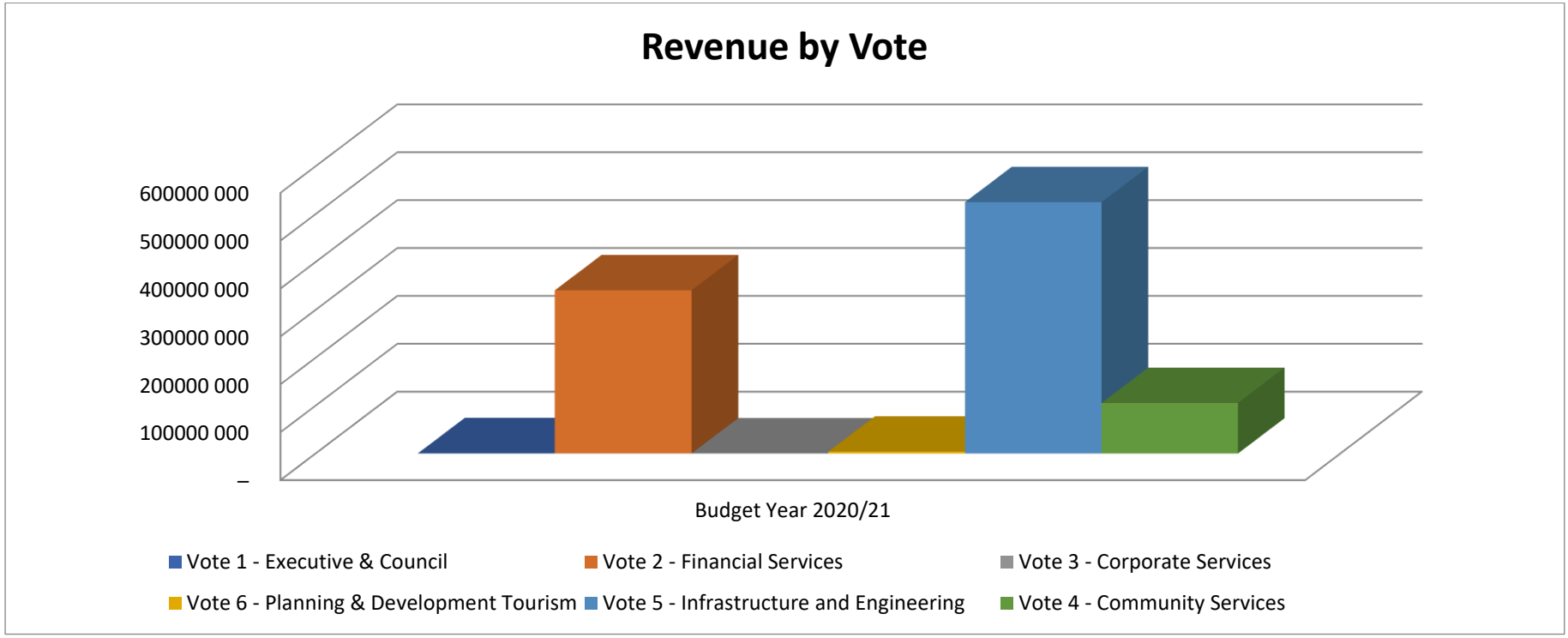
1.1. Revenue by Source

Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Revenue By Source											
Property rates	207 801	135 444	69 267	98 445	103 901	135 444	173 168		207 801		65.18%
Service charges - electricity revenue	291 625	150 203	97 208	74 322	145 812	150 203	243 021		291 625		51.51%
Service charges - water revenue	83 642	42 627	27 881	21 662	41 821	42 627	69 702		83 642		50.96%
Service charges - sanitation revenue	55 057	28 217	18 352	14 616	27 528	28 217	45 881		55 057		51.25%
Service charges - refuse revenue	53 237	28 132	17 746	14 883	26 619	28 132	44 364		53 237		52.84%
Rental of facilities and equipment	1 122	461	374	198	561	461	935		1 122		41.05%
Interest earned - external investments	5 552	2 407	1 851	1 170	2 776	2 407	4 627		5 552		43.35%
Interest earned - outstanding debtors	10 253	4 561	3 418	1 759	5 127	4 561	8 544		10 253		44.48%
Fines, penalties and forfeits	2 150	295	717	199	1 075	295	1 791		2 150		13.72%
Licences and permits	24 732	12 476	8 244	6 928	12 366	12 476	20 610		24 732		50.45%
Transfers and subsidies	166 745	117 311	55 582	62 723	83 373	117 311	138 955		166 745		70.35%
Other revenue	20 941	8 230	6 980	2 385	10 470	8 230	17 451		20 941		39.30%
Total Revenue (excluding capital transfers and contributions)	**922 858**	**530 364**	**307 619**	**299 290**	**461 429**	**530 364**	**769 048**		**922 858**		**57.47%**

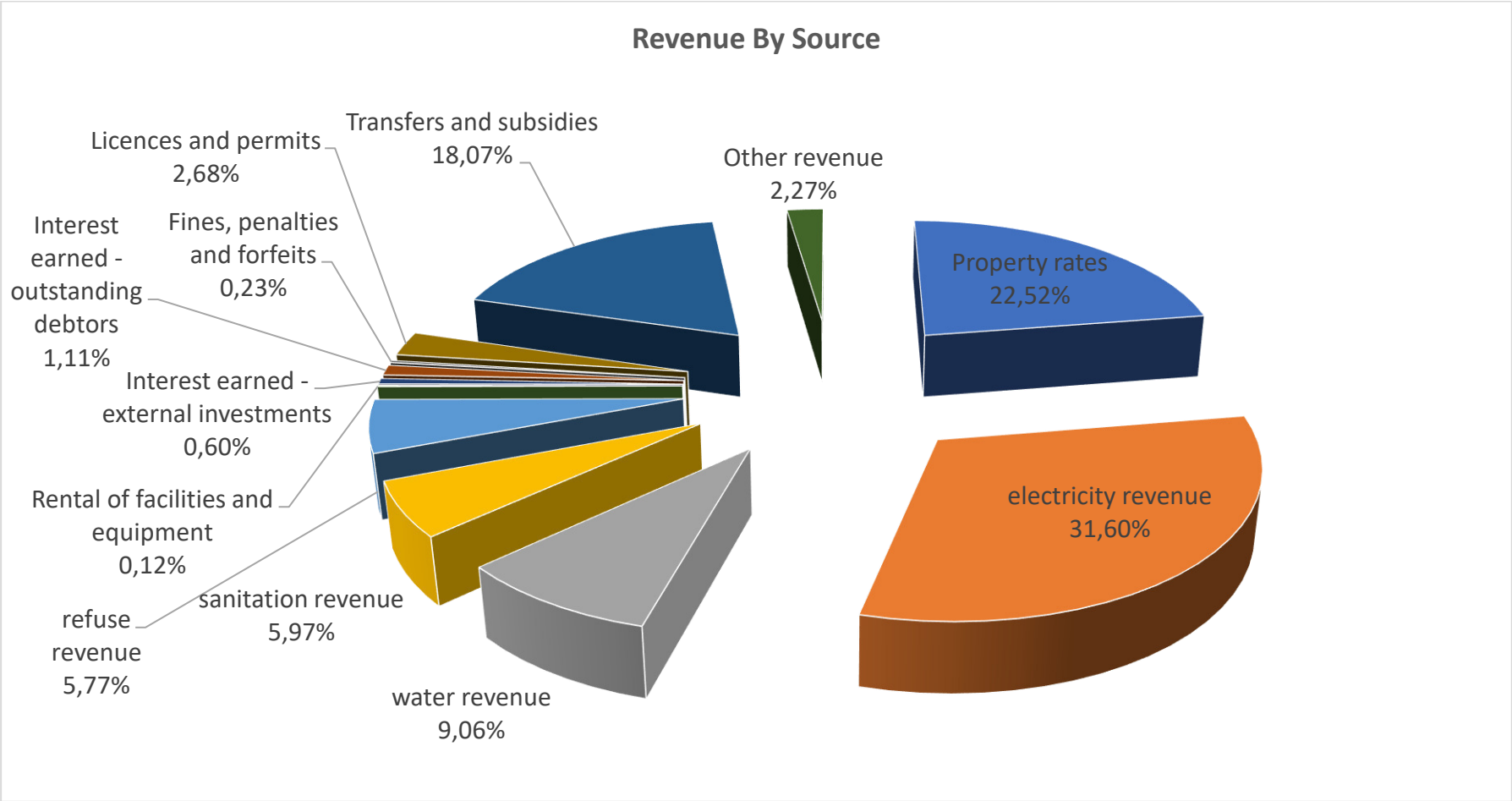
1.2. Revenue by Vote

Vote Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Revenue by Vote											
Vote 1 - EXECUTIVE COUNCIL	706	–	235	–	353	–	588		706		0.00%
Vote 2 - FINANCIAL SERVICES	340 936	257 722	113 645	162 931	170 468	257 722	284 114		340 936		75.59%
Vote 3 - CORPORATE SERVICES	307	96	102	–	153	96	255		307		31.38%
Vote 4 - COMMUNITY SERVICES	105 577	46 005	35 192	23 772	52 789	46 005	87 981		105 577		43.57%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	524 996	229 324	174 999	115 477	262 498	229 324	437 497		524 996		43.68%
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	3 922	2 110	1 307	1 091	1 961	2 110	3 268		3 922		53.80%
Total Revenue by Vote	**976 444**	**535 257**	**325 481**	**303 271**	**488 222**	**535 257**	**813 703**		**976 444**		**54.82%**

1.3. Budgeted Revenue Graph (illustration)



1.4. Source of Budgeted Income Graph (illustration)



2. EXPENDITURE - BUDGETS

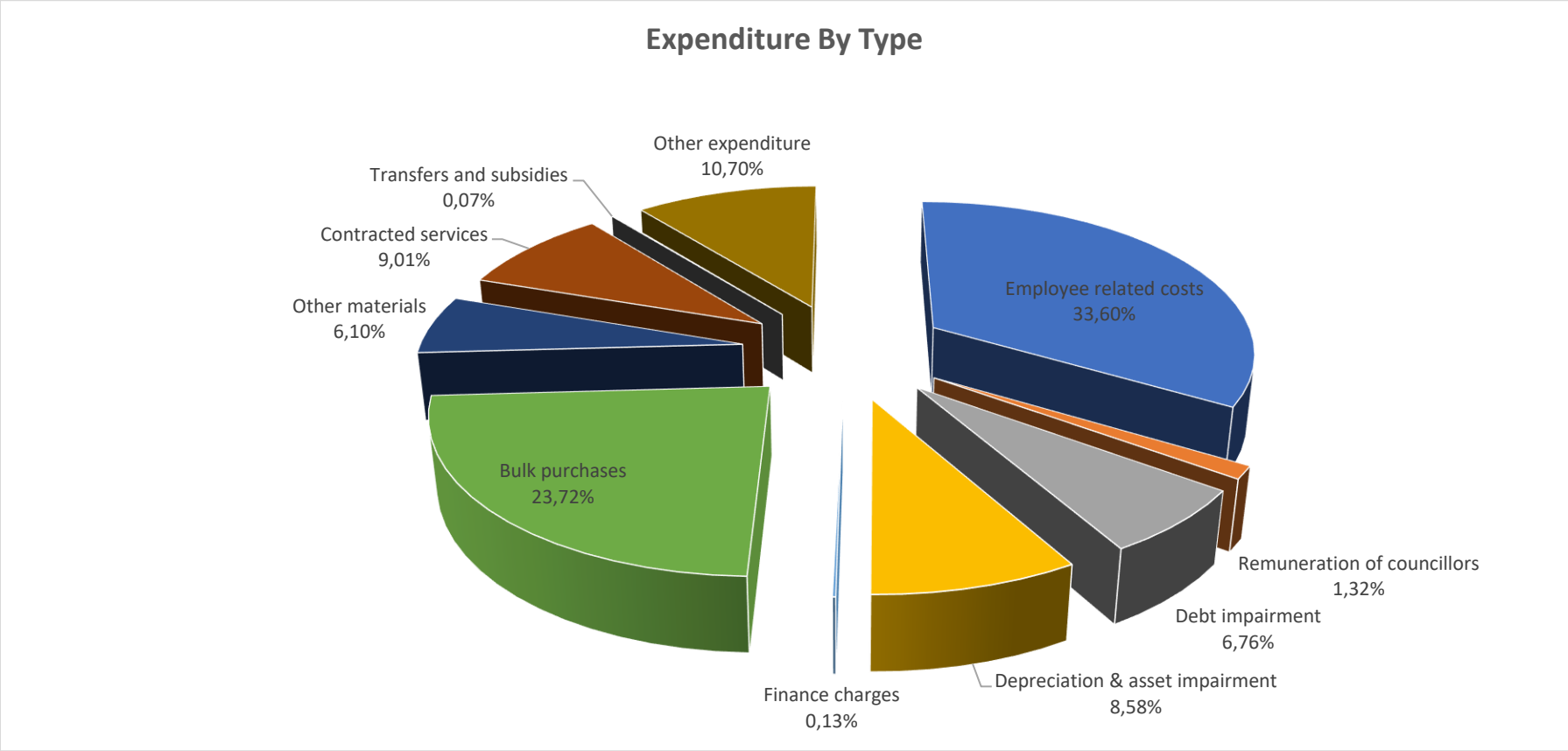
2.1 Operating Expenditure by Vote

Vote Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Expenditure by Vote											
Vote 1 - EXECUTIVE COUNCIL	45 903	19 128	15 301	7 664	22 952	19 128	38 253		45 903		41.67%
Vote 2 - FINANCIAL SERVICES	108 439	32 234	36 146	12 750	54 220	32 234	90 366		108 439		29.73%
Vote 3 - CORPORATE SERVICES	47 075	18 259	15 692	8 906	23 537	18 259	39 229		47 075		38.79%
Vote 4 - COMMUNITY SERVICES	206 883	94 495	68 961	38 687	103 442	94 495	172 403		206 883		45.68%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	601 518	248 501	200 506	137 728	300 759	248 501	501 265		601 518		41.31%
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	28 096	10 734	9 365	4 291	14 048	10 734	23 413		28 096		38.21%
Total Expenditure by Vote	**1 037 915**	**423 351**	**345 972**	**210 027**	**518 957**	**423 351**	**864 929**		**1 037 915**		**40.79%**

2.2 Operating Expenditure by Type

Description	Adjusted Budget 2020/21		Quarter 1		Quarter 2		Quarter 3		Quarter 4		
	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	Adjusted Budget	Actual YTD	% of Budget
R thousands											
Expenditure By Type											
Employee related costs	348 729	165 391	116 243	74 175	174 365	165 391	290 608		348 729		47.43%
Remuneration of councillors	13 651	6 397	4 550	3 183	6 825	6 397	11 376		13 651		46.86%
Debt impairment	70 162	7	23 387	–	35 081	7	58 468		70 162		0.01%
Depreciation & asset impairment	89 066	30 636	29 689	18 382	44 533	30 636	74 222		89 066		34.40%
Finance charges	1 388	751	463	407	694	751	1 157		1 388		54.13%
Bulk purchases	246 173	136 251	82 058	82 599	123 087	136 251	205 145		246 173		55.35%
Other materials	63 363	13 257	21 121	5 813	31 681	13 257	52 802		63 363		20.92%
Contracted services	93 559	28 105	31 186	9 443	46 780	28 105	77 966		93 559		30.04%
Transfers and subsidies	761	100	254	–	381	100	634		761		13.14%
Other expenditure	111 062	42 456	37 021	16 024	55 531	42 456	92 552		111 062		38.23%
Total Expenditure	**1 037 915**	**423 351**	**345 972**	**210 027**	**518 957**	**423 351**	**864 929**		**1 037 915**		**40.79%**

2.3 Budgeted Expenditure Graph (illustrative)



Item Description	Funding	Special Adjustment Budget 2020/21	Adjustments	Adjustments Budget 2020/21
CORPORATE SERVICES				
EDMS	Internal	1 560 455	(724 603)	835 852
Library upgrade – Corporate Services	Internal	22 000	(22 000)	-
Computer Software and Applications	Internal	434 000	(369 309)	64 691
Computer Equipment	Internal	402 220	131 400	533 620
Fencing of municipal building	Internal	100 000	369 309	469 309
Bio-metric System	Internal	600 000	(300 000)	300 000
Furniture and Equipment	Internal	352 446	(170 000)	182 446
		3 471 121	**(1 085 203)**	**2 385 918**
EXECUTIVE & COUNCIL				
Computer Equipment	Internal	147 445	17 966	165 411
Vehicle	Internal	400 000	300 000	700 000
Furniture and Equipment	Internal	16 847	100 000	116 847
Ward councilors Capital project	Internal	850 000	-	850 000
		1 414 292	**417 966**	**1 832 258**
PLANNING & DEVELOPMENT & TOURISM				
Land acquisition housing projects	Internal	360 000	-	360 000
Computer Software and Applications	Internal	315 000	-	315 000
Vehicles	Internal	400 000	-	400 000
Furniture and equipment	Internal	250 000	28 050	278 050
Restoration of Fisherman Grave Site	Internal	100 000	-	100 000
Kouga Business Support Centre	Internal	300 000	-	300 000
Computer Equipment	Internal	30 000	305 426	335 426
		1 755 001	**333 476**	**2 088 477**
FINANCE				
SCM Furniture	Internal	327 833	(11 407)	316 426
Computer Equipment	Internal	900 000	534 920	1 434 920
Furniture and Equipment	Internal	141 005	58 995	200 000
Cibex Software	Internal	681 497	681 497	681 497
WIFI Solution	Internal	75 904	-	75 904
Machinery and Equipment	Internal	156 465	-	156 465
DISASTER RECOVERY SERVER	Internal	637 267	(637 267)	
Office upgrade ICT	Internal	153 950	(153 950)	
		3 073 921	**472 788**	**2 865 212**

Item Description	Funding	Special Adjustment Budget 2020/21	Adjustments	Adjustments Budget 2020/21
COMMUNITY SERVICES				
Vehicle	Internal	1 296 500	(861 439)	435 061
Vehicle	District	5 118 200	-	5 118 200
Jack Hammer and water pump	Internal	250 000	-	250 000
Kouga Skip Bins	Internal	200 000	-	200 000
Machinery and Equipment (Security Cameras System)	Internal	750 000	-	750 000
Fleet Management	Internal	100 000	-	100 000
Machinery and Equipment	Internal	647 638	(72 438)	575 200
Computer Equipment	Internal	30 000		30 000
Furniture and Equipment	Internal	144 760	-	144 760
Fencing Humansdorp Fire Station	Internal	200 000	-	200 000
Upgrading of Sports Facilities	Internal	153 457	-	153 457
Upgrading of Pellsrus, Kabeljous, Cape St Francis	Internal	150 000	-	150 000
Fencing Community Hall	Internal	200 000	-	200 000
		9 240 555	**(933 877)**	**8 306 678**
INFRASTRUCTURE & ENGINEERING				
Saffery Substation	Internal	1 000 000	1 031 855	2 031 855
High Mast Lights	Internal	-	903 430	903 430
LED _ Street Lights	Internal	-	200 000	200 000
SUBSTATION SECURITY	Internal	200 000	200 000	400 000
New overheadlines 66kv overheadlines(Jbay to Melk	Internal	3 043 086	-	3 043 086
Electrcial supply of tri switches St francis Bay	Internal	200 000	-	200 000
Machinery & Equipment	Internal	150 000	-	150 000
Electrical Mini sub station 22 000/11000/400 St Fr	Internal	485 935	-	485 935
Humansdorp, Kruisfontein and Osean View Electrific	INEP	4 521 739	-	4 521 739
Electrical Oil circuit breakers replacement with v	Internal	800 000	(60 000)	740 000
Electrcial Supply auto recloser St Francis Bay	Internal	400 000	(115 000)	285 000
Electrcial 5 MV 22000/11000 transformer	Internal	1 406 000	(183 430)	1 222 570
Kouga Backup Generators	Internal	500 000	230 000	730 000
Fencing Main Substation Jeffrey's Bay	Internal	500 000	-	500 000
LV Networks (Informal Areas, Electrification/illeg	Internal	1 000 000	(532 440)	467 560
Purchase of mini sub station 11000/400,22000/400	Internal	422 552	(422 552)	-
Humansdorp, Kruisfontein and Osean View Electrific	Internal	800 000	(496 863)	303 137

Item Description	Funding	Special Adjustment Budget 2020/21	Adjustments	Adjustments Budget 2020/21
INFRASTRUCTURE & ENGINEERING				
Substations Movements in Ocean View	Internal	3 000 000	-	3 000 000
Upgrading of Kwanomzamo Sports Facility	MIG	5 087 154	-	5 087 154
Upgrading of Sports Facilities	MIG	5 682 636	-	5 682 636
Mini Fresh Food and Craft Markets in Jbay & Hankey	MIG	1 092 413	-	1 092 413
Upgrading of Gravel Roads in Humansdorp	MIG	7 890 511	(6 151 381)	1 739 130
Roads Capital	Internal	2 500 000	(230 000)	2 270 000
Security Camera	Internal	150 000	-	150 000
New bypass Sewer Rising Main and Pump Stations Jba	Internal	1 000 000	(500 000)	500 000
Fencing Kruisfontein Waste Water Treatment Plant	Internal	800 000	-	800 000
Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B) Pre	Internal	1 000 000	(310 000)	690 000
Piped Reticulation - St Francis Bay	Internal	1 500 000	(1 225 000)	275 000
Upgrade Sanitation System Old Hankey	MIG	6 333 460	6 151 381	12 484 841
Construct emergency overflow pond Koraal Sewer pu	Internal	1 300 000	(1 300 000)	-
Upgrade Loerie sewer pump station	Internal	1 600 000	(1 350 000)	250 000
Container toilets	Internal	1 100 000	-	1 100 000
Replace 250mm Water Main Canal Road St Francis Ba	Internal	1 000 000	(700 000)	300 000
Repair Leaking Concrete Water Tower Paradise Beach	Internal	300 000	(50 000)	250 000
Replace Main Waterline Sout Rivier Bridge Crossing	Internal	1 000 000	(700 000)	300 000
Replace 250mm Water Main Mimosa Street Jbay	Internal	330 000	170 000	500 000
Upgrade Hankey Water Treatment Works	Internal	600 000	(200 000)	400 000
Machinery & Equipment	Internal	150 000	-	150 000
Patensie Sewage Package Plant	MIG	-	8 353 038	8 353 038
Upgrading KwaNomzamo Waste Water Treatment Works	WSIG	-	5 926 679	5 926 679
HV Switching Station	Internal		200 000	200 000
		58 845 486	**8 839 717**	**67 685 203**
Internally generated funds		42 074 262	(6 916 347)	35 157 915
Transfers recognnised - capital		35 726 114	14 279 717	50 005 831
Total		**77 800 376**	**7 363 370**	**85 163 746**

4. SERVICE DELIVERY: INSTITUTIONAL TARGETS

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
CORPORATE SERVICES						
Biometric Systems	200,000	300 000	20% completion in the procurement of a biometric system	100% completion in the procurement of a biometric system	20% completion in the implementation of a municipal wide biometric system	100% completion of the implementation of a municipal wide_biometric system for selected offices/sites within the budget allocation
Computer Equipment	200,000	533 620	50% Completion of the procurement of desk top computers	100% Completion of the procurement of desk top computers	N/a	15 desk top computers procured
EDMS	799,455	835 852	25% completion of the installation of an EDMS system	100% completion of installation and commissioning of EDMS system	50% completion of the installation of an Institution wide EDMS system	One institution wide EDMS system installed and commissioned
Fencing of municipal buildings	100,000	469 309	N/a	100% Completion of fencing of Hankey Municipal Offices	N/a	100% completion of Ward 5 Ward Office fencing
EXECUTIVE & COUNCIL						
Computer Equipment	85,000	165 411	Procure Service Provider for 3 laptops and 1 printer	3 Laptops and 1 printer procured	Procure Service Provider for 3 laptops and 1 printer	3 Laptops and 1 printer procured
Vehicle	-	700 000	New	New	Commence procurement process for Double Cab LDV	1 Double Cab LDV procured for Mayoral Office

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
					for Mayoral Office	
Ward Councillors' Capital Projects	750,000	850 000	Procure Service providers for Ward Councillors Capital Projects	100% Completion of Ward Councillors Capital Projects	Procure Service providers for Ward Councillors Capital Projects	100% Completion of Ward Councillors Capital Projects
FINANCE						
Cibex Software	600,000	681 497	Implement 75 Cibecs licences to devices	Implement 75 Cibecs licences to devices	Implement 75 Cibecs licences to devices	Implement 75 Cibecs licences to devices
SCM Furniture	-	316 426	New	New	N/a	100% completion in the procurement of SCM Furniture
Computer Equipment	200,000	1 434 920	Only Q2 target 100% comp proc		N/a	100% completion in the planned procurement of computer equipment
PLANNING, DEVELOPMENT & TOURISM						
Computer Equipment	30,000	335 426	Q2 target only 100% comp proc comp equip		N/a	100% completion in the procurement of computer equipment
Computer Software and Applications	315,000	315 000	Appoint service provider	100% completion of procurement of Computer software applications	N/a	100% completion of procurement of Computer software applications
Furniture and equipment	-	278 050	New	New	N/a	100% completion in the procurement of furniture and equipment
Land acquisition housing projects	360,000	360 000	Q2 target only final approval by Council 31 Dec 2020		N/a	Final Council approval for land acquisition for

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
						housing projects by 31 December 2020
Establishment of Business Support Centre (Ocean View	300,000	300 000	N/a	100% completion of Establishment of Business Support Centre (Ocean View)	N/a	100% completion of Establishment of Business Support Centre (Ocean View)
Tourism: Restoration of Fisherman Gravesite	100,000	100 000	100% completion of restoration of Fishermen Grave Site.	N/a	N/a	100% completion of restoration of Fishermen Grave Site.
Vehicles	400,000	400 000	Q2 target only Vehicle procured		N/a	Vehicle procured by 31 March 2021
INFRASTRUCTURE & ENGINEERING						
Fencing Kruisfontein waste water treatment plant	800,000	800 000	100% completion of Fencing Kruisfontein wastewater treatment plant	~~N/a~~	25% completion of Fencing Kruisfontein wastewater treatment plant	100% completion of Fencing Kruisfontein wastewater treatment plant
Fencing Main substation Jeffrey's Bay	500,000	500 000	70% completion of fencing Main Substation Jeffreys Bay	100% completion of fencing Main Substation Jeffreys Bay	70% completion of fencing Main Substation Jeffreys Bay	100% completion of fencing Main Substation Jeffreys Bay
Backup Generator 2	500,000	730 000	N/a	1 Generator purchased	N/a	2 backup Generators purchased
Humansdorp, Kruisfontein and Ocean View Electrification	4,521,739	4 521 739	70% completion of Humansdorp, Kruisfontein and Ocean View Electrification	100% completion of Humansdorp, Kruisfontein and Ocean View Electrification	70% completion of Humansdorp, Kruisfontein and Ocean View Electrification	100% completion of Humansdorp, Kruisfontein and Ocean View Electrification
New by-pass sewer rising main and pump stations Jbay	1,000,000	500 000	N/a	100% completion design and construction tender documents for	N/a	Appoint consultant for design the New by-pass sewer rising main and

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
				the New by-pass sewer rising main and pump stations Jbay		pump stations Jbay
New overheadlines 66kv overheadlines (Jbay to Melk	1,300,000	1,300,000	75% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)	100% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)	55% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)	100% completion of New overhead lines 66kv overhead lines(J-bay to Melkhout)
Patensie Sewage Package Plant	6,379,942	8 353 038	80% completion of Patensie Sewage Package Plant	100% completion of Patensie Sewage Package Plant	80% completion of Patensie Sewage Package Plant	100% completion of Patensie Sewage Package Plant
Volts Miniature Substation		422 522	New	New	Commence procurement processes for Volts Mini Sub Station	1 Volts Mini-substation purchased
Ocean View Substation Re-Allocation		3 000 000	New	New	Commence process for the relocation of the Ocean View Substation	Ocean View Substation relocated by 30 June 2021
66kv line construction between melkhout sub & JBay mains		3 043 086	New	New	Construction of 66kV line between Melkhout and J-Bay Mains.	Construction of 66kV line between Melkhout and J-Bay Mains completed.
Tri-switches St Francis Bay		200 000	New	New	Commence procurement process for Tri-Switches St Francis Bay	Installation of Tri-switches St Francis bay completed.

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
electrical mini sub-station 22000/11000/400 St Francis Bay		485 935	New	New	Commence procurement process for electrical mini sub-station 22000/11000/400 St Francis Bay	electrical mini sub-station 22000/11000/400 St Francis Bay procured by 30 June 2021
electrical oil circuit breakers replacement		740 000	New	New	Commence procurement process for electrical oil circuit breakers replacement	electrical oil circuit breakers replacement completed by 30 June 2021
electrical supply auto recloser St Francis Bay		285 000	New	New	Commence procurement process for electrical supply auto recloser St Francis Bay	electrical supply auto recloser St Francis Bay installed by 30 June 2021
electrical 5mv 22000/11000 transformer		1 222 570	New	New	Commence procurement process for electrical 5mv 22000/11000 transformer	electrical 5mv 22000/11000 transformer procured by 30 June 2021
LV Networks(informal areas		467 560	New	New	Commence LV Networks project for informal areas	LV Networks project for informal areas completed by 30 June 2021
Roads		2 270 000	New	New	Commence roads project	100% completion of Roads project
Security Camera		150 000	New	New	Commence process for acquisition of security cameras	Security Camera installation process completed by 30 June 2021
Humansdorp Kruisfontein Ocean View Electrification		301 137	New	New	Commence project for the electrification of	project for the electrification of areas of

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
					areas of Humansdorp, Kruisfontein and Ocean View	Humansdorp, Kruisfontein and Ocean View completed by 30 June 2021
Piped Reticulation in St Francis	1,500,000	275 000	N/a	100% completion of design and construction tender document for Piped Reticulation in St Francis	Commence process for the appointment of a consultant for the design of piped reticulation in St Francis Bay	Consultant for the design of piped reticulation in St Francis Bay appointed by 30 June 2021
Repair leaking concrete water tower Paradise Beach	300,000	250 000	N/a	100% completion of the design and construction tender document for the Repair of leaking concrete water tower Paradise Beach	N/a	100% completion of the design and construction tender document for the Repair of leaking concrete water tower Paradise Beach
Replace 250mm Watermain Canal Rd, St Francis	1,000,000	300 000	N/a	100% completion design and construction tender document for 250mm Watermain replacement, Canal Rd, St Francis	Commence procurement process for the appointment of a consultant for the design of 250mm Watermain replacement, Canal Rd, St Francis	Consultant for he design of 250mm Watermain replacement, Canal Rd, St Francis appointed by 30 June 2021
Replace 250mm Watermain Mimosa Str Jbay	330,000	500 000	N/a	100% completion of design and construction tender document completion for the 250mm Watermain	N/a	100% completion of design and construction tender document completion for the 250mm Watermain

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
				replacement Mimosa Str Jbay		replacement Mimosa Str Jbay
Replace main waterline Sout Rivier bridge crossing St Francis Bay	1,000,000	300 000	N/a	100% completion the design and construction tender document for the main waterline replacement Sand Rivier bridge crossing St Francis Bay	Commence process for the appointment of consultant for the design of the main waterline replacement Sand Rivier bridge crossing St Francis Bay	Consultant appointed by 30 June 2021 for the design of the main waterline replacement Sand Rivier bridge crossing St Francis Bay
Saffery Substation	1,000,000	2 031 855	90% completion of planned upgrades to Saffery Substation	100% completion of planned upgrades to Saffery Substation	90% completion of planned upgrades to Saffery Substation	100% completion of planned upgrades to Saffery Substation
Security Cameras & Substation Security	200,000	400 000	75%-completion of the planned installation of Cameras and Substation security	100% completion of the planned installation of Cameras and Substation security	**50%** completion of the planned installation of Cameras and Substation security	100% completion of the planned installation of Cameras and Substation security
Upgrade Hankey water treatment works	600,000	400 000	N/a	100% completion of design and construction tender document for upgrades to Hankey Water	Commence procurement process for the appointment of a consultant for the design of upgrades to Hankey Water	Consultant appointed by 30 June 2021 for the design of upgrades to Hankey Water
Upgrade Loerie sewer pump station	1,600,000	250 000	N/a	100% completion of design and construction tender document for upgrades to Loerie sewer pump station	Commence procurement process for the appointment of a consultant for the design of upgrades to	Consultant appointed by 30 June 2021 for the design of upgrades to the Loerie Sewer Pumpstation

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
					Loerie Sewer Pumpstation	
Upgrade Sanitation System Old Hankey	7,902,794	12 484 841	50% completion of upgrading Sanitation System Old Hankey	100% completion of upgrading Sanitation System Old Hankey	25% completion of upgrading Sanitation System Old Hankey	50% completion of upgrading Sanitation System Old Hankey
Upgrade sewer rising mains Jbay (La Mer-4A-4B) Prep	1,000,000	690 000	N/a	100% completion design and construction tender document for the upgrading of sewer rising mains Jbay (La Mer-4A-4B) Prep	Commence process for the appointment of consultant for the design of the upgrading of sewer rising mains Jbay (La Mer-4A-4B) Prep	Consultant appointed by 30 June 2021 for the design of the upgrading of sewer rising mains Jbay (La Mer-4A-4B) Prep
Upgrading of Gravel Roads in Humansdorp	7,890,511	1 739 130	30% Completion of Planned Upgrading of Gravel Roads in Humansdorp	100% Completion of Planned Upgrading of Gravel Roads in Humansdorp	N/a	Tender Document for the upgrading of gravel roads in Humansdorp completed by 30 June 2021
Upgrading of Sports Facilities	3,912,926	5 682 636	50% Completion of Planned Upgrading of Sports Facilities	100% Completion of Planned Upgrading of Sports Facilities	50% Completion of Planned Upgrading of Sports Facilities	100% Completion of Planned Upgrading of Sports Facilities
Upgrade KwaNomzamo WWTW		5 926 679	New	New	20% completion of the upgrading of the Kwanomzamo WWTW	100% completion of the upgrading of the Kwanomzamo WWTW
HV Switching Station		200 000	New	New	Commence procurement processes for the HV switching Station	HV Switching Station completed by 30 June 2021
High Mast Lights	-	903 430	New	New	Commence procurement process for 2 high mast lights	2 high mast lights installed

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
LED Street lights	-	200 000	New	New	N/a	100 street lights converted to LED streetlights
COMMUNITY SERVICES						
Computer Equipment	30,000	30 000	1 boardroom projector and screen procured	-	1 boardroom projector and screen procured	-
Upgrading of Sport Facilities	-	153 457	New	New	20% Completion of Thornhill clubhouse	Completion of Thornhill clubhouse by 30 June 2021
Fencing of Community Hall	200,000	200 000	100% completion of fencing of Yellow Woods	-	100% completion of fencing of Yellow Woods	-
Humansdorp Fire Station , Fencing	200,000	200 000	100% completion of fencing of Humansdorp Fire Station	-	100% completion of fencing of Humansdorp Fire Station	-
Jack Hammer and water pump	350,000	250 000	-	2 Jack hammers and 2 water pumps procured	-	2 Jack hammers and 2 water pumps procured
Machinery and Equipment	278,500	575 200	-	1 Chipper Procured	-	2 chippers procured by 30 June 2021
Security Cameras	750,000	750 000	-	-100% completion of Security and related infrastructure planned for the year	N/a	4 Security cameras installed in Humansdorp and 4 Security cameras installed in Jeffreys Bay
skip bins	200,000	200 000	10 X 6m3 Skip Bins Procured	-	10 X 6m3 Skip Bins Procured	-
Upgrading of Pellsrus, Kabeljous, Cape St Francis	150,000	150 000	100% completion of project for installation of play equipment, outdoor benches	-	100% completion of project for installation of play equipment, outdoor benches	-

PROJECTS	Annual Budget 2020/21	Adjustments Budget February 2021	SDBIP TARGET Q 3	SDBIP TARGET Q 4	PROPOSED NEW Q3 TARGET	PROPOSED NEW 4 TARGET
			and bins planned for the year		and bins planned for the year	
Vehicles	1,325,000	435 061	Complete procurement processes	1 Rescue Vehicle Procured	Complete procurement processes	1 Rescue Vehicle Procured
Vehicles	1,965,100	5 118 200	Complete procurement processes	1 Mini Pumper procured	Complete procurement processes	1 Mini Pumper procured

5. OPERATIONAL TARGETS

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
OFFICE OF THE MUNICIPAL MANAGER																
Corporate Services	Keep Kouga Smart	Institutional Development and Transformati on	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% expenditure of Skills Dev Budget	95%	95%	10/96%		50/95%		90/95%		95/95%			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Infrastructure and Engineering	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% electricity losses against electricity purchased and electricity sold	17%	20%	20%		20%		20%		20%			
				% expenditure on DOE grant	95%	95%	10/95%		45/95%		80/95%		95/95%			
				% water losses against water purchased/ produced and water sold	35%	35%	35%		35%		35%		35%			
Infrastructure and Engineering	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% expenditure on MIG grant	95%	100%	10/95%		45/95%		90/95%		100/100%			
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% expenditure of Budget for LED Programs and Projects	95%	95%	10/95%		20/95%		90/95%		95/95%			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
CFO	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Revenue collected against revenue raised	85%	92%	85%		85%		92%		92%			
				Number of unqualified audit opinions by the AG	1	1	-		1		-		-		1	1
				% Reduction in staff overtime compared to previous year	10%	10	2.5/10%		5/10%		7.510%		10/10%		New	New
Manager PMS	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Number of Institutional Performance Reports submitted to Council and the Performance Audit Committee	4	4	1/4		2/4		3/4		4/4		4	4
Municipal Manager	Keep Kouga Growing	Good Governance and Public Participation		Number of Senior Managers subjected to performance reviews	6	6	6/6		6/6		6/6		6/6		6	6
Manager PMS	Keep Kouga Growing	Good Governance	KG 3. Provide professional, efficient, people centred human	Due date compliance with submission of	28 days	28 days	-		-		-		28 Days		28 days	28 days

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
		and Public Participation	resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	SDBIP to the Mayor after budget approval												
Manager Internal Audit	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Number of Audit Committee Meetings held	4	4	1/4		2/4		3/4		4/4		4	4
				Due date compliance with the review of the Risk Register	30/6/21	30/6/21	-		-		-		30/6/21			
Manager Legal Services	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Number of reports on Institutional Legal Risks submitted to Council	4	4	1/4		2/4		¾		4/4		4	4

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Manager IDP	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Due date compliance with the adoption of the IDP Process Plan	31/8/20	31/8/20	31/8/20		-		-		-		31/8/19	31/8/18
				Due date compliance with the submission of the IDP to Council for adoption	31/5/21	31/5/21	-		-		-		31/5/21		31/5/20	31/5/19
Manager PMS	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Due date compliance with the submission of the Annual Report to Council for adoption	31/3/21	31/5/21 (MFMA Circ 104)	-		-		-		31/5/21		31/3/20	31/3/19
Manager HR	Keep Kouga Growing	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local	Due date compliance with the approval of the Organogram	30/6/21	30/6/21	-		-		-		30/6/21		30/6/20	30/6/19

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			government services to Kouga citizens													
Corporate Services	Keep Kouga Smart	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% Implementation of urgent and high priority outcomes of the work-study and change management plan as determined by the MM for the 2020/21 year	80%	80%	80%		80%		80%		80%		New	New
				% Implementation of Phase 1 of the Job Evaluation Results	90%	90%	-		90%		-		-		New	New
CFO	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	Liquidity Ratio (Months cost coverage)	1:087	1:087	1:087		1.087		1:087		1:087		1:0.75	1: 0.87

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													
DIRECTOR CORPORATE SERVICES																
Corporate Services	Keep Kouga Smart	Institutional Development and Transformati on	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	Vacancy rate for approved Budgeted posts	4%	4%	4%		4%		4%		4%			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Corporate Services	Keep Kouga Growing	Institutional Development and Transformati on	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% expenditure of Skills Dev Budget	95%	95%	10/96%		50/95%		90/95%		95/95%			
Corporate Services	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New
Corporate Services	Keep Kouga Smart	Good Governance and Public participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed,	% Completion of urgent and high priority repairs to Councillor Offices (List as approved by	90%	95%	5/95%		15/95%		55/95%		95/95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			equitable and efficient local government services to Kouga citizens	MM within R300 000 budget)												
Corporate Services	Keep Kouga Smart	Good Governance and Public Participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% Implementation of urgent and high priority outcomes of the work-study and change management plan as determined by the MM for the 2020/21 year	80%	80%	5/80%		15/80%		35/80%		80/80%		New	New
Corporate Services	Keep Kouga Smart	Good Governance and Public participation	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local government services to Kouga citizens	% Implementation of Phase 1 of the Job Evaluation Results	90%	90%	-		90%		-		-		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Corporate Services	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from date of receipt by the Directorate	90%	90%	90%		90%		90%		90%		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	~~% compliance with due dates as set out in the procurement plan relevant to the directorate~~ Procurement Plan compliance calculated on the first submission of the Departmental Tender Specification Report to the Bid Evaluation Committee)	95%	95%	5/95%		45/95%		80/95%		95/95%		New	New
DIRECTORATE INFRASTRUCTRURE AND ENGINEERING																
Infrastructure and Engineering	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% electricity losses against electricity purchased and electricity sold	17%	20%	17%		17%		17%		17%		13%	15%
				% expenditure on DOE grant	95%	95%	10/95%		45/95%		80/95%		95/95%			

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Infrastructure and Engineering/ Municipal Manager	Keep Kouga Serviced	Infrastructure and Basic Service Delivery	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% water losses against water purchased/ produced and water sold	35%	35%	35%		35%		35%		35%			25
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% expenditure on MIG grant	95%	95%	10/95%		45/95%		80/95%		95/95%			
Infrastructure and Engineering	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from date of receipt by the Directorate	90%	90%	90%		90%		90%		90%		New	New
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of street lights converted to LED luminaires	250	100 (Bud R200 000 R2 000 per light	-		~~150~~		~~100~~ 50/100		- 100/100		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Due date compliance with the establishment of a municipal vehicle park Hanley	31/3/21	31/3/21	-		-		31/3/21		-		New	New
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	% Fleet kept in operational condition	95%	95%	95%		95%		95%		95%		New	New
				Due date compliance with the repairs to the workshop store roof. (Leak and paint)	30/6/21	30/6/21	-		-		-		30/6/21		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Infrastructure and Engineering	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Due date compliance with the submission of a report on measures to be taken to address electricity outages in Ocean View and Aston Bay	31/12/20	31/12/20	-		31/12/20		-		-		New	New
				Due date compliance with the submission of motivations for budgetary provisions for measures to reduce electricity outages in Ocean View and Aston Bay	31/1/21	31/1/21	-		-		31/1/21		-		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
DIRECTORATE PLANNING, DEVELOPMENT AND TOURISM																
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% expenditure of Budget for LED Programs and Projects	95%	95%	10/95%		20/95%		90/95%		95/95%			
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development		Number of jobs created through capital projects and LED initiatives	800	300	100/300		200/300		250/300		300/300			
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Number of days for the approval of compliant building plans for structures less than 500M2	30	30	30		30		30		30		20	30

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Number of days for the processing of compliant land use applications (Exclusive of public participation processes)	60 days	90 days (180 Day SPLUMA	90		90		90		90		90	90
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Expenditure of the budget allocation for the development of the Humansdorp Precinct Plan	95%	55%	-		-		20/55%		55/55%		New	New
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% conversion to electronic submissions of building plans	90%	90%	-		25/90%%		60/90%		90/90%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% of outstanding Council resolutions on land implemented.	80%	80%	25/80%		50/80%		75/80%		80/80%		New	New
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Completion of the disposal of erven 2078, 2079, 2081 ,2081, 3296 and 3297 HUMANSDORP	100%	90%	50/100%		70/100%		80/100%		100100/%		New	New
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Completion of the alienation of Erf 353 Humansdorp	100%	80%	-		5/80%		40/80%		80/80%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	% Completion of the alienation of 98 wet erven	100/100%	80%	-		5/80%		40/80%		80/80%		New	New
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from	90%	90%	90%		90%		90%		90%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.	date of receipt by the Directorate												
Planning Development and Tourism	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Number of counts conducted of households in informal settlements	2	2	-		1/2		-		2/2		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of Tariff Review proposals for the Directorate for consideration with the budget preparations	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
DIRECTORATE COMMUNITY SERVICES																
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of registered food suppliers inspected for compliance with relevant legislation	90%	2 300	575/2300		1150/2300		1725/2300		2300/2300		740	740
Community Services	Keep Kouga Growing	Local Economic Development	KG 2. Create and facilitate a conducive environment that builds inclusive local economies, sustainable and decent employment.	Average number of working days for the processing of business licenses	5	5	5		5		5		5			
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Maintain Blue Flag Beach status (Compliance measurement)	1	1	-		1/1		1/1		-		1	1

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New
Planning Development and Tourism	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% compliance with the 5-day turnaround target for the certification of invoices for payment and resubmission to finance calculated from date of receipt by the Directorate	90%	90%	90%		90%		90%		90%		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance	Due date compliance with the submission of Tariff Review proposals for the	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Directorate for consideration with the budget preparations												
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of illegal dumping sites to be rehabilitated and cleared	30	30	3/30		12/30		21/30		30/30		New	New
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Installation of weighbridge at Humansdorp Landfill	1	1	-		-		-		1/1		New	New
Community Services	Keep Kouga Green	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of trees planted to reduce impact of climate change and o green Kouga	1000	1 000	250/1000		500/1000		750/1000		1000/1000		New	200
Community Services	Keep Kouga Safe	Infrastructure and Basic	KG 1. Provide quality, sustainable municipal infrastructure to consistently	Number of roadblocks to be conducted to keep Kouga safe	16	16	4/16		8/16		12/16		16/16		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
		Service Delivery	maintaining and improving the needs of the people of Kouga.													
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of joint operations to be conducted to keep Kouga safe	16	16	4/16		8/16		12/16		16/16		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of fines issued	3000	3000	300/3000		1000/3000		2000/3000		3000/3000		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of meetings held to ensure that the Shoprite Taxi Rank relocate to Bureau Street and is operational by 30 June 2021	4	4	1/4		2/4		3/4		4/4		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of stray animals impounded on Kouga Roads	140	140	30/140		60/140		100/140		140/140		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of inspections of road markings and signs	120	120	30/120		60/120		90/120		120/120		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of kilometers covered for road marking	180km	180km	45/180km		45/90km		135/180km		180/180km		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To achieve a response time within 15 minutes from leaving the station to the scene	70%	70%	70%		70%		70%		70%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To provide 4 fire awareness campaigns at schools	4	4	1/4		2/4		3/4		4/4		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To provide 4 fire awareness campaigns at Wards	4	4	1/4		2/4		3/4		4/4		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To provide 8 lifesaving awareness campaigns	8	8	2/8		4/8		6/8		8/8		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	To conduct quarterly lifesaving meetings with NSIR and other lifesaving bodies	4	4	1/4		2/4		3/4		4/4		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of club house upgraded (Tokyo Sport Field Q2 and Patensie Sport field Q3)	2	2	-		1/2		2/2		-		New	New
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of community halls upgraded (Pellsrus Hall Q3 and Loerie Hall Q4)	2	2	-		-		1/2		2/2		New	2
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of public ablution facilities upgraded (Kabeljouws Q2, Pellsrus Q3, Cape St Francis Q3)	3	3	-		1/3		3/3		-		New	2
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of Caravan Parks upgraded (Yellow Woods Q2, Pellsrus Q4)	2	2	-		1/2		-		2/2		New	2

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Community Services	Keep Kouga Growing	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of entrances identified and beautified in partnership with the local businesses	4	4	-		2/4		-		4/4		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of Public Open Spaces to be cleared	40	40	5/40		10/40		25/40		40/40		New	New
Community Services	Keep Kouga Safe	Infrastructure and Basic Service Delivery	KG 1. Provide quality, sustainable municipal infrastructure to consistently maintaining and improving the needs of the people of Kouga.	Number of overgrown private plots to be cleared (Health and fire hazard)	472	472	-		-		236/472		472/472		New	New
Community Services	Keep Kouga Smart	Institutional Development and Transformati on	KG 3. Provide professional, efficient, people centred human resources and administrative services to Kouga citizens, staff and council for a transformed, equitable and efficient local	To conduct Disaster Management Joint Operations Committee/ Workstream meetings (Covid)	16	16	4/16		8/16		12/16		16/16		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			government services to Kouga citizens													
DIRECTORATE FINANCE																
Finance / CFO Municipal Manager	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Revenue collected against revenue raised	85%	92%	85%		85%		92%		92%			
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% compliance with National Treasury reporting calendar	95%	95%	95%		95%		95%		95%			
Finance	Keep Kouga Growing	Financial Viability and Management		Liquidity Ratio (Months cost coverage)	1:087	1:087	1:087		1:087		1:087		1:087		1:0.75	1: 0.87

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Finance CFO/ Municipal Manager	Keep Kouga Growing	Financial Viability and Management	promoting accuracy and transparency.	Number of unqualified audit opinions by the AG	1	1	-		1		-		-		1	1
Finance /All Directors	Keep Kouga Growing	Financial Viability and Management		% of creditors paid within 30 Days of receipt of Invoice	100%	100%	100%		100%		100%		100%			
Finance	Keep Kouga Growing	Infrastructure and basic service delivery	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% of indigent residents as per Indigent register with access to free basic services	100%	100%	100%		100%		100%		100%			
Finance	Keep Kouga Growing	Financial Viability and Management		Current Ratio	1.58:1		1.58:1		1.58:1		1.58:1		1.58:1		1.58:1	1.44:1

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Reduction in staff overtime compared to previous year	10%	10%	2.5/10%		5/10%		7.510%		10/10%		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	% Completion of Asset Register	100%	100%	-		10/100%		50/100%		100/100%		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean	Due date compliance with the completion of an implementation	31/12/20	31/3/21	-		-		31/3/21		-		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			administration which is committed to prudent management of public funds by promoting accuracy and transparency.	plan on Completion of Revenue												
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the appointment of the Manager ICT	28/2/21	28/2/21	-		-		28/2/21		-		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	Due date compliance with ensuring that an annual auction is held by not later than 31 December 2020	31/12/20	31/12/20	-		31/12/20		-		-		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the preparation and submission of a report to Council on the sale of municipal properties currently rented	31/12/20	31/12/20	-		31/12/20		-		-		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the completion and submission of a report to Council on the viability assessment for the establishment of a Kouga Development Agency	31/12/20	31/12/20	-		31/12/20		-		-		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the preparation of the draft budget for approval by 31/3/21	31/3/21	31/3/21	N/a		N/a		31/3/21		N/a		New	New
Finance	Keep Kouga Growing	Financial Viability and Management	KG 5. Build sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the preparation of the final budget for adoption by 31 May 2021	31/5/21	31/5/21	N/a		N/a		31/5/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance	Due date compliance with the submission of Tariff Review proposals for the	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Directorate for consideration with the budget preparations												
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by promoting accuracy and transparency.	Due date compliance with the submission of business plans for projects relevant to the Directorate to be considered for inclusion in the budget	28/2/21	28/2/21	N/a		N/a		28/2/21		N/a		New	New
All Directors	Keep Kouga Growing	Financial Viability and Management	KG 5. Build a financial sustainability of Kouga Municipality by empowering staff to achieve good governance and a clean administration which is committed to prudent management of public funds by	% compliance with due dates as set out in the procurement plan relevant to the directorate	95%	95%	95%		95%		95%		95%		New	New

Directorate/ Program Driver	Political Focus Area	Key Performance Area	IDP Objective	Key Performance Indicator	2020/2021 Targets										Baseline	
					Annual Target	Revised Target	30/9/20		31/12/20		31/3/21		30/6/21		30 June 2018	30 June 2019
							Target	Actual	Target	Actual	Target	Actual	Target	Actual		
			promoting accuracy and transparency.													

REPORTS BY THE PORTFOLIO CHAIRPERSON: FINANCE

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO: 21/03/F1**

DRAFT MEDIUM-TERM REVENUE AND EXPENDITURE FRAMEWORK (MTREF) - BUDGET FOR 2021/22 TO 2023/24 FINANCIAL YEARS

1. Introduction

The purpose of the report is to table the Draft Medium-Term Revenue and Expenditure Framework (MTREF) – Budget for the 2021/22 – 2023/24 financial years to the Council.

2. Recommendation

2.1 That the Executive Mayor recommends 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 16 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the 2021/22 – 2023/24 Draft Annual Budget, as set out in the following tables:

a) Consolidated Budget Summary [Table A1]
b) Budgeted Financial Performance (revenue and expenditure by standard classification); [Table A2]
c) Budgeted Financial Performance (revenue and expenditure by municipal vote); [Table A3]
d) Budgeted Financial Performance (revenue by source and expenditure by type); [Table A4]
e) Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source. [Table A5]

2.2 That the budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be noted as set-out in the following tables:

a. Budgeted Financial Position; [Table A6]
b. Budgeted Cash Flows; [Table A7]
c. Cash backed reserves and accumulated surplus reconciliation; [Table A8]
d. Asset management; [Table A9]
e. Basic service delivery measurement. [Table A10]

2.3 That the tariffs be increased as follows, with effect from 1 July 2021:

Property rates	5.25%
Water	7.1%
Sanitation	6.5%
Refuse	6.5%
Electricity (average increase in electricity income)	14.59%
Environmental Management Fee	0%

a) Indicative tariffs for 2022/23 and 2023/24 will be increased as follows:

	2022/23	**2023/24**
Property rates	5.25%	5.25%
Water	7.1%	7.1%
Sanitation	6.5%	6.5%
Refuse	6.5%	6.5%
Electricity (average increase in electricity income)	6.25%	6.25%
Environmental Management Fee	0%	0%

2.4 That the Acting Director: Infrastructure and Engineering reports on the outcomes of the implementation of a strategy by 7 May 2021 to the Office of the Municipal Manager, to reduce non-technical electricity losses.

2.5 That the Acting Director: Infrastructure and Engineering reports on the outcomes of the implementation of a strategy by 7 May 2021 to the Office of the Municipal Manager, to reduce water losses.

2.6 That the Director: Community Services reports on the outcomes of the implementation of a strategy by 7 May 2021 to the Office of the Municipal Manager, to collect outstanding traffic fines.

Drafted by Manager Budget & Treasury

Approved by CFO:

Mr. R Lorgat :.....

Endorsed by Municipal Manager:

Mr. C Du Plessis:.....

Noted by Portfolio Councillor:.....

KOUGA LOCAL MUNICIPALITY

KOUGA
local municipality
Good Governance through Service Excellence

2021/22 – 2023/24

DRAFT

ANNUAL BUDGET

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PART 1 – ANNUAL BUDGET

1.1 EXECUTIVE MAYOR'S REPORT

FOREWORD BY THE EXECUTIVE MAYOR

It is my privilege to present to you the fourth review of Kouga Municipality's Integrated Development Plan (IDP) for the cycle 2017 to 2022.

As announced in my State of the Municipality Address (SOMA) earlier this year, the strategic focus areas of the municipality for 2021/2022 will be guided by seven narratives. These are:

Our plans to **Keep Kouga Serviced** in 2021/2022 include bringing even more boreholes online to achieve water security in the region.

To date, more than 40 exploratory boreholes were drilled at five Kouga towns. Viable boreholes were connected at Oyster Bay, Jeffreys Bay, Patensie, and St Francis Bay, while more boreholes will be connected in Hankey, Humansdorp and Cape St Francis.

We will also install additional container ablution facilities in areas where the bucket system is still in use – the highest priority in the IDP. Several container ablution facilities were already delivered across Kouga, including to residents in Thornhill, Stofwolk in Hankey and Maak 'n Las in Humansdorp.

Further plans include the rollout of electricity to areas that never had access to power, including Stofwolk in Hankey, as well as the establishment of two additional cemeteries in Hankey.

The biggest capital project is the resealing and repair of roads across the Kouga region. Apart from the resealing of 12km of road during the 2019/ 2020 financial year, more than R8 million had been budgeted for the resealing of roads in the current financial year, ending on June 30, 2021.

To show how serious we are about fixing roads, an additional R20.5 million has been secured in the adjustment budget to continue with the resealing programme – effectively addressing the inherited R500 million backlog in road maintenance. This will also have a positive benefit on the cost of repairing potholes in the future.

This will ensure that several roads across the Kouga region will be resealed, which in turn will have a positive benefit on the cost of repairing potholes in the future.

We are, however, not ignoring the fact that there are many roads in Kouga that need pothole repairs. The roads maintenance materials have, therefore, been increased by an additional R1,5 million.

Our newly launched Waste Management and Recycling Programme, together with the regular clearing of illegal dump sites and awareness drives, will strengthen effort to **Keep Kouga Clean**.

With the aim of raising awareness of climate change and the role one of us can play to slow it down and minimise the impact on communities, we have launched an innovative, sustainable urban food garden initiative at the end of last year which will see 30 illegal dumping sites being turned into community "Gardens of Hope".

Other current projects include the monitoring and management of the Seekoei Estuary at Jeffreys Bay, strengthening the St Francis spit to prevent the sea from breaking through to the canals, and the removal and rehabilitation of encroaching dunes at Oyster Bay.

The establishment of an and integrated intelligent operation centre in Humansdorp earlier this year, will assist to **Keep Kouga Safe**, while fibre will be rolled out as a fifth utility as part of our efforts to Keep **Kouga Smart**.

To **Keep Kouga Growing** is a non-negotiable – especially now in view of the economic impact of the COVID-19 lockdown.

Recent economic investments include the launch of a mobile biochar plant in Humansdorp earlier this year, creating jobs and enhancing water security, while reversing land degradation.

The Tavcor Group, one of the oldest motor groups in the Southern Cape and Port Elizabeth, has also recently moved into the Kouga region. The branch is currently run remotely with plans to have a physical address soon.

We have shown ourselves to be a region that stands together during times of adversity. I am confident that, as long as we keep on caring for each other as we have done since the outbreak of the COVID-19 pandemic, we will persevere and, ultimately, emerge stronger and more united than ever before.

In closing, I would like to extend my heartfelt gratitude to the municipal administration and workforce for their ongoing commitment towards service excellence no matter the obstacles or risk to themselves.

It is you and our communities that have made Kouga one of the best regions to live in in South Africa. Together, we remain on course to achieve freedom, fairness and opportunity for all while respecting and celebrating our diversity.

COUNCILLOR HORATIO HENDRICKS
EXECUTIVE MAYOR
31 March 2021

1.2 COUNCIL RESOLUTIONS

(a) The Executive Mayor recommends that the Council resolves that:

1. The annual budget of the Kouga Municipality for the financial year 2021/22 and the indicative allocations for the projected outer years 2022/23 and 2023/24; and the multi-year and single year capital appropriations be approved for the purpose of complying with section 24 of the Municipal Finance Management Act (MFMA), Act No. 56 of 2003, as set-out in the following tables:

   1.1 Consolidated Budget Summary [Page 22].
   1.2 Budgeted Financial Performance (revenue and expenditure by standard classification); [Page 24]
   1.3 Budgeted Financial Performance (revenue and expenditure by municipal vote); [Page 26]
   1.4 Budgeted Financial Performance (revenue by source and expenditure by type); [Page 27]
   1.5 and Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source. [Page 30]

2. The budgeted financial position, budgeted cash flows, cash-backed reserves/accumulated surplus, asset management and basic service delivery targets be noted as set-out in the following tables:

   2.1 Budgeted Financial Position; [Page 32]
   2.2 Budgeted Cash Flows; [Page 34]
   2.3 Cash backed reserves and accumulated surplus reconciliation; [Page 35]
   2.4 Asset management; [Page 36]
   2.5 Basic service delivery measurement. [Page 39]

3. The tariffs be increased as follows, with effect from 1 July 2021:

Property rates	5.25%
Water	7.1%
Sanitation	6.5%
Refuse	6.5%
Electricity (average increase in electricity income)	14.59%
Environmental Management Fee	0%

4. The indicative tariffs for 2021/22 and 2022/23 be increased as follows:

	2021/22	2022/23
Property rates	5.25%	5.25%
Water	7.1%	7.1%
Sanitation	6.5%	6.5%
Refuse	6.5%	6.5%
Electricity (average increase in electricity income)	6.25%	6.25%
Environmental Management Fee	0%	0%

1.3 EXECUTIVE SUMMARY

The key service delivery priorities, as reflected in the IDP, informed the development of the Budget, including the need to maintain and improve the Municipality's financial sustainability.
It is also to be noted, that cost containment measures are being implemented to curb costs and to improve operational efficiency.

National Treasury's MFMA Circulars No. 48, 51, 54, 55, 58, 59, 66, 67, 70, 72, 74, 75,78,79,85,86, 88, 89, 91, 93, 94, 98, 99, 107 and 108 (refer to Annexures "A and B") was used to guide the compilation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF).

The Municipality faced the following significant challenges during the compilation of the 2021/22 MTREF:

- Maintaining an acceptable employee related cost ratio.
- Increased costs associated with bulk electricity and water purchases, placing upward pressure on municipal tariff increases.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure.
- Maintaining electricity and water losses at acceptable levels.
- Maintaining revenue collection rates at the targeted levels; and
- Maintaining an acceptable cost coverage ratio.

The following budgeting principles and guidelines directly informed the compilation of the 2021/22 MTREF:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs.
- The level of property rates and tariff increases to ensure the delivery of municipal services on a financially sustainable basis.
- The need to enhance the municipality's revenue base.
- No loan funding is available to support the Capital Budget, in view of financial affordability considerations.
- In accordance with Section 19 of the Municipal Finance Management Act, the relevant Directors must submit comprehensive reports in relation to new projects, inter alia; dealing with the total project costs, funding sources, future operating budget implications and associated tariff implications, before Council finally approves the implementation of any new projects.

In view of the aforementioned, the following table represents an overview of the proposed 2021/22 Medium-term Revenue and Expenditure Framework:

Table 1 (Overview of the 2021/22 MTREF)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	Budget Year 2021/22	% Increase /(decrease)	Budget Year 2022/23	% Increase /(decrease)	Budget Year 2023/24	% Increase /(decrease)
R thousands							
Total Operating Revenue	922 858	965 400	4.61%	1 022 807	5.95%	1 075 898	5.19%
Total Operating Expenditure	1 037 915	1 074 449	3.52%	1 111 859	3.48%	1 158 229	4.17%
Surplus/(Deficit)	(115 057)	(109 049)	-5.22%	(89 052)	-18.34%	(82 330)	-7.55%
Capital Expenditure	85 164	61 013	-28.36%	41 311	-32.29%	60 869	47.35%

Total operating revenue has increased by 4.61% or R 42,542 million for the 2021/22 financial year, compared to the 2020/21 Adjustments Budget.

For the two outer years, operational revenue increases by 5.95% and 5.19% respectively, resulting in a total revenue growth of R 153,041 million over the MTREF, when compared to the 2020/21 financial year.

Total operating expenditure for the 2021/22 financial year amounts to R 1,074,449 billion, resulting in a budgeted deficit of R 109,049 million. Compared to the 2020/21 Adjustments Budget, operational expenditure increased by 3.52% in the 2021/22 Budget.

For the two outer years, operational expenditure increases by 3.48% and increases by 4.17% respectively. The 2022/23 and 2023/24 budgets reflect operating deficits of R 89,052 million and R 82,330 million respectively.

The major operating expenditure items for 2021/22 are employee related costs (35.24%), bulk electricity purchases (26.99%), other expenditure (9.34%), depreciation (8.55%) and debt impairment (5%).

Funding for the 2021/22 Operating Budget is obtained from various sources, the major sources being service charges such as electricity, water, sanitation, environmental management fees and refuse collection (55.74%), property rates (22.65%), grants and subsidies received from National and Provincial Governments (15.81%).

In order to fund the 2021/22 Operating Budget, the following increases in property rates and service charges have been proposed, with effect from 1 July 2021:

Property rates	-	5.25%
Water	-	7.1%
Sanitation	-	6.5%
Refuse	-	6.5%
Electricity (average increase in income)	-	14.59%
Environmental Management Fee	-	0%

The capital budget of R 61,013 million for 2021/22 is R 24,151 million or 28.36% less than the 2020/21 Adjustments Budget.

The Capital Budget over the MTREF will be mainly funded from government grants and subsidies, as the municipality has reached its prudential borrowing limits, whilst limited internal funding is available.

1.4 OPERATING REVENUE FRAMEWORK

The continued provision and expansion of municipal services is largely dependent on the Municipality generating sufficient revenues. Efficient and effective revenue management is thus of vital importance in ensuring the ongoing financial sustainability of the Municipality. Furthermore, in accordance with the MFMA, expenditure has to be limited to the realistically anticipated revenues.

The Municipality's revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard.
- Tariff Policies.
- Property Rates Policy.
- Indigent Policy and provision of free basic services.
- The level of property rates and tariff increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to take into account the maintenance and replacement of infrastructure, including the expansion of services.
- Determining fully cost reflective tariffs for trading services.
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality.
- Efficient revenue management, targeting a 93% annual collection rate for property rates and service charges.

The following table is a summary of the 2021/22 MTREF (classified by main revenue source):

Table 2 (Summary of main revenue sources)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Revenue By Source				
Property rates	207 801	218 711	230 193	242 278
Service charges - electricity revenue	291 625	334 173	355 059	377 250
Service charges - water revenue	83 642	89 581	95 941	102 753
Service charges - sanitation revenue	55 057	58 635	62 447	66 506
Service charges - refuse revenue	53 237	55 744	58 414	61 257
Rental of facilities and equipment	1 122	1 169	1 220	1 275
Interest earned - external investments	5 552	5 780	6 034	6 306
Interest earned - outstanding debtors	10 253	10 674	11 143	11 645
Fines, penalties and forfeits	2 150	2 238	2 336	2 441
Licences and permits	24 732	25 746	26 878	28 088
Transfers and subsidies	166 745	152 602	162 338	164 810
Other revenue	20 941	10 348	10 804	11 290
Total Revenue (excluding capital transfers and contributions)	**922 858**	**965 400**	**1 022 807**	**1 075 898**

The following table illustrates the mix of main revenue sources, supporting the 2021/22 MTREF:

Table 3 (Mix of main revenue sources)

Description	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure					
	Adjusted Budget	%	Budget Year 2021/22	%	Budget Year 2022/23	%	Budget Year 2023/24	%
R thousands								
Revenue By Source								
Property rates	207 801	22.52%	218 711	22.65%	230 193	22.51%	242 278	22.52%
Service charges - electricity revenue	291 625	31.60%	334 173	34.61%	355 059	34.71%	377 250	35.06%
Service charges - water revenue	83 642	9.06%	89 581	9.28%	95 941	9.38%	102 753	9.55%
Service charges - sanitation revenue	55 057	5.97%	58 635	6.07%	62 447	6.11%	66 506	6.18%
Service charges - refuse revenue	53 237	5.77%	55 744	5.77%	58 414	5.71%	61 257	5.69%
Rental of facilities and equipment	1 122	0.12%	1 169	0.12%	1 220	0.12%	1 275	0.12%
Interest earned - external investments	5 552	0.60%	5 780	0.60%	6 034	0.59%	6 306	0.59%
Interest earned - outstanding debtors	10 253	1.11%	10 674	1.11%	11 143	1.09%	11 645	1.08%
Fines, penalties and forfeits	2 150	0.23%	2 238	0.23%	2 336	0.23%	2 441	0.23%
Licences and permits	24 732	2.68%	25 746	2.67%	26 878	2.63%	28 088	2.61%
Transfers and subsidies	166 745	18.07%	152 602	15.81%	162 338	15.87%	164 810	15.32%
Other revenue	20 941	2.27%	10 348	1.07%	10 804	1.06%	11 290	1.05%
Total Revenue (excluding capital transfers and contributions)	**922 858**	**100.00%**	**965 400**	**100.00%**	**1 022 807**	**100.00%**	**1 075 898**	**100.00%**
Total Revenue from Property Rates and Service Charges	**691 362**	**74.92%**	**756 844**	**78.40%**	**802 053**	**78.42%**	**850 044**	**79.01%**

In the 2020/21 financial year, rates and service charges amounted to R 691,362 million. This increases to R 756,844 million, R 802,053 million and R 850,044 million in the 2021/22, 2022/23 and 2023/24 financial years, respectively.

The major operating revenue sources for 2021/22 are electricity (34.61%), property rates (22.65%), operating grants & subsidies (15.81%), water (9.28%) and sanitation (6.07%).

The following table provides a breakdown of the various operating grants and subsidies allocated to the Municipality over the medium term:

Table 4 (Operating Transfers and Grant Receipts)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue:General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050
District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–
Total Operating Transfers and Grants	**166 705**	**152 602**	**162 338**	**164 810**

The Municipality is faced with the significant challenge of providing services with its limited financial resources. Against this background, the Municipality has undertaken the tariff determination process relating to property rates and service charges as follows:

1.4.1 Property Rates

Property rates fund the costs associated with the provision of general services, such as fire, library and roads and stormwater services.

The following provisions in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rateable value (Section 17(h) of the MPRA).
- An additional R85 000 rebate will be granted to registered indigents in terms of the Indigent Policy.
- If the usage of a property changes during a financial year, the rebate applicable will be reduced *pro rata* for the balance of the financial year.

A property rates increase of 5.25% is proposed as from 1 July 2021.

The proposed property rates increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- Providing for debt impairment.

1.4.2 Sale of Water and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their water tariffs to ensure:

- Fully cost reflective water tariffs – tariffs should include the costs associated with bulk water purchases, the maintenance and renewal of purification plants, water networks and water reticulation expansion.
- Water tariffs are structured to protect basic levels of service; and
- Water tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that water tariffs are fully cost reflective by 2014/15. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2021/22 MTREF.

A tariff increases of 7.1% is proposed as from 1 July 2021. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- The cost of bulk water purchases increased by R1.367 million.
- Providing for debt impairment.

The water tariff structure is designed in such a manner that higher levels of water consumption are progressively charged at a higher rate.

1.4.3 Sale of Electricity and Impact of Tariff Increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. Nersa has determined that the Municipality's consumer tariffs will be increased by 14.59% on average to offset the additional electricity bulk purchase costs, as from 1 July 2021.

The proposed tariff increases are mainly influenced by the following:

- Employee related costs increased by 8.59%.
- The cost of bulk electricity purchases increased by 17.80%.
- Repairs and maintenance of electricity infrastructure.
- Costs of servicing existing external borrowing to fund electricity infrastructure.
- Providing for debt impairment.

1.4.4 Sanitation and Impact of Tariff Increases

In accordance with National Treasury's MFMA Circulars, no. 51, 55, 58, 66, 70, 74, 85, 88, 89, 91, 93 and 94, Municipalities are encouraged to review the level and structure of their sanitation tariffs to ensure:

- Fully cost reflective sanitation tariffs – tariffs should include the costs associated with maintenance and renewal of treatment plants, sanitation networks and sanitation infrastructure expansion.
- Sanitation tariffs are structured to protect basic levels of service; and
- Sanitation tariffs are designed to encourage efficient and sustainable consumption.

National Treasury has urged municipalities to ensure that sanitation tariffs are fully cost reflective by 2014/15. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2021/22 MTREF.

Sanitation charges are determined based on the volume of water consumed, which is appropriately reduced by the percentage of water discharged into the sewer system.

A tariff increase of 6.5% is proposed as from 1 July 2021. The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- Providing for debt impairment.

1.4.5 Refuse Collection and Impact of Tariff Increases

National Treasury has urged municipalities to ensure that refuse tariffs are fully cost reflective by 2015. The tariffs should take into account the need to maintain a cash-backed reserve to cover the future costs of the rehabilitation of landfill sites. In this regard a phased-in approach will be undertaken to ensure that tariffs are fully cost reflective over the medium term. As the charging of fully cost reflective tariffs would place an undue financial burden on customers, it will not be possible to implement it in the 2021/22 MTREF.

A tariff increases of 6.5% is proposed for refuse collection, as from 1 July 2021.

The proposed tariff increase is mainly influenced by the following:

- Employee related costs increased by 8.59%.
- Providing for debt impairment

1.4.6 Environmental Management Fees and Impact of Tariff increases

A tariff increases of 0% is proposed for the environmental management fee, as from 1 July 2021.

1.5 OPERATING EXPENDITURE FRAMEWORK

The Municipality's expenditure framework for the 2021/22 budget and MTREF is informed by the following:

- The funding of the budget over the medium-term is informed by the requirements of Section 18 and 19 of the MFMA.

- A balanced budget approach by limiting operating expenditure to the operating revenue.

The following table is a high-level summary of the 2021/22 budget and MTREF (classified per main type of operating expenditure):

Table 5 (Summary of operating expenditure by standard classification item)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Expenditure By Type				
Employee related costs	348 729	378 677	403 878	430 130
Remuneration of councillors	13 651	13 651	14 538	15 483
Debt impairment	70 162	53 726	40 660	34 468
Depreciation & asset impairment	89 066	91 830	95 080	98 560
Finance charges	1 388	716	–	–
Bulk purchases	246 173	290 000	302 760	316 384
Other materials	63 363	66 261	71 947	74 024
Contracted services	93 559	78 598	79 299	80 156
Transfers and subsidies	761	650	650	650
Other expenditure	111 062	100 339	103 047	108 374
Total Expenditure	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**

The total operating expenditure increased by R 36,534 million (3.52%) from R 1,037,915 billion in 2020/21 to R 1,074,449 billion in 2021/22. Below is a discussion of the main expenditure components.

Employee related costs

The 2021/22 budget provides for a general increase of 6%, the salary and wage collective agreement for the period 01 July 2018 to 30 June 2020 has come to an end.

The total budget provision of R 378,677 million represents an increase of 8.59% over the 2020/21 budget. Employee related costs in the 2021/22 Budget, represent 35.24% of the total operating expenditure.

Remuneration of Councillors

The remuneration of Councillors is determined by the Minister of Co-operative Governance and Traditional Affairs, in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). There is no proclamation in terms of Remuneration of Councillors yet.

Debt Impairment

The provision for debt impairment was determined based on a targeted annual collection rate of 93% for property rates and services charges. For the 2021/22 financial year this amounted to R 53,726 million and decrease to R 34,468 million in 2023/24. While this expenditure represents a non-cash flow item, it is taken into account in determining the total costs associated with the rendering of municipal services and the realistically anticipated revenues.

Depreciation and Asset Impairment

The provision for depreciation and asset impairment has been informed by the Municipality's Fixed Assets Register. The budget amounts to R 91,830 million for the 2021/22 financial and equates to 8.55% of the total operating expenditure.

Finance Charges

Finance charges consist primarily of the repayment of interest on existing long-term borrowing (cost of capital). Finance charges constitute 0.07% (R 0,716 million) of total operating expenditure for 2021/22.

Bulk Electricity Purchases

The bulk purchases of electricity increased by R 43,827 million (17.80%), from R 246,173 million in 2020/21 to R 290,000 million in 2021/22. Bulk electricity purchases constitute 26.99% of total operating expenditure for 2021/22.

Other Materials

Other materials relate to the inventory items, such as bulk water purchases, material and supplies, consumables, printing and stationery, fuel and oil etc., initially budgeted under bulk purchases and general expenses, being transferred to other materials. This is in line with the mSCOA requirements. The budget for 2021/22 amounts to R 66,261 million and equates to 6.17% of the total operating expenditure.

Contracted Services

In the 2021/22 financial year, the budget provision amounts to R 78,598 million and equates to 7.32% of the total operating expenditure.

Transfers and subsidies

Transfers and subsidies relate to grant-in-aid given by the municipality to various non-profit organizations, in line with the Council approved grant-in-aid policy. In the 2021/22 financial year, the budget provision amounts to R 0,650 million and equates to 0.06% of the total operating expenditure.

Other Expenditure

Other expenditure comprises of various line items relating to the daily operations of the municipality.
In the 2021/22 financial year, the budget provision amounts to R 100,339 million and equates to 9.34% of the total operating expenditure.

The graph below reflects the expenditure components of the budgeted statement of financial performance.

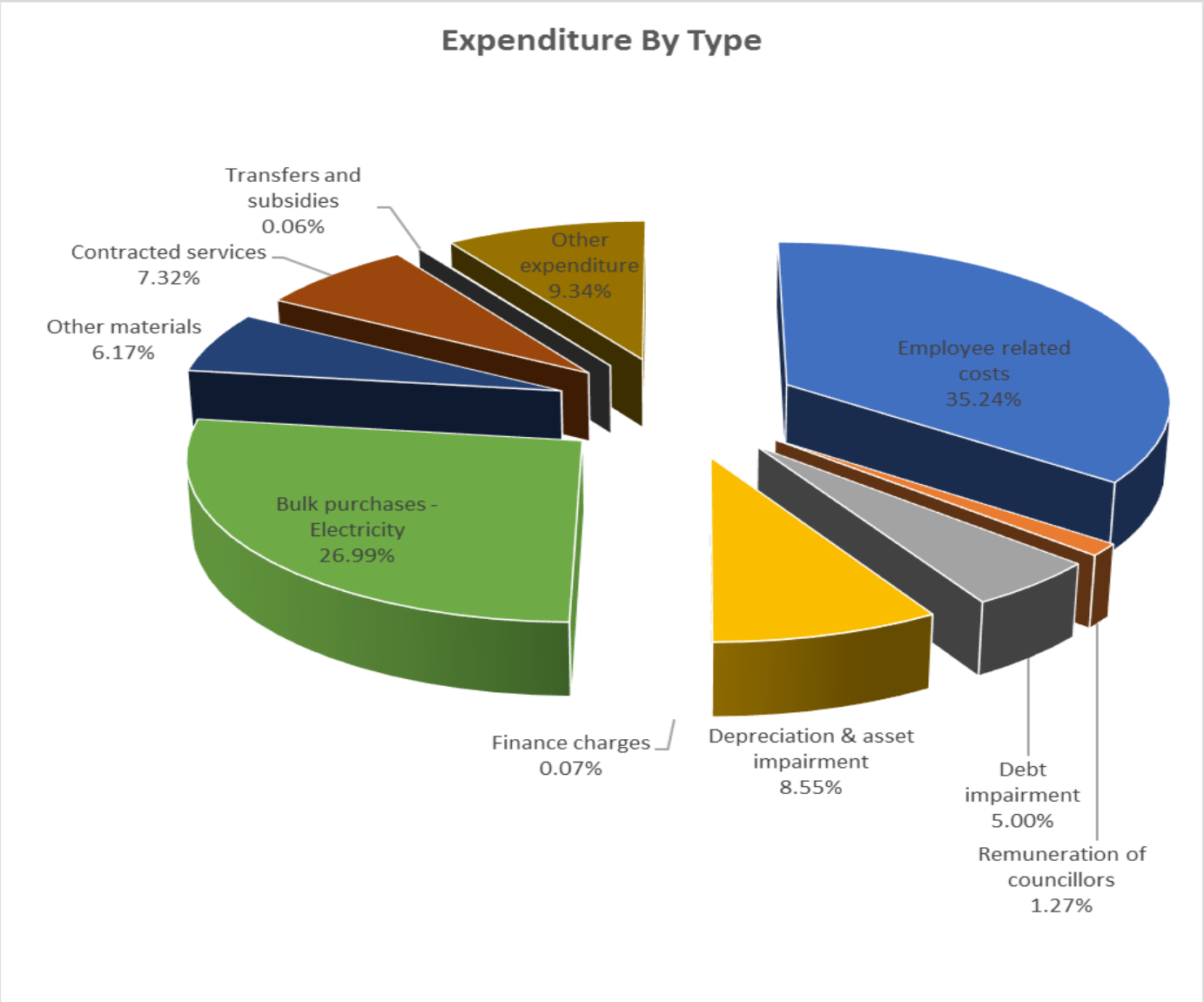

Figure 1 Main operational expenditure categories for the 2021/22 financial year

1.5.1 Priority relating to repairs and maintenance.

The repairs and maintenance expenditure in the 2021/22 financial year, decreased by R 16,193 million or 24.86% compared to the 2020/21 Adjustments Budget.

It is to be noted that repairs and maintenance, constitutes 4.56%, 4.01% and 3.91% of the total operating expenditure, for the 2021/22, 2022/23 and 2023/24 financial years, respectively.

The table below provides a breakdown of the repairs and maintenance in relation to asset class:

Table 6 (Repairs and maintenance per asset class)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Repairs and Maintenance by Asset Class	**65 146**	**48 953**	**44 627**	**45 317**
Roads Infrastructure	30 049	11 590	1 660	1 734
Storm water Infrastructure	1 406	1 355	1 414	1 484
Electrical Infrastructure	5 353	7 227	9 955	10 318
Water Supply Infrastructure	8 829	6 386	6 665	6 960
Sanitation Infrastructure	3 022	2 915	3 043	3 179
Rail Infrastructure	207	730	803	827
Information and Communication Infrastructure	1 050	1 312	1 578	345
Infrastructure	***49 916***	***31 515***	***25 118***	***24 847***
Community Facilities	1 468	2 267	2 503	2 657
Sport and Recreation Facilities	2 219	2 044	3 559	3 700
Community Assets	***3 687***	***4 311***	***6 062***	***6 357***
Operational Buildings	3 002	2 579	2 319	2 434
Other Assets	***3 002***	***2 579***	***2 319***	***2 434***
Machinery and Equipment	**748**	**732**	**802**	**839**
Transport Assets	**7 794**	**9 816**	**10 325**	**10 840**
TOTAL EXPENDITURE OTHER ITEMS	**65 146**	**48 953**	**44 627**	**45 317**

For the 2021/22 financial year an amount of R 31,515 million (64.38%) of total repairs and maintenance, will be spent on infrastructure assets.

1.5.1 Free Basic Services: Indigent Support

The indigent support assists indigent households that have limited financial ability to pay for municipal services. In order to qualify for free services, the households are required to register in terms of the Municipality's Indigent Policy, whilst the monthly household income may not exceed two state pensions. Detail relating to free services, cost of free basic services, as well as basic service delivery measurement is contained in Table A10 (Basic Service Delivery Measurement).

The cost of the indigent support of the registered indigent households is largely financed by national government through the local government equitable share allocation, received in terms of the annual Division of Revenue Act.

1.6 CAPITAL EXPENDITURE

The following table provides a breakdown of budgeted capital expenditure by vote:

Table 7 (2021/22 Medium-term capital budget per vote)

Description	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure					
	Adjusted Budget	%	Budget Year 2021/22	%	Budget Year 2022/23	%	Budget Year 2023/24	%
R thousands								
Capital expenditure - Vote								
Vote 1 - EXECUTIVE COUNCIL	1 832	2.15%	2 740	4.49%	500	1.21%	500	0.82%
Vote 2 - FINANCIAL SERVICES	2 865	3.36%	2 460	4.03%	500	1.21%	-	0.00%
Vote 3 - CORPORATE SERVICES	2 386	2.80%	1 923	3.15%	200	0.48%	200	0.33%
Vote 4 - COMMUNITY SERVICES	8 307	9.75%	7 490	12.28%	2 700	6.54%	13 010	21.37%
Vote 5 - INFRASTRUCTURE AND ENGINEERING	67 685	79.48%	45 230	74.13%	36 811	89.11%	45 439	74.65%
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	2 088	2.45%	1 170	1.92%	600	1.45%	1 720	2.83%
Capital multi-year expenditure sub-total	**85 164**	**100.00%**	**61 013**	**100.00%**	**41 311**	**100.00%**	**60 869**	**100.00%**

Infrastructure and Engineering receives the highest allocation of R 45,230 million in 2021/22, which equates to 74.13%, followed by Community Services at R 7,490 million (12.28%), Executive & Council at R 2,740 million (4.49%), Financial Services at R 2,460 million (4.03%), Corporate Services at R 1,923 million (3.15%), and Planning, Development and Tourism at R 1,170 million (1.92%).

Annexure "C" provides a summary of the capital projects included in the Capital budget.

The following graph provides a breakdown of the capital budget over the MTREF.

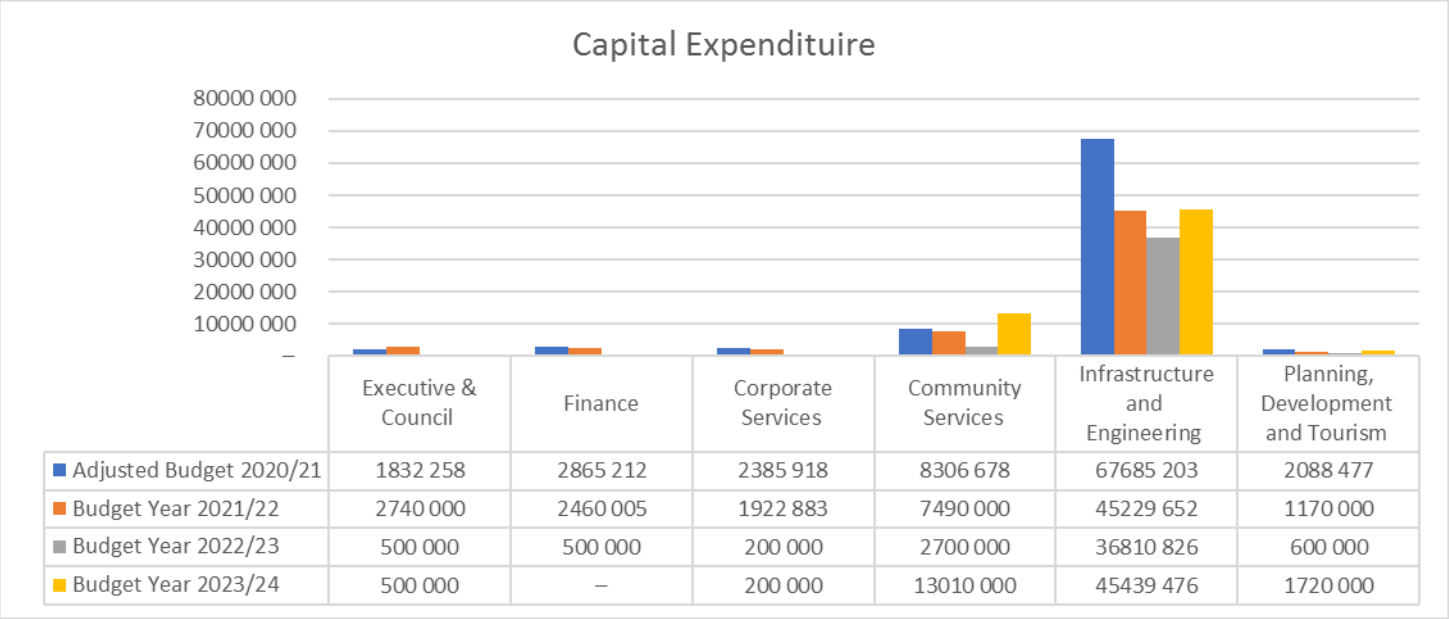

Figure 2 Capital Expenditure

1.7 ANNUAL BUDGET TABLES

The ten main budget tables, as required in terms of the Municipal Budget and Reporting Regulations, are included in this section. These tables set out the Municipality's 2021/22 Budget and MTREF to be considered for approval by Council. Each table is accompanied by *explanatory notes*.

Table 8 (Table A1 - Budget Summary)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Financial Performance				
Property rates	207 801	218 711	230 193	242 278
Service charges	483 561	538 133	571 860	607 766
Investment revenue	5 552	5 780	6 034	6 306
Transfers recognised - operational	166 745	152 602	162 338	164 810
Other own revenue	59 198	50 174	52 382	54 739
Total Revenue (excluding capital transfers and contributions)	922 858	965 400	1 022 807	1 075 898
Employee costs	348 729	378 677	403 878	430 130
Remuneration of councillors	13 651	13 651	14 538	15 483
Depreciation & asset impairment	89 066	91 830	95 080	98 560
Finance charges	1 388	716	–	–
Materials and bulk purchases	309 536	356 261	374 707	390 408
Transfers and grants	761	650	650	650
Other expenditure	274 783	232 664	223 006	222 998
Total Expenditure	1 037 915	1 074 449	1 111 859	1 158 229
Surplus/(Deficit)	(115 057)	(109 049)	(89 052)	(82 330)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	53 586	40 256	41 919	43 217
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)	0	0	0	0
Surplus/(Deficit) after capital transfers & contributions	(61 471)	(68 793)	(47 133)	(39 113)
Share of surplus/ (deficit) of associate	–	–	–	–
Surplus/(Deficit) for the year	(61 471)	(68 793)	(47 133)	(39 113)
Capital expenditure & funds sources				
Capital expenditure	85 164	61 013	41 311	60 869
Transfers recognised - capital	50 006	35 985	35 831	36 959
Public contributions & donations	–	–	–	–
Borrowing	–	–	–	–
Internally generated funds	35 158	25 028	5 480	23 910
Total sources of capital funds	85 164	61 013	41 311	60 869

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousands	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Financial position				
Total current assets	207 271	170 054	183 461	186 232
Total non current assets	2 318 735	2 287 917	2 234 148	2 196 458
Total current liabilities	237 238	182 327	182 327	182 327
Total non current liabilities	163 445	163 445	163 445	163 445
Community wealth/Equity	2 125 323	2 112 199	2 071 837	2 036 918
Cash flows				
Net cash from (used) operating	43 801	23 037	47 947	59 446
Net cash from (used) investing	(85 164)	(61 013)	(41 311)	(60 869)
Net cash from (used) financing	(9 608)	(6 747)	–	–
Cash/cash equivalents at the year end	90 062	45 339	51 975	50 552
Cash backing/surplus reconciliation				
Cash and investments available	90 062	45 339	51 975	50 552
Application of cash and investments	71 940	31 693	23 137	17 986
Balance - surplus (shortfall)	18 122	13 646	28 838	32 566
Asset management				
Asset register summary (WDV)	2 318 722	2 287 904	2 234 135	2 196 445
Depreciation	89 066	91 830	95 080	98 560
Renewal of Existing Assets	13 173	5 215	–	7 500
Repairs and Maintenance	65 146	48 953	44 627	45 317
Free services				
Cost of Free Basic Services provided	50 662	54 308	57 740	61 402
Revenue cost of free services provided	19 429	20 451	21 526	22 658
Households below minimum service level				
Water:	–	–	–	–
Sanitation/sewerage:	–	–	–	–
Energy:	–	–	–	–
Refuse:	–	–	–	–

Explanatory notes to Table A1 - Budget Summary

The aim of the Budget Summary is to provide a concise overview of the proposed budget from all of the major financial perspectives (operating expenditure, capital expenditure, financial position, cash flow, and MFMA funding compliance). The table provides an overview of the amounts to be approved by Council within the context of operating performance, resources utilised for capital expenditure, financial position, cash and funding compliance, as well as the Municipality's commitment to eliminating basic service delivery backlogs.

Table 9 (Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification))

Functional Classification Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Revenue - Functional				
Governance and administration	**343 256**	**334 164**	**353 884**	**368 321**
Executive and council	734	29	31	32
Finance and administration	342 522	334 135	353 853	368 289
Internal audit	–	–	–	–
Community and public safety	**13 588**	**11 799**	**12 111**	**12 443**
Community and social services	2 498	2 516	2 537	2 559
Sport and recreation	6 054	6 302	6 579	6 875
Public safety	1 985	735	736	737
Housing	(0)	–	–	–
Health	3 051	2 246	2 259	2 272
Economic and environmental services	**26 303**	**27 734**	**27 520**	**28 751**
Planning and development	6 573	6 870	7 223	7 541
Road transport	18 341	19 419	18 788	19 633
Environmental protection	1 389	1 446	1 509	1 577
Trading services	**593 297**	**631 958**	**671 212**	**709 600**
Energy sources	304 317	349 113	369 827	392 131
Water management	112 133	109 904	117 647	124 886
Waste water management	104 840	99 787	106 640	112 295
Waste management	72 006	73 154	77 098	80 289
Other	**–**	**–**	**–**	**–**
Total Revenue - Functional	**976 444**	**1 005 656**	**1 064 726**	**1 119 115**
Expenditure - Functional				
Governance and administration	**238 130**	**243 963**	**253 740**	**260 577**
Executive and council	43 932	50 592	51 830	54 784
Finance and administration	194 178	193 351	201 884	205 763
Internal audit	21	20	25	30

Functional Classification Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Community and public safety	**99 017**	**107 514**	**116 055**	**122 817**
Community and social services	10 540	11 186	11 642	12 357
Sport and recreation	50 848	54 230	59 104	61 954
Public safety	25 397	29 328	31 812	34 129
Housing	6 643	5 884	6 229	6 594
Health	5 590	6 886	7 267	7 783
Economic and environmental services	**152 034**	**157 693**	**155 446**	**164 137**
Planning and development	40 583	45 303	46 442	48 702
Road transport	109 440	109 560	105 982	112 179
Environmental protection	2 011	2 830	3 022	3 256
Trading services	**546 626**	**561 444**	**582 822**	**606 895**
Energy sources	317 278	354 858	366 199	379 118
Water management	93 914	86 287	88 655	92 177
Waste water management	67 477	59 888	61 948	64 801
Waste management	67 957	60 412	66 021	70 799
Other	**2 107**	**3 834**	**3 796**	**3 803**
Total Expenditure - Functional	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**
Surplus/(Deficit) for the year	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**

Explanatory notes to Table A2 - 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 approve a budget in one common format, to facilitate comparison across all municipalities. It should be noted that the revenue by vote as reflected in this table, includes revenue attributable to capital grants.

Table 10 (Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote))

Vote Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Revenue by Vote				
Vote 1 - EXECUTIVE COUNCIL	706	–	–	–
Vote 2 - FINANCIAL SERVICES	340 936	332 484	352 130	366 488
Vote 3 - CORPORATE SERVICES	307	1 435	1 498	1 566
Vote 4 - COMMUNITY SERVICES	105 577	105 755	110 926	115 426
Vote 5 - INFRASTRUCTURE AND ENGINEERING	524 996	561 899	595 909	631 181
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	3 922	4 082	4 262	4 454
Total Revenue by Vote	**976 444**	**1 005 656**	**1 064 726**	**1 119 115**
Expenditure by Vote				
Vote 1 - EXECUTIVE COUNCIL	45 903	52 647	52 887	55 927
Vote 2 - FINANCIAL SERVICES	108 439	107 877	108 774	112 017
Vote 3 - CORPORATE SERVICES	47 075	57 087	62 364	59 684
Vote 4 - COMMUNITY SERVICES	206 883	213 660	232 009	247 641
Vote 5 - INFRASTRUCTURE AND ENGINEERING	601 518	609 620	621 671	647 070
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	28 096	33 558	34 153	35 889
Total Expenditure by Vote	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**
Surplus/ (Deficit) for the year	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**

Explanatory notes to Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. The purpose of the format in which the budget is presented, 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 are 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 11 (Table A4 - Budgeted Financial Performance (revenue and expenditure))

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Revenue By Source				
Property rates	207 801	218 711	230 193	242 278
Service charges - electricity revenue	291 625	334 173	355 059	377 250
Service charges - water revenue	83 642	89 581	95 941	102 753
Service charges - sanitation revenue	55 057	58 635	62 447	66 506
Service charges - refuse revenue	53 237	55 744	58 414	61 257
Service charges - other	–	–	–	–
Rental of facilities and equipment	1 122	1 169	1 220	1 275
Interest earned - external investments	5 552	5 780	6 034	6 306
Interest earned - outstanding debtors	10 253	10 674	11 143	11 645
Dividends received	–	–	–	–
Fines, penalties and forfeits	2 150	2 238	2 336	2 441
Licences and permits	24 732	25 746	26 878	28 088
Agency services	–	–	–	–
Transfers and subsidies	166 745	152 602	162 338	164 810
Other revenue	20 941	10 348	10 804	11 290
Gains	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	**922 858**	**965 400**	**1 022 807**	**1 075 898**
Expenditure By Type				
Employee related costs	348 729	378 677	403 878	430 130
Remuneration of councillors	13 651	13 651	14 538	15 483
Debt impairment	70 162	53 726	40 660	34 468
Depreciation & asset impairment	89 066	91 830	95 080	98 560
Finance charges	1 388	716	–	–
Bulk purchases	246 173	290 000	302 760	316 384
Other materials	63 363	66 261	71 947	74 024
Contracted services	93 567	78 598	79 299	80 156
Transfers and subsidies	761	650	650	650
Other expenditure	111 055	100 339	103 047	108 374
Losses	–	–	–	–
Total Expenditure	**1 037 915**	**1 074 449**	**1 111 859**	**1 158 229**
Surplus/(Deficit)	**(115 057)**	**(109 049)**	**(89 052)**	**(82 330)**

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	53 586	40 256	41 919	43 217
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)	0	0	0	0
Transfers and subsidies - capital (in-kind - all)	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**
Taxation	–	–	–	–
Surplus/(Deficit) after taxation	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**
Attributable to minorities	–	–	–	–
Surplus/(Deficit) attributable to municipality	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**
Share of surplus/ (deficit) of associate	–	–	–	–
Surplus/(Deficit) for the year	**(61 471)**	**(68 793)**	**(47 133)**	**(39 113)**

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

Revenue

1. 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 annual results and the original budget, so as to assess performance.

2. Total revenue (excluding capital transfers and contributions) amounts to R 965,400 million in 2021/22 and increases to R 1,075,898 billion in 2023/24.This represents a year-on-year increase of 4.61% for the 2021/22 financial year and increases of 5.95% for the 2022/23 financial year and 5.19% for the 2023/24 financial year, respectively.

3. Revenue from property rates amounts to R 218,711 million in the 2021/22 financial year and increases to R 242,278 million in 2023/24, which amounts to 22.65% of the total operating revenue base of the Municipality.

4. Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the biggest component of the total revenue base, amounting to R 538,133 million for the 2021/22 financial year and increasing to R 607,766 million in 2023/24. For the 2021/22 financial year services charges amount to 55.74% of the total revenue base.

5. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It is to be noted that the grants decreased by 8.48% for 2021/22, increases by 6.38% for 2022/23 and increased by 1.52% for 2023/24, compared to the 2020/21 Adjustments Budget.

Below a breakdown of property rates and service charges for 2021/22:

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure	
	Adjusted Budget	Budget Year 2021/22	%
R thousands			
Revenue By Source			
Property rates	207 801	218 711	5.25%
Service charges - electricity revenue	291 625	334 173	14.59%
Service charges - water revenue	83 642	89 581	7.10%
Service charges - sanitation revenue	55 057	58 635	6.50%
Service charges - refuse revenue	38 566	41 073	6.50%
Service charges - environment management revenue	14 671	14 671	0.00%

Table 12 (Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source)

Vote Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Capital expenditure - Vote				
Multi-year expenditure *to be appropriated*				
Vote 1 - EXECUTIVE COUNCIL	1 832	2 740	500	500
Vote 2 - FINANCIAL SERVICES	2 865	2 460	500	–
Vote 3 - CORPORATE SERVICES	2 386	1 923	200	200
Vote 4 - COMMUNITY SERVICES	8 307	7 490	2 700	13 010
Vote 5 - INFRASTRUCTURE AND ENGINEERING	67 685	45 230	36 811	45 439
Vote 6 - PLANNING DEVELOPMENT AND TOURISM	2 088	1 170	600	1 720
Total Capital Expenditure - Vote	**85 164**	**61 013**	**41 311**	**60 869**
Capital Expenditure - Functional				
Governance and administration	**7 133**	**8 963**	**2 080**	**2 410**
Executive and council	1 132	2 240	500	500
Finance and administration	6 001	6 723	1 580	1 910
Internal audit	–	–	–	–
Community and public safety	**18 886**	**8 987**	**5 917**	**11 081**
Community and social services	–	570	520	1 300
Sport and recreation	12 245	6 217	4 797	4 681
Public safety	5 882	2 200	600	4 100
Housing	760	–	–	1 000
Health	–	–	–	–

Vote Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Economic and environmental services	**6 880**	**15 555**	**8 953**	**32 000**
Planning and development	2 871	1 120	600	720
Road transport	4 009	14 435	8 353	31 280
Environmental protection	–	–	–	–
Trading services	**52 164**	**27 458**	**24 360**	**15 379**
Energy sources	18 984	9 783	6 182	6 087
Water management	7 827	2 245	180	180
Waste water management	24 453	14 630	17 649	3 262
Waste management	900	800	350	5 850
Other	**100**	**50**	**–**	**–**
Total Capital Expenditure - Functional	**85 164**	**61 013**	**41 311**	**60 869**
Funded by:				
National Government	44 888	34 385	35 831	36 959
District Municipality	5 118	1 600	–	–
Transfers recognised - capital	**50 006**	**35 985**	**35 831**	**36 959**
Internally generated funds	35 158	25 028	5 480	23 910
Total Capital Funding	**85 164**	**61 013**	**41 311**	**60 869**

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote; capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.

2. The capital programme is funded from national grants and internally generated funds. For 2021/22, capital transfers totals R 35,985 million (58.98%) and amounts to R 36,959 million for 2023/24 (60.72%). Internally generated funding amounts to R 25,028 million, R 5,480 million and R 23,910 million for each of the respective financial years of the MTREF. These funding sources are further discussed in detail in Section 2.6 (Overview of Budget Funding).

Table 13 (Table A6 - Budgeted Financial Position)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
ASSETS				
Current assets				
Cash	24 281	12 224	14 012	12 589
Call investment deposits	65 781	33 116	37 962	37 962
Consumer debtors	67 394	67 296	67 222	67 161
Other debtors	41 014	48 618	55 462	59 717
Current portion of long-term receivables	3	3	3	3
Inventory	8 798	8 798	8 798	8 798
Total current assets	**207 271**	**170 054**	**183 461**	**186 232**
Non current assets				
Long-term receivables	13	13	13	13
Investments	–	–	–	–
Investment property	242 552	242 552	242 552	242 552
Investment in Associate	–	–	–	–
Property, plant and equipment	2 074 493	2 042 419	1 988 400	1 950 410
Agricultural	–	–	–	–
Biological	–	–	–	–
Intangible	1 677	2 934	3 184	3 484
Other non-current assets	–	–	–	–
Total non current assets	**2 318 735**	**2 287 917**	**2 234 148**	**2 196 458**
TOTAL ASSETS	**2 526 006**	**2 457 971**	**2 417 609**	**2 382 690**
LIABILITIES				
Current liabilities				
Bank overdraft	–	–	–	–
Borrowing	6 747	0	0	0
Consumer deposits	17 378	17 378	17 378	17 378
Trade and other payables	183 464	135 300	135 300	135 300
Provisions	29 649	29 649	29 649	29 649
Total current liabilities	**237 238**	**182 327**	**182 327**	**182 327**
Non current liabilities				
Borrowing	–	–	–	–
Provisions	163 445	163 445	163 445	163 445
Total non current liabilities	**163 445**	**163 445**	**163 445**	**163 445**
TOTAL LIABILITIES	**400 683**	**345 772**	**345 772**	**345 772**
NET ASSETS	**2 125 323**	**2 112 199**	**2 071 837**	**2 036 918**
COMMUNITY WEALTH/EQUITY				
Accumulated Surplus/(Deficit)	2 125 323	2 112 199	2 071 837	2 036 918
Reserves	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	**2 125 323**	**2 112 199**	**2 071 837**	**2 036 918**

Explanatory notes to Table A6 - Budgeted Financial Position

1. The table presents 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.

2. 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 debt impairment, which in turn impacts on the 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 the determination of ratios and financial indicators. In addition, the funding compliance assessment is directly informed by forecasting the statement of financial position.

Table 14 (Table A7 - Budgeted cash flow statement)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	187 021	203 401	218 684	232 587
Service charges	435 205	500 464	543 267	583 455
Other revenue	48 944	39 500	41 238	43 094
Transfers and Subsidies - Operational	166 705	152 602	162 338	164 810
Transfers and Subsidies - Capital	37 164	40 256	41 919	43 217
Interest	14 780	15 706	16 620	17 485
Dividends	–	–	–	–
Payments				
Suppliers and employees	(843 870)	(927 527)	(975 470)	(1 024 551)
Finance charges	(1 388)	(716)	–	–
Transfers and Grants	(761)	(650)	(650)	(650)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**43 801**	**23 037**	**47 947**	**59 446**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–
Payments				
Capital assets	(85 164)	(61 013)	(41 311)	(60 869)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(85 164)**	**(61 013)**	**(41 311)**	**(60 869)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments				
Repayment of borrowing	(9 608)	(6 747)	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(9 608)**	**(6 747)**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**(50 970)**	**(44 723)**	**6 636**	**(1 423)**
Cash/cash equivalents at the year begin:	141 032	**90 062**	**45 339**	**51 975**
Cash/cash equivalents at the year end:	**90 062**	**45 339**	**51 975**	**50 552**

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement represents the first measurement in determining whether the budget is funded.

2. It reflects the expected cash in-flows versus cash outflows that are likely to result from the implementation of the budget.

3. The cash position of the Municipality increases over the 2021/22 to 2023/24 period, from R 45, 339 million to R 50,552 million.

4. Cash and cash equivalents amount to R 45,339 million as at the end of the 2021/22 financial year and increases to R 50,552 million in 2023/24.

Table 15 (Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Cash and investments available				
Cash/cash equivalents at the year end	90 062	45 339	51 975	50 552
Other current investments > 90 days	(0)	0	0	0
Non current assets - Investments	–	–	–	–
Cash and investments available:	**90 062**	**45 339**	**51 975**	**50 552**
Application of cash and investments				
Unspent conditional transfers	–	–	–	–
Unspent borrowing	–	–	–	–
Statutory requirements				
Other working capital requirements	70 766	28 517	19 961	14 810
Other provisions	1 174	3 176	3 176	3 176
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–
Total Application of cash and investments:	**71 940**	**31 693**	**23 137**	**17 986**
Surplus(shortfall)	**18 122**	**13 646**	**28 838**	**32 566**

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.

2. The table assesses the funding levels of the budget by firstly forecasting the cash and investments at year-end and secondly reconciling the available funding to the liabilities/commitments that exist.

3. As part of the budgeting and planning guidelines that informed the compilation of the 2021/22 MTREF, the end objective of the medium-term framework was to ensure the budget is funded as required in accordance with section 18 of the MFMA.

4. It is to be noted that the budget moves from a funding surplus of R 13,646 million in 2021/22 to a funding surplus of R 32,566 million in 2023/24.

Table 16 (Table A9 - Asset Management)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
CAPITAL EXPENDITURE				
Total New Assets	**45 603**	**25 845**	**11 562**	**20 897**
Electrical Infrastructure	14 204	8 383	6 182	6 087
Water Supply Infrastructure	–	570	520	300
Sanitation Infrastructure	16 955	3 430	800	800
Solid Waste Infrastructure	250	1 370	–	–
Information and Communication Infrastructure	757	700	500	6 500
Infrastructure	***32 166***	***14 453***	***8 002***	***13 687***
Community Facilities	3 092	1 650	700	100
Sport and Recreation Facilities	–	200	–	–
Community Assets	***3 092***	***1 850***	***700***	***100***
Revenue Generating	100	–	–	–
Non-revenue Generating	360	–	–	1 000
Investment properties	***460***	***–***	***–***	***1 000***
Operational Buildings	469	1 106	–	–
Housing	–	–	–	–
Other Assets	***469***	***1 106***	***–***	***–***
Licences and Rights	1 516	1 257	250	300
Intangible Assets	***1 516***	***1 257***	***250***	***300***
Computer Equipment	**2 578**	**1 350**	**530**	**660**
Furniture and Office Equipment	**1 310**	**1 770**	**900**	**770**
Machinery and Equipment	**3 612**	**2 960**	**1 180**	**1 880**
Transport Assets	**400**	**1 100**	**–**	**2 500**
Total Renewal of Existing Assets	**13 173**	**5 215**	**–**	**7 500**
Roads Infrastructure	2 270	–	–	7 500
Electrical Infrastructure	3 000	–	–	–
Water Supply Infrastructure	1 350	1 565	–	–
Infrastructure	***6 620***	***3 065***	***–***	***7 500***
Community Facilities	100	50	–	–
Sport and Recreation Facilities	200	–	–	–
Community Assets	***300***	***50***	***–***	***–***
Revenue Generating	6 253	2 100	–	–
Investment properties	***6 253***	***2 100***	***–***	***–***
Total Upgrading of Existing Assets	**26 387**	**29 952**	**29 749**	**30 873**
Roads Infrastructure	1 739	14 235	8 353	23 780
Electrical Infrastructure	–	1 400	–	–
Water Supply Infrastructure	400	–	–	–
Sanitation Infrastructure	13 175	9 830	16 849	2 462
Information and Communication Infrastructure	5 087	–	–	–
Infrastructure	***20 401***	***25 465***	***25 202***	***26 242***
Sport and Recreation Facilities	5 986	4 237	4 547	4 631
Community Assets	***5 986***	***4 237***	***4 547***	***4 631***
Computer Equipment	**–**	**250**	**–**	**–**

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Total Capital Expenditure	**85 164**	**61 013**	**41 311**	**59 269**
Roads Infrastructure	4 009	14 235	8 353	31 280
Electrical Infrastructure	17 204	9 783	6 182	6 087
Water Supply Infrastructure	1 750	2 135	520	300
Sanitation Infrastructure	30 130	13 260	17 649	3 262
Solid Waste Infrastructure	250	1 370	–	–
Information and Communication Infrastructure	5 845	2 200	500	6 500
Infrastructure	***59 188***	***42 983***	***33 203***	***47 429***
Community Facilities	3 192	1 700	700	100
Sport and Recreation Facilities	6 186	4 437	4 547	4 631
Community Assets	***9 379***	***6 137***	***5 247***	***4 731***
Revenue Generating	6 353	2 100	–	–
Non-revenue Generating	360	–	–	1 000
Investment properties	***6 713***	***2 100***	***–***	***1 000***
Operational Buildings	469	1 106	–	–
Other Assets	***469***	***1 106***	***–***	***–***
Licences and Rights	1 516	1 257	250	300
Intangible Assets	***1 516***	***1 257***	***250***	***300***
Computer Equipment	**2 578**	**1 600**	**530**	**660**
Furniture and Office Equipment	**1 310**	**1 770**	**900**	**770**
Machinery and Equipment	**3 612**	**2 960**	**1 180**	**1 880**
Transport Assets	**400**	**1 100**	**–**	**2 500**
TOTAL CAPITAL EXPENDITURE - Asset class	**85 164**	**61 013**	**41 311**	**59 269**
ASSET REGISTER SUMMARY - PPE (WDV)	2 318 722	2 287 904	2 234 135	2 196 445
Roads Infrastructure	625 091	563 801	510 032	472 342
Storm water Infrastructure	46 564	62 134	62 134	62 134
Electrical Infrastructure	481 825	481 785	481 785	481 785
Water Supply Infrastructure	344 636	353 087	353 087	353 087
Sanitation Infrastructure	82 945	67 176	67 176	67 176
Solid Waste Infrastructure	16 009	16 009	16 009	16 009
Information and Communication Infrastructure	0	250	250	250
Infrastructure	***1 597 070***	***1 544 241***	***1 490 473***	***1 452 783***
Community Assets	34 096	25 628	25 628	25 628
Investment properties	242 552	242 552	242 552	242 552
Other Assets	144 063	151 324	151 324	151 324
Intangible Assets	1 677	2 934	2 934	2 934
Computer Equipment	9 143	9 198	9 198	9 198
Furniture and Office Equipment	14 246	17 122	17 122	17 122
Machinery and Equipment	16 212	28 792	28 792	28 792
Transport Assets	19 534	26 344	26 344	26 344
Land	240 131	239 771	239 771	239 771
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	**2 318 722**	**2 287 904**	**2 234 135**	**2 196 445**

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
EXPENDITURE OTHER ITEMS				
Depreciation	89 066	91 830	95 080	98 560
Repairs and Maintenance by Asset Class	**65 146**	**48 953**	**44 627**	**45 317**
Roads Infrastructure	30 049	11 590	1 660	1 734
Storm water Infrastructure	1 406	1 355	1 414	1 484
Electrical Infrastructure	5 353	7 227	9 955	10 318
Water Supply Infrastructure	8 829	6 386	6 665	6 960
Sanitation Infrastructure	3 022	2 915	3 043	3 179
Rail Infrastructure	207	730	803	827
Information and Communication Infrastructure	1 050	1 312	1 578	345
Infrastructure	***49 916***	***31 515***	***25 118***	***24 847***
Community Facilities	1 468	2 267	2 503	2 657
Sport and Recreation Facilities	2 219	2 044	3 559	3 700
Community Assets	***3 687***	***4 311***	***6 062***	***6 357***
Operational Buildings	3 002	2 579	2 319	2 434
Other Assets	***3 002***	***2 579***	***2 319***	***2 434***
Machinery and Equipment	**748**	**732**	**802**	**839**
Transport Assets	**7 794**	**9 816**	**10 325**	**10 840**
TOTAL EXPENDITURE OTHER ITEMS	**154 212**	**140 783**	**139 707**	**143 877**
Renewal and upgrading of Existing Assets as % of total capex	*46.5%*	*57.6%*	*72.0%*	*64.7%*
Renewal and upgrading of Existing Assets as % of deprecn	*44.4%*	*38.3%*	*31.3%*	*38.9%*
R&M as a % of PPE	*3.1%*	*2.4%*	*2.2%*	*2.3%*
Renewal and upgrading and R&M as a % of PPE	*5.0%*	*4.0%*	*3.0%*	*4.0%*

Explanatory notes to Table A9 - Asset Management

1. The table provides a summarised version of the capital programme divided into new assets and renewal of existing assets; and also reflects the relevant asset categories. The associated repairs and maintenance and depreciation are also reflected.

   It also provides an indication of the resources deployed for maintaining and renewing existing assets, as well as the extent of asset expansion.

2. National Treasury has suggested that municipalities should allocate at least 40% of their capital budget to the renewal/rehabilitation of existing assets, and allocations to repairs and maintenance should be 8% of PPE. In this regard the expenditure relating to the renewal/rehabilitation of existing assets amounts to 57.6% of the capital budget, whilst repairs and maintenance constitute 2.4% of PPE.

Table 17 (Table A10 - Basic Service Delivery Measurement)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Household service targets				
Water:				
Piped water inside dwelling	–	–	–	–
Piped water inside yard (but not in dwelling)	–	–	–	–
Using public tap (at least min.service level)	–	–	–	–
Other water supply (at least min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Using public tap (< min.service level)	–	–	–	–
Other water supply (< min.service level)	–	–	–	–
No water supply	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**
Sanitation/sewerage:				
Flush toilet (connected to sewerage)	–	–	–	–
Flush toilet (with septic tank)	–	–	–	–
Chemical toilet	–	–	–	–
Pit toilet (ventilated)	–	–	–	–
Other toilet provisions (> min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Bucket toilet	–	–	–	–
Other toilet provisions (< min.service level)	–	–	–	–
No toilet provisions	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**
Energy:				
Electricity (at least min.service level)	–	–	–	–
Electricity - prepaid (min.service level)	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Electricity (< min.service level)	–	–	–	–
Electricity - prepaid (< min. service level)	–	–	–	–
Other energy sources	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**
Refuse:				
Removed at least once a week	–	–	–	–
Minimum Service Level and Above sub-total	–	–	–	–
Removed less frequently than once a week	–	–	–	–
Using communal refuse dump	–	–	–	–
Using own refuse dump	–	–	–	–
Other rubbish disposal	–	–	–	–
No rubbish disposal	–	–	–	–
Below Minimum Service Level sub-total	–	–	–	–
Total number of households	**–**	**–**	**–**	**–**

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Households receiving Free Basic Service				
Water (6 kilolitres per household per month)	36 063 383	38 317 522	40 725 697	43 298 452
Sanitation (free minimum level service)	9 123 753	9 716 797	10 348 389	11 021 034
Electricity/other energy (50kwh per household per month)	5 474 948	6 273 743	6 665 852	7 082 468
Refuse (removed at least once a week)	–	–	–	–
Cost of Free Basic Services provided - Formal Settlements (R'000)				
Water (6 kilolitres per **indigent** household per month)	36 063	38 318	40 726	43 298
Sanitation (free sanitation service to **indigent households**)	9 124	9 717	10 348	11 021
Electricity/other energy (50kwh per **indigent** household per month)	5 475	6 274	6 666	7 082
Refuse (removed once a week **for indigent households**)	–	–	–	–
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)	–	–	–	–
Total cost of FBS provided	**50 662**	**54 308**	**57 740**	**61 402**
Highest level of free service provided per household				
Property rates (R value threshold)				
Water (kilolitres per household per month)				
Sanitation (kilolitres per household per month)				
Sanitation (Rand per household per month)				
Electricity (kwh per household per month)				
Refuse (average litres per week)				
Revenue cost of subsidised services provided (R'000)				
Property rates **(tariff adjustment)** (**impermissable values per section 17 of MPRA**)	–	–	–	–
Property rates exemptions, reductions and rebates **and impermissable values in excess of section 17 of MPRA)**	19 429	20 451	21 526	22 658
Water **(in excess of 6 kilolitres per indigent household per month)**	–	–	–	–
Sanitation **(in excess of free sanitation service to indigent households)**	–	–	–	–
Electricity/other energy **(in excess of 50 kwh per indigent household per month)**	–	–	–	–
Refuse **(in excess of one removal a week for indigent households)**	–	–	–	–
Municipal Housing - rental rebates	–	–	–	–
Housing - top structure subsidies	–	–	–	–
Other	–	–	–	–
Total revenue cost of subsidised services provided	**19 429**	**20 451**	**21 526**	**22 658**

Explanatory notes to Table A10 - Basic Service Delivery Measurement

1. Table A10 provides an overview of service delivery levels, including backlogs (below minimum service level), for each of the main services.

PART 2 – SUPPORTING DOCUMENTATION

2.1 OVERVIEW OF ANNUAL BUDGET PROCESS

The Budget process started in September 2020 after the approval of a timetable to guide the preparation of the 2021/22 to 2023/24 Operating and Capital Budgets.

The timetable provides broad timeframes for the IDP and Budget preparation process. It allows for consultation with stakeholders, such as the elected public representatives, employees of the Municipality, Civil Society, State departments, business and labour, during April/May 2021. The main aim of the timetable was to ensure that an IDP and a balanced Budget are tabled in March 2021. The Draft Budget and IDP will be tabled by the Executive Mayor at a Council meeting scheduled for 31 March 2021. After this meeting, it will be submitted to National and Provincial Treasury.

The budget consultation process will take the form of publication of the Draft Budget on municipal website, Facebook, and radio presentation of the Draft Budget by the Executive Mayor. The inputs of the aforementioned consultations will be taken into account, whilst the Executive Mayor will table the final IDP and Budget for consideration and approval at a Council meeting scheduled for 31 May 2021.

The Service Delivery and Budget Implementation Plan is the mechanism that ensures that the IDP and the Budget is aligned.

2.1.1 IDP & Budget Timetable 2021/22 to 2023/24

The preparation of the 2021/22 to 2023/24 IDP and Budget were guided by the following schedule of key deadlines as approved by Council on 28 August 2020.

Activity	Date
IDP/Budget Schedule approved by Council	28 August 2020
Tabling of draft IDP and Budget in Council	31 March 2021
Public Participation	During April and May 2021
Final adoption of IDP and Budget by Council	31 May 2021
Approval of SDBIP by Executive Mayor	26 June 2021

2.2 ALIGNMENT OF ANNUAL BUDGET WITH INTEGRATED DEVELOPMENT PLAN

The Integrated Development Plan (IDP) determines and prioritises the needs of the community.

The review of the IDP, in accordance with the Municipal Systems Act, was guided and informed by the following principles:

- Achievement of the five strategic priorities of the municipality.
- Focusing on service delivery backlogs and the maintenance of infrastructure.
- Addressing community priorities (needs) as identified in the IDP.

The review of the IDP focused on establishing measurable performance indicators and targets. These targets informed the preparation of the multi-year budget, as well as the Service Delivery and Budget Implementation Plan (SDBIP).

The 2021/22 to 2023/24 Operating and Capital Budgets were prepared in accordance with the IDP. The key strategic focus areas of the IDP are as follows:

- Municipal transformation and development
- Service delivery and infrastructure development
- Local economic development
- Financial sustainability and viability
- Good governance and public participation

The budget consultation process will take the form of publication of the Draft Budget on municipal website, Facebook, radio presentation of the Draft Budget by the Executive Mayor, National and Provincial Governments on how the budget addresses the IDP priorities and objectives. The feedback flowing from these meetings will be referred to the relevant Directorates for their attention.

2.3 MEASURABLE PERFORMANCE OBJECTIVES AND INDICATORS

Description of financial indicator	Basis of calculation	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Borrowing Management					
Credit Rating					
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	1.1%	0.7%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	1.5%	0.9%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	0.0%	0.0%	0.0%	0.0%
Safety of Capital					
Gearing	Long Term Borrowing/ Funds & Reserves	0.0%	0.0%	0.0%	0.0%
Liquidity					
Current Ratio	Current assets/current liabilities	0.9	0.9	1.0	1.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	0.9	0.9	1.0	1.0
Liquidity Ratio	Monetary Assets/Current Liabilities	0.4	0.2	0.3	0.3
Revenue Management					
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing	0.0%	0.0%	0.0%	0.0%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)		90.0%	93.0%	95.0%	96.0%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	11.7%	12.0%	12.0%	11.8%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old				
Creditors Management					
Creditors System Efficiency	% of Creditors Paid Within Terms (within`MFMA' s 65(e))				
Creditors to Cash and Investments		-203.7%	-298.4%	-260.3%	-267.6%

Description of financial indicator	Basis of calculation	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Other Indicators					
	Total Volume Losses (kW)				
	Total Cost of Losses (Rand '000)				
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated				
	Total Volume Losses (kℓ)				
	Total Cost of Losses (Rand '000)				
Water Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated				
Employee costs	Employee costs/(Total Revenue - capital revenue)	37.8%	39.2%	39.5%	40.0%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	39.3%	40.6%	40.9%	41.4%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7.1%	5.1%	4.4%	4.2%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	9.8%	9.6%	9.3%	9.2%
IDP regulation financial viability indicators	-				
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	31.2	48.9	49.2	52.1
ii.O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	15.7%	15.3%	15.3%	14.9%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	1.3	0.6	0.7	0.6

2.3.1 Performance indicators and benchmarks

2.3.1.1 Borrowing Management

Capital expenditure may be funded from capital grants, internal sources and long-term borrowing. The ability of a municipality to raise long term borrowing is largely dependent on its creditworthiness and financial position. The following financial performance indicators formed part of the compilation of the 2021/22 MTREF:

- *Capital charges to operating expenditure* is a measure of the cost of borrowing, compared to the total operating expenditure. The cost of borrowing amounts to 0.7% of total operating expenditure in the 2021/2 financial year and reduces to 0.0% in 2022/23.

2.3.1.2 Liquidity

- The c*urrent ratio* is a measure of the current assets divided by the current liabilities. The Municipality has set a benchmark limit of 1. For the 2021/22 MTREF, the current ratio is 0.9 in the 2021/22, 1.0 in the 2022/23 and 1.0 in the 2023/24 financial years.

- *The liquidity ratio* is a measure of the municipality's ability to utilise cash and cash equivalents to meets its current liabilities. A liquidity ratio of 1 should be maintained. For the 2021/22 MTREF, the liquidity ratio is at 0.2:1. This represents a significant risk for the Municipality, as any under collection of revenue will result in financial challenges for the Municipality. As part of the medium-term financial planning objectives, this ratio must be maintained at a minimum of 1.

2.3.2 Basic social services package for indigent households

The Constitution stipulates that a municipality must structure and manage its administration, budgeting and planning so as to give priority to the basic needs of the community and to promote their social and economic development. The basic social package is an affirmation of the Municipality's commitment to push back the frontiers of poverty by providing social welfare to those residents who cannot afford to pay, as a result of adverse social and economic conditions.

2.4 OVERVIEW OF BUDGET RELATED POLICIES

The MFMA and the Budget and Reporting Regulations require budget related policies to be reviewed, and where applicable, be updated on an annual basis.

2.4.1 Financial Management Policies

A number of policies have been adopted by the Council. The policies govern the financial management functions of the Municipality, such as supply chain management, budget virements, credit control and debt collection, etc.

2.4.2 Review of credit control and debt collection policies

The Customer Care, Credit Control and Debt Collection Policy was reviewed and approved by Council on 30 October 2018.

The 2021/22 MTREF has been prepared on the basis of achieving an average revenue collection rate of 93% of current billings for property rate and service charges.

2.4.3 Supply Chain Management Policy

A revised Supply Chain Management Policy was adopted by Council in 29 March 2018.

2.4.4 Property Rates Policy

A revised Property Rates Policy was adopted by Council in February 2018.

2.4.5 Funding and Reserves Policy

The Funding and Reserves Policy was adopted by Council in May 2016.

2.4.6 Cost Containment Policy

The Cost Containment Policy was adopted by Council in May 2016.

2.4.7 Cash Management and Investment Policy

The Cash Management and Investment Policy was adopted by Council in May 2016.

2.4.8 Borrowing Policy

The Borrowing Policy was adopted by Council in May 2016.

All the above policies are available on the Municipality's website, as well as the following budget related policies:

- Indigent Policy.
- Budget virement Policy.

2.5 OVERVIEW OF BUDGET ASSUMPTIONS

The municipal fiscal environment is influenced by a variety of macro-economic control measures. National Treasury provides guidelines on the ceiling of year-on-year increases in the total Operating Budget, whilst the National Electricity Regulator of South Africa (NERSA) regulates bulk electricity tariff increases. The Municipality's employee related costs are also influenced by collective agreements concluded in the South African Local Government Bargaining Council. Various government departments also affect municipal service delivery through the level of grants and subsidies.

The following principles and guidelines directly informed the compilation of the Budget:

- The priorities and targets, relating to the key strategic focus areas, as outlined in the IDP.
- The need to enhance the municipality's revenue base.
- The level of property rates and tariff increases to take into account the need to address maintenance and infrastructural backlogs, including the expansion of services.
- The level of property rates and tariff increases to ensure the delivery of services on a financially sustainable basis.
- No loan funding is available to support the Capital Budget, in view of financial affordability considerations.
- No growth in revenue sources has been provided for in view of current consumption trends in municipal services.
- No growth in property rates income has been provided for, in view of the depressed property market.

The Municipality faced the following significant challenges in preparing the 2021/22 – 2023/24 Budget:

- Maintaining an acceptable employee related cost ratio.
- Increased costs associated with bulk electricity and water purchases, placing upward pressure on municipal tariff increases.
- Allocation of the required budget provision for the rehabilitation and maintenance of infrastructure.
- Maintaining electricity and water losses at acceptable levels.
- Maintaining revenue collection rates at the targeted levels; and
- Maintaining an acceptable cost coverage ratio.

The multi-year budget is therefore underpinned by the following assumptions:

	2021/22	**2022/23**	**2023/24**
Income	**%**	**%**	**%**
Tariff Increases for water	7.1	7.1	7.1
Tariff Increases for sanitation	6.5	6.5	6.5
Tariff Increases for refuse	6.5	6.5	6.5
Property rates increase	5.25	5.25	5.25
Electricity tariff increase (on average)	6.25	6.25	6.25
Environmental Management Fee increase	0	0	0
Revenue collection rates (Property Rates and Service Charges)	93	95	96

	2021/22	2022/23	2023/24
Expenditure increases allowed	4.5	4.6	4.6
Salary increase	6	6	6
Increase in bulk purchase of electricity costs	17.8	4.4	4.5
Increase in bulk purchase of water costs	4.1	4.4	4.5

2.6 OVERVIEW OF BUDGET FUNDING

2.6.1 Medium-term outlook: operating revenue

The following table provides a breakdown of operating revenue over the medium-term:

Table 18 (Breakdown of the operating revenue over the medium-term)

The following graph is a breakdown of the operational revenue per main category for the 2021/22 financial year.

Description	Current Year 2020/21		2021/22 Medium Term Revenue & Expenditure					
	Adjusted Budget	%	Budget Year 2021/22	%	Budget Year 2022/23	%	Budget Year 2023/24	%
R thousands								
Revenue By Source								
Property rates	207 801	22.52%	218 711	22.65%	230 193	22.51%	242 278	22.52%
Service charges	483 561	52.40%	538 133	55.74%	571 860	55.91%	607 766	56.49%
Transfers and subsidies	166 745	18.07%	152 602	15.81%	162 338	15.87%	164 810	15.32%
Other revenue	64 750	7.02%	55 954	5.80%	58 416	5.71%	61 044	5.67%
Total Revenue (excluding capital transfers and contributions)	**922 858**	**100.00%**	**965 400**	**100.00%**	**1 022 807**	**100.00%**	**1 075 898**	**100.00%**

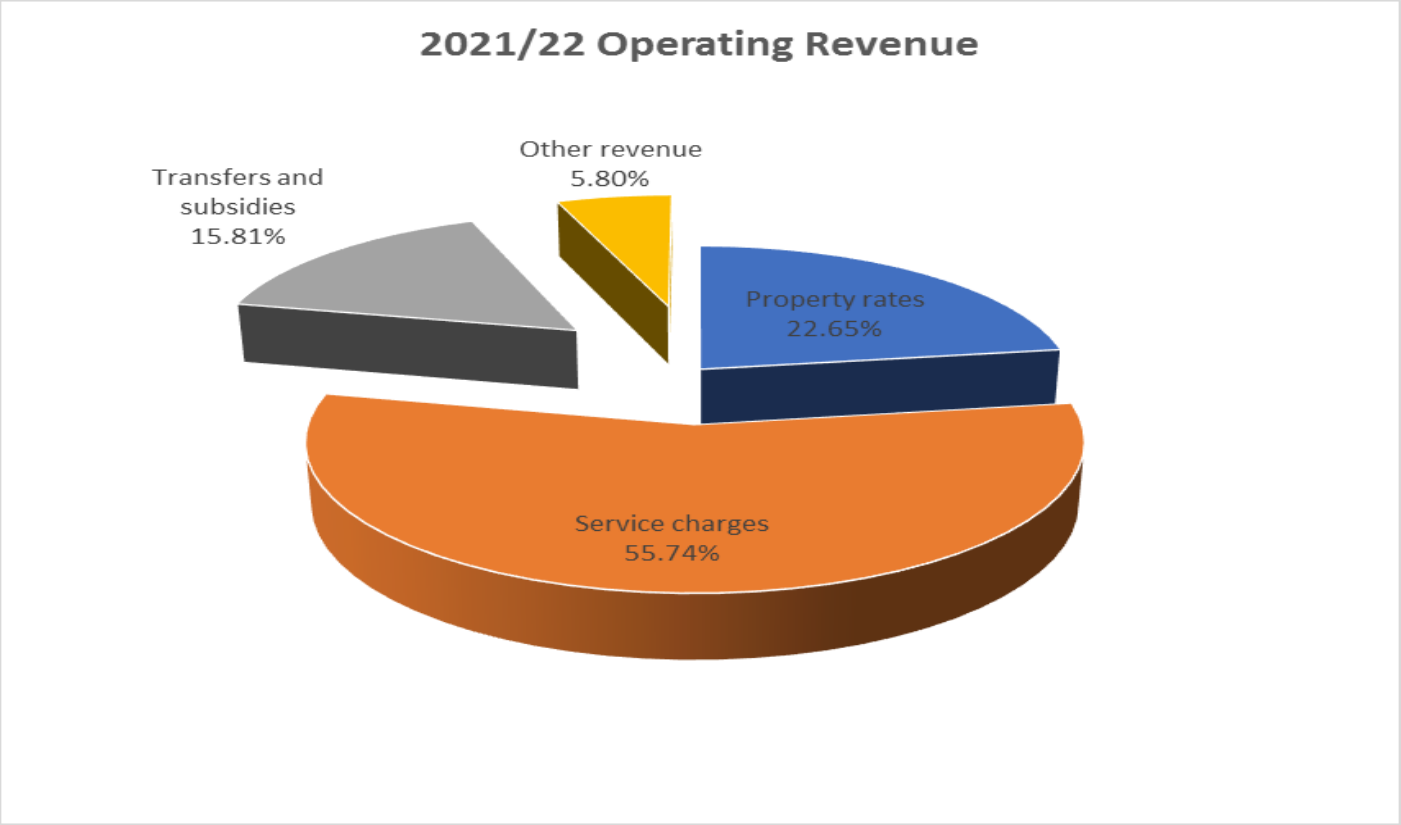

Figure 3 Breakdown of operating revenue over the 2020/21 MTRE

Tariff determination is important in ensuring appropriate levels of revenue, in order to achieve a credible and funded budget. Operating revenue is mainly derived from service charges, such as water, electricity, sanitation and refuse collection and disposal, property rates and operating grants.

The revenue management strategy includes the following key components:

- National Treasury's guidelines in this regard.
- The Property Rates Policy.
- The level of property rates and tariff increases must ensure financially sustainable service delivery.
- The level of property rates and tariff increases to take into account maintenance and replacement of infrastructure, including the expansion of services.
- Determining fully cost reflective tariffs for trading services.
- Electricity bulk tariff increases as approved by the National Electricity Regulator of South Africa (NERSA).
- Water bulk tariff increases as approved by the Nelson Mandela Bay Metropolitan Municipality.
- Efficient revenue management, targeting an 93% annual collection rate for property rates and service charges.
- Growth in the revenue base.

The aforementioned principles guided the annual increases in property rates and tariffs, charged to the consumer.

Property rates amounts to R 218,711 million in the 2021/22 financial year and increases to R 242,278 million in 2023/24, representing 22.65% of the total operating revenue for the 2021/22 budget.

Services charges relating to electricity, water, sanitation, environmental management and refuse collection constitute the largest component of the revenue base, amounting to R 538,133 million in the 2021/22 financial year and increasing to R 607,766 million in 2023/24. For the 2021/22 financial year, services charges amount to 55.74% of the total revenue base.

Operational grants and subsidies amount to R 152,602 million, R 162,338 million and R 164,810 million for each of the respective financial years of the MTREF, or 15.81% of total operating revenue for 2021/22.

The table below provides investment particulars by type.

Table 19 (SA15 – Detail Investment Information)

Investment type	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousand				
Parent municipality				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank	90 062	**45 339**	**51 975**	**50 552**
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers' Acceptance Certificates				
Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Municipal Bonds				
Municipality sub-total	**90 062**	**45 339**	**51 975**	**50 552**
Entities				
Securities - National Government				
Listed Corporate Bonds				
Deposits - Bank				
Deposits - Public Investment Commissioners				
Deposits - Corporation for Public Deposits				
Bankers' Acceptance Certificates				
Negotiable Certificates of Deposit - Banks				
Guaranteed Endowment Policies (sinking)				
Repurchase Agreements - Banks				
Entities sub-total	–	–	–	–
Consolidated total:	**90 062**	**45 339**	**51 975**	**50 552**

Investments are anticipated to increase from R 45,339 million in 2021/22 to R 50,552 million in 2023/24.

2.6.2 Medium-term outlook: capital revenue

The following table provides a breakdown of the funding components of the 2021/22 medium-term capital programme:

Table 20 (Sources of capital revenue over the MTREF)

Vote Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Funded by:				
National Government	44 888	34 385	35 831	36 959
Provincial Government	0	–	–	–
District Municipality	5 118	1 600	–	–
Transfers recognised - capital	**50 006**	**35 985**	**35 831**	**36 959**
Public contributions & donations	–	–	–	–
Borrowing	–	–	–	–
Internally generated funds	35 158	25 028	5 480	23 910
Total Capital Funding	**85 164**	**61 013**	**41 311**	**60 869**

The above table is graphically represented as follows for the 2021/22 financial year.

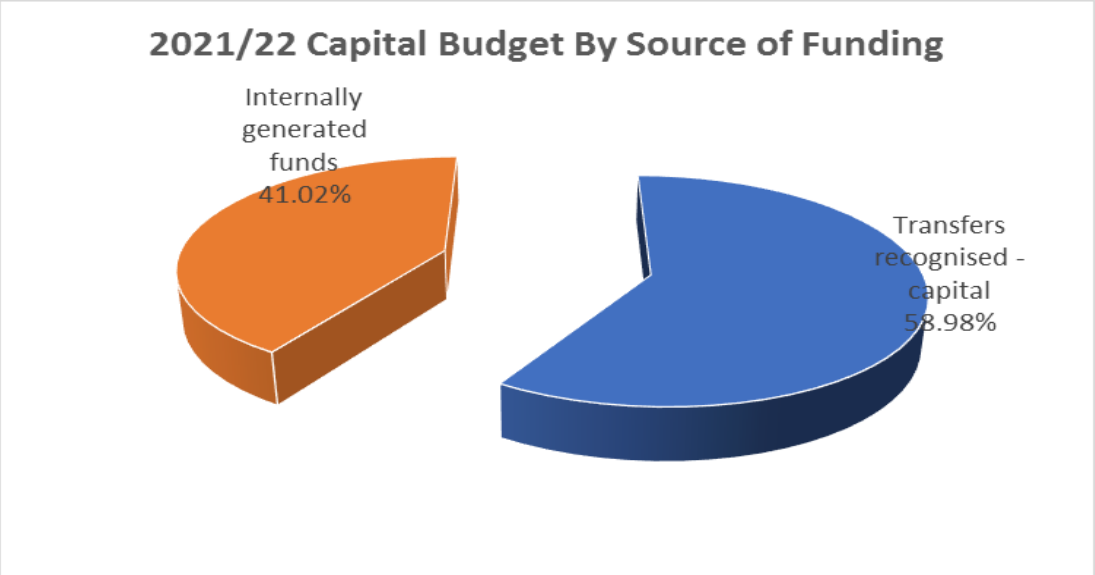

Figure 4 Sources of Capital Revenue for the 2020/21 financial year

Capital Grants constitute 58.98% of the total funding sources, amounting to R 35,985 million for the 2021/22 financial year and amounting to R 36,959 million or 60.72% in the 2023/24 financial year.
It is to be noted that no borrowing is planned for the 2021/22 MTREF, in view of financial affordability considerations.

The following table provides a detailed analysis of the Municipality's borrowings.

Table 21 (Table SA 17 - Detail of borrowings)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Parent municipality				
Annuity and Bullet Loans	6 747	–	–	–
Total Borrowing	6 747	–	–	–

The following graph illustrates the outstanding borrowing for the 2021/22 to 2023/24 period:

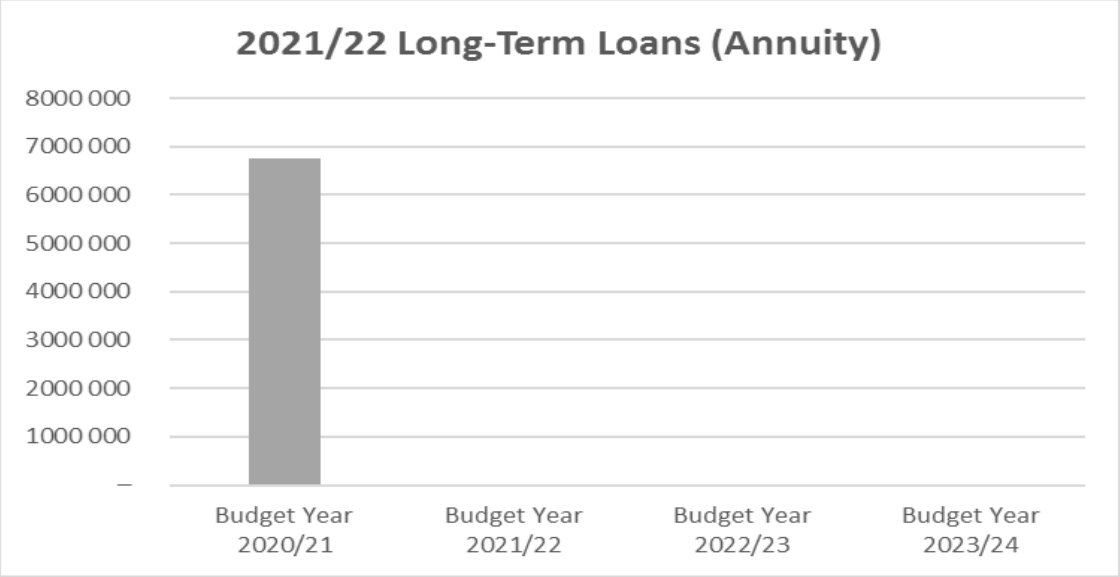

Figure 5 Growth in outstanding borrowing (long-term liabilities)

The following table indicates the capital transfers and grant receipts:

Table 22 (Table SA 18 - Transfers and grant receipts)

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue:General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050
District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–
Total Operating Transfers and Grants	**166 705**	**152 602**	**162 338**	**164 810**
Capital Transfers and Grants				
National Government:	**35 199**	**39 542**	**41 205**	**42 503**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	7 800	7 109	7 000
Municipal Infrastructure Grant [Schedule 5B]	29 999	31 742	34 096	35 503
District Municipality:	**1 965**	**714**	**714**	**714**
All Grants	1 965	714	714	714
Total Capital Transfers and Grants	**37 164**	**40 256**	**41 919**	**43 217**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**203 870**	**192 858**	**204 257**	**208 027**

2.6.3 Cash Flow Management

Cash flow management and forecasting is a critical step in determining whether the budget is funded over the medium-term. The table includes some specific features:

- Clear separation of receipts and payments within each cash flow category.
- Clear separation of capital and operating receipts from government; and
- Separation of borrowing and loan repayments (no set-off), to assist with MFMA compliance assessment regarding the use of long-term borrowing (debt).

Table 23 (Table A7 - Budgeted cash flow statement)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	**Adjusted Budget**	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts				
Property rates	187 021	203 401	218 684	232 587
Service charges	435 205	500 464	543 267	583 455
Other revenue	48 944	39 500	41 238	43 094
Transfers and Subsidies - Operational	166 705	152 602	162 338	164 810
Transfers and Subsidies - Capital	37 164	40 256	41 919	43 217
Interest	14 780	15 706	16 620	17 485
Dividends	–	–	–	–
Payments				
Suppliers and employees	(843 870)	(927 527)	(975 470)	(1 024 551)
Finance charges	(1 388)	(716)	–	–
Transfers and Grants	(761)	(650)	(650)	(650)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**43 801**	**23 037**	**47 947**	**59 446**
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipts				
Proceeds on disposal of PPE	–	–	–	–
Decrease (increase) in non-current receivables	–	–	–	–
Decrease (increase) in non-current investments	–	–	–	–
Payments				
Capital assets	(85 164)	(61 013)	(41 311)	(60 869)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(85 164)**	**(61 013)**	**(41 311)**	**(60 869)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts				
Short term loans	–	–	–	–
Borrowing long term/refinancing	–	–	–	–
Increase (decrease) in consumer deposits	–	–	–	–
Payments				
Repayment of borrowing	(9 608)	(6 747)	–	–
NET CASH FROM/(USED) FINANCING ACTIVITIES	**(9 608)**	**(6 747)**	**–**	**–**
NET INCREASE/ (DECREASE) IN CASH HELD	**(50 970)**	**(44 723)**	**6 636**	**(1 423)**
Cash/cash equivalents at the year begin:	141 032	**90 062**	**45 339**	**51 975**
Cash/cash equivalents at the year end:	**90 062**	**45 339**	**51 975**	**50 552**

For the 2021/22 MTREF, the cash and cash equivalents over the medium-term is anticipated to increase from R 45,339 million in 2021/22 million to R 50,552 million in 2023/24.

Table 24 (Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation)

Description	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Cash and investments available				
Cash/cash equivalents at the year end	90 062	45 339	51 975	50 552
Other current investments > 90 days	(0)	0	0	0
Non current assets - Investments	–	–	–	–
Cash and investments available:	**90 062**	**45 339**	**51 975**	**50 552**
Application of cash and investments				
Unspent conditional transfers	–	–	–	–
Unspent borrowing	–	–	–	–
Statutory requirements				
Other working capital requirements	70 766	28 517	19 961	14 810
Other provisions	1 174	3 176	3 176	3 176
Long term investments committed	–	–	–	–
Reserves to be backed by cash/investments	–	–	–	–
Total Application of cash and investments:	**71 940**	**31 693**	**23 137**	**17 986**
Surplus(shortfall)	**18 122**	**13 646**	**28 838**	**32 566**

The underlying purpose of Table A8 is to reflect the predicted cash and investments that are available at the end of a particular budget year and how these funds were used. A surplus would indicate that sufficient cash and investments were available to meet commitments, whilst a shortfall would indicate inadequate cash and investments were available to meet commitments.

The available cash and investments amount to R 45,339 million in the 2021/22 financial year and increases to R 50,552 million in 2023/24. The following is a breakdown of the application of this funding:

- Unspent conditional transfers (grants) – no unspent grant funding is anticipated over the 2021/22 MTREF.
- There is no unspent borrowing from previous financial years.
- The main purpose of the other working capital requirements is to ensure that sufficient funds are available to meet commitments as and when they fall due. A key challenge is often the mismatch between the timing of receipts from debtors and payments due to employees and creditors. High levels of non-payment by debtors will result in a greater requirement for working capital, ultimately causing cash flow challenges.
- Current provision relates to Post-retirement Medical Aid Benefits Liability which has been provided for.

It is concluded that the Municipality's cash backed, and accumulated surpluses reconciliation reflects surpluses of R 13,646 million, R 28,838 million and R 32,566 million for the 2021/22, 2022/23 and 2023/24 financial years, respectively.

It is to be noted that the 2021/22 MTREF is funded, when considering the funding requirements of section 18 and 19 of the MFMA. The cost coverage ratio is, however, 0.6 months, 0.7 months and 0.6 months for the 2021/22, 2022/23 and 2023/24 financial years, respectively.

2.6.5 Funding Compliance Measurement

National Treasury requires the Municipality to assess its financial sustainability against the different measures outlined below.

Description	MFMA section	Current Year 2020/21	2020/21 Medium Term Revenue & Expenditure Framework		
		Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Funding measures					
Cash/cash equivalents at the year end - R'000	18(1)b	90 062	45 339	51 975	50 552
Cash + investments at the yr end less applications - R'000	18(1)b	18 122	13 646	28 838	32 566
Cash year end/monthly employee/supplier payments	18(1)b	1.3	0.6	0.7	0.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	(61 471)	(68 793)	(47 133)	(39 113)
Service charge rev % change - macro CPIX target exclusive	18(1)a,(2)	(5.4%)	3.5%	(0.0%)	(0.0%)
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	89.4%	92.1%	94.0%	95.0%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	10.1%	7.1%	5.1%	4.1%
Capital payments % of capital expenditure	18(1)c;19	111.6%	115.2%	105.6%	124.1%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a		0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	(13.8%)	6.9%	5.8%	3.4%
Long term receivables % change - incr(decr)	18(1)a	0.0%	0.0%	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(vi)	3.1%	2.4%	2.2%	2.3%
Asset renewal % of capital budget	20(1)(vi)	17.3%	9.9%	0.0%	15.3%

Below is a discussion of the different measures.

2.6.5.1 Cash/cash equivalent position

The forecasted cash and cash equivalents for the 2021/22 MTREF amounts to R 45,339 million, R 51,975 million and R 50,552 million for the respective financial years.

2.6.5.2 Cash plus investments less application of funds

For the 2021/22, 2022/23 and 2023/24 budgets, the available cash and investments exceed the application of funds by an amount of R 13,646 million, R 28,838 million and R 32,566 million, respectively.

2.6.5.3 Monthly average payments covered by cash or cash equivalents.

As part of the 2021/22 MTREF, the projected cash position causes the ratio to decrease from 1.3 months to 0.6 months.

2.6.5.4 Surplus/deficit excluding depreciation offsets.

For the 2021/22 MTREF the indicative outcome is a deficit of R 109,049 million, R 89,052 million and R 82,330 million, respectively. This is made up as follows:

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
R thousands				
Surplus/(Deficit)	(115 097)	(109 049)	(89 052)	(82 330)
Transfers and subsidies - capital	53,586	40 256	41 919	43 217
Total	**(61 471)**	(68 793)	(47 133)	(39 113)

It needs to be noted that a surplus does not necessarily mean that the budget is funded from a cash flow perspective, and therefore the first two measures in the table are critical.

2.6.5.5 Property Rates/service charge revenue as a percentage increase less macro inflation target

This is calculated by deducting the maximum macro-economic inflation target (which is currently 4.1%), so as to determine the real increase in revenue. The percentage growth totals 3.5%, 0.0% and 0.0% for the respective financial years of the 2021/22 MTREF.

2.6.5.6 Cash receipts as a percentage of ratepayer and other revenue

The outcome is approximately 92.1% for the 2021/22 and 94.0% for the 20222/23 and 95.0% for the 2023/24 financial years.

2.6.5.7 Debt impairment expense as a percentage of billable revenue

The provision has been set at 7% for property rates and services, for the 2021/22 and 5% for the 2022/23 and 4% for the 2023/24 financial years, in line with the revenue collection trends.

2.6.5.8 Capital payments percentage of capital expenditure

The purpose of this measure is to determine whether the timing of payments has been taken into account in forecasting the cash position.

2.6.5.9 Borrowing as a percentage of capital expenditure (excluding transfers, grants and contributions)

No borrowing has been planned for the 2021/22 MTREF.

2.6.5.10 Transfers/grants revenue as a percentage of Government transfers/grants available

The purpose of this measurement is mainly to ensure that all available transfers from national and provincial government have been budgeted for. All transfers are included in the budget.

2.6.5.11 Repairs and maintenance expenditure level

The expenditure constitutes 2.4%, 2.2% and 2.3% of Property, Plant and Equipment respectively, over the 2021/22 MTREF, whilst National Treasury has suggested an 8% level.

2.7 EXPENDITURE ON ALLOCATIONS AND GRANT PROGRAMMES

GRANTS RECEIVED

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
RECEIPTS:				
Operating Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue:General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050
District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–
Total Operating Transfers and Grants	**166 705**	**152 602**	**162 338**	**164 810**
Capital Transfers and Grants				
National Government:	**35 199**	**39 542**	**41 205**	**42 503**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	7 800	7 109	7 000
Municipal Infrastructure Grant [Schedule 5B]	29 999	31 742	34 096	35 503
District Municipality:	**1 965**	**714**	**714**	**714**
All Grants	1 965	714	714	714
Total Capital Transfers and Grants	**37 164**	**40 256**	**41 919**	**43 217**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	**203 870**	**192 858**	**204 257**	**208 027**

GRANTS EXPENDITURE

GRANTS RECONCILIATION

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
EXPENDITURE:				
Operating expenditure of Transfers and Grants				
National Government:	**161 170**	**148 588**	**158 324**	**160 796**
Operational Revenue:General Revenue:Equitable Share	157 037	143 774	154 809	157 207
Expanded Public Works Programme Integrated Grant for Municipalities [Schedule 5B]	1 054	1 423	–	–
Local Government Financial Management Grant [Schedule 5B]	1 500	1 720	1 720	1 720
Municipal Infrastructure Grant [Schedule 5B]	1 579	1 671	1 795	1 869
Provincial Government:	**2 050**	**2 050**	**2 050**	**2 050**
Sports and Recreation	2 050	2 050	2 050	2 050
District Municipality:	**2 780**	**1 964**	**1 964**	**1 964**
All Grants	2 780	1 964	1 964	1 964
Other Grant Providers:	**706**	**–**	**–**	**–**
Foreign Government and International Organisations	706	–	–	–
Total operating expenditure of Transfers and Grants:	**166 705**	**152 602**	**162 338**	**164 810**
Capital expenditure of Transfers and Grants				
National Government:	**35 199**	**39 542**	**41 205**	**42 503**
Integrated National Electrification Programme (Municipal Grant) [Schedule 5B]	5 200	7 800	7 109	7 000
Municipal Infrastructure Grant [Schedule 5B]	29 999	31 742	34 096	35 503
District Municipality:	**1 965**	**714**	**714**	**714**
All Grants	1 965	714	714	714
Total capital expenditure of Transfers and Grants	**37 164**	**40 256**	**41 919**	**43 217**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	**203 870**	**192 858**	**204 257**	**208 027**

2.8 ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

The table below reflects the grants and allocations made by the Municipality. It includes grants-in-aid made in accordance with the Municipality's grants-in-aid policy and transfers to entities and other organisations to primarily support their operational expenditure.

ALLOCATIONS AND GRANTS MADE BY THE MUNICIPALITY

Description	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Cash Transfers to Entities/Other External Mechanisms				
Various Organisations	761	650	650	650
Total Cash Transfers To Entities/Ems'	**761**	**650**	**650**	**650**
TOTAL CASH TRANSFERS AND GRANTS	**761**	**650**	**650**	**650**
TOTAL TRANSFERS AND GRANTS	**761**	**650**	**650**	**650**

2.9 COUNCILLORS AND EMPLOYEE BENEFITS

DISCLOSURE OF SALARIES, ALLOWANCES & BENEFITS

Summary of Employee and Councillor remuneration	Current Year 2020/21	2021/22 Medium Term Revenue & Expenditure Framework		
R thousand	Adjusted Budget	Budget Year 2021/22	Budget Year 2022/23	Budget Year 2023/24
Councillors (Political Office Bearers plus Other)				
Basic Salaries and Wages	9 104	9 104	9 696	10 326
Motor Vehicle Allowance	3 081	3 081	3 282	3 495
Cellphone Allowance	1 465	1 465	1 560	1 662
Sub Total - Councillors	**13 651**	**13 651**	**14 538**	**15 483**
Senior Managers of the Municipality				
Basic Salaries and Wages	6 106	6 954	7 406	7 887
Pension and UIF Contributions	36	106	113	120
Medical Aid Contributions	13	31	33	35
Performance Bonus	453	23	25	26
Motor Vehicle Allowance	811	1 605	1 709	1 820
Cellphone Allowance	6	10	11	12
Other benefits and allowances	50	1	1	1
Payments in lieu of leave	1 150	2 358	2 511	2 674
Sub Total - Senior Managers of Municipality	**8 624**	**11 088**	**11 808**	**12 576**
Other Municipal Staff				
Basic Salaries and Wages	224 540	232 525	247 590	263 683
Pension and UIF Contributions	33 121	36 881	39 278	41 831
Medical Aid Contributions	17 256	23 684	25 105	26 737
Overtime	28 149	31 142	33 166	35 322
Performance Bonus	–	23	25	26
Motor Vehicle Allowance	9 393	9 871	11 217	11 946
Cellphone Allowance	288	85	91	97
Housing Allowances	905	1 787	1 904	2 027
Other benefits and allowances	24 869	29 863	31 854	33 925
Payments in lieu of leave	27	25	27	28
Long service awards	1 557	1 702	1 813	1 930
Sub Total - Other Municipal Staff	**340 105**	**367 590**	**392 070**	**417 554**
Total Parent Municipality	**362 380**	**392 328**	**418 416**	**445 613**
TOTAL SALARY, ALLOWANCES & BENEFITS	**362 380**	**392 328**	**418 416**	**445 613**
TOTAL MANAGERS AND STAFF	**348 729**	**378 677**	**403 878**	**430 130**

2.10 MONTHLY TARGETS FOR REVENUE, EXPENDITURE AND CASH FLOW

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2021/22
Cash Receipts By Source													
Property rates	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	16 950	203 401
Service charges - electricity revenue	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	25 898	310 781
Service charges - water revenue	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	6 943	83 310
Service charges - sanitation revenue	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	4 544	54 531
Service charges - refuse revenue	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	4 320	51 842
Rental of facilities and equipment	97	97	97	97	97	97	97	97	97	97	97	97	1 169
Interest earned - external investments	482	482	482	482	482	482	482	482	482	482	482	482	5 780
Interest earned - outstanding debtors	827	827	827	827	827	827	827	827	827	827	827	827	9 927
Fines, penalties and forfeits	186	186	186	186	186	186	186	186	186	186	186	186	2 238
Licences and permits	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	25 746
Transfers and Subsidies - Operational	50 867					50 867			50 867				152 602
Other revenue	862	862	862	862	862	862	862	862	862	862	862	862	10 348
Cash Receipts by Source	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**43 449**	**433 733**	**911 674**

MONTHLY CASH FLOWS	Budget Year 2021/22												Medium Term Revenue and Expenditure Framework
R thousand	**July**	**August**	**Sept.**	**October**	**November**	**December**	**January**	**February**	**March**	**April**	**May**	**June**	**Budget Year 2021/22**
Cash Payments by Type													
Employee related costs	30 195	30 195	30 195	30 195	46 526	30 195	30 195	30 195	30 195	30 195	30 195	30 198	378 677
Remuneration of councillors	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	1 138	13 651
Finance charges	60	60	60	60	60	60	60	60	60	60	60	60	716
Bulk purchases - Electricity	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	24 167	290 000
Bulk purchases - Water & Sewer	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	5 522	66 261
Contracted services	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 550	6 551	78 598
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	54	54	54	54	54	54	54	54	54	54	54	54	650
Other expenditure	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 361	8 364	100 339
Cash Payments by Type	**76 046**	**76 046**	**76 046**	**76 046**	**92 377**	**76 046**	**76 046**	**76 046**	**76 046**	**76 046**	**76 046**	**76 053**	**928 893**
Other Cash Flows/Payments by Type													
Capital assets	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 084	5 085	61 013
Repayment of borrowing	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	2 145	6 747
Other Cash Flows/Payments	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type	**74 384**	**81 131**	**81 131**	**81 131**	**97 461**	**81 131**	**81 131**	**81 131**	**81 131**	**81 131**	**81 131**	**94 632**	**996 652**
NET INCREASE/(DECREASE) IN CASH HELD	**(27 699)**	**(34 446)**	**(34 446)**	**(34 446)**	**(50 776)**	**(34 446)**	**(34 446)**	**(34 446)**	**(34 446)**	**(34 446)**	**(34 446)**	**343 764**	**(44 723)**
Cash/cash equivalents at the month/year begin:	90 062	62 363	27 917	(6 528)	(40 974)	(91 750)	(126 196)	(160 642)	(195 087)	(229 533)	(263 979)	(298 425)	90 062
Cash/cash equivalents at the month/year end:	62 363	27 917	(6 528)	(40 974)	(91 750)	(126 196)	(160 642)	(195 087)	(229 533)	(263 979)	(298 425)	45 339	45 339

MONTHLY CASH FLOWS	Medium Term Revenue and Expenditure Framework		
R thousand	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Cash Receipts By Source			
Property rates	203 401	218 684	232 587
Service charges - electricity revenue	310 781	337 306	362 160
Service charges - water revenue	83 310	91 144	98 643
Service charges - sanitation revenue	54 531	59 324	63 846
Service charges - refuse revenue	51 842	55 493	58 807
Rental of facilities and equipment	1 169	1 220	1 275
Interest earned - external investments	5 780	6 034	6 306
Interest earned - outstanding debtors	9 927	10 586	11 179
Fines, penalties and forfeits	2 238	2 336	2 441
Licences and permits	25 746	26 878	28 088
Transfers and Subsidies - Operational	152 602	162 338	164 810
Other revenue	10 348	10 804	11 290
Cash Receipts by Source	**911 674**	**982 147**	**1 041 431**
Other Cash Flows by Source			
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	40 256	41 919	43 217
Total Cash Receipts by Source	**951 930**	**1 024 066**	**1 084 648**

MONTHLY CASH FLOWS	Medium Term Revenue and Expenditure Framework		
R thousand	**Budget Year 2021/22**	**Budget Year 2022/23**	**Budget Year 2023/24**
Cash Payments by Type			
Employee related costs	378 677	403 878	430 130
Remuneration of councillors	13 651	14 538	15 483
Finance charges	716	–	–
Bulk purchases - Electricity	290 000	302 760	316 384
Bulk purchases - Water & Sewer	–	–	–
Other materials	66 261	71 947	74 024
Contracted services	78 598	79 299	80 156
Transfers and grants - other municipalities	–	–	–
Transfers and grants - other	650	650	650
Other expenditure	100 339	103 047	108 374
Cash Payments by Type	**928 893**	**976 120**	**1 025 201**
Other Cash Flows/Payments by Type			
Capital assets	61 013	41 311	60 869
Repayment of borrowing	6 747	–	–
Other Cash Flows/Payments	–	–	–
Total Cash Payments by Type	**996 652**	**1 017 431**	**1 086 071**
NET INCREASE/(DECREASE) IN CASH HELD	**(44 723)**	**6 636**	**(1 423)**
Cash/cash equivalents at the month/year begin:	90 062	45 339	51 975
Cash/cash equivalents at the month/year end:	45 339	51 975	50 552

2.11 ANNUAL BUDGETS AND SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLANS –DIRECTORATES

In terms of section 53 (1)(c)(ii) of the MFMA, the Service Delivery and Budget Implementation Plan (SDBIP) constitutes a detailed plan for implementing the Municipality's delivery of services and its annual budget, which must include the following:

(a) Monthly projections of

- Revenue to be collected, by source; and
- Operational and capital expenditure, by vote.

(b) Service delivery targets and performance indicators for each quarter.

In accordance with Section 53 of the MFMA, the Executive Mayor is required to approve the SDBIP within 28 days after the approval of the budget. Furthermore, the Executive Mayor must ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators, as set out in the SDBIP, are made public within 14 days after the approval of the SDBIP.

The SDBIP gives effect to the IDP and Budget of the Municipality. It includes the service delivery targets and performance indicators for each quarter, which forms the basis for the performance agreements of the Directors. It therefore facilitates oversight over the financial and non-financial performance of the Municipality and allows the Municipal Manager to monitor the performance of the Directors, the Executive Mayor/Council to monitor the performance of the Municipal Manager, and the Community to monitor the performance of the Municipality.

The SDBIP relating to the 2021/22 financial year will be approved by the Executive Mayor during July 2021, following the approval of the Budget.

2.12 LEGISLATION COMPLIANCE STATUS

The following reflects the status of implementation of some of the key MFMA areas:

IDP

A revised 2021/22 IDP has been developed, which will be considered at a Council meeting to be held on 31 March 2021. The IDP includes specific deliverables that forms the basis for the Budget and SDBIP. The final version of the revised 2021/22 IDP will be considered at a Council meeting scheduled for 31 May 2021.

Budget

The draft annual budget document has been developed taking the MFMA and National Treasury (NT) requirements into account. Budgets are being tabled and approved within the required legislated timeframes.

Annual Report

The Annual Report has been developed taking the MFMA and NT requirements into account. The 2019/20 Annual Report will be considered at a Council meeting scheduled for 31 May 2021.

Oversight Report

The Municipal Public Accounts Committee has considered the 2019/20 Annual report. Its Oversight Report will be considered at a Council meeting scheduled for 31 May 2021.

In-Year Reporting

The municipality submits the various reports required to the Executive Mayor, Council, and NT on an ongoing basis, in accordance with the MFMA.

Supply Chain Management Policy (SCM)

A Supply Chain Management Policy has been adopted and implemented in accordance with the MFMA and NT requirements.

All the required committee structures are in place. Whilst the municipality is working at making these new processes operate more efficiently and effectively, it is considered that the municipality is currently complying with the MFMA and NT guidelines.

Budget and Treasury

A Budget and Treasury Office has been established in accordance with the MFMA and NT requirements, consisting of a CFO and municipal officials reporting to the CFO.

Audit Committee

An Audit Committee has been established and meets on a quarterly basis.

Internal Audit Function

The Municipality's Internal Audit Function reports to the Municipal Manager and is operating in accordance with an audit plan.

In relation to the 2021/22 financial year and beyond, the municipality plans to focus on the following high priority areas:

- Maintaining its unqualified audit status.
- Further strengthening of the integration and linkages between the IDP, Budget, SDBIP and Annual Report.

Internship Programme

The municipality has a total of five Interns on the Municipal Financial Management Internship programme, as approved by National Treasury.

Municipal Standard Chart of Accounts (mSCOA)

In accordance with the Municipal Regulations relating to mSCOA, municipalities were required to be compliant with the mSCOA classification framework by 1 July 2017. It is to be noted that the Municipality has been transacting on the mSCOA compliant financial system since July 2017.

2.13 CAPITAL EXPENDITURE DETAILS

A summary of the budgeted capital expenditure is reflected in **Annexure "C".**

2.14 MUNICIPAL MANAGER'S QUALITY CERTIFICATION

I, Mr. C Du Plessis, Municipal Manager of Kouga Municipality, hereby certify that the Draft Annual Budget and Supporting Documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Draft Annual Budget and Supporting Documents are consistent with the Integrated Development Plan of the Municipality.

Print Name : Charl Du Plessis

Municipal Manager of Kouga Local Municipality (EC108)

Signature:.....

Date: 31 MARCH 2021

NATIONAL TREASURY

MFMA Circular No. 107

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2021/22 MTREF

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Introduction

The purpose of the annual budget circular is to guide municipalities with their compilation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF). This circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts *(m*SCOA); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved.

Among the objectives of this budget circular is to demonstrate how municipalities should undertake annual budget preparation in accordance with the budget and financial reform agenda by focussing on key "game changers". These game-changers include ensuring that municipal budgets are funded, revenue management is optimised, assets are managed efficiently, supply chain management processes are adhered to, *m*SCOA is implemented correctly and that audit findings are addressed.

Municipalities are reminded to refer to the annual budget circulars of the previous years for guidance on budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

The National Treasury projects real economic growth of 3.3 per cent in 2021, following an expected contraction of 7.8 per cent in 2020. Real GDP growth is expected to moderate to 1.7 per cent in 2022 and 1.5 per cent in 2023, averaging 2.1 per cent over the medium term.

South Africa experienced its largest recorded decline in economic output in the second quarter of 2020 due to the strict COVID-19 lockdown. Real GDP fell by 17.1 per cent relative to the previous quarter (or 51 per cent on a seasonally adjusted and annualised basis), with all major sectors except agriculture declining. The second-quarter results were weaker than expected in the June 2020 special adjustments budget, which projected a contraction of 7.2 per cent in 2020.

High-frequency data for the third quarter – such as the volume of electricity distributed, mining and manufacturing output, business confidence and the Absa Purchasing Managers' Index (PMI) – shows evidence of a limited economic rebound. Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, output is only expected to return to pre-pandemic levels in 2024.

The main risks to the economic outlook are weaker-than-expected growth, continued deterioration in the public finances and a failure to implement structural reforms. A second wave of COVID-19 infections, accompanied by new restrictions on economic activity, would have significant implications for the outlook. Government's fiscal position is a risk to growth: higher long-term borrowing costs and risk premiums have started to affect the broader economy.

In addition, recovery efforts will fail unless structural constraints (including in energy, infrastructure and competitiveness) are urgently addressed. While the reforms required in these areas do not immediately affect growth, they are critical for market confidence and investment.

Electricity remains a binding constraint on economic recovery, with power interruptions expected to continue into 2021. Private generation will only be able to plug the electricity gap to a limited extent over the next year.

Job creation is a top priority of the economic recovery plan that will guide policy actions over the medium term, supported by new infrastructure investment and large-scale public

employment programmes. In addition, targeted skills development will improve productivity and employment prospects.

Headline inflation is at the lower end of the 3 to 6 per cent target range. Goods and services inflation has broadly declined due to weak demand and falling oil prices. Inflation is forecast to fluctuate around the 4.5 per cent midpoint over the medium term in line with moderating inflation expectations.

In summary, the country's tax collection targets have not been met and this means that the fiscus has less funds available to allocate across the various spheres of government. There are measures in place to reduce expenditure to narrow the deficits.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2016 - 2020

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate		Forecast	
CPI Inflation	4.1%	3.2%	4.1%	4.4%	4.5%

Source: Medium Term Budget Policy Statement 2020.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2. Key focus areas for the 2021/22 budget process

2.1 Local government conditional grants allocations

Transfers to local government will be reduced by R17.7 billion, including R14.5 billion from the local government equitable share, R2.7 billion from the general fuel levy and R569 million in direct conditional grants over the 2021 MTEF period. The local government equitable share formula has been updated to account for projected household growth, inflation and estimated increases in bulk water and electricity costs over the MTEF period.

Government will revisit underperforming programmes. For example, some cities receiving the Public Transport Network Grant (PTNG) have not launched their integrated public transport networks. Over the MTEF period, government will suspend at least two more poorly performing cities from this grant and the remaining cities will be required to reduce costs and demonstrate their effectiveness to remain funded.

The annual Division of Revenue Bill will be published in February 2021 after the Minister of Finance's budget speech. The Bill will specify grant allocations and municipalities must reconcile their budgets to the numbers published herein.

Municipalities are advised to use the indicative numbers presented in the 2020 Division of Revenue Act to compile their 2021/22 MTREF. In terms of the outer year allocations (2023/24 financial year), it is proposed that municipalities conservatively limit funding allocations to the indicative numbers as presented in the 2020 Division of Revenue Act for 2020/21. The DoRA is available at
http://www.treasury.gov.za/documents/national%20budget/2020/default.aspx

Division of Revenue Second Amendment Bill, 2020: changes to local government allocations

Roll-over of funds - R390 million is rolled over in the Urban Settlement Development Grant (USDG) to fund commitments for bulk infrastructure related projects in Nelson Mandela Bay Metropolitan Municipality. R98 million is rolled over in the PTNG to continue with the rollout of the integrated public transport network (IPTN) for public and non-motorised infrastructure in Nelson Mandela Bay Metropolitan Municipality.

R307 million is rolled over in the Regional Bulk Infrastructure Grant (RBIG) for drought and COVID-19 water and sanitation interventions nation-wide.

Water Services Infrastructure Grant (WSIG) - R12 million has been reprioritised from the Department of Water Affairs' budget into the indirect component of WSIG for the implementation of various water services interventions.

Reductions to municipal conditional grants
In the Medium-Term Policy Budget Statement, the Minister of Finance indicated that R10.5 billion is required for the rescue plan for the South African Airways. Therefore, R613 million has been proportionately reduced across municipalities in respect of conditional grants while no reductions were made to the local government equitable share for the 2020/21 financial year.

These changes are shown in Schedule 4, Part B; Schedule 5, Part B and Schedule 6, Part B of the Bill.

Additional instruments to finance infrastructure in municipalities

Municipalities can access other instruments to finance the development of infrastructure that boosts economic growth beyond infrastructure grants. Reforms over the medium term will enhance the ability of municipalities to raise revenue to invest in their own development. An update on development charges and borrowing reforms is summarised below:

- *Development charges* - Municipalities earn revenue from charging developers to connect new developments to municipal services. The draft Municipal Fiscal Powers and Functions Amendment Bill proposes new, uniform regulations in respect of these development charges, thereby strengthening the revenue-raising framework of municipalities. After processing comments, the National Treasury will submit the Bill to Cabinet and Parliament for consideration in 2021; and
- *Borrowing* - Creditworthy municipalities can also borrow in capital markets. The National Treasury has updated the original municipal borrowing policy framework, which guides this borrowing, and will shortly submit it to Cabinet for approval. The proposed changes aim to increase the term maturity of borrowing improve the secondary market for the trade of municipal debt instruments and define the role of development finance institutions to avoid crowding out the private sector.

3. 2021 Local Government Elections and the budget process

Local government elections are scheduled to take place in 2021, and the proposed date is yet to be determined. Elections are important events as we reaffirm our commitment to democratic and accountable government by choosing representatives of the people who will guide the work of local government for the next five years.

The following four risks need to be explicitly managed:

1. In terms of section 13 of the Municipal Property Rates Act, 2004 (Act No 6 of 2004)(MPRA) and sections 24 and 42 of the Municipal Finance Management Act, 2003 (Act No 56 of 2003)(MFMA), new tariffs for property rates, electricity, water and any other taxes and similar tariffs may only be implemented from the start of the municipal financial year (1 July). This means that the municipal council must approve the relevant tariffs as part of the MTREF budget before the commencement of the financial year on 1 July. Failure to obtain council approval for the annual tariff increases would most likely cause an immediate financial crisis that may lead to the provincial executive intervening in the municipality in terms of section 139 of the Constitution. Therefore, if the elections take place after the start of the financial year, the outgoing council will be responsible for approving tariffs for the 2021/22 MTREF and the newly elected council for the implementation thereof as section 28(6) of the MFMA does not allow the increase of tariffs in-year;

2. In terms of section 16 of the MFMA, a municipal council must approve the annual budget for the municipality before the start of the financial year, and should a municipal council fail to do so, section 26 of the MFMA prescribes that the provincial executive **must** intervene. This provincial intervention may include dissolving the municipal council and appointing an administrator to run the municipality. Therefore, the outgoing council must ensure that they comply with the timeframes for approval of the budget;

3. The outgoing council may be tempted to prepare an 'election friendly budget' with unrealistically low tariff increases and an over-ambitious capital expenditure programme. The outcome of this approach will undoubtedly be an unfunded municipal budget that threatens their respective municipality's financial sustainability and service delivery; and

4. Given that the timing of election campaigning may coincide with the municipal public budget consultations, there is a risk that these consultations may be neglected or used to serve the narrow interests of political parties. It is reiterated that transparency and public participation is an integral part of our constitutional democracy, hence municipalities must ensure that public and stakeholder consultation processes are adhered to as required by the legislative framework.

In the build-up to the 2021 local government elections, the financial sustainability of the municipality should be protected. Now, more than ever before, it is paramount for sound municipal decision-making so that the long-term sustainability of municipal finances and service delivery is achieved beyond the election period.

Finances of some municipalities have been unstable for many years, and this was exacerbated by the financial impact of the COVID-19 pandemic. Therefore, there is severe pressure to maintain healthy cash flows and increase cost containment measures while sustaining efficient service delivery levels. It is therefore imperative that municipalities refrain from suspending credit control and debt collection efforts. Municipalities are also reminded of the regulatory framework set out in the Municipal Cost Containment Regulations insofar as it relates to the use of municipal funds to fund election campaigns and other non-priority issues as this might further impact the financial sustainability of municipalities.

Furthermore, as the current municipal leadership will be responsible for the compilation of the 2022/23 MTREF budgets, councils are advised to prioritise expenditure appropriations aligned to the policy intent as described in the integrated development plans (IDPs). Infrastructure provisioning for water, sanitation, roads and electricity remain key priorities.

In addition, the outgoing council is advised to critically consider the financial implications before entering into new long-term contracts that are not of priority to the municipality and avoid if possible, committing the incoming council. Municipalities should refrain from filling non-critical positions, purchasing cars, procuring new financial systems and from incurring any other expenditure at this stage that will financially burden the incoming council.

During this time of transition, all stakeholders should work together to ensure that municipalities continue to perform their functions efficiently and effectively. The Mayor and municipal manager should now be engaging in the process of the annual review of the fifth and last year of the IDP in terms of section 34 of the Municipal Systems Act (MSA) and the 2022/23 budget preparation process in terms of section 21 of the MFMA. It is particularly important to ensure that arrangements for the review of IDPs and preparation of budgets continue seamlessly as these processes cannot be delayed in anticipation of the announcement of an election date.

In deciding on the schedule for the 2022/23 budget process, the Mayor and municipal manager must also note that the MFMA, read together with the Municipal Budget and Reporting Regulations, only allows for a 'main adjustments budget' to be tabled after the mid-year budget and performance assessment has been tabled in council, i.e. after 25 January 2022. In addition, the permitted scope of an adjustments budget is quite limited in that taxes and tariffs may not be increased (refer to section 28(6) of the MFMA) and any additional revenues may only be appropriated to programmes and projects already budgeted for (refer to section 28 of the MFMA). Therefore, the idea of the current council passing a 'holding budget' which the new council will change substantially through an adjustments budget soon after the start of the municipal financial year is not legally permitted.

Though an IDP is a five-year strategic document of council, municipalities should note that when a new council takes office after a local government election, the norm has been that the new council implements the last adopted IDP during the first year of office. It is normally only in the second year of office that the newly elected council adopts a new IDP after thorough interrogation, extensive consultation and finalisation of a new five-year strategy.

In the absence of detailed information on the 2021 Local Government Elections, National Treasury will provide further guidance in the follow-up MFMA Budget Circular to be issued in March 2021.

4. Municipal Standard Chart of Accounts (*m*SCOA)

4.1 Release of Version 6.5 of the Chart

On an annual basis, the *m*SCOA chart is reviewed to address implementation challenges and correct chart related errors. Towards this end, Version 6.5 is released with this circular.

Version 6.5 of the chart will be effective from 2021/22 and must be used to compile the 2021/22 MTREF and is available on the link below:
http://mfma.treasury.gov.za/RegulationsandGazettes/MunicipalRegulationsOnAStandardChartOfAccountsFinal/Pages/default.aspx

4.2 Budgeting and Reporting for the COVID-19 pandemic and water inventory

In terms of the Annexure to MFMA Circular No. 99, *m*SCOA Circular No. 9, and GRAP 12, municipalities were advised to:

1. Record and ringfence all funding and expenditure pertaining to the COVID-19 pandemic for the 2020/21 MTREF when budgeting and transacting; and

2. Budget and account for bulk water purchases as inventory as per GRAP 12 (paragraph 07).

It is evident from the snapshots that were drawn from the Local Government Database based on the *m*SCOA data strings that were submitted by municipalities in terms of the monthly Section 71 reporting, that most municipalities have not budgeted or reported on COVID-19 related allocations and expenditure, nor bulk water inventory as per the guidance provided.

Although the regulated A1 Schedule will only be amended from the 2021/22 MTREF to align to GRAP 12 (as per MFMA Circular No. 98), municipalities should already record water inventory in the *m*SCOA chart. ***Municipalities must budget for water as inventory in the 2021/22 MTREF.*** This means that municipalities will no longer be able to budget for water bulk purchases as an expense on table A4. Municipalities must use bulk water purchases i.e. system input volume on table A6: inventory. This provides for three different water sources i.e. water treatment works, bulk purchases and natural sources. When water is issued through the billing/ distribution, the cost should be expensed through table A4: inventory consumed with the corresponding accounting transaction in the inventory account on table A6: current assets: water: authorised consumption.

Municipalities that did not adjust their 2020/21 MTREF budgets by 30 September 2020 to respond to the COVID-19 pandemic or budget for bulk water inventory are reminded to do so in the main adjustments budget process in February 2021.

It should also be noted that the National Treasury's reporting on COVID-19 will be drawn as per *m*SCOA Circular No. 9 and we will not be able to identify COVID-19 allocations and expenditure that have been ringfenced in another manner.

Municipalities must submit the adjustments budget and revised project list for 2020/21 in the format of a *m*SCOA data strings (ADJB and PRAR) uploaded to the Local Government (LG) Upload Portal within 10 working days after Council has adopted the adjustments.

4.3 Revised Municipal Property Rates Act Categories

By now all municipalities should be aware that section 8 of the Municipal Property Rates Act on the determination of categories of **rateable** properties has been revised through the Local Government Municipal Property Rates Amendment Act, 2014 ("the Amendment Act"). The new rateable property categorisation framework based on use (provided these property categories exist within the municipality) and consequently, all property categories that are based on ownership, geographic location or any other basis fall away.

Municipalities must implement the new property categorisation framework by not later than 1 July 2021. The *m*SCOA chart Version 6.5 makes provision for the new and the old framework. However, the old framework will be retired in the next version of the chart and municipalities are advised to implement the new property categorisation framework as legislated. Therefore, municipalities cannot use both frameworks to avoid duplication and overstatement of revenue from property rates.

4.4 Forbidden activities

The Item Assets segment of the *m*SCOA chart currently includes items such as staff loans as non-current receivables from non-exchange transactions. This is in contravention with Section 164(1)(c) of the MFMA that stipulates that a municipality may not make loans to councillors or officials of the municipality; directors or officials of the entity; or members of the public. Therefore, municipalities are advised not to use these items when budgeting as National Treasury may retire these items in the next version of the chart.

4.5 Independent Audits on Municipal Financial Systems

All municipalities and municipal entities had to comply with the *m*SCOA Regulations by 1 July 2017. MFMA Circular No. 80 provided guidance on the minimum business processes and system specifications for all categories of municipality (A, B and C). The Request for Proposal (RFP) issued on 4 March 2016 for the appointment of service providers for an integrated financial management and internal control system for local government (RT25-2016 published in Tender Bulletin No. 2906), provided further guidance on the requirements applicable to a specific category of municipality.

The National Treasury will conduct independent audits on all municipal financial systems in 2021 to determine to what extent the financial systems that are currently being used by municipalities comply with the minimum business processes and system specifications required in terms of *m*SCOA. These audits were initially planned for 2020, but due to restrictions on procurement processes and travel in terms of the COVID-19 pandemic it was postponed to 2021. The results of the audits will also inform the new transversal tender for the procurement of municipal financial and internal control systems in 2022. **Until these audits have been concluded, and the results have been released, municipalities should exercise caution when changing their financial system to avoid purchasing a system that does not comply with the necessary *m*SCOA functionality requirements**. However, should a municipality need to procure a new financial system, they must follow the processes set out in the MFMA read together with the Municipal Supply Chain Management Regulations and MFMA Budget Circulars No. 93, 98 and *m*SCOA Circulars No 5 and 6. In addition, National Treasury has not accredited any of the municipal financial systems available in the market and this should therefore not be advertised as a requirement in municipal tender documents.

It should be emphasised that the onus to ensure compliance with the *m*SCOA Regulations and minimum system specifications as per MFMA Circular No. 80 and its Annexure B rests with the municipality and not the system vendor. Municipalities must properly manage Service level agreements (SLA) with system vendors. Penalties, including the termination of the SLA in cases of persistent non-compliance, should be imposed if the system vendor does not meet the agreed upon milestones. Likewise, if a system vendor has delivered on the services agreed upon in the SLA, then the municipality should pay all money owing to the system vendor within 30 days of receiving the relevant invoice or statement, as per the requirements of Section 65(2)(e) of the MFMA. Lastly, municipalities must agree on the services that are to be provided by the system vendors and costs thereof in the SLA that is signed by the municipality and system vendor. Municipalities should consider the financial implications thereof and negotiate more favourable terms with the system vendor if necessary before signing the SLA. Once signed, the SLA is legally binding.

4.6 Regulation of Minimum Business Processes and *m*SCOA System Specifications

National and Provincial Treasuries held extensive engagements with key system providers during which the system functionality on the following were demonstrated: IDP and budget, supply chain management (SCM), asset management, annual financial statements, revenue management, cash flow and period control. These engagements provided National and Provincial Treasuries with an understanding of what functionality is available on each system and what the key system related challenges are.

It was evident from the engagements that municipalities are not using their financial systems optimally. Some of the challenges that were identified in this regard include the following:

- Some municipalities have not purchased all the modules of the core financial system or have not upgraded to the Enterprise Resource Planning (ERP) (*m*SCOA enabling) version of their financial systems;

- A few municipalities are not paying for the required licences to use system solutions and they are not upgrading and maintaining their servers, hardware and software to become and remain *m*SCOA compliant and to protect their data;
- Several municipalities are still transacting on their legacy systems that are not *m*SCOA enabling or they are using excel spreadsheets that are not incorporated in the functionality of their financial systems, while they are paying for maintenance and support for the *m*SCOA enabling system that was procured. This constitutes fruitless and wasteful expenditure; and
- Other municipalities are not using all the modules of the core financial system (using 3rd party systems) while they have procured these modules. This is once again fruitless and wasteful expenditure.

Municipalities should include the cost of the above in their 2021/22 MTREF budgets.

One of the key objectives of the *m*SCOA reform is to ensure that municipalities are budgeting, transacting and reporting directly on and from integrated ERP systems to have one version of the truth in terms of the reported financial performance. The manual correction of data strings by municipal officials or system vendors are not allowed in terms of the *m*SCOA Regulations.

National Treasury will expand and regulate the business processes and system specifications communicated in MFMA Circular No. 80 and its Annexure B in the 2021/22 MTREF to ensure that municipalities are using the functionality available on their financial systems. MFMA Circular No. 80 was issued in 2016, and several Regulations and best practises as per the MFMA Circulars have been introduced since then. The expansion of the requirements will accommodate these new developments.

4.7 Non-compliance with *m*SCOA requirements

If your municipality has not yet achieved the required level of *m*SCOA implementation, then it must provide a detailed action plan (road map) to the National and the respective provincial treasury to indicate how the municipality will fast track the implementation of *m*SCOA. The action plan should include the following priority areas, as applicable to the municipality:

- The functionality of the financial system, including the minimum system functionality and business process as per MFMA Circular No. 80 and Annexure B and functionality required in terms of Regulations and MFMA Circulars that was issued after 08 March 2016 (the date on which MFMA Circular No. 80 was issued);
- Integration of 3rd party sub-systems with the *m*SCOA enabling financial system as required in terms of MFMA Circular No. 80 and Annexure B;
- Change management initiatives to ensure that *m*SCOA is institutionalised as an organisational reform and not only a financial reform; and
- Training initiatives to ensure that all officials in the organisation are familiar with the *m*SCOA chart, basic accounting, balance sheet budgeting and movement accounting and the use of the *m*SCOA enabling financial system.

Importantly, the action plan must be drafted by the municipality and not the system vendor and the progress against it should be carefully monitored by the municipality's *m*SCOA Project Steering Committee (chaired by the Accounting Officer). Municipalities must present progress against the action plan at the 2020/21 Mid-Year Budget and Performance visits and Budget and Benchmark engagements with the National and the respective provincial treasury.

4.8 Extension and Procuring of Service Level Agreements (SLA) for Financial Systems

At least six (6) months prior to the expiry of the SLA for the support and maintenance of the financial system, the municipality should either:

- Extend the existing SLA with the same system vendor subject to the provisions of Section 33 and 116(3) of the MFMA (read in conjunction with MFMA Circular No. 62); or
- Approach the market to procure services for the support and maintenance of the financial system consistent with the Municipal Supply Chain Management Regulations and municipality's Supply Chain Management Policy.

Importantly, once the SLA has expired, it cannot be extended, and the municipality will have to embark on a new procurement process. In addition, when the contract for the support and maintenance of the financial system comes to an end, it does not mean that the municipality must procure a new financial system. It is only support and maintenance services pertaining to the financial system that needs to be procured. Municipalities need to properly document their systems and the system language used to ensure that system support can be procured in the local market when required.

4.9 Cash flow reconciliation

The population of the cash flow reconciliation in tables A7, B7 and C7 of the MBRR formats using *m*SCOA data strings has been a challenge in previous financial years. The main contributing factors to this were that:

- Municipalities were not using the *m*SCOA segments correctly to populate their cash flow information;
- A number of municipalities did not use the movement accounts correctly in the *m*SCOA chart which distorts the figures reported in the cash flow tables;
- Some municipalities did not budget, transact or report directly in or from their financial systems; and
- There were errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings in the segment item: asset and liabilities on the Local Government Database.

It is critical that municipalities undertake balance sheet and cash flow budgeting to provide accurate cash flow information. National Treasury has provided guidance in this regard in MFMA Circular No. 98 and *m*SCOA Circular No. 10 and have also corrected the errors in the linkages of the MBRR cash flow tables to the *m*SCOA data strings. This has resulted in improvements in the section 71 cash flow data that were published at the end of quarter 1 of the 2020/21 MTREF. Further guidance on the application of the funding segment has also been issued in *m*SCOA Circular No. 11 on 4 December 2020.

4.10 *m*SCOA Calendar for 2021/22

Important dates pertaining to *m*SCOA related activities for the 2020/21 financial year is summarised below for planning purposes:

Activity		Time Frames
1.	Independent System Audits	February to December 2021
2.	Regulation of Minimum Business Processes and System Specifications	For comments and testing: October 2021
3.	*m*SCOA Virtual Training Sessions (various topics)	Monthly
4.	Roll out of eLearning *mSCOA* course through	July 2020

	National School of Governance	
5.	Issue proposed *m*SCOA chart changes for version 6.6	October 2021
6.	Annual *m*SCOA CIGFARO Budgeting Workshop	November 2021
7.	Issuing of transversal contract for provision of financial systems	March 2022

5. The revenue budget

Similar to the rest of government, municipalities face a difficult fiscal environment. Even as demand for services rises, weak economic growth has put stress on consumers' ability to pay for services, while transfers from national government are growing more slowly than in the past. Some municipalities have managed these challenges well, but others have fallen into financial distress and face liquidity problems. These include municipalities that are unable to meet their payment obligations to Eskom, water boards and other creditors. There is a need for municipalities to focus on collecting revenues owed to them and eliminate wasteful and non-core spending. Municipal budgets will be scrutinised to ensure that municipalities adequately provide for the servicing of their debt obligations. Municipalities must ensure that expenditure is limited to the maximum revenue collected and not spend on money that they do not have.

Municipalities are reminded that the local government equitable share allocation is mainly to fund the costs of free basic services and to subsidise the administrative costs of the smaller and more rural municipalities. The increasing unemployment and growth in the number of persons per household means that the revenue foregone in respect of free basic services will likely increase, and it will become even more difficult to collect revenue. Household budgets are becoming increasingly under more pressure, and trade-offs might be applied when it becomes unaffordable to pay all household expenses on a monthly basis.

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the financial sustainability of the municipality. The Consumer Price Index (CPI) inflation is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required to ***justify all increases in excess of the* projected inflation target for 2021/22** in their budget narratives and pay careful attention to tariff increases across all consumer groups. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

5.1 Maximising the revenue generation of the municipal revenue base

Reference is made to MFMA Circular No. 93, paragraph 3.1 and No. 98, paragraph 4.1. The emphasis is on municipalities to comply with Section 18 of the MFMA and ensure that they fund their 2021/22 MTREF budgets from realistically anticipated revenues to be collected. Municipalities are cautioned against assuming collection rates that are unrealistic and unattainable as this has been identified as a fundamental reason for municipalities not attaining their desired collection rates.

It is therefore essential that municipalities pay attention to reconciling the valuation roll data to that of the billing system to ensure that revenue anticipated from property rates are accurate. Municipalities are encouraged to undertake this exercise as a routine practice. The list of exceptions derived from this reconciliation will indicate where the municipality may be compromising its revenue generation in respect of property rates. A further test would be to reconcile this with the Deeds Office registry. In accordance with the MFMA Circular No. 93,

municipalities are once more requested to submit the reconciliation of the valuation roll to the financial system to the National Treasury by no later than **05 February 2021**.

The above information must be emailed to linda.kruger@treasury.gov.za or must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/.

5.2 Setting cost-reflective tariffs

Reference is made to MFMA Circular No. 98, paragraph 4.2. The setting of cost-reflective tariffs is a requirement of Section 74(2) of the Municipal Systems Act which is meant to ensure that municipalities set tariffs that enable them to recover the full cost of rendering the service. This forms the basis of compiling a credible budget. A credible budget is one that ensures the funding of all approved items and is anchored in sound, timely and reliable information on expenditure and service delivery (FFC, 2011). Credible budgets are critical for local government to fulfil its mandate and to ensure its financial sustainability.

A credible expenditure budget reflects the costs necessary to provide a service efficiently and effectively, namely:

- An effective budget is one that is adequate to deliver a service of the necessary quality on a sustainable basis; and
- An efficient budget is one that delivers services at the lowest possible cost.

Municipalities are encouraged to utilise the tariff setting tool referenced in MFMA Circular 98, item 4.2. This tool will assist in setting tariffs that are cost-reflective and would enable municipalities to recover costs to fulfil its mandate. The National Treasury Municipal Costing Guide is also available on the link below on the National Treasury website.

http://mfma.treasury.gov.za/Guidelines/Documents/Forms/AllItems.aspx?RootFolder=%2fGuidelines%2fDocuments%2fMunicipal%20Costing%20Guide&FolderCTID=0x0120004720FD2D0551AE409361D6CB3E122A08

5.3 Bulk Account Payments - Eskom Concessions

During 2018/19, intense work had been undertaken to resolve systemic and structural issues pertaining to the electricity function in municipalities. Core to this work was addressing the escalating Eskom debt that threatened the sustainability of Eskom as well as that of municipalities.

During the process, Eskom was engaged on providing relieve in certain areas. Municipalities must be made aware that the following concessions were agreed upon:

- Reducing the interest rate charged on overdue municipal bulk accounts from prime plus 5 per cent to prime plus 2.5 per cent;
- Payment terms being extended from 15 days to 30 days for municipal bulk accounts; and
- Payments received from municipalities will be allocated to capital first and then the interest.

These concessions are aligned to the MFMA and are meant to curb the growing debt levels by allowing municipalities a more conducive payment regime than what was previously employed. In addition, municipalities are encouraged to budget for bulk services and honour their current account payments religiously to avoid stringent application of the bulk suppliers' credit control policy.

5.4 Timeous allocations and clearing of the control accounts

Municipalities are encouraged to clear the control accounts on a monthly basis and to allocate trade and other receivable payments in these suspense accounts to the relevant debtor accounts regularly before the monthly submissions as required by the MFMA. Implementing and enforcing the credit control policy of the municipality whilst payments are not cleared in the control account is negligent and irresponsible. Municipalities are warned against this bad practice, and this must be avoided at all costs.

5.5 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

Municipalities are advised to use the tariff increases previously (March 2019) approved by the Regulator of 5.2 per cent 2021/22, 8.9 per cent for 2022/23 and 8.9 per cent in 2023/24 (*for 2023/24,* an average annual tariff increase is used for the National Energy Regulator of South Africa's multi-year price determination period of 1 April 2019 to 31 March 2022). The outer year is anticipated to be the first year of the MYPD 5 period, which is yet to be published.

6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. The ability of customers to pay for services is declining and this means that less revenue will be collected. Therefore, municipalities must consider the following when compiling their 2021/22 MTREF budgets:

- Improving the effectiveness of revenue management processes and procedures;
- Cost containment measures to, amongst other things, control unnecessary spending on nice-to-have items and non-essential activities as highlighted in the Municipal Cost Containment Regulations read with MFMA Circular No. 82;
- Ensuring value for money through the procurement process;
- The affordability of providing free basic services to all households;
- Not taking on unfunded mandates; and
- Curbing the consumption of water and electricity by the indigents to ensure that they do not exceed their allocation.

Accounting officers are reminded of their responsibility in terms of section 62(1)(a) of the MFMA to use the resources of the municipality effectively, efficiently and economically. Failure to do this will result in the accounting officer committing an act of financial misconduct which will trigger the application of chapter 15 of the MFMA, read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary

increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC. Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability as many municipalities that are already not in a position to afford the current wage cost would indeed have to apply no more than zero per cent increase in the 2021/22 MTREF and to exercise the option for exemption for any negotiated increase above the level of their affordability.

6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

7. Conditional Grant Transfers to Municipalities

7.1 Non-compliance of in-year monitoring

In terms of Section 74(1) of the MFMA, municipalities must submit to the transferring officers, National and Provincial treasuries documents and monthly grant reports as may be prescribed or required. The *m*SCOA Regulations requires the uniform recording and classification of municipal budget and financial information at a transaction level in the form of a *m*SCOA data string that must be submitted to the LG Upload portal. Most municipalities are still not reporting on conditional grants as per the *m*SCOA requirements. As per MFMA Circular No 93, the National Treasury has only used *m*SCOA data strings as the source of data for publications on municipal financial performance from 1 July 2019. The *m*SCOA data strings will also be the main source of data that will be used to monitor the performance against grants and to inform decisions on the stopping and reallocation of conditional grants funding in the 2021/22 MTREF. The credibility of the *m*SCOA data strings reporting on grants will be closely monitored going forward.

Furthermore, section 12(2) of the Division of Revenue Act, 2020 (Act No. 4 of 2020) (DoRA) states that the municipality, as part of the report required in terms of section 71 of the MFMA, report on the matters referred to in subsection (4) and submit a copy of that report to the relevant provincial treasury, the National Treasury and the relevant Transferring Officer.

Some municipalities have not been complying with the reporting requirements as stipulated above. Municipalities are reminded that the non-submission of monthly reports translates to non-compliance with the MFMA and DoRA. The National Treasury and Transferring Officer will be implementing stringent measures to municipalities that do not comply with the prescripts. This includes, but is not limited to, the stopping and reallocation of conditional grants funding of non-compliant municipalities. Municipalities are encouraged to comply with the reporting requirements to avoid withholding or stopping of an allocation.

In terms of performance reporting on conditional grants, municipalities and Transferring Officers are urged to pay particular attention to the contents of money spent against conditional grants. Government is not realising full value for money against the substantial investments it makes through grants.

8. The Municipal Budget and Reporting Regulations

8.1 Ensuring municipal sustainability through a funded budget

A budget is funded from realistically anticipated revenues to be collected, cash backed accumulated funds from the previous year as well as borrowed funds to be utilised for capital projects. A budget is realistic if it takes into account projected revenue for the current year based on the collection levels to date and actual revenue collected in the previous financial year. Municipal budgets must be prepared on this basis. The economic climate and the impact of COVID-19 pandemic had an effect on the ability of municipalities to collect arrear debt during levels 5, 4 and 3 of the national lockdown. This inability to exercise credit control measures during this period had decreased the collection rate in many municipalities.

Municipalities need to be proactive in exercising credit control measures to ensure that arrear debt is collected. Whilst collection rates decreased during the period mentioned above, municipalities must implement efforts to collect arrear debt and return collection rates to pre-COVID-19 levels. Whilst this unprecedented COVID-19 period is the exception, collection rates need to be maintained at 95 per cent in order to ensure the financial sustainability of municipalities. If collection rates have decreased, prudent financial management requires expenditure to be adjusted downward accordingly. This is to ensure that deficits are not realised and that realistically anticipated revenue based on projected collection rates funds expenditure. This will also ensure financial sustainability and avoid situations of financial distress in municipalities.

The Municipal Systems Act states that a municipal council must adopt, maintain and implement a credit control and debt collection policy that would be utilised for the collection of money that is due and payable to it. The municipal Councillors therefore are the custodians of the policy and responsible for its implementation. As a result, Councillors are required to encourage consumers in their municipal jurisdiction to pay for municipal services and to ensure that such debt that is due and payable to the municipality is collected. This would ensure compliance with the Act and ensure that a culture of payment is implemented in the municipal area. Council needs to play an active role in implementing their adopted policies to increase collection rates and ensure that funds are received to render services to the people.

Municipalities are reminded to develop a credible funding plan where the budget is unfunded. This plan must be tabled in and adopted by Council with the 2021/22 MTREF budget and submitted to the National and provincial treasuries when they submit their tabled and adopted budget in terms of Section 22(b)(i) and 24 (3) of the MFMA. Failure to approve a credible plan will result in the invoking of Section 216(2) of the Constitution.

8.2 Budgeting for indirect grant allocations

Some municipalities continue to budget for allocations not directly allocated to them as revenue in the Statement of Financial Performance. This results in revenue being overstated. Therefore, municipalities must refrain from budgeting for indirect grant allocations. A municipality must only budget for the allocations that are directly allocated and transferred to them.

8.3 Monthly reporting of debtors

National Treasury has observed through in-year monitoring that most municipalities are overstating debtors as they report on gross debtors instead of net. The format of the monthly debtors' data strings provides for a column to disclose provision for impairment as per council policy. Therefore, municipalities are urged to always reflect the provision for impairment in the column as indicated above for National Treasury to be able to reconcile the net debtors.

8.4 Schedule A - version to be used for the 2021/22 MTREF

National Treasury has released Version 6.5 of the Schedule A1 (the Excel Formats) which is aligned to Version 6.5 of the *m*SCOA classification framework and must be used when compiling the 2021/22 MTREF budget.

It is imperative that all municipalities prepare their 2021/22 MTREF budgets in their financial systems and that the Schedule A1 be produced directly from their financial system. Vendors have demonstrated their budget modules to the National Treasury and provincial treasuries. All financial systems have this functionality to assist and prepare budgets and to generate the prescribed Schedule A1 directly from the financial system. Therefore, there is no reason why the 2021/22 MTREF budget must be done manually. National Treasury has protected the A1 schedule version 6.5, therefore manual population will not be allowed as the schedule must be extracted from the financial system.

ALL municipalities **MUST** prepare their 2021/22 MTREF tabled and adopted budgets using the A1 schedule version 6.5.

Municipalities must start early enough to capture their tabled budget (and later the adopted budget) in the budget module provided and must ensure that they produce their Schedule A1 directly out of the budget module. **Manual capturing on A1 schedule version 6.5 is not allowed** in terms of the *m*SCOA Regulations.

The National Treasury has indicated in MFMA Circular No. 93 that municipalities must submit all A1 Schedules in PDF format only from the 2019/20 MTREF. Given the fact that the *m*SCOA classification framework makes it possible to generate the financial data required in the A1 schedule directly from the data strings and that additional data needed must be obtained from sub-systems that integrate with the financial system, the National Treasury will only accept the prescribed data string containing the supporting data, populated and uploaded by each municipality. National Treasury published the layout for the data string on the website in MFMA Budget Circular No. 98 and an amended version to be used for the 2021/22 MTREF forms part of this circular. The publication in the 2020/21 MTREF of non-financial data will be done using the supporting data uploaded from these data strings.

The National Treasury **will no longer gather supporting data from the MBRR A1 Schedules** but will expect each municipality to **submit the prescribed supporting data strings** containing the required data using the LG Upload Portal.

The budget, adjustments budget and Section 71 monthly reporting Schedules that have been regulated in terms of the MBRR have also been aligned to the *m*SCOA chart version 6.5 changes. The revised MBRR Schedules for the 2021/22 MTREF and its linkages to the data string are available on the link below:

http://cenvappsp10:31200/RegulationsandGazettes/Municipal%20Budget%20and%20Reporting%20Regulations/Documents/Forms/AllItems.aspx?RootFolder=%2fRegulationsandGazettes%2fMunicipal%20Budget%20and%20Reporting%20Regulations%2fDocuments%2f2020%2d21&FolderCTID=0x0120001860D4A2BD7AD042BF8427FC3BB59F67

The Municipal Budget and Reporting Regulations, formats and associated guides are available on National Treasury's website at:

http://mfma.treasury.gov.za/RegulationsandGazettes/Pages/default.aspx

8.5 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Mandla Gilimani	012-315 5553 012-315 5807	Matjatji.Mashoeshoe@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za
Gauteng Johannesburg and Tshwane	Kgomotso Baloyi Kevin Bell Willem Voigt	012-315 5866 012-315 5725 012-315 5830	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za WillemCordes.Voigt@treasury.gov.za
KwaZulu-Natal eThekwini	Kgomotso Baloyi Mpati Rakgwale Una Rautenbach Abigail Maila	012-315 5866 012-315 5700	Kgomotso.Baloyi@treasury.gov.za Mpati.Rakgwale@treasury.gov.za Una.Rautenbach@treasury.gov.za Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso	012-315 5830 012-315 5952	WillemCordes.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani Stanley Malele	012-315 5807	Mandla.Gilimani@treasury.gov.za Stanley.Malele@treasury.gov.za
Northern Cape	Mandla Gilimani Phumelele Gulukunqu	012-315 5807 012 315 5539	Mandla.Gilimani@treasury.gov.za Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Cape Town George	Kgomotso Baloyi Willem Voigt and Mandla Gilimani	012-315 5866 012-315 5830 012-315 5807	Kgomotso.Baloyi@treasury.gov.za WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Elsabe Rossouw	012-315 5534	lgdataqueries@treasury.gov.za

National and provincial treasuries will analyse the credibility of the data string submissions.

8.6 Assessing the 2021/22 MTREF budget

National and provincial treasuries will assess the 2021/22 MTREF budgets to determine if it is complete, funded and complies with the *m*SCOA requirements. The *m*SCOA data strings for the tabled (TABB) and adopted (ORGB) budgets will be used for this assessment.

The **assessment period** of all municipal budget will therefore be from **31 May to 30 June**. In this one-month period, the National and provincial treasuries will evaluate all municipal budgets for completeness and for being fully funded. Any adjustment that need to be made must be done before the start of the municipal financial year on 1 July.

Importantly, in order to generate an adopted budget (ORGB) data string, the budget must be locked on the financial system by the 10th working day of July each year. Therefore, once the ORGB data string has been generated, errors in the ORGB can only be corrected via an adjustments budget in February of each year. In terms of the design principles of *m*SCOA, municipalities are not allowed to open the budget on the system for corrections after it has been locked. This means that the tabled budget data string (TABB) should in fact be verified and errors in the TABB should be corrected in the ORGB **before the adopted budget is locked on the financial system and the ORGB data string is generated**.

The previous verification process and timeframes (i.e. July to September) can no longer be applied as municipalities are already transacting against the adopted and locked budget from 01 July 2020.

Amending an unfunded, incomplete and erroneous budget through an adjusted budget is also not encouraged as the National Treasury only considers an adjusted budget in the third and fourth quarter of the financial year for analysis and publication purposes. This will result in overspending and unauthorised expenditure not been monitored in the first six months of the financial year.

Municipal managers are reminded that the annual budget must be accompanied by a quality certificate and council resolution, as well as a budget locking certificate (in the case of the adopted budgets) in accordance with the format specified in Regulation 31 of Schedule A of the MBRR. The A1 schedule must be included as part of the budget documentation in pdf format.

The National Treasury would like to emphasise that ***where municipalities have adopted an unfunded budget without a* credible funding plan*, they will be required to correct the budget and go back to the Municipal Council to ensure they adopt and implement a funded budget as required in terms of Section 18 of the MFMA***.

Municipalities with municipal entities are once again reminded to prepare consolidated budgets and in-year monitoring reports for both the parent municipality and its entity or entities. The following must be compiled:

- An annual budget, adjustments budget and monthly financial reports for the parent municipality in the relevant formats;
- An annual budget, adjustments budget and monthly financial reports for the entity in the relevant formats; and
- A consolidated annual budget, adjustments budget and monthly financial reports for the parent municipality and all its municipal entities in the relevant formats.

The budget and data strings that the municipality submits to National Treasury must be a consolidated budget for the municipality (including entities). The budget of each entity must be submitted on the D schedule in pdf format.

In the past it was noted that municipalities have challenges to align the audited outcomes on the financial system to A1 Schedule. Municipalities must ensure that the audited figures and adjusted budget figures captured on the A1 Schedule aligns to the annual financial statements and Schedule B respectively.

9. Budget process and submissions for the 2021/22 MTREF

9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

To facilitate oversight of compliance with the Municipal Budget and Reporting Regulations, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that, ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Hard copies must be submitted in pdf format to the LG Upload portal.

9.2 Expected submissions for 2021/22 MTREF

- The budget documentation as set out in the MBRR. The budget document must include the main A1 Schedule Tables (A1 - A10);
- The non-financial supporting tables (A10, SA9, SA11, SA12, SA13, SA24 and any other information not contained in the financial data string) in the A1 in the prescribed *m*SCOA data string in the format published with Version 6.5 of the A1 schedule;
- The draft and final service delivery and budget implementation plan (SDBIP) in electronic PDF format;
- The draft and final IDP;
- The council resolution for the tabled and adopted budgets;
- Signed Quality Certificate as prescribed in the MBRR for the tabled and adopted budgets;
- D Schedules specific for the entities; and
- A budget locking certificate immediately at the start of the new municipal financial year on 1 July.

Budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/. It should be emphasised that municipalities should submit all required documents to the LG Upload portal and not to lgdocuments@treasury.gov.za. National Treasury will retire lgdocuments@treasury.gov.za on 1 July 2021 to ensure that there is a single collection point of municipal financial data.

Also note that the LG Upload Portal does not have the same size restrictions encountered with lgdocuments@treasury.gov.za, but requires all documents to:

1. Be in PDF format only; and

2. Each PDF file must NOT contain multiple document e.g. council resolution and quality certificate within the budget document. Each document type must be identified clearly and uploaded separately.

Any problems experienced with the submission of documents can be addressed with Elsabe Rossouw at Elsabe.Rossouw@treasury.gov.za.

The 2020/21 MTREF and the preliminary Quarter 1 Section 71 results for the 2020/21 financial year that has recently been published, have indicated that the credibility of the *m*SCOA data strings is still a concern although we have observed a marked improvement in some areas. At the core of the problem is:

- The incorrect use of the *m*SCOA chart and segments, balance sheet budgeting, movement accounting and basic municipal accounting practices by municipalities;
- Some municipalities are not budgeting, transacting and reporting directly in/from their core financial systems; and
- Municipalities are not locking their adopted budgets and their financial systems at month-end to ensure prudent financial management. To enforce municipalities to lock their budgets and close their financial system at month-end in 2020/21, the Local Government Database and Reporting System will lock all submission periods within the reporting period at the end of each quarter. The published period will NOT be opened again to ensure consistency between publications. System vendors were also requested to build this functionality into their municipal financial systems.

To improve the credibility of these data string, National and provincial treasuries are analysing the accuracy of the data strings and the use of the six regulated segments. The National Treasury has developed tools to analyse the segment/chart use and trained budget analysts from both National and provincial treasuries on the use thereof. To date, the analysis has highlighted that municipalities are not using the FUND, REGION and COSTING segments correctly. In many instances, these segments are simply defaulted which impedes the multi-dimensional reporting power of the *m*SCOA classification framework. Another common area of concern is that total capital expenditure do not balance to total funding. Currently, the expenditure is much higher than the available funding reported.

It needs to be noted that the single source for all analysis and publications will be the data strings submitted by the municipalities for the 2020/21 municipal financial year. It is therefore imperative that municipalities ensure the credibility and accuracy of the data strings before submission.

9.3 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added / updated on the website.

9.4 Communication by municipal entities to National Treasury

Municipal entities should not request meetings directly from National Treasury. National Treasury will only engage the entities through the parent municipalities. This includes all communications apart from the legislative reporting requirements.

Contact

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
04 December 2020

NATIONAL TREASURY

MFMA Circular No. 108

Municipal Finance Management Act No. 56 of 2003

Municipal Budget Circular for the 2021/22 MTREF

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Introduction

This budget circular is a follow-up to the one issued in December 2020. It guides municipalities with their preparation of the 2021/22 Medium Term Revenue and Expenditure Framework (MTREF) and, as with previous annual budget circulars, it should be read within this context. This Circular is linked to the Municipal Budget and Reporting Regulations (MBRR) and the municipal Standard Chart of Accounts *(m*SCOA); and strives to support municipalities' budget preparation processes so that the minimum requirements are achieved. The key focus of this Circular is the grant allocations per the 2021 Budget Review and the 2021 Division of Revenue Bill.

Municipalities are reminded to refer to the previous years' annual budget circulars for guidance on budget preparation that is not covered in this circular.

1. The South African economy and inflation targets

The South African economy contracted by an estimated 7.2 per cent in 2020 compared with the 7.8 per cent contraction projected in the 2020 Medium Term Budget Policy Statement (MTBPS). The revised estimate results from easing lockdown restrictions in the third quarter and a faster-than-expected resumption of global growth, especially in China. The National Treasury projects real economic growth of 3.3 per cent in 2021, following an estimated contraction of 7.2 per cent in 2020. Real GDP growth is expected to moderate to 1.9 per cent in 2022 and 2023.

The outlook remains highly uncertain, and the economic effects of the pandemic are far-reaching. There were 1.7 million fewer jobs by the third quarter of 2020 compared to the same period in 2019. Rising unemployment and income losses have entrenched existing inequalities. GDP is only expected to recover to pre-pandemic levels in late 2023. High-frequency data for the third quarter, such as the volume of electricity distributed, mining and manufacturing output, business confidence and the ABSA Purchasing Managers' Index (PMI) shows evidence of a limited economic rebound.

Although growth rates are likely to improve quickly as restrictions are removed, based on current projections, the output is only expected to return to pre-pandemic levels in 2024. Given South Africa's structural constraints, its recovery will be slower than many of its developing-country peers. Industrial sectors (which include mining, manufacturing, construction and utilities) lagged substantially, undermined by structural constraints including unreliable electricity supply and weak public investment that preceded the pandemic. Over the next several years, the country requires the implementation of long-standing structural reforms to sustainably move to a higher growth path.

These economic challenges will continue to exert pressure on municipal revenue generation and collection levels; hence a conservative approach is advised for revenue projections.

The following macro-economic forecasts must be considered when preparing the 2021/22 MTREF municipal budgets.

Table 1: Macroeconomic performance and projections, 2019 - 2023

Fiscal year	2019/20	2020/21	2021/22	2022/23	2023/24
	Actual	Estimate	Forecast		
CPI Inflation	4.1%	3.3%	3.9%	4.2%	4.4%

Source: 2021 Budget Review.

Note: the fiscal year referred to is the national fiscal year (April to March) which is more closely aligned to the municipal fiscal year (July to June) than the calendar year inflation.

2. Key focus areas for the 2021/22 budget process

2.1 Changes to local government allocations

Over the next three years, municipalities will have to adjust to significant changes in expenditure plans while improving accountability. The 2021 Budget protects transfers that focus on infrastructure, service delivery and COVID-19 spending while reducing those spent less effectively. The 2021 Budget includes funding for initiatives to improve municipal revenue collection and support financially distressed municipalities.

Transfers to local government over the medium-term account for **9.4 per cent** of nationally raised funds after providing for debt-service costs, the contingency reserve and provisional allocations. Local government's share of revenue has risen in relative terms because reductions to the public-service wage bill affect only national and provincial government. Local government transfers grow by an annual average of 5.2 per cent over the MTEF; the equitable share declines by 4.4 per cent and conditional grants grow by 7.3 per cent. As part of government's fiscal consolidation policies over the medium term, transfers to local government are reduced by R19.4 billion, including R14.7 billion from the local government equitable share, R2.7 billion from the general fuel levy and R2 billion in direct conditional grants.

Conditional grants

The reduction to direct conditional grants includes R329 million from the *municipal infrastructure grant* and R21 million from the *integrated urban development grant*. These amounts have been reprioritised from underspending grants to fund a once-off councillor gratuity for non-returning councillors. The largest proportional reduction of R1.3 billion to local government grants has been made in the *public transport network grant*, because only six of the 13 cities receiving the grant have successfully launched public transport systems. Indirect conditional grants are re duced by R286 million over the period.

Government continues to reform the system of conditional grant transfers to local government based on the principles set out in the 2019 Budget Review. In 2021, government will expand the scope of the *municipal infrastructure grant* to allow municipalities to use up to 5 per cent of their allocation to develop infrastructure asset management plans. This change addresses poor asset management in municipalities.

In 2020, the *integrated city development grant* was repurposed to assist cities to build internal capacity or obtain technical support to prepare and package key infrastructure projects. This will continue in 2021 and private sector participation will be encouraged in these projects.

Two standalone *informal settlement upgrading grants* for provinces and municipalities will be introduced from 2021/22. These grants are made up of components previously within the *human settlements development grant* and the *urban settlements development grant* for provinces and municipalities respectively. In addition, the Municipal Systems Improvement Grant scope is extended to fund comprehensive institutional diagnostic assessments of the 21 district areas where the district municipality is a water service authority and the development of institutional improvement/ support plans that will inform all future capacity development programmes and municipal support initiatives to enhance the continued rollout of the rollout of the District Development Model (DDM).

Municipalities are reminded that all allocations included in their budgets must correspond to the allocations listed in the Division of Revenue Bill. All the budget documentation can be accessed from the National Treasury website by clicking on the link below:
http://www.treasury.gov.za/documents/national%20budget/2021/

3. 2021 Local Government Elections and the budget process

Municipalities are advised to refer to MFMA Circular No. 107 on risks related to the Local Government elections and issues to be considered in compiling the 2021/22 MTREF in addition to the information provided below.

3.1 Transitional processes - development and adoption of IDPs during the 2021 election year

The 2020/21 municipal financial year represents the last year of the current municipal councils' electoral term. Therefore, the next municipal election to usher in new councils is expected to take place between August and November 2021 in terms of the Section 24 (2) of the Municipal Structures Act, 2000 (Act No. 32 of 2000) (MSA).

It is acknowledged that the period within which the coming election's date is expected takes place after the start of a new financial year. This particular scenario poses a latent challenge in so far as adherence to legislated timeframes with regard to the adoption of the 5-year Integrated Development Plan (IDP) and the subsequent implementation.

Given the fact that the IDP and budget would need to be reviewed and adopted by 30 June 2021, the current council has an obligation to ensure that these stipulations are complied with. In this regard, the current council will be expected to continue reviewing the IDP and ensuring that it is adopted within the legislated timeframe.

Section 25 (3) of the MSA does allow the municipal council to adopt the IDP of the preceding council. However, should the incoming councils be unhappy with the priorities set out by the current council, in this case, municipal councils are advised to consider the existing adopted IDP and resolve to initiate or not to initiate an amendment procedure as guided by the MSA and the Municipal Performance and Planning Regulations (2001).

The Department of Cooperative Governance (DCoG), through the Chief Directorate: Development Planning, is rolling out the revised IDP guidelines to municipalities. These guidelines are aimed to, amongst others, guide municipalities with regards to the adoption of IDPs during an election year.

3.2 Hand-over reports for the newly elected councils

Each municipal manager, working together with the CFO and senior managers, is encouraged to prepare a hand-over report that can be tabled at the first meeting of the newly elected council. This hand-over report aims to provide the new councils important orientation information regarding the municipality, the state of its finances, service delivery and capital programme, as well as key issues that need to be addressed.

It is proposed that the hand-over report should include:

- An overview of the demographic and socio-economic characteristics of the municipality;
- An overview of the organisational structure of the municipality, with the names and numbers of senior managers;
- An overview of key municipal policies that councillors need to be aware of and where they can obtain the full text of such policies;
- An overview of issues that still need to be addressed in relation to the municipality's turnaround strategy;
- An overview of the municipality's financial health, with specific reference to:
  - Its cash and investments, and its funding of commitments (Table A8);
  - Cash coverage of normal operations (see Supporting Table SA10);

  - Creditors outstanding for more than 30 days, along with reasons for delayed settlement;
  - Current collection levels and debtors outstanding for more than 30 days; and
  - Extent of existing loans and associated finance and redemption payments.
- The municipality's 2019/20 audit outcome and its strategy to address audit issues;
- An overview of the provision of basic services, including plans to address backlogs;
- An overview of the state of the municipality's assets, with particular reference to the asset management plan, and repairs and maintenance requirements;
- A list of the main infrastructure projects planned for the 2021/22 budget and MTREF;
- A list of key processes requiring council input over the next six months, e.g. revision of the IDP, approval of specific policies etc. and
- Any other information deemed to be important.

In addition to the hand-over report, each new councillor should be given the municipalities' revised IDP, the adopted 2021/22 MTREF budget, the mid-year budget and performance assessment report for 2020/21, and the latest monthly financial statement, and the annual report for 2019/20.

Municipal managers should submit their municipality's hand-over report to the relevant provincial department responsible for local government, to the Department of Co-operative Governance (DCoG) and National and Provincial Treasuries.

4. Municipal Standard Chart of Accounts (*m*SCOA)

4.1 Opening balances

It was noted that some municipalities are not transferring their opening balances consistently to the current year of transacting. Opening balances for the previous year must be transferred in the first month (M01) of the current year, and all adjustments made during the preparation of the annual financial statements in period 14 and 15 must be transferred through journals to the opening balances of the current year in the month that it becomes apparent. When municipalities are not doing this correctly and consistently, it compromises the credibility of the *m*SCOA data strings submitted.

Importantly, journals may only be passed in the core financial system and not in 3rd party sub-systems.

4.2 Surplus or deficit journals

The Municipal Finance Management Act, 2003 (Act No. 56 of 2003) (MFMA) and MBRR require that municipalities perform their month-end reconciliations at the end of every month before they submit their financial performance information to the National Treasury. Surplus or deficit journals must be passed monthly before a data string is generated to ensure that the financial system remains in balance. The monthly data strings reflected in the Statement of Financial position (table C6 of the regulated C Schedules) will not be in balance for those municipalities that are not doing this, and their *m*SCOA data strings will therefore not be accurate.

Municipalities must also reconcile their creditors and debtors and all month-end processes **before** they submit their monthly data strings to ensure that the data submitted to the National Treasury Local Government Database is credible.

4.3 Rollovers and repayment of unspent grants

Municipalities are required to use the correct posting levels and movement accounting when conditional grants are being receipted, recognised, rolled over, and unspent grants are repaid. The accounting for grants should be done in accordance with GRAP 23: Revenue from

exchange transactions (Taxes and Transfers). Refer to **Annexure A** of this Circular on the correct treatment of rollovers and repayment of unspent grants in *m*SCOA.

5. The revenue budget

National Treasury encourages municipalities to maintain tariff increases at levels that reflect an appropriate balance between the affordability to poorer households and other customers while ensuring the municipality's financial sustainability. The Consumer Price Index (CPI) is forecasted to be within the lower limit of the 3 to 6 per cent target band; therefore, municipalities are required ***to justify all increases in excess of the projected inflation target for 2021/22 MTREF*** in their budget narratives and pay careful attention to the differential incidence of tariff increases across all consumer groups. It is noted that the tariff increases by Eskom and Water Boards are above inflation and should be considered as such while determining cost-reflective tariffs. In addition, municipalities should include a detail of their revenue growth assumptions for the different service charges in the budget narrative.

Local government also confronts tough fiscal choices in the face of financial and institutional problems that result in service-delivery breakdowns and unpaid bills. Municipalities can offset these trends by improving its own revenue collection, working more efficiently and implementing cost-containment measures.

5.1 Eskom Bulk Tariff increases

The National Energy Regulator of South Africa (NERSA) is responsible for price determination of the bulk costs for electricity. In March, NERSA approved a municipal tariff increase of 6.9 per cent effective 1 July 2020 (1.2 per cent lower than the tariff increase in Multi-Year Price Determination (MYPD) 4 period due to differences in municipal and national financial years).

The equitable share formula uses the 9.9 per cent bulk tariff increase used when National Treasury calculated the baseline for this year in the 2020 MTEF period. Other (non-bulk) electricity costs are updated based on the National Treasury's inflation projections in the 2020 MTBPS. This is due to fiscal constraints and the fact that the court had not pronounced on the Eskom matter at the time that the budget was finalised.

The additional R10 billion that the courts have allowed Eskom to recover in the 2021/22 national financial year translates to a 15.6 per cent bulk increase over the national financial year. However, given that the increase only comes into effect in July for municipalities, NERSA typically allows a higher percentage increase so that Eskom can recover the additional allowable revenue from municipalities over 9 months before the national financial year ends. Therefore, the increase should be expected to be between 16 to 20 per cent. Municipalities can mitigate the negative impact of this increase by improving efficiencies on both the revenue collections and the spending side.

The outer two years of the 2021 MTEF use 8.9 per cent, which is an average annual tariff increase used for the NERSA's multi-year price determination period of 1 April 2019 to 31 March 2022. Moreover, the outer year is anticipated to be the first year of the MYPD 5 period, yet to be published.

6. Funding choices and management issues

Municipalities are under pressure to generate revenue as a result of the economic landscape, the COVID-19 pandemic, weak tariff setting and increases in key cost drivers to provide basic municipal services. Customers' ability to pay for services is declining, which means that less revenue will be collected.

In order to achieve financial sustainability, municipalities must demonstrate the political will to implement the changes required to improve their performance. Where municipalities consistently fail to deliver their mandates, the Constitution provides for provincial and/or national government to intervene.

6.1 Employee related costs

The *Salary and Wage Collective Agreement* for the period 01 July 2018 to 31 June 2020 has come to an end and a new agreement is under consultation, which we hope will take into account the current fiscal constraints faced by government. Therefore, in the absence of any information in this regard from the South African Local Government Bargaining Council (SALGBC), municipalities are advised to take into account their financial sustainability when considering salary increases. It has been observed over the previous years that salary increases were above inflation. In addition, municipalities that could not afford such increases did not apply for exemption as provided by SALGBC.

Given the current economic condition exacerbated by the COVID-19 pandemic, municipalities are urged to consider projecting increases to wage that would reflect their affordability. Some municipalities are already not able to afford the current wage cost and would indeed have to apply no more than a zero per cent increase in the 2021/22 MTREF and exercise the option for exemption for any negotiated increase above the level of their affordability.

Therefore, should accounting officers fail to consider salary increases within the ambit of the municipality's available resources and financial position, such failure will constitute an act of financial misconduct as defined in section 171 of the MFMA read with the Municipal Regulations on Financial Misconduct Procedures and Criminal Proceedings.

6.2 Remuneration of councillors

Municipalities are advised to budget for the actual costs approved in accordance with the Government Gazette on the Remuneration of Public Office Bearers Act: Determination of Upper Limits of Salaries, Allowances and Benefits of different members of municipal councils published annually between December and January by the Department of Cooperative Governance. It is anticipated that this salary determination will also take into account the fiscal constraints. Municipalities should also consider guidance provided above on salary increases for municipal officials during this process.

6.3 Payment of danger allowance to the employees

The work undertaken by the frontline staff in rendering services to communities must be appreciated whilst understanding the country's economic situation and the world resulting from the impact of COVID-19 pandemic. The SALGBC Circular No. 5 of 2020 provides advice to municipalities about the payment of danger allowance to employees working at the frontline to fight the COVID-19 pandemic.

The Circular provides that the council of the municipality must have an approved policy that should guide how the danger allowance should be paid, based on the affordability of the municipality. During this difficult financial situation posed by the COVID-19 pandemic, municipalities must consider the following:

1. Determine whether or not the municipality will afford the percentage increase in order to accommodate the Danger Allowance;
2. Assess the current status of the Employee Related Costs that form part of the municipality's budget in order to ascertain whether or not the inclusion of such allowance will not place the municipality's financial position in jeopardy in terms of the total Employee Related Costs as a percentage of the total expenditure;
3. Determine the credible funding source for the payment of Danger Allowance;

4. In this case the municipality must subject that change to "public participation processes" when dealing with the 2021/2022 MTREF based on the funding source; and
5. The municipality must also have a policy that operationalise the implementation of this kind of an allowance, only based on the determination/ assessment as per the aforementioned points.

6.4 Mayor's discretionary funds and similar discretionary budget allocations

It has been observed that many municipal budgets contain sub-votes or allocations to "Mayoral Discretionary Funds", "Special Projects", "Special Events" or similar discretionary type funds. Municipalities must refer to section 12 of the MFMA in relation to setting up a relief, charitable, trust or other funds.

National Treasury regards these types of allocations as a bad practice because:

- It is not clear how they are aligned to the constitutional requirement that municipalities structure their budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community (see section 153(a) of the Constitution);
- They do not provide for the appropriation of funds for the purposes of a department or functional area of the municipality (see the definition of 'vote' in section 1 of the MFMA);
- They undermine the budget consultation processes since the intended use of the funds is not transparently reflected in the tabled budget; and
- There is a risk that they may be abused for personal gain or to improperly benefit another person or organisation.

Therefore, National Treasury discourages allocations of this nature. Good budget practice requires that a municipal budget should transparently indicate the purposes and areas where municipal funds (i.e. public funds) are to be allocated. These kinds of discretionary funds immediately raise public suspicions of impropriety and corruption. In terms of section 52(a) of the MFMA the Mayor "must provide general political guidance over the fiscal and financial affairs of the municipality". The Mayor, therefore, provides direct input into the budget. If this is the case, why does the Mayor require a 'discretionary / personal slush fund'?

Section 17(3)(b) of the MFMA requires that when an annual budget is tabled it must be accompanied by "measurable performance objectives ... for each vote in the budget". What measurable performance objectives can be set in relation to these funds given that their use is at the discretion of the Mayor? This means the transparent and effective use of these funds cannot be monitored and assessed by the council and the public.

National Treasury notes that section 17(3)(j) of the MFMA requires that when an annual budget is tabled it must be accompanied by "particulars of any proposed allocations or grants by the municipality to ... (iv) any organisations or bodies referred to in section 67(1)". The aim of this provision is to ensure that all proposed allocations or grants are presented transparently in the budget documentation that is tabled for public consultation and council approval, as well as for budget management and monitoring purposes. *Any allocations or grants made to organisations or bodies that are not reflected in a municipality's budget or adjustments budget must be regarded as unauthorised expenditure because they are "(f) a grant by the municipality otherwise than in accordance with this Act"* (see definition of unauthorised expenditure in section 1 of the MFMA).

National Treasury further notes that section 67 of the MFMA only allows funds to be transferred to 'an organisation or body' and not to an individual. Any allocations or grants to individuals, *other than in terms of the municipality's indigent policy or bursary scheme, must be regarded as*

irregular expenditure because they are expenditures not in accordance with a requirement of the MFMA.

National Treasury and provincial treasuries will exercise close oversight of all discretionary type allocations in municipal budgets. If there are any concerns about the use of these funds, section 74 of the MFMA will be used to request information in this regard and analyse it for consistency with the MFMA legal framework.

7. Conditional Grant Transfers to Municipalities

The annual Division of Revenue Act requires that municipalities must request for a rollover approval against any unspent conditional grants that were allocated through the Act, therefore this section provides guidance to municipalities with regard to the preparation for the 2020/21 unspent conditional grant and rollover process and should be referenced against previous annual budget circulars.

7.1 Criteria for the rollover of conditional grant funds

In terms of Section 22 of the Division of Revenue Act, 2020 (Act No.4 of 2020) (DoRA) in conjunction with the Division of Revenue Amendment Act, 2020 (Act No. 10 of 2020) (DoRAA) and the Division of Revenue Second Amendment Act, 2020 (Act No. 20 of 2020), the Act requires that any conditional allocation or a portion thereof that is not spent at the end of the 2020/21 financial year reverts to the National Revenue Fund, unless the rollover of the allocation is approved in terms of subsection (2). Furthermore, the receiving officer, provincial treasury and national transferring officer is required to prove to National Treasury that the unspent allocation is committed to identifiable projects, in which case the funds may be rolled over.

When requesting a rollover in terms of section 22(2) of the 2020 DoRA, municipalities must include the following information with their submission to National Treasury:

1. A formal letter, signed by the accounting officer addressed to the National Treasury requesting the rollover of unspent conditional grants in terms of section 22(2) of the 2020 DoRA;
2. A list of all the projects that are linked to the unspent conditional grants and a breakdown of how much was allocated and spent per project;
3. The following evidence indicating that work on each of the projects has commenced, as applicable to the specific rollover(s):

    a) Proof that a contractor or service provider was appointed for delivery of the project before 31 March; or
    b) Proof of project tender and tender submissions published and closed before 31 March with the appointment of contractor or service provider for delivery of service before 30 June in cases where additional funding was allocated during the course of the final year of the project;
    c) Incorporation of the Appropriation Statement;
    d) Evidence that all projects linked to an allocation will be fully utilised by 30 June 2022 (attach cash flow projection for the applicable grant).

4. A progress report (also in percentages) on the status of each project's implementation that includes an attached **legible implementation plan**);
5. The value of the committed project funding and the conditional allocation from the funding source;
6. Reasons why the grants were not fully spent during the year of original allocation per the DoRA;

7. Rollover of rollovers will not be considered therefore municipalities must not include previous year's unspent conditional grants as rollover request;
8. An indication of the time period within which the funds are to be spent if the rollover is approved; and
9. Proof that the Municipal Manager and Chief Financial Officer are permanently appointed.

No rollover requests will be considered for municipalities with vacant or acting Chief Financial Officers and Municipal Managers for a period exceeding 6 months from the date of vacancy; this also includes acting appointments as a result of suspensions of either MM or CFO that are more than 12 months.

If any of the above information is not provided or the application is received by National Treasury (Intergovernmental Relations Division) after 31 August 2021, the application will be declined.

In addition, National Treasury will also consider the following information when assessing rollover applications; and reserves the right to decline an application should there be non-performance by the municipality in any of these areas:

1. Compliance with the in-year reporting requirements in terms of sections 71 and 72 of the MFMA and section 12 of the 2020 DoRA, **including the municipal manager and chief financial officer signing-off on the information** sent to National Treasury;
2. Submission of the pre-audited Annual Financial Statements to National Treasury by 31 August 2021;
3. Accurate disclosure of grant performance in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS);
4. Despite the fact local government is required to comply to different norms and standards prescribed by different legislations, municipalities are expected to fully comply with the provisions of DoRA that relates to rollover processes and disclose conditional grant performance in the 2020/21 pre-audited Annual Financial Statements in order to verify grant expenditure; and
5. Cash available in the bank (net position including short term investments) as at 30 June 2021 is equivalent to the unspent amount at the end of the financial year. If the amount that is requested for rollover **is not entirely cash-backed**, such a rollover will not be approved. National Treasury will also not approve portions of rollover requests.

It should be noted that under no circumstances will the National Treasury consider requests to rollover:

1. The entire 2020/21 allocation to the municipality, in cases whereby the rollover request is more than 50 per cent of the total allocation, National Treasury will approve the rollover amount up to 50 per cent of the 2020/21 allocation;
2. Rollover request of the same grant for the third consecutive time;
3. Funding for projects constituted through Regulation 32 of the Municipal Supply Chain Management Regulations (Gazette No.27636). Projects linked to additional funding and disasters are exempted; and
4. A portion of an allocation where the proof of commitment for the rollover application is linked to invoices that were issued before or on 31 May 2021.

7.2 Rollover request against the Covid-19 allocated through the Equitable Share

The Division of Revenue Amendment Act, 2020 (Act No 10 of 2020) made available to Local government an amount of R11 billion following the President's speech on 20 April 2020. The President pronounced that R20 billion would be made available to municipalities in order to provide emergency water supply, increase sanitation of public transport facilities, and provide

food and shelter for the homeless. The R20 billion consisted of an additional allocation of R11 billion, which was transferred through the Equitable Share, and the R9 billion was funded from the repurposed spending within conditional grants allocated to municipalities. This increased the 2020/21 municipal Equitable Share allocation from R74.7 billion to R85.7 billion.

The R11 billion added to the local government Equitable Share allowed municipalities to maintain existing services despite a temporary decline in revenue collections and also cover some additional expenses incurred in response to the pandemic, including the provision of temporary shelter for homeless people during the lockdown.

Although the R11 billion was allocated through an unconditional grant (Equitable Share), these are committed funds in response to the Covid-19 pandemic. Consequently, the municipalities are required to request a rollover from National Treasury of any unspent committed Covid-19 allocation to be rolled over into the 2021/22 financial year.

Municipalities are therefore required to provide the following information to National Treasury in order to prove that the unspent funds are committed and also provide approval to allow the unspent funds to be spent in the 2021/22 financial year.

1. Provide the contracts that are linked to the response of the Covid-19 pandemic in line with the provisions made in the 2020 DoRAA;
2. Reasons why the funds were not fully spent during the year of original allocation per the DoRAA;
3. Accurate disclosure of Covid-19 allocation expenditure in the 2020/21 pre-audited Annual Financial Statements, (i.e. correct disclosure of grant receipts and spending in the notes to the AFS); and
4. Any expenditure incurred against the unspent Covid-19 funds that was not approved for the rollover will be regarded as unauthorized expenditure.

7.3 Unspent conditional grant funds for 2020/21

The process to ensure the return of unspent conditional grants for the 2020/21 financial year will be managed in accordance with section 22 of the DoRA. In addition to the previous MFMA Circulars, the following practical arrangements will apply:

Step 1: Municipalities must submit their June 2021 conditional grant expenditure reports according to section 71 of the MFMA reflecting all accrued expenditure on conditional grants and further ensure that expenditure reported to both National Treasury and national transferring officers reconcile;

Step 2: When preparing the Annual Financial Statements, a municipality must determine the portion of each national conditional grant allocation that remained unspent as at 30 June 2021. These amounts MUST exclude all interest earned on conditional grants, retentions and VAT related to conditional grant spending that has been reclaimed from SARS, which must be disclosed separately; and

Step 3: If the receiving officer wants to motivate in terms of section 22(2) of the 2020 DoRA that the unspent funds are committed to identifiable projects, the rollover application pack must be submitted to National Treasury by no later than 31 August 2021.

National Treasury will not consider any rollover requests that are incomplete or received after this deadline.

Step 4: National Treasury will confirm in writing whether or not the municipality may retain any of the unspent funds as a rollover based on criteria outlined above by 22 October 2021;

Step 5: National Treasury will communicate the unspent conditional grants amount by 08 November 2021. A municipality must return the remaining unspent conditional grant funds that are not subject to a specific repayment arrangement to the National Revenue Fund by 19 November 2021; and

Step 6: Any unspent conditional grant funds that should have, but has not been repaid to the National Revenue Fund by 19 November 2021, and for which a municipality has not requested a repayment arrangement, will be offset against the municipality's 07 December 2021 equitable share allocation.

All other issues pertaining to Appropriation Statement and reporting on approved rollovers are addressed in the Annexure to MFMA Circular No. 86.

7.4 Importance of section 17 of the Division of Revenue Act

The purpose of this section is to provide further clarity on section 17 of DoRA in relation to the transfer of funds to the organ of state in order to implement projects on behalf of the municipalities.

Section 17 (3) of DoRA states that a receiving officer may not allocate any portion of a schedule 5 allocation to any other organ of state for the performance of a function, unless the receiving officer and the organ of the state agree on the obligation of both parties and a payment schedule, the receiving officer has notified the transferring officer, the relevant provincial treasury and National Treasury of the agreed payment schedule and:

a. The allocation
   i) Is approved in the budget for the receiving provincial department or municipality; or
   ii) If not already approved;
      aa) the receiving officer notifies the National Treasury that the purpose of the allocation is not to artificially inflate the expenditure estimates of the relevant municipality and indicates the reasons for the allocation; and
      bb) the National Treasury approves the allocation; or
b. The allocation is for the payment for goods or services procured in accordance with the procurement prescripts applicable to the relevant province or municipality and, if it is an advance payment, paragraph (a) (ii) applies with the necessary changes.

Further, section 17 (4) states that the receiving officer must submit a copy of the agreement envisaged in subsection (3) to the transferring officer and the National Treasury before payment is made.

This section requires municipalities to comply with section 17 (3) before any DoRA allocated funds are allocated to any organ of state, and the municipality should first seek approval from National Treasury.

Note that National Treasury considers the following when assessing the request from the municipality for approval:

1. If the municipality is benefitting and utilising from the five per cent from capital grants that may be utilised for Project Management Unit (PMU). In terms of the capital grant framework (i.e. MIG and IUDG and three per cent for the USDG), municipalities are allowed to utilise a certain per cent of the grant for PMU or capacity support in order to implement capital projects. Therefore, if municipalities are benefiting from this initiative, the PMU should be capacitated enough to implement capital project;
2. Municipalities that are benefiting from the added technical support from Municipal Infrastructure Support Agent (MISA) will not be granted approval because MISA would assist with providing support and develop technical capacity towards sustained

accelerated municipal and service delivery. This implies that the municipality would be capacitated and be in a better position to implement capital project; and

3. If the request does not comply with the grant conditions, framework and if the transfer artificially inflates the expenditure estimates.

The following information must be submitted to National Treasury before approval is granted to municipalities to transfer funds to organs of the state:

1. In consultation with the relevant transferring officer municipalities must submit their request to National Treasury for approval;
2. Provide the time frames regarding the duration of this arrangement between the municipality and the organ of the state;
3. Provide the Service Level Agreement between the municipality and the organ of the state in consultation with the relevant transferring officer;
4. Provide the agreed payment schedule reflecting the disbursement of the funds;
5. Must provide the reasons why the municipality has taken such a decision;
7. If amongst the reasons for the request is related to capacity challenges, the municipality must therefore prove beyond reasonable doubt that there are capacity challenges and the reasons thereof; and
8. Upon approval, the municipality must submit the approved budget that includes the allocation.

Note that once the allocation has been approved, the payment for goods or services must be procured in accordance with or in compliance with the procurement prescripts applicable to the relevant municipality. If there is an agreement for an advancement, subsection (a) (ii) will apply in order to determine if the payment does not artificially inflate the expenditure estimates. Further, before funds are transferred, the national transferring officer and National Treasury must agree on the payment schedule.

Therefore, if any expenditure incurred which emanates from such an arrangement while there was non-compliance with section 17, grant conditions and framework, such expenditure will not be recognised by both National Treasury and relevant transferring officer and will be classified as unauthorised expenditure.

8. The Municipal Budget and Reporting Regulations

8.1 Service Level Standards

Municipalities are reminded to update the service level standards which must form part of their 2021/22 MTREF tabled budget documentation. A broad framework on the minimum service standards was issued with MFMA Circular No. 75. Therefore, the outline must be used as a guideline and be amended accordingly to align to the municipality's specific circumstances.

8.2 Assistance with the compilation of budgets

If municipalities require advice with the compilation of their respective budgets, specifically the budget documents or Schedule A1, they should direct their enquiries to their respective provincial treasuries or to the following National Treasury officials:

Province	Responsible NT officials	Tel. No.	Email
Eastern Cape Buffalo City	Matjatji Mashoeshoe Mandla Gilimani	012-315 5553 012-315 5807	Matjatji.Mashoeshoe@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Free State	Cethekile Moshane	012-315 5079	Cethekile.moshane@treasury.gov.za

Gauteng Johannesburg and Tshwane	Kgomotso Baloyi Kevin Bell Willem Voigt	012-315 5866 012-315 5725 012-315 5830	Kgomotso.Baloyi@treasury.gov.za Kevin.Bell@treasury.gov.za WillemCordes.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
KwaZulu-Natal eThekwini	Kgomotso Baloyi Mpati Rakgwale Una Rautenbach Abigail Maila	012-315 5866 012-315 5700	Kgomotso.Baloyi@treasury.gov.za Mpati.Rakgwale@treasury.gov.za Una.Rautenbach@treasury.gov.za Abigail.Maila@treasury.gov.za
Limpopo	Willem Voigt Sifiso Mabaso	012-315 5830 012-315 5952	WillemCordes.Voigt@treasury.gov.za Sifiso.Mabaso@treasury.gov.za
Mpumalanga	Mandla Gilimani	012-315 5807	Mandla.Gilimani@treasury.gov.za
Northern Cape	Mandla Gilimani Phumelele Gulukunqu	012-315 5807 012 315 5539	Mandla.Gilimani@treasury.gov.za Phumelele.Gulukunqu@treasury.gov.za
North West	Willem Voigt Makgabo Mabotja	012-315 5830 012-315 5156	WillemCordes.Voigt@treasury.gov.za Makgabo.Mabotja@treasury.gov.za
Cape Town George	Kgomotso Baloyi Willem Voigt and Mandla Gilimani	012-315 5866 012-315 5830 012-315 5807	Kgomotso.Baloyi@treasury.gov.za WillemCordes.Voigt@treasury.gov.za Mandla.Gilimani@treasury.gov.za
Technical issues with Excel formats	Kgomotoso Baloyi	012-315 5866	Kgomotso.Baloyi@treasury.gov.za

9. Budget process and submissions for the 2021/22 MTREF

9.1 Submitting budget documentation and A1 schedules for 2021/22 MTREF

To facilitate oversight of compliance with the MBRR, accounting officers are reminded that:

- Section 22(b)(i) of the MFMA requires that ***immediately*** after an annual budget is tabled in a municipal council, it must be submitted to the National Treasury and the relevant provincial treasury in electronic formats. If the annual budget is tabled to council on **31 March 2021**, the final date of submission of the electronic budget documents and corresponding *m*SCOA data strings is **Thursday, 01 April 2021**.

Section 24(3) of the MFMA, read together with regulation 20(1) of the MBRR, requires that municipalities must submit the approved annual budget to both National Treasury and the relevant provincial treasury ***within ten working days*** after the council has approved the annual budget. E.g. if the council approves the annual budget on **31 May 2021**, given the new timeframe for the evaluation of the municipal budgets, the adopted budget data strings and documentation must be submitted by the latest **Monday, 14 June 2020**.

Municipalities are no longer expected to submit hard copies of all required documents including budget-related, Integrated Development Plan, Service Delivery Budget and Implementation Plan, Annual Financial Statements and Annual Reports to National Treasury via post or courier services. Electronic copies must be submitted in pdf format to the LG Upload portal or lgdocuments@treasury.gov.za.

9.2 Consolidated budgets and reports

Municipalities with entities are reminded that they must prepare and submit MTREF budgets, section 71 reports, annual financial statements and annual reports for both the parent municipalities and consolidated documents that incorporates the entity information in terms of the MBRR.

9.3 Submission using LG Upload Portal

In MFMA Budget Circular No 107, it was indicated that budget-related documents and schedules must be uploaded by approved registered users using the LG Upload Portal at: https://lguploadportal.treasury.gov.za/ and that National Treasury was planning to retire lgdocuments@treasury.gov.za from 01 July 2021 to ensure that there is a single collection point of municipal financial data. However, based on workflow licensing challenges on the LG Upload Portal, data string submissions will shortly be shifted to the Open Portal GoMuni while documents must still be submitted using lgdocuments@treasury.gov.za. The document submissions will also be shifted to GoMuni as soon as possible.

All municipalities and their entities had to prepare their MTREF budget directly on the *m*SCOA financial systems from 01 July 2017. Therefore, all MBRR schedule submissions must be submitted in ***PDF format only***.

9.4 Publication of budgets on municipal websites

In terms of section 75 of the MFMA, all municipalities are required to publish their tabled budgets, adopted budgets, annual reports (containing audited annual financial statements) and other relevant information on the municipality's website. This will aid in promoting public accountability and good governance.

All relevant documents mentioned in this circular are available on the National Treasury website, http://mfma.treasury.gov.za/Pages/Default.aspx. Municipalities are encouraged to visit it regularly as documents are regularly added/ updated on the website.

Contact

national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Post	Private Bag X115, Pretoria 0001
Phone	012 315 5009
Fax	012 395 6553
Website	http://www.treasury.gov.za/default.aspx

JH Hattingh
Chief Director: Local Government Budget Analysis
08 March 2021

Annexure A: Treatment of Rollovers and repayment of unspent grants in *m*SCOA

Cash receipting of a conditional grant
The receiving of grants must be accounted for against (Dt) Bank and (Cr) Item Liabilities: Unspent grants: Capital: Monetary: Municipal Infrastructure Grant: Receipts as shown below:

- Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
  - Opening Balance(IL-001-007-002-001-002-005-002-001)
  - **Receipts(IL-001-007-002-001-002-005-002-002)**

Recognising the revenue when the grant is spent

When the grant is spent in accordance with the conditions of the grant, a transaction must be passed against the (Dt) Item Liabilities: Transferred to Revenue/ Capital Expenditure and (Cr) Item Revenue: Non-Exchange Transactions: Transfers and subsidies: Capital: Monetary allocations: National Government: Municipal Infrastructure Grant as shown below:

Debit Item Liability: posting level

- Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
  - Opening Balance(IL-001-007-002-001-002-005-002-001)
  - Receipts(IL-001-007-002-001-002-005-002-002)
  - **Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)**

Credit revenue recognised: posting level

- Transfers and Subsidies(IR-003-005)
  - Capital(IR-003-005-001)
    - + Allocations In-kind(IR-003-005-001-001)
    - Monetary Allocations(IR-003-005-001-002)
      - + Departmental Agencies and Accounts(IR-003-005-001-002-001)
      - + District Municipalities(IR-003-005-001-002-002)
      - + Foreign Government and International Organisations(IR-003-005-001-002-003)
      - + Households(IR-003-005-001-002-004)
      - National Government(IR-003-005-001-002-005)
        - Integrated National Electrification Programme Grant(IR-003-005-001-002-005-001)
        - **Municipal Infrastructure Grant(IR-003-005-001-002-005-002)**

Rollovers

In the event that the full grant was not spent at the end of the financial year, the municipality must apply for a rollover as per the process stipulated in the Division of Revenue Act (DoRA). Until such approval has been granted by the National Treasury, a municipality may not continue to incur expenditure against the unspent conditional grant allocation. This does not mean that the municipality should stop or cancel ongoing projects, but Council approval must be obtained to fund the spending from own funding sources until rollover approval is granted by the National Treasury. Once the rollover has been approved by the National Treasury, the amount of the rollover must be ratified through an adjustments budget. The *m*SCOA chart makes provision for all the required transactions in this regard.

Roll over not approved/ Offset against Equitable share

In the event that the rollover is not approved by the National Treasury, the unspent grant funding must be paid back to the National Revenue Fund or alternatively be offset against the Equitable Share and the Liability must be reduced by:

1) Debiting Unspent Grant (Repayment) to reduce the liability that was still outstanding; and
2) Crediting Item Revenue Equitable Share to adjust the revenue in line with DoRA.

This is further illustrated below:

1) Debit Liability: posting level

- Municipal Infrastructure Grant(IL-001-007-002-001-002-005-002)
  - Opening Balance(IL-001-007-002-001-002-005-002-001)
  - Receipts(IL-001-007-002-001-002-005-002-002)
  - Transferred to Revenue/Capital Expenditure(IL-001-007-002-001-002-005-002-003)
  - (Retired) Closing Balance(IL-001-007-002-001-002-005-002-004)
  - Re-payment of Unspent Grant(IL-001-007-002-001-002-005-002-005)

2) Credit Revenue: posting level

- National Revenue Fund(IR-003-005-002-002-006)
  - Fuel Levy (RSC Replacement Grant)(IR-003-005-002-002-006-001)
  - Equitable Share(IR-003-005-002-002-006-002)

Unauthorised, Irregular, Fruitless and Wasteful (UIFW) expenditure

If the municipality continues to spend against the conditional grant allocation, but rollover approval has not been granted by the National Treasury, this expenditure will be viewed as unauthorised expenditure.

ANNEXURE C

Project Description	Proper Project Description	Funding Source	Draft Annual Budget 2021/22	Draft Annual Budget 2022/23	Draft Annual Budget 2023/24
CORPORATE SERVICES					
Capital:Non-infrastructure:New:Intangible Assets:Licences and Rights:Effluent Licenses	Bio-metric System	Internal	800 000	-	-
Capital:Non-infrastructure:New:Other Assets:Operational Buildings:Yards	Fencing of municipal building	Internal	605 883	-	-
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and equipment	Internal	180 000	100 000	100 000
Capital:Non-infrastructure:New:Computer Equipment	Computer equipment	Internal	100 000	100 000	100 000
Capital:Non-infrastructure:New:Intangible Assets:Licences and Rights:Computer Software and Applications	Computer software and applications	Internal	237 000	-	-
			1 922 883	**200 000**	**200 000**
EXECUTIVE & COUNCIL					
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and office equipment	Internal	350 000	150 000	150 000
Capital:Non-infrastructure:New:Computer Equipment	Computer equipment	Internal	1 070 000	350 000	350 000
Capital:Non-infrastructure:New:Machinery and Equipment	Public address system & data projector	Internal	70 000	-	-
Capital:Non-infrastructure:New:Community Assets:Community Facilities:Markets	Ward councilors capital project	Internal	750 000	-	-
Capital:Non-infrastructure:Existing:Renewal:Investment Property:Revenue Generating:Unimproved Property	Vehicle and trailer	Internal	500 000	-	-
			2 740 000	**500 000**	**500 000**
FINANCIAL SERVICES					
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and office equipment	Internal	360 005	-	-
Capital:Non-infrastructure:New:Machinery and Equipment	Machinery and equipment	Internal	250 000	-	-
Capital:Infrastructure:New:Information and Communication Infrastructure:Data Centres	Cibex software	Internal	600 000	500 000	-
Capital:Infrastructure:New:Information and Communication Infrastructure:Data Centres	WIFI solution	Internal	100 000		
Capital:Non-infrastructure:Existing:Upgrading:Computer Equipment	Network upgrade	Internal	250 000	-	-
Capital:Non-infrastructure:New:Transport Assets	Vehicles	Internal	900 000	-	-
			2 460 005	**500 000**	**-**
INFRASTRUCTURE & ENGINEERING					
Capital:Infrastructure:Existing:Upgrading:Electrical Infrastructure:MV Networks	BULK 66kv overheadlines	Internal	1 400 000	-	-
Capital:Infrastructure:New:Sanitation Infrastructure:Pump Station	New bypass Sewer Rising Main and Pump Stations Jba	Internal	1 430 000	-	-
Capital:Infrastructure:New:Sanitation Infrastructure:Reticulation	Piped Reticulation - St Francis Bay	Internal	500 000	-	-
Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Replace 250mm Water Main Mimosa Street Jbay	Internal	205 000	-	-
Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Replace 250mm Water Main Canal Road St Francis Ba	Internal	350 000	-	-
Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Replace Main Waterline Sout Rivier Bridge Crossing	Internal	700 000	-	-
Capital:Infrastructure:Existing:Renewal:Water Supply Infrastructure:Distribution	Repair Leaking Concrete Water Tower Paradise Beach	Internal	310 000	-	-
Capital:Non-infrastructure:New:Other Assets:Operational Buildings:Yards	Fencing Sea Vista Reservoir	Internal	500 000	-	-
Capital:Infrastructure:New:Electrical Infrastructure:MV Substations	Saffery Substation	Internal	1 000 000	-	-
Capital:Non-infrastructure:New:Machinery and Equipment	Walk Behind Persestrian Roller	Internal	200 000		
Capital:Non-infrastructure:New:Machinery and Equipment	Machinery & Equipment	Internal	180 000	180 000	180 000
Capital:Non-infrastructure:Existing:Upgrading:Community Assets:Sport and Recreation Facilities:Outdoor Facilities	Upgrading of Sports Facilities	MIG	4 136 957	4 447 363	4 630 878
Capital:Infrastructure:Existing:Upgrading:Sanitation Infrastructure:Waste Water Treatment Works	Upgrade Sanitation System Old Hankey	MIG	9 230 435	16 848 715	2 462 096
Capital:Infrastructure:New:Sanitation Infrastructure:Waste Water Treatment Works	Fencing Waste Water Treatment Plant	Internal	1 500 000	800 000	800 000
Capital:Infrastructure:New:Solid Waste Infrastructure:Waste Processing Facilities	Upgrade Loerie sewer pump station	Internal	850 000	-	-
Capital:Infrastructure:New:Electrical Infrastructure:MV Networks	High mast lights	Internal	600 000	-	-
Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	Ocean View Electrification	INEP	6 782 609		6 086 955
Capital:Infrastructure:New:Electrical Infrastructure:LV Networks	Humansdorp , Kruisfontein Electrification & Bulk -	INEP		6 181 739	
Capital:Infrastructure:Existing:Upgrading:Roads Infrastructure:Roads	Upgrading of Gravel Roads in Humansdorp	MIG	14 234 651	8 353 009	23 779 547
Capital:Infrastructure:Existing:Upgrading:Sanitation Infrastructure:Reticulation	Upgrade Sewer Rising Mains Jbay (La Mer-4A-4B)	Internal	600 000	-	-
Capital:Infrastructure:New:Solid Waste Infrastructure:Waste Transfer Stations	Construct emergency overflow pond Koraal Sewer pu	Internal	520 000	-	-
Capital:Infrastructure:Existing:Renewal:Roads Infrastructure:Roads	Roads Capital	Internal	-	-	7 500 000
			45 229 652	**36 810 826**	**45 439 476**
PLANNING, DEVELOPMENT & TOURISM					
Capital:Non-infrastructure:Existing:Renewal:Community Assets:Community Facilities:Cemeteries/Crematoria	Restoration of Fisherman Grave Site	Internal	50 000	-	-
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and Office Equipment	Internal	500 000	250 000	220 000
Capital:Non-infrastructure:New:Community Assets:Community Facilities:Centres	Kouga Business Support Centre	Internal	300 000	100 000	100 000
Capital:Non-infrastructure:New:Computer Equipment	Computer Equipment	Internal	100 000	-	100 000
Capital:Non-infrastructure:New:Intangible Assets:Licences and Rights:Computer Software and Applications	Computer Software and Applications	Internal	220 000	250 000	300 000
Capital:Non-infrastructure:New:Investment Properties:Non-revenue Generating:Unimproved Property	Land Acquisition	Internal	-	-	1 000 000
			1 170 000	**600 000**	**1 720 000**
COMMUNITY SERVICES					
Capital:Infrastructure:New:Water Supply Infrastructure:Distribution	Cemeteries Ablution Facilities New	Internal	570 000	520 000	300 000
Capital:Non-infrastructure:New:Community Assets:Sport and Recreation Facilities:Outdoor Facilities	5X Trailers	Internal	200 000	-	-
Capital:Non-infrastructure:Existing:Upgrading:Community Assets:Sport and Recreation Facilities:Outdoor Facilities	Upgrading of Cape St Francis	Internal	100 000	100 000	-
Capital:Non-infrastructure:New:Machinery and Equipment	Machinery and equipment	Internal	2 260 000	1 000 000	1 700 000
Capital:Infrastructure:Existing:Renewal:Information and Communication Infrastructure:Capital Spares	Fencing Sport and Recreation Facilities	Internal	1 500 000	-	-

Capital:Non-infrastructure:New:Computer Equipment	Computer Equipment	Internal	80 000	80 000	110 000
Capital:Non-infrastructure:New:Furniture and Office Equipment	Furniture and Office Equipment	Internal	380 000	400 000	300 000
Capital:Non-infrastructure:New:Community Assets:Community Facilities:Fire/Ambulance Stations	Fencing Humansdorp Fire Station	Internal	600 000	600 000	-
Capital:Non-infrastructure:Existing:Renewal:Investment Property:Revenue Generating:Unimproved Property	Vehicles	District	1 600 000	-	-
Capital:Non-infrastructure:New:Transport Assets	Vehicles	Internal	200 000	-	2 500 000
Capital:Infrastructure:New:Information and Communication Infrastructure:Data Centres	Fencing New and Existing Cemeteries	Internal	-	-	1 000 000
Capital:Infrastructure:Existing:Upgrading:Rail Infrastructure	Thornhill Fire Serviice Department -Satellite Building	District	-	-	1 600 000
Capital:Infrastructure:New:Information and Communication Infrastructure:Capital Spares	Fencing Humansdorp Landfill	Internal	-	-	5 500 000
			7 490 000	**2 700 000**	**13 010 000**
			61 012 540	**41 310 826**	**60 869 476**
Transfers recognised - capital			35 984 652	35 830 826	36 959 476
Internally generated funds			25 027 888	5 480 000	23 910 000
			61 012 540	**41 310 826**	**60 869 476**

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F2**

ADOPTION OF THE PROPOSED PROPERTY RATES TARIFFS FOR THE 2021/22 FINANCIAL YEAR

1. Purpose

The purpose of this report is for Council to consider and approve the proposed property rates tariffs for the 2021/22 financial year.

2. Background

The property rates tariffs have been increased by 5,25%.

In view of the above and to ensure that all property owners are paying rates on an equitable basis, the following tariffs (rounded to the nearest two decimals) and rebates are proposed in line with the Municipal Property Rates Act (MPRA), the Municipality's Rates Policy and By-Laws:

CATEGORY	**Ratios**	**Cent/Rand**	
		Proposed Tariffs for 2021/22	**Current Tariffs 2020/2021**
Residential	1:1	0.9202	0.8743
Industrial/ Mining	1:1.04	0.9570	0.9093
Business / Commercial	1:1.04	0.9570	0.9093
Farms-Agricultural	1:0.25	0.2301	0.2186
Farms-Other Business/Wind Farms and Other Industrial Purposes	1:1.04	0.9570	0.9093
Farms-Residential	1:1	0.9202	0.8743
Farms-Private Towns	1:1	0.9202	0.8743
Smallholding-Agricultural	1:0.25	0.2301	0.2186
State Owned	1:1	0.9202	0.8743
Private Towns	1:1	0.9202	0.8743
Informal and Formal Settlements	1:1	0.9202	0.8743
Multiple Purposes	1:1	0.9202	0.8743
Municipal Property/Land	1:1	0.9202	0.8743
Special Rating Area	1:0:25	0.2301	0:2186
Private Towns (Exempt)	1:1	0.9202	0.8743
Communal Land	1:1	0.9202	0.8743
State Trust Land	1:1	0.9202	0.8743
Restitution and Redistribution Properties	1:1	0.9202	0.8743
Protected Areas	1:1	0.9202	0.8743
National Monuments/ Heritage Sites	1:1	0.9202	0.8743
Public Benefit Organisations	1:1	0.9202	0.8743

3. Recommendation

3.1 That the Council, in terms of Section 30(2) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended) and the Local Government: Municipal Property Rates Act, Act 6 of 2004, read in conjunction with the Local Government: Municipal Systems Act, Act 32 of 2000, the Municipality's Rating Policy and with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, and **by resolution taken by majority of its full number**, levies the following rates in the Rand for the period 1 July 2021 to 30 June 2022, in respect of the various categories of properties as set out below:

CATEGORY	**PROPOSED TARIFFS FOR 2021/22 CENT/RAND**
Residential	0.009202
Industrial / Mining	0.009570
Business / Commercial	0.009570
Farms-Agricultural	0.002301
Farms-Other Business/Wind Farms and Other Industrial Purposes	0.009570
Farms-Residential	0.009202
Farms-Private Towns	0.009202
Smallholding-Agricultural	0.002301
State Owned	0.009202
Municipal	0.009202
Special Rating Area	0.002301
Private Towns	0.009202
Private Towns (Exempt)	0.009202
Formal and Informal Settlements	0.009202
Communal Land	0.009202
State Trust Land	0.009202
Restitution and Redistribution Properties	0.009202
Protected Areas	0.009202
National Monuments/Heritage Sites	0.009202
Public Benefit Organisation	0.009202
Multiple Purposes	0.009202
Public Service Infrastructure (P.S.I.)	0.009202

3.2 That the Council, in terms of Section 30(2) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended) and the Local Government: Municipal Property Rates Act, Act 6 of 2004, read in conjunction with the Local Government: Municipal Systems Act, Act 32 of 2000, the Municipality's Rating Policy and with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, and **by resolution taken by majority of its full number**, grants the following rebates for the period 1 July 2021 to 30 June 2022, in respect of the following categories and owners of properties as set out below:

	Rebates for 2021/22
R15 000 on Residential Properties	R15 000
National Monuments/Heritage Sites	-100%
Provisions of Land Act	- 100%
Communal Property Association	-100%
Protected Areas	-100%
Welfare/Churches/Public Benefit Organisations	-100%
Municipal Properties	-100%
Rebates:	
Private Towns:	-20%
- Kromme River (Suburb 70010)	
- Air Park (Suburb 10001)	
- Gamtoos Mouth (Suburb 90003)	
- Edenglen (Suburb 40004)	
- St Francis Bay Links (Suburb 70009)	
- Marina Martinique (Suburb 40013)	
- Lifestyle Estate (Suburb 40054)	
- Sea View Resort (Suburb 40011)	
R 85 000 on Informal and Formal Settlements	R85 000
R 85 000 for Owners who qualify for Equitable Share	R85 000
R 85 000 for Rate Payer 60 years and older with a household income not more than R15000.00	R85 000

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer

Item endorsed by the Municipal Manager

Noted by the Portfolio Councillor:

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F3**

REVISION OF FEES AND CHARGES FOR THE 2021/22 FINANCIAL YEAR: SPORTS AND RECREATION

1. Purpose

The purpose of this report is to request the approval of the proposed fees and charges for sports and recreational facilities, for the 2021/22 financial year.

2. Background

Directorates, in consultation with the Chief Financial Officer are required to review the fees and charges, at least once a year.

The fees and charges have not been increased as reflected in Annexure 'A'

3. Recommendation

3.1 That the Council, by resolution taken by majority of its full number, and in terms of Sections 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the fees and charges for Sports and Recreation, as reflected in **Annexure 'A'**, with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer

Item endorsed by the Municipal Manager

Noted by the Portfolio Councillor:

ANNEXURE A				
SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive	2020/21 15% Exclusive R	% Increase
SPORTS AND RECREATION				
Sportsfield Rental per day : Music Concerts, Festivals, Sport Tournaments				
Profitable Functions	5 118.21	4 450.62	4 275.33	4.10
Sports Tournaments	1 561.50	1 357.83	1 304.35	4.10
Non-Profitable Functions : NGO's, Churches, PO's	1 861.17	1 618.41	1 554.67	4.10
Sports Affiliation per year	465.29	404.60	388.67	4.10
Country Club Tariffs				
Hall only	-	-	-	
Side Hall	-	-	-	
Hall & Side Hall	-	-	-	
Braai Area	-	-	-	
Complex	-	-	-	
Welfare organisations per year	661.87	575.54	552.88	4.10
Deposit				
Damages		1 000.00	1 000.00	0.00

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F4**

REVISION OF FEES AND CHARGES FOR 2021/22 FINANCIAL YEAR: NATIONAL TRAFFIC, LICENSING SERVICES AND PROTECTION SERVICES

1. Purpose

The purpose of this report is to request the approval of the proposed fees and charges for National Traffic, Licensing Services and Protection Services for the 2020/21 Financial year.

2. Background

Directorates, in consultation with the Chief Financial Officer are required to review the fees and charges at least once a year. The Traffic and Licensing Services Fees, are gazetted in the Provincial Gazette by the Department of Transport. The fees and charges for Protection Services have been increased on average, by 4,1%. The proposed fees and charges are reflected in Annexure 'B'.

3. Recommendation

3.1 That the Council, by resolution taken by majority of its full number, and in terms of Sections 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003 approves the fees and charges as reflected in **Annexure 'B'**, with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer

Item endorsed by the Municipal Manager

Noted by the Portfolio Councillor:

ANNEXURE B				
SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive	2020/21 15% Exclusive R	% Increase
NATIONAL TRAFFIC (NATIS)				
Drivers Licence : Application : Light Vehicle	No VAT	294.00	294.00	0.00
Drivers Licence : Application : Heavy Vehicle	No VAT	345.00	345.00	0.00
Drivers Licence : Temporary	No VAT	96.00	96.00	0.00
Drivers Licence: Issue renewal	No VAT	216.00	216.00	0.00
Duplicate : Learners Licence	No VAT	180.00	180.00	0.00
Duplicate : Registration Certificate	No VAT	642.00	642.00	0.00
Learners Licence : Application	No VAT	213.00	213.00	0.00
Learners Licence : Certificate	No VAT	69.00	69.00	0.00
Instructor Certificate : Application	No VAT	345.00	345.00	0.00
Public Driving Permit : Application	No VAT	108.00	108.00	0.00
Roadworthy Certificate	No VAT	69.00	69.00	0.00
Roadworthy Certificate : Application : Motor Cycles	No VAT	105.00	105.00	0.00
Roadworthy Certificate : Application : Other Vehicle	No VAT	183.00	183.00	0.00
Roadworthy Certificate : Application : Goods Vehicle	No VAT	213.00	213.00	0.00
Roadworthy Certificate : Application : Busses	No VAT	225.00	225.00	0.00
Vehicle Licences (81%)	No VAT	Sundry Amounts	Sundry Amounts	
Vehicle Licences (19%)	No VAT	Sundry Amounts	Sundry Amounts	
Vehicle Registration	No VAT	132.00	132.00	0.00
Vehicle Registration Penalties	No VAT	Sundry Amounts	Sundry Amounts	
Vehicle De-Registration	No VAT	Sundry Amounts	Sundry Amounts	
Temporary Permit	No VAT	105.00	105.00	0.00
Special Permit	No VAT	81.00	81.00	0.00
Disabled Parking Disc	No VAT	111.00	111.00	0.00
RTMC (Transaction Fees)	No VAT	72.00	72.00	0.00
IMPOUNDMENT OF VEHICLES				
First time offenders	2 673.24	2 324.56	2 324.56	0.00
Second time offenders	4 277.20	3 719.31	3 719.31	0.00
Third time offenders	8 554.39	7 438.60	7 438.60	0.00
PROTECTION SERVICES				
Vehicle Licences (17.5%)	No VAT	Sundry Amounts	Sundry Amounts	
Towage fees	Plus VAT	COST +20%	COST +20%	
Storage fees per day (Sold after 3 months)	46.85	40.74	39.13	4.10
Storage fees per day - exceeding 30 days	108.79	94.60	90.87	4.10
Enquiries vehicle accident	172.63	150.11	144.20	4.10
Selling of Vehicles on a site approved by Council (Per Day)	92.48	80.42	77.25	4.10
Traffic Assistance				
Events (Per Hour)	368.67	320.59	307.96	4.10
Funerals (Flat Rate)	646.11	561.83	539.70	4.10
Fines : Traffic	Plus VAT	Sundry Amounts	Sundry Amounts	
Fines : Video Camera	Plus VAT	Sundry Amounts	Sundry Amounts	

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F5**

REVISION OF FEES AND CHARGES FOR THE 2020/21 FINANCIAL YEAR: FIRE FIGHTING SERVICES

1. Purpose

The purpose of this report is to request the approval of the proposed fees and charges for firefighting services, for the 2021/22 financial year.

2. Background

Directorates, in consultation with the Chief Financial Officer are required to review fees and charges, at least once a year. The fees and charges have been increased on average, by 4,1%. The proposed fees and charges are reflected in Annexure 'C'.

3. Recommendation

3.1 That the Council, by resolution taken by majority of its full number, and in terms of Sections 30(2) and 93(4) of the Local Government : Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the fees and charges for Fire Fighting Services as reflected in **Annexure 'C'**, with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer

Item endorsed by the Municipal Manager

Noted by the Portfolio Councillor:

ANNEXURE C				
SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive	2020/21 15% Exclusive R	% Increase
FIRE FIGHTING SERVICES				
Fires **Major Spillages road or rail** **Vegetation fires** Tariffs per hour or part thereof Major appliance (inclusive of manpower) Rescue pumps/Aerial appliance	2 039.43	1 773.41	1 703.57	4.10
Auxiliary appliance (Inclusive of manpower) Off-Road, light/heavy rescue, hazmat units	924.76	804.14	772.47	4.10
Service vehicles (Inclusive of manpower) LDV's and transporters	533.89	464.25	445.97	4.10
Trailers & units (inclusive of manpower) Fuel/hydrant trailer, BA trailer and command unit	270.04	234.82	225.57	4.10
Personnel charges (cost if additional personnel required) Senior Officer	533.89	464.25	445.97	4.10
Officers	270.04	234.82	225.57	4.10
Fire Fighters	138.10	120.09	115.36	4.10
Humanitarian calls				

Motor vehicle accidents	No charge		No charge	
Rescues	No charge		No charge	
Service rendered outside area of jurisdiction				
Tariffs per hour or part thereof				
Major appliance (inclusive of manpower)				
Rescue pumps/Aerial appliance	4 078.85	3 546.83	3 407.14	4.10
Auxiliary appliance (Inclusive of manpower)				
Off-Road, light/heavy rescue, hazmat units	1 849.54	1 608.29	1 544.95	4.10
Service vehicles (Inclusive of manpower)				
LDV's and transporters	1 067.80	928.52	891.95	4.10
Trailers & units (inclusive of manpower)				
Fuel/hydrant trailer, BA trailer and command unit	540.07	469.62	451.13	4.10
Personnel charges (cost if additional personnel required)				
Senior Officer	1 067.80	928.52	891.95	4.10
Officers	540.08	469.63	451.14	4.10
Fire Fighters	276.21	240.18	230.72	4.10
Standby duties				
Water jets (65mm hose)	429.09	373.12	358.42	4.10
Monitoring of incidents				
Tariffs per hour or part thereof				
Major appliance (inclusive of manpower)				
Rescue pumps/Aerial appliance	1 019.71	886.71	851.78	4.10
Auxiliary appliance (Inclusive of manpower)				
Off-Road, light/heavy rescue, hazmat units	462.38	402.07	386.23	4.10
Service vehicles (Inclusive of manpower)				
LDV's and transporters	266.95	232.13	222.99	4.10

Trailers & units (inclusive of manpower) Fuel/hydrant trailer, BA trailer and command unit	135.01	117.40	112.77	4.10
Personnel charges (cost if additional personnel required) Senior Officer	266.95	232.13	222.99	4.10
Officers	135.01	117.40	112.77	4.10
Fire Fighters	68.83	59.85	57.49	4.10
Service rendered outside area of jurisdiction Tariffs per hour or part thereof Major appliance (inclusive of manpower) Rescue pumps/Aerial appliance	2 039.43	1 773.41	1 703.57	4.10
Auxiliary appliance (Inclusive of manpower) Off-Road, light/heavy rescue, hazmat units	924.76	804.14	772.47	4.10
Service vehicles (Inclusive of manpower) LDV's and transporters	533.89	464.25	445.97	4.10
Trailers & units (inclusive of manpower) Fuel/hydrant trailer, BA trailer and command unit	270.04	234.82	225.57	4.10
Personnel charges (cost if additional personnel required) Senior Officer	533.89	464.25	445.97	4.10
Officers	270.04	234.82	225.57	4.10
Fire Fighters	138.10	120.09	115.36	4.10
Other Certified copy of incident report	162.76	141.53	135.96	4.10
Population certificate	285.97	248.67	238.88	4.10
Training Attendance of training courses held under the auspices of the Fire and Emergency Services				

Per person per day	519.11	451.40	433.62	4.10
Per person per half day or part thereof	270.04	234.82	225.57	4.10
Re-issue Certificates	138.10	120.09	115.36	4.10
Fire prevention tariff per hour or part thereof				
Renewal of licence to store petroleum/liquified petroleum gas	350.18	304.50	292.51	4.10
Approval of LPG installation plans	350.18	304.50	292.51	4.10
Approval of petroleum storage plans	350.18	304.50	292.51	4.10
Approval of bulk storage hazardous installation	997.52	867.41	833.24	4.10
Inspections	997.52	867.41	833.24	4.10
Survey	997.52	867.41	833.24	4.10
Certification of premises	350.18	304.50	292.51	4.10
Issuing of control burning permits	350.18	304.50	292.51	4.10
Investigation	997.52	867.41	833.24	4.10
Lectures/evacuation drills	997.52	867.41	833.24	4.10
Issuing of certificate of competency	997.52	867.41	833.24	4.10
Public education	No charge	No charge	No charge	
Approval of rational designs	350.18	304.50	292.51	4.10
Approval of major hazardous installation reports	350.18	304.50	292.51	4.10

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F6**

REVISION OF FEES AND CHARGES FOR THE HIRING OF MUNICIPAL FACILITIES: 2021/22 FINANCIAL YEAR

1. Purpose

The purpose of this report is to request the approval of the proposed fees and charges for the hiring of municipal facilities for the 2021/22 financial year.

2. Background

Directorates, in consultation with the Chief Financial Officer, are required to review fees and charges, at least once a year.

The fees and charges for the hiring of Municipal Facilities have been increased, with 4,1%. The fees and charges for Caravan Parks, have been increased between 0,00% to 4,1%, as reflected in Annexure 'D'.

3. Recommendation

3.1 That the Council, by resolution taken by majority of its full number and in terms of Section 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Financial Management Act, Act 56 of 2003 approves the fees and charges for the hiring of Municipal Facilities, as reflected in **Annexure 'D'**, with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer

Item endorsed by the Municipal Manager

Noted by the Portfolio Councillor:

ANNEXURE D

SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive	2020/21 15% Exclusive R	% Increase
BUILDINGS & PROPERTIES				
Rental : Halls & Facilities				
LARGE HALLS				
Hankey Vusumsi Landu Hall				
Humansdorp Country Club Hall				
Kruisfontein Civic Centre				
Jeffreys Bay Newton Hall				
Patensie Community Hall				
Thornhill Katrien Felix Hall				
Deposit				
Damages		1 087.85	1 045.00	4.10
Church Gathering (per 2 hr)	214.03	186.11	178.78	4.10
Concert (Non-Drinking Function)	665.36	578.58	555.79	4.10
Concert Practice	140.75	122.39	117.57	4.10
Conferences (per day)	837.52	728.28	699.60	4.10
Dance and Disco (Drinking Functions)	1 404.02	1 220.88	1 172.80	4.10
Fetes / Bazaars	361.77	314.58	302.19	4.10

Funeral (per 2 hr)	214.03	186.11	178.78	4.10
Kitchen Rental	482.75	419.78	403.25	4.10
Meetings (Non-Political)	482.75	419.78	403.25	4.10
Meetings (Political)	938.72	816.28	784.13	4.10
School Functions	361.77	314.58	302.19	4.10
Service Organisations : Social Clubs / Presentations	162.86	141.61	136.04	4.10
Special Events (Decorations)	360.60	313.57	301.22	4.10
Special Events : Anniversaries / Birthdays / Gala Evenings / Kitchen Parties/Weddings	857.30	745.48	716.12	4.10
Sport and Recreation (per day)	591.29	514.16	493.91	4.10
Welfare organisation per year	661.04	574.81	552.17	4.10
MEDIUM HALLS **Andrieskraal Hall** **Weston Hall** **Kwanomzamo Hall** **Aston Bay Hall** **Pellsrus Hall** **Loerie Hall** **Sea Vista Hall** <u>Deposit</u> Damages		1 087.85	1 045.00	4.10
Church Gathering (per 2 hr)	148.89	129.47	124.37	4.10
Concert (Non-Drinking Function)	414.11	360.09	345.91	4.10
Concert Practice	94.22	81.93	78.70	4.10
Conferences (per day)	559.51	486.53	467.37	4.10

Dance and Disco (Drinking Functions)	851.49	740.43	711.27	4.10
Fetes / Bazaars	237.30	206.35	198.22	4.10
Funeral (per 2 hr)	148.89	129.47	124.37	4.10
Kitchen Rental	429.23	373.24	358.54	4.10
Meetings (Non-Political)	317.56	276.14	265.26	4.10
Meetings (Political)	482.75	419.78	403.25	4.10
School Functions	148.89	129.47	124.37	4.10
Service Organisations : Social Clubs / Presentations	88.41	76.88	73.85	4.10
Special Events (Decorations)	237.30	206.35	198.22	4.10
Special Events : Anniversaries / Birthdays / Gala Evenings / Kitchen Parties/Weddings	429.23	373.24	358.54	4.10
Welfare organisation per year	330.52	287.41	276.09	4.10
Sport and Recreation (per day)	295.64	257.08	246.96	4.10
SMALL HALLS **Tokyo Sexwale Sportsfield Hall** **Pellsrus Caravan Park Hall** **Patensie Sportsfield Hall** **Thornhill Clubhouse** <u>Deposit</u> Damages		222.77	214.00	4.10
Church Gathering (per 2 hr)	70.96	61.70	59.27	4.10
Concert (Non-Drinking Function)	177.97	154.76	148.66	4.10
Concert Practice	47.69	41.47	39.83	4.10
Conferences (per day)	280.33	243.77	234.17	4.10

Dance and Disco (Drinking Functions)	592.08	514.85	494.58	4.10
Fetes / Bazaars	177.97	154.76	148.66	4.10
Funeral (per 2 hr)	70.96	61.70	59.27	4.10
Kitchen Rental	158.20	137.57	132.15	4.10
Meetings (Non-Political)	134.93	117.33	112.71	4.10
Meetings (Political)	201.23	174.99	168.09	4.10
School Functions	94.22	81.93	78.70	4.10
Service Organisations : Social Clubs / Presentations	50.02	43.50	41.78	4.10
Special Events (Decorations)	148.89	129.47	124.37	4.10
Special Events : Anniversaries / Birthdays / Gala Evenings / Kitchen Parties/Weddings	294.30	255.91	245.83	4.10
Sport and Recreation (per day)	147.82	128.54	123.48	4.10
Welfare organisation per year	165.26	143.70	138.04	4.10
Other				
Encroachment Fees	Plus VAT		Sundry Amounts	
Rental : Commonage	Plus VAT		Sundry Amounts	
Rental : Municipal Houses	Plus VAT		Sundry Amounts	
Rental : Quarry	Plus VAT		Sundry Amounts	
Rental : Sundry	Plus VAT		Sundry Amounts	

CARAVAN PARKS & CAMPING SITES ***This tariff is applicable for all Caravan Parks/Camping Sites within the Kouga Jurisdictional Area*** **IN SEASON** ***In Season includes December/January and March/April School Holidays.*** ***All Tariffs are per day and include 4 persons per site, and 1 Vehicle.*** ***Additional Costs are payable per person for more than 4 persons, and per vehicle for more than 1 vehicle*** **CARAVAN PARKS**				
Stand with Electricity	525.70	457.13	439.13	4.10
Stand without Electricity	379.96	330.40	317.39	4.10
Fee per Additional Vehicle	73.92	64.28	61.74	4.10
Fee per Additional Person	73.92	64.28	61.74	4.10
Caravan Clubs (10% Discount on Normal Tariffs) ***More than 10 Caravans, Maximum of 40*** ***More than 40 Caravans only May - November***				
Stand with Electricity	473.13	411.42	395.22	4.10
Stand without Electricity	341.97	297.36	285.65	4.10
Fee per Additional Car	66.52	57.84	55.57	4.10
Fee per Additional Person	66.52	57.84	55.57	4.10
RONDAWELS / CHALETS Damage Deposit		870.28	836.00	4.10
Rondawels				

2 Bed	396.96	345.18	331.58	4.10
4 Bed	549.36	477.70	458.89	4.10
Chalets 1 Bedroom	549.63	477.94	459.12	4.10
2 Bedroom	854.98	743.46	714.18	4.10
CAMPING				
Stand with Electricity	525.71	457.13	439.13	4.10
Stand without Electricity	379.97	330.40	317.39	4.10
Fee per Additional Vehicle	73.91	64.27	61.74	4.10
Fee per Additional Person	73.91	64.27	61.74	4.10
OTHER Day Visitors Entrance Fee Per Vehicle (for 2 persons) per day	73.91	64.27	61.74	4.10
Per Person more than 2 per day	73.91	64.27	61.74	4.10
Beach Service Team				
Per Vehicle (for 2 persons) per day	59.13	51.42	49.39	4.10
Per Person more than 2 per day	59.13	51.42	49.39	4.10
OUT OF SEASON (50% of In-Season Tariffs) ***All Tariffs are per day and include 4 persons per site, and 1 Vehicle.*** ***Additional Costs are payable per person for more than 4 persons, and per vehicle for more than 1 vehicle*** ***Discount of 30% will be allowed to pensioners out of season.*** **CARAVAN PARKS**				
Stand with Electricity	262.85	228.57	219.57	4.10
Stand without Electricity	189.98	165.20	158.70	4.10
Fee per Additional Vehicle	36.96	32.14	30.87	4.10

Fee per Additional Person	36.96	32.14	30.87	4.10
Caravan Clubs (30% Discount on Normal Tariffs) ***More than 10 Caravans, Maximum of 40*** ***More than 40 Caravans only May - November***				
Stand with Electricity	236.57	205.71	197.61	4.10
Stand without Electricity	170.98	148.68	142.83	4.10
Fee per Additional Vehicle	33.26	28.92	27.78	4.10
Fee per Additional Person	33.26	28.92	27.78	4.10
RONDAWELS / CHALETS Damage Deposit		870.28	836.00	4.10
Rondawels				
2 Bed	198.31	172.44	165.65	4.10
4 Bed	274.82	238.98	229.57	4.10
Chalets				
1 Bedroom	274.82	238.98	229.57	4.10
2 Bedroom	427.33	371.59	356.96	4.10
Monthly Tariff ***Not Applicable In Season (Normal Tariffs Apply)*** ***Additional Persons pay full tariff per day*** ***Additional Vehicles pay full tariff per day*** **Up to 31 Days and not more than 90 days** Chalets				
1 Bedroom only 3 people per chalet and 1 vehicle	3 263.54	2 837.86	2 726.09	4.10
2 Bedroom only 5 people per chalet and 1 vehicle	3 807.46	3 310.83	3 180.43	4.10

CAMPING				
Stand with Electricity	262.85	228.57	219.57	4.10
Stand without Electricity	189.98	165.20	158.70	4.10
Fee per Additional Vehicle	36.96	32.14	30.87	4.10
Fee per Additional Person	36.96	32.14	30.87	4.10
OTHER Day Visitors Entrance Fee				
Per Vehicle	36.96	32.14	30.87	4.10
Per Person	36.96	32.14	30.87	4.10
Beach Service Team				
Per Vehicle	29.56	25.71	24.70	4.10
Per Person	29.56	25.71	24.70	4.10
Monthly Tariff ***Not Applicable In Season (Normal Tariffs Apply)*** ***Tariff includes 4 persons per site, and 1 Vehicle.*** ***Additional Persons pay full tariff per day*** ***Additional Vehicles pay full tariff per day*** Up to 30 Days	3 353.94	2 916.47	2 801.60	4.10
Longer than 30 Days	2 175.24	1 891.51	1 817.02	4.10

NATURE CONSERVATION				
GAMTOOS RIVER MOUTH NATURE RESERVE				
Camping/Caravan Sites				
Max 6 persons p/day	114.54	99.60	95.67	4.10
Extra per person per day	30.39	26.43	25.39	4.10
Once off entrance fee	71.30	62.00	59.56	4.10
Entrance Fees				
Entrance fee	71.30	62.00	59.56	4.10
Gamtoos Mouth Home-Owners Annual Entrance Fee	310.90	270.34	259.70	4.10
Pedestrians per person or more than 6 persons per vehicle (per person)	30.39	26.43	25.39	4.10
LOERIEDAM NATURE RESERVE				
Day Visitors	30.39	26.43	25.39	4.10
Rentals				
Field study centre : per person per night	139.14	120.99	116.23	4.10
Robinson's camp : per person per day	38.96	33.88	32.54	4.10
Robinson's camp : per person per night	89.06	77.44	74.39	4.10
Education courses				
per person per course (exclude first two teachers)	67.90	59.05	56.72	4.10
per pupil per weekend	89.06	77.44	74.39	4.10
BOAT REGISTRATION FEES (River Licenses)				
Pleasure boats				
Per annum				
Multi River (Kromme, Gamtoos)	580.29	504.60	504.60	0.00
Single river	349.71	304.09	304.09	0.00

Renewable on 1 January each year				
Multi River (Kromme, Gamtoos)	409.83	356.37	356.37	0.00
Single river	264.69	230.17	230.17	0.00
Launch site Boat Permit Fee				
Per annum	-	947.16	947.16	
Per day	-	65.22	65.22	
Per 7 days	174.86	152.05	152.05	0.00
River Permits (Kromme Joint River Committee)				
The sliding scale is to encourage smaller boats and engines, and to discourage bigger vessels				
If there are multiple engines on a boat, the fee will be based on the total engine capacity				
Recreational Vessels (per annum)				
Up to 15hp	99.95	86.91	86.91	0.00
16 - 120hp	369.71	321.48	321.48	0.00
Greater than 120hp	750.03	652.20	652.20	0.00
Commercial Vessels (per annum)				
Up to 15hp	209.90	182.52	182.52	0.00
16 - 120hp	750.50	652.61	652.61	0.00
Greater than 120hp	1 470.06	1 278.31	1 278.31	0.00

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F7**

COMMUNITY SERVICES DIRECTORATE: REVISION OF TARIFFS, FEES AND CHARGES FOR THE 2021/22 FINANCIAL YEAR

1. Purpose

The purpose of this report is to request approval of the proposed tariffs, fees and charges for the 2021/22 financial year.

2. Background

Directorates, in consultation with the Chief Financial Officer are required to review fees and charges, at least once a year.

The tariffs, fees and charges have been reviewed as reflected in Annexure 'E'.

3. Recommendation

3.1 That the Council, by resolution taken by majority of its full number, and in terms of Sections 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, adopts the proposed tariffs, fees and charges for the Community Services Directorate, reflected as reflected in **Annexure 'E',** with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer _____

Item endorsed by the Municipal Manager _____

Noted by the Portfolio Councillor: _____

ANNEXURE E

SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive R	2020/21 15% Exclusive R	% Increase
CEMETERIES				
This tariff is applicable for all Cemeteries within the Kouga Jurisdictional Area				
Adult graves				
Grave Plot	499.12	434.02	434.02	0.00
Dig & Fill Grave	832.75	724.13	695.61	4.10
Dig Grave	989.91	860.79	826.89	4.10
Fill Grave	333.84	290.30	278.86	4.10
Reinter & Fill Grave	935.23	813.25	781.22	4.10
Extra Depth	215.20	187.13	179.76	4.10
Children graves				
Grave Plot	312.32	271.58	260.89	4.10
Dig & Fill Grave	624.62	543.15	521.75	4.10
Dig Grave	657.22	571.50	548.99	4.10
Fill Grave	221.02	192.19	184.62	4.10
Reinter & Fill Grave	618.84	538.12	516.93	4.10

Other				
Niche	138.43	120.37	115.63	4.10
Tombstone Application	269.87	234.67	225.43	4.10
Wall of Remembrance	323.38	281.20	270.12	4.10
Kerbing				
Barrier Stones per metre	372.23	323.68	310.93	4.10
Roll Over Stones per metre	274.53	238.72	229.32	4.10
ENVIRONMENTAL HEALTH				
APPLICATION FEES				
Business Licence	87.30	75.92	72.93	4.10
Traditional Slaughtering	146.73	127.59	122.57	4.10
Exhumations	2 287.26	1 988.92	1 910.58	4.10
-				
CERTIFICATES				
Certificate of Acceptability/Competence	184.96	160.83	154.50	4.10
Condemnation Certificate	184.96	160.83	154.50	4.10
Health Certificate	184.95	160.83	154.49	4.10
HAWKERS STANDS PER MONTH				
Arts & Crafts	110.98	96.50	92.70	4.10
Fruit & Vegetables	166.46	144.75	139.05	4.10
Clothing Jewellery, etc	378.54	329.17	316.20	4.10
2nd Hand goods	166.46	144.75	139.05	4.10

SEASONAL HAWKERS STAND PER DAY				
Arts & Crafts	93.71	81.49	78.28	4.10
Fruit & Vegetables	157.83	137.24	131.84	4.10
Clothing Jewellery, etc	93.71	81.49	78.28	4.10
2nd Hand goods	93.71	81.49	78.28	4.10
Food stalls	277.24	241.08	231.59	4.10
ENVIRONMENTAL MANAGEMENT FEE				
Undeveloped erven	547.87	476.41	476.41	0.00
Domestic				
Households	45.66	39.71	39.71	0.00
Free Basic Services to Registered Indigent Consumers	-45.66	-39.71	-39.71	0.00
Multi Dwelling Units (per Unit)	45.65	39.70	39.70	0.00
Skips	219.87	191.19	191.19	0.00
Commercial				
Small	402.49	349.99	349.99	0.00
Medium	531.05	461.78	461.78	0.00
Medium (3 Removals)	676.42	588.19	588.19	0.00
Large	860.25	748.04	748.04	0.00
Skips	860.25	748.04	748.04	0.00

LIBRARY ***This tariff is applicable for all Libraries within the Kouga Jurisdictional Area*** Lost Books				
Note that this amount is determined by the value of the actual item	Plus VAT	Sundry Amounts	Sundry Amounts	
Fines Books Per day	0.38	0.33	0.31	4.10
3 Months or Longer	150.10	130.52	125.38	4.10
Photo copies Black A3	1.63	1.42	1.36	4.10
A4	1.09	0.95	0.91	4.10
Colour A3	18.33	15.94	15.31	4.10
A4	6.12	5.32	5.11	4.10
Other Visitors Administration Fee	23.21	20.18	19.39	4.10
Duplicate Membership Cards	23.21	20.18	19.39	4.10
Third replacement of cards	43.72	38.02	36.52	4.10
More than 3 replacement of Cards	65.58	57.03	54.78	4.10
Deposit Per Book (Visitors)	124.50	108.26	104.00	4.10

PARKS AND OPEN SPACES				
Cleaning of plots : Grass only (per m²)	4.64	4.04	3.88	4.10
: Lightly overgrown (per m²)	9.31	8.09	7.78	4.10
: Medium overgrown (per m²)	16.28	14.16	13.60	4.10
: Heavily overgrown (per m²)	27.93	24.28	23.33	4.10
Removal of branches & rubble per load not greater than 9 cubic metre	2 425.69	2 109.30	2 026.22	4.10
POUND				
Sustenance Fees -per day				
Horses, Cattle & Pigs	178.32	155.06	148.96	4.10
Sheep & Goats	84.92	73.84	70.93	4.10
Delivery Fee/km	38.52	33.49	32.17	4.10
Trespass - per day				
Horses, cattle, pigs (minimum)	363.97	316.50	304.03	4.10
Sheep, goats (minimum)	363.97	316.50	304.03	4.10
Pound fees per day				
Horses, cattle, ostriches & pigs per head	108.70	94.52	90.80	4.10
Goats and sheep per head	30.54	26.55	25.51	4.10

REFUSE				
REMOVAL				
Domestic				
Households	224.12	194.88	182.99	6.50
Free Basic Services to Registered Indigent Consumers	-224.12	-194.88	-182.99	-6.50
Multi Dwelling Units (per Unit)	168.88	146.85	137.89	6.50
Skips	3 100.22	2 695.84	2 531.30	6.50
Skips at Old Age Homes (per removal)	2 072.49	1 802.17	1 692.17	6.50
Commercial				
Small	224.12	194.88	182.99	6.50
Medium	446.66	388.40	364.69	6.50
Medium (3 Removals)	1 117.43	971.68	912.37	6.50
Large	2 233.28	1 941.98	1 823.46	6.50
Skips	1 819.51	1 582.18	1 692.17	-6.50
Medium (6 Removals)	2412.7	2 098.00		New
WASTE DISPOSAL - WEIGHBRIDGE				
Domestic and General Waste				
Domestic and General Waste above 800kg	-	-	-	
Business Waste	-	-	-	
Industrial Waste	-	-	-	

Clean Compost		-		
Clean Compost above 100kg	-	-	-	
Mixed General and Garden Waste	-	-	-	
Rubble/Rock/Concrete per ton	-	-	-	
Clean Rubble and Soil	-	-	-	
Material suitable for use as Cover and Sorted Recyclables	-	-	-	
SUNDRY CHARGES / REMOVALS				
240 Litre Wheely-bin	572.46	497.79	465.23	7.00
Condemnation - removal and disposal of food, animals, etc	2 017.01	1 753.92	1 639.18	7.00
Augmentation Fees				
Refuse per equivalent erf	2 956.40	2 570.79	2 856.43	-10.00
WATERWAYS				
Licence Fees per Annum				
Non Riparian Levy Owners	1 977.95	1 719.96	1 622.60	6.00
(Riparian Levy Owners first boat free)				
Riparian Levy Owners (for boats in addition to first free boat)	1 724.11	1 499.22	1 427.83	5.00
Commercial Operators	4 350.24	3 782.82	3 502.61	8.00
Riparian Commercial Operators	3 447.15	2 997.52	2 854.78	5.00

Moorings				
Permanent Moorings				
Annually	7 535.85	6 552.91	6 240.87	5.00
Bi-Annually	5 528.25	4 807.18	4 578.26	5.00
Non Permanent Moorings				
Monthly	3 151.06	2 740.05	2 609.57	5.00
Riparian Levy				
Per Annum	4 599.00	3 999.13	3 808.70	5.00
(Riparian Levy Owners first boat licence free)	-1 977.95	-1 719.96	-1 622.60	6.00
Sundry Income	Plus VAT	Sundry Amounts	Sundry Amounts	
Temporary Permits				
One Day	211.99	184.34	173.91	6.00
Two to Seven Days	1 378.00	1 198.26	1 130.43	6.00

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F8**

PROPOSED WATER AND SANITATION TARIFF INCREASES FOR 2021/22 FINANCIAL YEAR

1. Purpose

The purpose of this report is to request approval for the proposed tariff increases for the Water and Sanitation Services for the 2020/21 financial year.

A. Water Tariff, Fees and Charges

2. Background

Factors that were taken into account in determining the required increases for 2021/22, were the following:

- Tariff increases should be sufficient to support the budget.
- Fees and charges should be cost reflective.
- The tariff increase imposed by the Nelson Mandela Bay Metropolitan Municipality, as the municipality purchases water from the Metro.

It is thus recommended that the proposed water tariffs, fees and charges for 2020/21 be increased by 7,10 %.

B. Sewerage Tariffs, Fees and Charges

3. Background

Factors that were taken into account in determining the required tariff increases for 2021/22 were the following:

- Tariff increases should be sufficient to support the budget.
- Fees and charges should be cost reflective.

It is thus recommended that the proposed sewerage tariffs, fees and charges be increased by 6.5%.

4. Recommendation

4.1 That the Council, by resolution taken by majority of its full number, and in terms of Sections 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003 approves the tariffs, fees and charges in respect of Water and Sanitation Services under the control of the Municipality's Infrastructure & Engineering Directorate as reflected in **Annexure 'F'**, with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer _____

Item endorsed by the Municipal Manager _____

Noted by the Portfolio Councillor: _____

ANNEXURE F

SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive R	2020/21 15% Exclusive R	% Increase
PUBLIC WORKS				
Augmentation Fees				
Roads and Storm Water	5 463.70	4 751.04	4 751.04	0.00
SANITATION				
CHARGE (MONTHLY)				
Buckets	176.85	153.79	144.40	6.50
Free Basic Services to Registered Indigent Consumers	-176.85	-153.79	-144.40	6.50

SEWERAGE

The sewerage charges are calculated on two main components per erf.

The first portion is based on a fixed cost for each erf and the second portion is based on actual measured water consumption (hydraulic portion) for an erf.

Fixed Charge

The Fixed Charge provides for costs on the sewerage operating budget such as charges for capital loan and interest payments and provision for a capital reserve fund. This cost is indicative of the installation /construction, rehabilitation and eventual replacement cost of the infrastructure. The cost is fixed for every property which has access to the municipal sewerage system irrespective of the property being vacant (no buildings) or, if the property uses the existing system, including the suction tanker service.

The fixed cost component is therefore payable irrespective of the service being used by the consumer or not, therefore this charge willl effectively replace the current “Availability Fee”.

The fixed charged per erf is based on the sewage conveyance and treatment cost for an average monthly water consumption per erf which is exceeded by 80% of consumers in the particular category.

Hydraulic Charge

The proposed tariff will also obviate anomalies which exist currently whereby owners of properties in some consumer categories are heavily subsidising users in other categories. With the present tariff in certain instances domestic consumers are also subsidising commercial consumers.

The tariff will uniformly apply to all categories of consumers (Sewerage Service) throughout the municipality. Sewage discharge will be calculated on actual metered water consumption that will be reduced by a “discharge factor” i.e, the ratio of kilolitres sewage discharged by each category of consumer, to be determined by the Director: Technical Services. Whilst a standard tariff per kl of sewage will be levied, the discharge factor applicable to the different categories may differ.

The formula used to arrive at the new hydraulic tariff, is as follows:

P = KVC where,
P = sewerage charge in Rand
K = effluent discharge factor
V = volume(kl) of potable water consumed
C = prescribed charge in Rand

<u>Rebate of 10% for –</u> Bulk Consumers/ Private Developments >2Ha, restricting admission, which pay bulk and “on-sell” to patrons within the development and which develop and maintain their own infrastructures. See table detailing categories and discharge factors below. The hydraulic portion of the sewerage charge consists of two components: **<u>Minimum Consumption Charge</u>** This is the portion of the sewerage charge to provide for firm operating costs such as salaries, plant and equipment, etc and certain general expenses. The charge is the average cost per erf for a particular category and is based on the firm/fixed cost incurred by the Sewerage Service to operate the sewerage system irrespective of what volume of sewage is conveyed and treated. The minimum consumption charge is therefore also necessary irrespective of the service being used by the consumer continuously or infrequently. The first part of the hydraulic charge is calculated on a percentage of the minimum water consumption specified per erf for each category	-	-	-	

As from the 2013/2014 Financial Year, this cost has been included in the Fixed Charge Component **<u>Variable Consumption Charge</u>** This is the portion of the sewerage charge to provide for the operating costs that vary depending on the amount/extent of consumption. Electricity consumption, pump maintenance and repairs, etc are typical costs that increase when the sewage flow increases. Nevertheless, during prolonged periods of low flow e.g. during a drought when water restrictions apply, the operating cost can actually increase although less sewage is discharged. Due to low flow the frequency of sewer blockages increases which requires more frequent sewer cleaning with high pressure jetting equipment as a preventative measure. The second part of the hydraulic portion is calculated on the water consumption in excess of the specified minimum volume up to a specified maximum consumption per erf for domestic categories. No maximum consumption applies to commercial categories.	-	-	-	

Sewerage Tariff Categories and Discharge Factors				
-				
-	**Minimum Volume (kl/month) (T05)**	**Maximum Volume (kl/month) (T06)**	**Maximum Volume (kl/month) (T06)**	
-				
-				
Offices (Com1)				
Offices	10	No Max.	No Max.	
Restricted Business A (Com2)				
Funeral Parlours	15	No Max.	No Max.	
Licensed Bottle Stores / Pubs / Taverns				
Offices				
Supermarkets				
Shops				
Restricted Business B (Com3)				
Day-Care Centres	15	No Max.	No Max.	
Medical Uses				
Places of Entertainment				
Service Stations				
Motor Showrooms				

Places of Instruction				
Special Businesses (Com4)				
Licensed Hotels Licensed Restaurants Special Businesses Warehouses Workshops	15	No Max.	No Max.	
Resorts (Com5)				
Caravan Parks Camping Sites Holiday Housing Holiday Accommodation Tourist Facilities Nurseries	15	No Max.	No Max.	
General Industrial (Ind1)				
General Dry Industries Public Garages Service Stations Warehouses	15	No Max.	No Max.	
Noxious Industrial (Ind2)				
Noxious Use Industries Special Businesses	15	No Max.	No Max.	
Noxious Industrial (Ind2) **(T09)**				

Agreement - Woodlands Dairy	15	No Max.	No Max.	
Educational (Ins1)				
Places of Instruction	15	-	-	
Institutional (Ins2)				
Clinics	15	No Max.	No Max.	
Institutions for medical care or treatment				
Hospitals				
Institutions				
Public and Government facilities				
Sanatoriums				
Single Residential B (Res1)				
Dwelling Houses	10	50	50	
Day-Care Centres				
Creches				
Guest Houses				
Home Enterprises				
Places of Worship				
Single Residential A (Res2)				
Informal Shelters	12	50	50	
Permanent Low Cost Dwellings				
Group Housing (Res3)				
Retirement Villages	10	50	50	
Town Housing				
General Residential (Res4)				

Flats	6	50	50	
General (Gen1)				
Undetermined	10	No Max.	No Max.	
Bulk / Private Developments (Bulk)				
Unmetered Potable Water Supply (Unmetered)	No Min.	No Max.	No Max.	
On all property, pending valuation, upon which a structure as defined hereunder has been erected, a fixed monthly charge shall be paid by the registered owner of the property, or if there is no registered owner (informal area), then by the occupier of the property		Unmetered	Unmetered	
Formal Structure with Waterborne Sewerage				
Informal Structure with Waterborne Sewerage				
AVAILABILITY CHARGE (PER ANNUM)				
Charges applicable to erven that are not connected to the sewerage network, but which could reasonably be connected to the network:				
-				
Residential (per annum)	1 741.04	1 513.95	1 421.55	6.50

Commercial (per annum)	3 158.73	2 746.72	2 579.08	6.50
FIXED CHARGE (MONTHLY)				
COMMERCIAL				
-				
Commercial 1 - Offices	452.38	393.38	369.37	6.50
Commercial 2 - Restricted Business A	536.81	466.79	438.30	6.50
Commercial 3 - Restricted Business B	528.84	459.86	431.80	6.50
Commercial 4 - Special Business	528.84	459.86	431.80	6.50
Commercial 5 - Resorts	436.46	379.53	356.36	6.50
-				
INDUSTRIAL				
-				
Industrial 1 - General Industrial	528.84	459.86	431.80	6.50
Industrial 2 - Noxious Industrial	536.81	466.79	438.30	6.50
Industrial 2 - Noxious Industrial - Agreement - Woodlands Dairy (45% Discount)	295.24	256.73	241.06	6.50
-				
INSTITUTIONAL				
-				
Institutional 1 - Educational (Schools)	806.01	700.88	658.10	6.50
Institutional 1 - Educational (Hostels)	806.01	700.88	658.10	6.50
Institutional 2 - Institutions	536.81	466.79	438.30	6.50

DOMESTIC/RESIDENTIAL -				
Residential 1 - Freehold Title	277.17	241.01	226.30	6.50
Free Basic Services to Registered Indigent Consumers	-277.17	-241.01	-226.30	6.50
St Francis Bay (Previously Annual Payers of SEWER LEVY) - No Variable Charge	277.17	241.01	226.30	6.50
Free Basic Services to Registered Indigent Consumers	-277.17	-241.01	-226.30	6.50
Residential 2 - Low Cost Housing	186.37	162.06	152.17	6.50
Free Basic Services to Registered Indigent Consumers	-186.37	-162.06	-152.17	6.50
- **MULTIPLE DWELLINGS (Multiply Charge by number of Units)**				
-				
Residential 3 - Group Housing	294.69	256.25	240.61	6.50
Residential 4 - General Residential	256.46	223.01	209.40	6.50
- **GENERAL** -				
Undetermined	363.18	315.81	296.54	6.50
- **BULK**				
NO Fixed Charge is levied. 10% Rebate on Hydraulic Charge Private Developments	Plus VAT	-10%	-10%	

- **UNMETERED** -				
Potable Water Supply	154.51	134.36	126.16	6.50
Free Basic Services to Registered Indigent Consumers	-154.51	-134.36	-126.16	6.50
- **VARIABLE CHARGE (HYDRAULIC CHARGE)** -				
All Users	17.63	15.33	14.39	6.50
TRADE EFFLUENT SURCHARGE The Trade Effluent Surcharge shall be paid in addition to the normal hydraulic and fixed charges which apply for each property. (a) The monthly charge payable by the owner or occupier of any trade premises in respect of any trade effluent discharged into the Council's sewers shall be assessed by the Council on a monthly basis and shall be notified to such owner or occupier at the end of each month and shall be charged in accordance with the formula in paragraph (c) below.	-	-	-	-

The Council shall base its monthly charge on the highest COD of one or more samples collected from the trade effluent samples point. (b) In case of trade premises from which effluent is discharged into the Council's sewer for the first time a charge shall be payable in respect of the interim period between the date of the first discharge and the last day of the month. Such charge shall be assessed in accordance with the formula prescribed in paragraph(c) below. (c) The charge payable in terms of paragraph (a) and (b) above shall be assessed according to the formula : R=Vx[CA + B] + C X S X 10~-3] where : R = The treatment cost. V = The volume of industrial effluent discharged from the premises during the cycle concerned in cubic metres A&B = The capital cost (interest and redemption) plus maintenance cost for the cycle concerned on the pipe system as used by the concerned consumer divided by the total flow for the cycle. The value of A being **74.43(excl VAT)** cents per cubic meter. The value of B being **64.32(excl VAT)** cents per cubic meter.				

C = The cost of treating one cubic meter of waste water. The value of C being **40.95(excl VAT)** cents per cubic meter.

S = The average chemical oxygen demand in mg/l measured on the industrial effluent during the cycle

(d) In the absence of any direct measurements, the volume quantity of trade effluent discharged into the sewer each month from any trade premises shall be estimated and determined by Council from the monthly quantity of water consumed on the premises concerned, whether obtained from the Council or from other sources, due allowance being made for water used for domestic purposes, water lost by reaction and water present in the final products manufactured.

SUCTION TANKER SERVICE				
- Domestic (per load)				
Cape St Francis/Oyster Bay/St Francis Bay	1 100.70	957.13	898.71	6.50
Hankey/Patensie	367.96	319.97	300.44	6.50
Humansdorp	469.91	408.61	383.68	6.50
Jeffreys Bay	367.96	319.97	300.44	6.50
Commercial (per load) Cape St Francis/Oyster Bay/St Francis Bay	1 100.70	957.13	898.71	6.50
Hankey/Patensie	393.45	342.13	321.25	6.50
Humansdorp				
Other	469.91	408.61	383.68	6.50
School, TB Hospital	804.42	699.49	656.80	6.50
Jeffreys Bay	367.96	319.97	300.44	6.50
Rural Areas				
Per Load	1 100.70	957.13	898.71	6.50
Plus per km	54.16	47.09	44.22	6.50
DISPOSAL VIA ROAD HAULAGE (R per KL)				
Tanker Disposal of Sewerage (NOT Exceeding Domestic Strength)	438.42	381.23	357.96	6.50
Tanker Disposal of Sewerage (Exceeding Domestic Strength)	Plus VAT	Cost	Cost	

Tanker Disposal of Potable Toilet Sewerage (NOT Exceeding Domestic Strength)	94.99	82.60	77.56	6.50
Tanker Disposal of Potable Toilet Sewerage (Exceeding Domestic Strength)	Plus VAT	Cost	Cost	6.50
Application for Disposal Permit (Per Year)	730.70	635.39	596.61	6.50
SUNDRIES				
Connection fees				
Econ Short	2 212.51	1 923.92	1 848.15	4.10
Econ Long	3 665.20	3 187.13	3 061.60	4.10
Households	3 665.20	3 187.13	3 061.60	4.10
Blockage fees				
During Office Hours	652.39	567.29	544.95	4.10
After Hours & Weekends	1 060.32	922.02	885.71	4.10
Augmentation Fees	26 690.29	23 208.94	23 208.94	-
Sewerage				

WATER				
AVAILABILITY CHARGE (PER ANNUM)				
Undeveloped erven	2 576.51	2 240.44	2 091.92	7.10
CONNECTION FEES				
15 mm	9 103.89	7 916.43	7 604.64	4.10
20 mm	9 103.89	7 916.43	7 604.64	4.10
32 mm	9 367.42	8 145.58	7 824.77	4.10
50 mm	23 564.06	20 490.48	19 683.46	4.10
75 mm	42 651.34	37 088.13	35 627.40	4.10
100 mm	47 873.43	41 629.07	39 989.50	4.10
Others	Plus VAT	COST +20%	COST +20%	
Pre-paid (25mm)	Plus VAT	COST +20%	COST +20%	
Augmentation Fees				
Water - per equivalent erf	25 630.12	22 287.06	22 287.06	-

CONSUMER DEPOSITS				
Domestic				
Owners		413.41	386.00	7.10
Tenants & High Density Housing		825.74	771.00	7.10
Sub-Economic		281.67	263.00	7.10
Commercial		2 756.75	2 574.00	7.10
or equal to one month's account as rendered or as determined by the CFO calculated on the average of the account.				
BASIC/MINIMUM MONTHLY CHARGE				
Domestic				
Kouga	149.70	130.17	121.54	7.10
Free Basic Services to Registered Indigent Consumers	-149.70	-130.17	-121.54	7.10
Kouga > 25 mm Connection	261.14	227.08	212.03	7.10
Free Basic Services to Registered Indigent Consumers	-261.14	-227.08	-212.03	7.10
Sectional Title Developments comprising of ONLY domestic units				
Kouga	149.70	130.17	121.54	7.10
Commercial				
Kouga	149.70	130.17	121.54	7.10
Kouga > 25 mm Connection	261.14	227.07	212.02	7.10
Old Age Homes				
Ons Tuiste (Humansdorp) (Includes 1st 400Kl)	149.70	130.17	121.54	7.10

Commercial (High Density) **Sectional Title Developments comprising of ONLY commercial units** Kouga	149.70	130.17	121.54	7.10
Sectional Title Developments comprising of BOTH commercial and domestic units Kouga	149.70	130.17	121.54	7.10
Treated Sewerage Water Kouga	229.54	199.60	186.37	7.10
Industrial Kouga	261.14	227.08	212.03	7.10
Rural (Farm Worker's Houses)				
(Tariff for rural consumers includes a surcharge of 25%). Kouga				
1 house	176.31	153.32	143.15	7.10
2 - 5 houses	430.80	374.61	349.78	7.10
6 - 10 houses	1 146.04	996.56	930.49	7.10
11 - 25 houses	2 513.30	2 185.48	2 040.60	7.10
Rural (NMBMM Tariff) Kouga	176.31	153.32	143.15	7.10 7.10
Schools Kouga	149.70	130.17	121.54	7.10 7.10
Sportsfields Kouga	149.70	130.17	121.54	7.10 7.10

CONSUMPTION (Units/kl) **Free Units per month** For indigent consumers officially registered at the Kouga Municipality the first 12kl of water consumption per 30 day period will be afforded free of charge Allocated to all EQS Recipients as Rebate		12.00	12.00	
PART A - Applicable during times of Normal Water Availability **SCALE A - Domestic** Single Dwelling Houses - Metered seperately				
0 - 12	14.08	12.25	11.44	7.10
13 - 25	14.80	12.87	12.01	7.10
26 - 45	17.90	15.57	14.54	7.10
46 - 65	29.14	25.34	23.66	7.10
66 - 85	40.17	34.93	32.62	7.10
86+	49.35	42.91	40.07	7.10

SCALE B - High Density Consumers				
Flats, Town Houses and other Sectional Title Developments on stands with more than two dwellings, not metered separately (kl per unit multiply number of units per 30 days' period)				
0 - 12	14.08	12.25	11.44	7.10
13 - 25	14.80	12.87	12.01	7.10
26 - 45	17.90	15.57	14.54	7.10
46 - 65	29.14	25.34	23.66	7.10
66 - 85	40.17	34.93	32.62	7.10
86+	49.35	42.91	40.07	7.10
SCALE C - Bulk Consumers, Closed Developments, Agricultural Holdings and Farm Portions used for Residential Purposes (Excluding Customers under Scale B)				
Making use of Municipal Infrastructure				
Bulk Consumer : A consumer who on average over a 30 day period, consumes no less than 2500 kl of water. A Minimum amount of 1250 kl is reserved and will be levied as a monthly usage. (A quantity charge for water consumed since the previous meter reading as follows) :				
0 - 1250	14.08	12.25	11.44	7.10

1251 - 5000	14.08	12.25	11.44	7.10
5001 - 7500	17.59	15.30	14.28	7.10
7501+	36.35	31.61	29.51	7.10
SCALE D - Bulk Consumers, Developments used for Residential Purposes within the Kouga Municipal Area of Jurisdiction, who provide and maintain their own Bulk and Internal Infrastructure and obtain treated water from the Metro Supply Pipeline				
(Part of Allocated Quota to Kouga Municipality from NMBMM) Metro Bulk Tariff per kilolitre Plus 15% Surcharge (T11)	9.09	7.91	7.91	
SCALE E - All consumers who do not fall under Scale A,B,C and D				
Industrial	21.13	18.37	17.15	7.10
Commercial	14.08	12.25	11.44	7.10
Treated Sewerage water	8.13	7.07	6.60	7.10
Rural (Farm Worker's Houses)	17.62	15.32	14.31	7.10
Rural (NMBMM Tariff)	9.74	8.47	7.91	7.10
Schools	14.08	12.25	11.44	7.10
Sportsfields	14.08	12.25	11.44	7.10

PART B - Applicable during times of water shortage when the situation is critical but not an emergency				
SCALE A - Domestic				
Single Dwelling Houses - Metered seperately				
0 - 12	14.08	12.25	11.44	7.10
13 - 18	20.41	17.75	16.57	7.10
19 - 30	32.47	28.24	26.37	7.10
31+	40.31	35.06	32.73	7.10
SCALE B - High Density Consumers				
Flats, Town Houses and other Sectional Title Developments on stands with more than two dwellings, not metered separately				
(kl per unit multiply number of units per 30 days' period)				
0 - 12	14.08	12.25	11.44	7.10
13 - 18	20.41	17.75	16.57	7.10
19 - 30	32.47	28.24	26.37	7.10
31+	40.31	35.06	32.73	7.10

SCALE C - Bulk Consumers, Closed Developments, Agricultural Holdings and Farm Portions used for Residential Purposes (Excluding Customers under Scale B)				
Making use of Municipal Infrastructure				
Bulk Consumer : A consumer who on average over a 30 day period, consumes no less than 2500 kl of water. A Minimum amount of 1250 kl is reserved and will be levied as a monthly usage. (A quantity charge for water consumed since the previous meter reading as follows) : 0 - 1250	19.73	17.16	16.02	7.10
1251 - 5000	19.73	17.16	16.02	7.10
5001 - 7500	27.60	24.00	22.41	7.10
7501+	40.03	34.81	32.50	7.10

SCALE D - Bulk Consumers, Developments used for Residential Purposes within the Kouga Municipal Area of Jurisdiction, who provide and maintain their own Bulk and Internal Infrastructure and obtain treated water from the Metro Supply Pipeline				
(Part of Allocated Quota to Kouga Municipality from NMBM) Metro Bulk Tariff per kilolitre Plus 15% Surcharge (T11)	9.09	7.91	7.91	
SCALE E - All consumers who do not fall under Scale A,B,C and D				
Industrial	28.27	24.58	22.95	7.10
Commercial	18.96	16.49	15.40	7.10
Treated Sewerage water	9.74	8.47	7.91	7.10
Rural (Farm Worker's Houses)	23.15	20.13	18.80	7.10
Rural (NMBMM Tariff)	9.74	8.47	7.91	7.10
Schools	18.30	15.92	14.86	7.10
Sportsfields	18.30	15.92	14.86	7.10
PART C - Applicable during times of water shortage emergency **SCALE A - Domestic** Single Dwelling Houses - Metered seperately				
0 - 12	18.47	16.07	15.00	7.10
13+	46.61	40.53	37.85	7.10

SCALE B - High Density Consumers				
Flats, Town Houses and other Sectional Title Developments on stands with more than two dwellings, not metered separately (kl per unit multiply number of units per 30 days' period)				
0 - 12	18.47	16.07	15.00	7.10
13+	46.61	40.53	37.85	7.10
SCALE C - Bulk Consumers, Closed Developments, Agricultural Holdings and Farm Portions used for Residential Purposes (Excluding Customers under Scale B)				

Making use of Municipal Infrastructure				
Bulk Consumer : A consumer who on average over a 30 day period, consumes no less than 2500 kl of water. A Minimum amount of 1250 kl is reserved and will be levied as a monthly usage. (A quantity charge for water consumed since the previous meter reading as follows) :				
0 - 1250	29.62	25.76	24.05	7.10
1251 - 5000	29.62	25.76	24.05	7.10
5001 - 7500	36.98	32.15	30.02	7.10
7501+	50.72	44.10	41.18	7.10

SCALE D - Bulk Consumers, Developments used for Residential Purposes within the Kouga Municipal Area of Jurisdiction, who provide and maintain their own Bulk and Internal Infrastructure and obtain treated water from the Metro Supply Pipeline				
(Part of Allocated Quota to Kouga Municipality from NMBM)				
Metro Bulk Tariff per kilolitre Plus 25% Surcharge (T11)	11.30	9.82	9.82	
SCALE E - All consumers who do not fall under Scale A,B,C and D				
Industrial	28.52	24.80	23.16	7.10
Commercial	19.29	16.78	15.66	7.10
Treated Sewerage water	9.77	8.49	7.93	7.10
Rural (Farm Worker's Houses)	23.15	20.13	18.80	7.10
Rural (NMBMM Tariff)	12.10	10.52	9.82	7.10
Schools	18.30	15.92	14.86	7.10
Sportsfields	18.30	15.92	14.86	7.10

MISCELLANEOUS FEES AND CHARGES - Water Loss owing to damage to the Municipal Water-Pipe System and/or Installations Pipes with a diameter of 50mm or less	2 074.18	1 803.64	1 684.07	7.10
Pipes with a diameter larger than 50mm up to and including 100mm	4 707.24	4 093.26	3 821.90	7.10
Pipes with a diameter larger than 100mm up to and including 250mm	21 167.62	18 406.63	17 186.40	7.10
Pipes with a diameter larger than 250mm up to and including 400mm	51 731.44	44 983.86	42 001.74	7.10
Pipes with a diameter larger than 400mm	87 943.95	76 473.00	71 403.36	7.10
Repair Charges of damage to the Municipal Water-Pipe System and/or Installation by other people Pipes with a diameter of 50mm or less	4 331.33	3 766.37	3 516.69	7.10
Pipes with a diameter larger than 50mm up to and including 100mm	6 182.62	5 376.19	5 019.79	7.10
Pipes with a diameter larger than 100mm up to and including 250mm	9 347.95	8 128.65	7 589.78	7.10
Pipes with a diameter larger than 250mm up to and including 400mm	17 546.54	15 257.86	14 246.37	7.10
Pipes with a diameter larger than 400mm	21 854.58	19 003.99	17 744.15	7.10
Water used for Fire-Fighting Quantity charge per kilolitre	33.27	28.93	27.01	7.10
Reconnection fee	786.76	684.14	638.78	7.10
Special meter readings	520.62	452.72	422.70	7.10
Service Calls During office hours	580.50	504.79	471.32	7.10
After office hours	1 157.68	1 006.68	939.94	7.10
Testing of meters (deposit 3% error on either side)	1 591.81	1 384.19	1 292.42	7.10

To relocate or lower a connection with a maximun nominal diameter of 25 mm Maximum distance of 5 m	1 759.81	1 530.27	1 428.82	7.10
Further than 5 m	2 697.93	2 346.03	2 190.50	7.10
To relocate or lower a connection with a nominal diameter larger than 25 mm Deposit		7 108.23	6 637.00	7.10
Cost	Plus VAT		Cost	7.10
To relocate a fire hydrant in the road reserve Less than 2 m from original position	5 487.35	4 771.61	4 455.28	7.10
2 m or more from original position	12 794.39	11 125.55	10 388.01	7.10
To install a new fire hydrant in the road reserve Deposit		15 471.67	14 446.00	7.10
Cost	Plus VAT		Cost	7.10
Discontinuation or restriction of the Water Services owing to the Failure of Payment Disconnection/restriction to a dwelling-house	1 486.73	1 292.81	1 207.10	7.10
Disconnection/restriction for other water connections , excluding dwelling-houses	5 081.49	4 418.69	4 125.76	7.10
Service Cost Supervision Labour Cost per hour	610.44	530.82	495.63	7.10
Assistant per hour	307.72	267.58	249.84	7.10
TLB per hour (Including travel time)	1 016.30	883.74	825.15	7.10
LDV per kilometre	39.92	34.71	32.41	7.10

Truck per kilometre	56.55	49.18	45.92	7.10
"Unauthorised water consumption" means water that is not registered by the Kouga Municipality's water meter for any reason whatsoever (Water used for fire-fighting and/or unmetered water used from the Kouga Municipality's system with the written consent of the Technical Services Directorate, is deemed to be authorised water use)				

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F9**

ELECTRICITY TARIFF INCREASES: 2021/22 FINANCIAL YEAR

This item will be distributed under separate cover as NERSA must still publish the final tariff guidelines.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer _____

Item endorsed by the Municipal Manager _____

Noted by the Portfolio Councillor: _____

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F10**

FEES AND CHARGES FOR ELECTRICITY SERVICES IN RESPECT OF THE 2021/22 FINANCIAL YEAR

1. Purpose

The purpose of this report is to request the approval of the proposed fees and charges for electricity services, for the 2021/22 financial year.

2. Background

Directorates in consultation with the Chief Financial Officer are required to review fees and charges, at least once a year. The fees and charges for Electricity Services have been reviewed.

3. Discussion

The proposed fees and charges in respect of electricity services for the 2021/22 financial year are based on:

- Labour rates, contract prices for the supply and delivery of materials and Equipment, applicable to the 2021/22 financial year;
- Metering specifications as required in terms of Quality of Supply Regulations:
- National Regulatory Standards for the supply of electricity; and
- The affordability of the services to the residents.

4. Recommendation

4.1 That the Council, by resolution taken by majority of its full number, and in terms of Sections 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the fees and charges in respect of electrical services, as reflected in **Annexure 'H'**, with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer

Item endorsed by the Municipal Manager

Noted by the Portfolio Councillor:

ANNEXURE H

SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive R	2020/21 15% Exclusive R	% Increase
ELECTRICITY **SUNDRY CHARGES** **DECREASING OF CIRCUIT BREAKER** A change of tariff will apply for a minimum period of 12 months, with 3 months mutual notice thereafter.				
Single phase	Plus VAT	Cost +20%	Cost +20%	
Three phase	Plus VAT	Cost +20%	Cost +20%	
INSPECTION FEES	587.83	511.16	491.02	4.10
FESTIVE USE Single phase				
15 Amp Per Day	226.66	197.10	189.33	4.10
Three phase				
15 Amp Per Day	641.37	557.71	535.74	4.10
Above 15 Amp Per Day	1 083.49	942.16	905.06	4.10

RELOCATION (MOVING) OF INSTALLATIONS				
Streetlight pole	Plus VAT	Cost +20%	Cost +20%	
Electrical box/kiosk	Plus VAT	Cost +20%	Cost +20%	
RECONNECTION FEES				
Due to non-payment	788.32	685.50	658.50	4.10
On request of consumer	1 005.02	873.93	839.51	4.10
SERVICE CALLS				
During office hours	526.79	458.08	440.04	4.10
After office hours	1 042.39	906.42	870.72	4.10
SERVICE COST				
Electrician per Hour	539.25	468.91	450.44	4.10
Electrician Assistant per Hour	138.24	120.21	115.47	4.10
LDV per kilometre	24.90	21.65	20.80	4.10
Truck per kilometre	47.32	41.15	39.53	4.10
TAMPERING, ILLEGAL USE AND DISTRIBUTION				
Residential				
1st Tampering fee	No VAT	2 061.10	1 979.93	4.10
2nd Tampering fee	No VAT	3 091.65	2 969.88	4.10
3rd Tampering fee		**Permanent Disconnection**	**Permanent Disconnection**	
3 Phase 60A/100A				
1st Tampering fee	No VAT	5 263.11	5 055.82	4.10
2nd Tampering fee	No VAT	7 017.47	6 741.09	4.10

3rd Tampering fee		**Permanent Disconnection**	**Permanent Disconnection**	
3 Phase 100A/Bulk				
1st Tampering fee	No VAT	11 695.78	11 235.14	4.10
2nd Tampering fee	No VAT	14 034.96	13 482.19	4.10
3rd Tampering fee		**Permanent Disconnection**	**Permanent Disconnection**	
TESTING OF METERS				
Single Phase	1 459.59	1 269.21	1 219.22	4.10
Three Phase	1 459.59	1 269.21	1 219.22	4.10
- **OTHER TARIFFS** - These tariffs are for consumption that is not covered by the above Domestic, Commercial or Bulk Consumer tariffs and special tariffs agreed with the Municipality. Claude Neon (Advertisement Boards)				
Monthly Basic Charge	-		174.00	4.10
Telephone Booths				
Monthly Basic Charge	-		108.00	4.10
Streetlights				
Energy Charge per kWh				
Kouga	-		1.70	4.10
Hankey Water Works				
Service	24.90	21.65	20.80	4.10
Network	28.65	24.91	23.93	4.10

Energy	2.48	2.1605	2.0754	4.10
Temporary/Builder's Supply (As per Commercial Conventional Meters)		See Commercial Conventional Meter Tariff	See Commercial Conventional Meter Tariff	
Municipal Departments				
The respective Commercial Consumer Tariffs and Bulk Supply Tariffs as per above shall be applicable to all municipal buildings, pumpstations, waste water works, water treatment works, etc.				
Special Agreements				
If agreed upon by the Municipality, a consumer can enter into a special supply agreement with the Municipality, which contains a tariff of charges different from the above charges. This will only be considered when special circumstances prevail.				

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F11**

FINANCE DIRECTORATE: REVISION OF FEES AND CHARGES FOR THE 2021/22 FINANCIAL YEAR

1. Purpose

The purpose of this report is to request the approval of the proposed fees and charges of the Finance Directorate, for the 2021/22 financial year.

2. Background

Directorates are required to review fees and charges at least once a year.

The fees and charges have been increased with 4,10%.

3. Recommendation

3.1 That the Council, **by resolution taken by majority of its full number**, and in terms of Sections 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, adopts the proposed fees and charges for the Finance Directorate as reflected in **Annexure 'I'**, with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer _____

Item endorsed by the Municipal Manager _____

Noted by the Portfolio Councillor: _____

ANNEXURE I				
SERVICE DESCRIPTION	2021/22 VAT Inclusive R	2021/22 15% Exclusive R	2020/21 15% Exclusive R	% Increase
FINANCE : REVENUE SECTION				
Cheques refer to drawer	278.57	242.24	232.70	4.10
Foreign Exchange Charges	Plus VAT	Sundry Amounts	Sundry Amounts	
Photo copies				
Black				
A3	18.32	15.93	15.31	4.10
A4	6.11	5.32	5.11	4.10
Colour				
A3	37.48	32.59	31.30	4.10
A4	12.49	10.86	10.43	4.10
Property lists				
Per Page	2.70	2.35	2.26	4.10
Supplementary list (Per page)	2.70	2.35	2.26	4.10
Address Labels (Per page)	5.40	4.70	4.51	4.10
Property lists				
Electronic cd	366.93	319.07	306.51	4.10
Search fees				
Search for info not on register	128.86	112.06	107.64	4.10
Search for info on register	117.81	102.44	98.41	4.10
Search for info on deeds & documents	138.67	120.58	115.83	4.10
Search for info on outstanding acc.	128.86	112.06	107.64	4.10
Search for info not covered above	182.85	159.00	152.74	4.10
Administration Fee - Clearance certificate	118.21	102.79	98.74	4.10
Penalty charge for recurring request for Clearance Certificate	362.25	315.00	302.59	4.10
Valuation certificates	120.76	105.01	100.87	4.10
Reasons for Valuation	156.15	135.78	130.43	4.10

KOUGA MUNICIPALITY (EC108)

SPECIAL COUNCIL MEETING

FINANCE

DATE: 31 MARCH 2021 **ITEM NO.: 21/03/F12**

REVISION OF VARIOUS TARIFFS: PLANNING, DEVELOPMENT AND TOURISM FOR THE 2021/22 FINANCIAL YEAR

1. Purpose

The purpose of this report is to request the approval of the proposed fees and charges for Planning and Development, for the 2021/22 financial year.

2. Background

Directorates, in consultation with the Chief Financial Officer are required to review fees and charges, at least once a year.

The fees and charges have been increased with 4,10% as reflected in Annexure 'J'.

3. Recommendation

3.1 That the Council**, by resolution taken by majority of its full number**, and in terms of Sections 30(2) and 93(4) of the Local Government: Municipal Structures Act, Act 117 of 1998 (as amended), read in conjunction with Chapter 4 of the Local Government: Municipal Finance Management Act, Act 56 of 2003, approves the fees and charges in respect of Planning and Development, as reflected in **Annexure 'J',** with effect from 1 July 2021.

Item prepared by: Manager Budget & Treasury

Item approved by: Chief Financial Officer _____

Item endorsed by the Municipal Manager _____

Noted by the Portfolio Councillor: _____

ANNEXURE K				
SERVICE DESCRIPTION	2021/22	2021/22	2020/21	%
	VAT Inclusive R	15% Exclusive R	15% Exclusive R	Increase
PLANNING AND DEVELOPMENT				
Hoarding fees	697.63	606.63	582.74	4.10
Penalty fee	1 631.77	1 418.93	1 363.04	4.10
Building plan fees				
Minor building applications (per Section number)	710.86	618.14	593.79	4.10
Garden Walls and Fixed Fences	550.84	478.99	460.13	4.10
Garden Walls and Fixed Fences - (RDP,Government Housing Projects)	275.42	239.50	230.06	4.10
Swimming Pools	710.86	618.14	593.79	4.10
RDP Housing /Government Housing Projects				
0 - 50 m²	550.84	478.99	460.13	4.10
51 - 100 m²	679.10	590.52	567.26	4.10
101 - 150 m²	913.60	794.44	763.15	4.10
151 - 200 m²	1 049.18	912.33	876.40	4.10
Other 0 - 20 m²	1 178.64	1 024.91	984.54	4.10
for each additional 10 m² or part thereof up to 3000 m²	194.20	168.87	162.22	4.10
greater than 3001 m² per 500 m² or part thereof	585.05	508.74	488.71	4.10
Fees are applicable to a once-off submission and no phase or separate submissions will be considered. Wind Turbines Per Turbine	10 099.51	8 782.18	8 436.30	4.10
Any structure additional to turbine 0 - 20 m²	1 296.25	1 127.18	1 082.78	4.10
for each additional 10 m² or part thereof up to 3000 m²	214.13	186.20	178.87	4.10
greater than 3001 m² per 500 m² or part thereof	643.55	559.61	537.57	4.10
Industrial rural (Agricultural) 0 - 500 m²	1 296.25	1 127.18	1 082.78	4.10

for each additional 10 m² or part thereof up to 3000 m²	214.13	186.20	178.87	4.10
greater than 3001 m² per 500 m² or part thereof	643.55	559.61	537.57	4.10
Churches				
0 - 1000 m²	1 615.91	1 405.14	1 349.80	4.10
greater than 1000 m²	276.04	240.04	230.58	4.10
Revised plan				
RDP Housing/Sub-economic	550.84	478.99	460.13	4.10
Other	968.56	842.22	809.05	4.10
Re-Inspection Fees				
RDP Housing/Sub-economic	421.38	366.42	351.98	4.10
Other	421.38	366.42	351.98	4.10
Penalty inspection fees	913.60	794.44	763.15	4.10
Search fees per hour or any part thereof	163.66	142.31	136.71	4.10
Deed Search and Copy of Title Deed	214.97	186.93	179.57	4.10
Erf dimensions or zoning information per A4	44.41	38.62	37.10	4.10
Photo copies				
Black				
A0	59.84	52.04	49.99	4.10
A1	30.54	26.55	25.51	4.10
A2	15.87	13.80	13.26	4.10
A3	18.32	15.93	15.31	4.10
A4	6.11	5.32	5.11	4.10
Colour				
A0	118.67	103.19	99.13	4.10
A1	60.38	52.50	50.43	4.10
A2	31.23	27.16	26.09	4.10
A3	37.48	32.59	31.30	4.10
A4	12.49	10.86	10.43	4.10
Maps				
Town map B&W	276.04	240.04	230.58	4.10
Zoning map Colour	614.36	534.23	513.19	4.10

Building Deposits Where possible, building deposits are placed on a debtor's account relevant to the applicable erf, alternatively the suspense account is utilized Single res. building smaller than 50 m²		757.85	728.00	4.10
Single res. building above 50 m²		2 842.97	2 731.00	4.10
RDP Housing and Informal housing smaller than 50 m²		303.97	292.00	4.10
RDP Housing and Informalhousing above 50 m²		757.85	728.00	4.10
Other zonings (Excl. Single res. And RDP Housing and Informal Housing)		7 556.62	7 259.00	4.10
Paradise Beach sub-economic area		757.85	728.00	4.10
Churches		378.92	364.00	4.10
Penalties				
Building without approval Whenever a building or structure is erected without the prescribed building plans a penalty to a maximum of R4000 will be payable.	Plus VAT	Sundry Amounts 4 000.00	Sundry Amounts	
Inspection Fees No inspection called for - all zonings (per inspection)	913.60	794.44	763.15	4.10
Town planning & Erf Information Zoning Certificates	136.80	118.96	114.27	4.10
Extension of Validity Period of Approval	190.53	165.68	159.16	4.10
Reason for Decision of Municipal Tribunal, Land Development Officer or Appeal Authority	190.53	165.68	159.16	4.10
Scheme regulations document : Kouga Municipality	563.07	489.62	470.34	4.10
SDF Colour Maps - Document	861.08	748.77	719.28	4.10
SDF Colour Maps - CD	396.96	345.18	331.58	4.10
Land use application (All advertising and registered mail costs excluded) Rezoning application : Other	6 917.96	6 015.62	5 778.69	4.10
Rezoning application : RDP Housing/erven smaller than 250m²	3 264.79	2 838.94	2 727.13	4.10
Departure application : Other	6 917.96	6 015.62	5 778.69	4.10
Departure application : RDP Housing/erven smaller than 250m²	3 264.79	2 838.94	2 727.13	4.10
Sub-division application : Other (Into 1 - 4 Erven)	6 917.96	6 015.62	5 778.69	4.10
Sub-division application : Other (Into 5 - 250 Erven)	13 835.93	12 031.24	11 557.39	4.10
Sub-division application : Other (Into 251 - 1000 Erven)	20 753.89	18 046.86	17 336.08	4.10
Sub-division application : Other (Into > 1000 Erven)	34 590.18	30 078.42	28 893.77	4.10

Sub-division application : RDP Housing/erven smaller than 250m²	3 264.79	2 838.94	2 727.13	4.10
Combined Application : Rezoning, Sub-Division, Departure/Consent (Into 1- 4 Erven)	8 550.97	7 435.63	7 142.77	4.10
Combined Application : Rezoning, Sub-Division, Departure/Consent (Into 5 - 250 Erven)	13 835.93	12 031.24	11 557.39	4.10
Combined Application : Rezoning, Sub-Division, Departure/Consent (Into 251 - 1000 Erven)	20 753.89	18 046.86	17 336.08	4.10
Combined Application : Rezoning, Sub-Division, Departure/Consent (Into > 1000 Erven)	34 589.84	30 078.12	28 893.49	4.10
All State/Municipal Projects/Applcations are exempt from application fees	**No charge**	**No charge**	**No charge**	
Removal of restrictive title deed conditions	7 620.27	6 626.32	6 365.34	4.10
Removal of restrictive title deed conditions and Departure	8 708.20	7 572.35	7 274.11	4.10
Consent use application : Other	6 917.96	6 015.62	5 778.69	4.10
Consent use application : RDP Housing	1 725.00	1 500.00	2 727.13	4.10
Site Development Plan Submission	1 713.36	1 489.88	1 431.20	4.10
Application for exemption from Municipal Approval (Sec 66 SPLUM by-law)	1 524.30	1 325.48	1 273.28	4.10
Occupational Practice - Other Rights	359.08	312.25	299.95	4.10
Application for Appeal	1 523.74	1 325.00	1 272.81	4.10
Amendment, deletion or addition of conditions i.r.o. existing approval	1 712.90	1 489.48	1 430.81	4.10
Approval/ amendment of constitution of an 'owners' association	1 523.74	1 325.00	1 272.81	4.10
Determination of Zoning - Sec 181 of Splum by-law	6 918.52	6 016.11	5 779.16	4.10
Amendment of Subdivision Plan - Sec 57 Splum by-law	1 713.36	1 489.88	1 431.20	4.10
Consolidation	5 276.41	4 588.18	4 407.48	4.10
Augmentation Contributions Council will consider entering into a service agreement for developments bigger than 1 Ha or where it is the best option. This will be negotiated at the discretion of the Council. Augmentation Fees				
Electricity	14 563.43	12 663.85	12 663.85	0.00
Roads and Storm Water	5 463.70	4 751.04	4 751.04	0.00
Refuse	3 284.89	2 856.43	2 856.43	0.00
Sewerage	26 690.28	23 208.94	23 208.94	0.00
Water	25 630.12	22 287.06	22 287.06	0.00
Subdivisions/Rezonings/Departures				
Kouga Area				
Any Subdivision / Departure	Plus VAT	Per services agreement	Per services agreement	
Any Rezoning	Plus VAT	Per services agreement	Per services agreement	
Additional Dwelling Unit per newly created unit	82 319.39	71 582.08	68 762.81	4.10

Guest Houses (Accom. Establishment) per m² of total erf	53.75	46.74	44.90	4.10
Any other tariff as determined by Council	Plus VAT	Sundry Amounts	Sundry Amounts	
Advertising Tariffs				
Annual rent tourism boards	355.42	309.06	296.89	4.10
Tourism boards : Application	913.60	794.44	763.15	4.10
Advertising boards confiscated per board <1m²	217.62	189.24	181.78	4.10
Advertising boards confiscated per board >1m²	550.84	478.99	460.13	4.10
Business advertising application < 1m²	225.96	196.48	188.75	4.10
Business advertising application between 1m² and 5 m²	421.38	366.42	351.98	4.10
Business advertising application > 5m²	1 377.73	1 198.02	1 150.84	4.10
Municipal roads reserve advertising costs per month > 1m²	285.56	248.31	238.53	4.10
Business advertising cost between 1m² and 5 m² - monthly	571.12	496.62	477.07	4.10
Election Posters (Per Party / Per Candidate / Per Ward)	913.60	794.44	763.15	4.10
Advertising Trailers (Per Month or part thereof)	404.28	351.55	337.70	4.10
Illuminated street signs	4 973.51	4 324.79	4 154.46	4.10
Poster advertising (Max 100 posters)	1 105.36	961.18	923.33	4.10
NEW				
Telecommunication tower - rate to be confirmed by PDT	575.00	500.00		
Application fee to purchase municipal properties	2 300.00	2 000.00		
Application fee to lease municipal properties	2 300.00	2 000.00		
Application fee to lease municipal properties for community related purposes	575.00	500.00		
Election Poster Deposits per ward per candidate	1 725.00	1 500.00		

REPORTS BY THE PORTFOLIO CHAIRPERSON: CORPORATE SERVICES

KOUGA MUNICIPALITY (EC 108)

SPECIAL COUNCIL MEETING

CORPORATE SERVICES

DATE: 31 MARCH 2020 **ITEM NO: 21/03/CORP2**

CELL PHONE POLICY AND CELL PHONE ALLOWANCE SCHEME

1. Introduction

The purpose of the report is to request Council to approve the amendments to the Cell Phone Policy and Cell Phone Allowance Scheme.

2. Background

The Cell Phone Policy and Cell Phone Allowance Scheme was workshopped on 3 December 2020 and approved by Council on 11 December 2020.

Due to amendments required on the insurance provisions of the said policy, the policy was re-workshopped on 12 March 2021. The committee agreed to the amendments and requested that labour give input.

On 17 March 2021, communique was circulated to Labour, requesting that comments, queries, and inputs to be submitted by 12h00, 19 March 2021.

3. Discussion

Below comments, queries and inputs we received from IMATU:

- What will happen to the old devices?
- Can the employer not give the employees the old device and start with a new cell phone device, including payment of insurance?
- As employees of Kouga Municipality, are we not insured by the employer, with our own insurance?
- Why must we now pay for the insurance? As It states that the deduction will be done from his/her salary and after the end of the contract he/she will own the device, instead of giving him/her the old device and starting the policy with the new device.

Administration will respond on the above queries.

4. Comments by Directorates

4.1 Director: Corporate Services

The amendments are noted and supported.

5. Recommendation

5.1 That the Cell Phone Policy and Cell Phone Allowance Scheme be approved.

5.2 That the Cell Phone Policy and Cell Phone Allowance Scheme be published on the Kouga Website.

5.3 That the previous version be replaced with this version.

Item prepared by: **The Manager Administration and Auxiliary Services** M Rossouw

Item approved by: **Director: Corporate Services**

Item noted by the Portfolio Chairperson

KOUGA local municipality
Good Governance through Service Excellence

PREVIOUSLY REVIEWED: 25.07.2018
: 03.12.2020
REVIEWED: 12.03.2021
PREVIOUSLY APPROVED BY COUNCIL: 11.12.2020
ITEM NO: 20/12/CORP11

CELL PHONE POLICY AND CELL PHONE ALLOWANCE SCHEME

1. INTRODUCTION

In terms of the Constitution of the Republic of South Africa (RSA), Act number 108 of 1996 section 195 (b) stipulates that "*Public Administration must be governed by the democratic values and principles enshrined in the Constitution including the following; to promote the efficient and effective use of resources*"

The local government Municipal Systems Act (No. 32 of 2000), section 51 (j) states that a municipality within its administrative and financial capacity establish and organize its administration in a manner that would enable the municipality to maximize the efficiency of communication and decision – making within the administration.

Municipal Finance Management Act (MFMA) section 62 subsection 1 (a) mentioned that the Accounting Officer of a municipality is responsible for managing the financial administration of municipality and must for this purpose take all reasonable steps to ensure that resources of the municipality are used effectively, efficiently and economically.

Section 63 subsection 1(a) indicates that the Accounting Officer of the municipality is responsible for the managing of the assets of the municipality including the safeguarding and the maintenance of those assets.

The abovementioned statements indicate clearly that the Municipal Manager needs to ensure that the employees within Kouga Local Municipality have all the necessary resources to enable them to perform the expected duties.

It is important to note that the cell phone provided to employees is a tool for communication for work-related matters and therefore the employer reserves the right to decide who qualifies for a cell phone.

2. PURPOSE OF THE POLICY

2.1. The purpose of this policy is to make employees aware of the rules regarding the use and care of Municipal Council resources and to ensure that there is a clear understanding of what is expected of employees and what role would be played by employees who receive cell phones.

2.2 To guide the Municipality in ensuring that cell phones are issued to employees without favor or prejudice but by looking at the functions that the employee performs and the inherent requirements of the job.

3. OBJECTIVE OF THE POLICY

The objectives of the policy are as follows:

3.1 To promote a culture of accountability for Municipal assets.

3.2. To safeguard the assets of the municipality from mismanagement and maladministration and to ensure effective utilization of these resources.

3.3. To ensure that effective control is communicated to management and staff through a clear and comprehensive written document.

3.4. To provide a formal set of financial procedures that can be implemented in compliance with the MFMA.

3.5 To ensure continuous communication for employees whose work requires regular contact while outside their permanent working premises or after hours

4. APPLICATION

4.1. This policy will apply to all users of municipal cell phones regardless of designation or position. Users are expected to comply with the rules laid down in this policy.

4.2. Corporate Services will administer the issuing and application of cell phone devices.

5. DEFINITIONS

"Code of Conduct" means the code of conduct for municipal employees as contained in Schedule 2 of the Municipal Systems Act;

"Council" means the Kouga Municipal Council;

"Employee" means a contractual and permanent employee of the Municipality. It also includes the Municipal Manager, Directors and Manager for the purpose of this policy

"Executive authority" means the Mayoral Executive Committee of the Council;

"Fair market value "means the value placed on a cellphone device by taking into account the original cost and depreciation calculated at 25% per annum;

"Head of department" means a person employed at that level which reports directly to the Municipal Manager;

"Gifts" means any object or item given by a service provider as an accompaniment to a cell phone contract, (which usually forms part of the contract), with no cost attached thereto;

"Municipality" means the Kouga Local Municipality;

"Official" means an employee of the Municipality;

"Ownership" means a legal right to possess anything that has been bought and paid for as well as something that has been legally given as a gift, bequest etc.

"Payment" means the monetary compensation or monetary benefit or gift with a monetary value due to an employee or received by an employee in respect of services rendered by the employee to a person or body other than the Council;

"Permanent employee" means an employee appointed to a permanent position on the staff structure of the municipality, but excludes a contractual employee, a casual employee, and a temporary employee;

"SALGA" means the South African Local Government Association;

"SALGBC" means the South African Local Government Bargaining Council and includes Divisions thereof;

"*Section 57 employees*" means employees appointed in terms of Section 57 of the Local Government Municipal Systems Act 32 of 2000, and includes the Municipal Manager and Managers reporting directly to him/her; and

***"Stand - by employees"* –** means employees who are required to be available at any time after hours, to perform certain duties within their work competence, as and when required and for which they receive an allowance.

***"Service Delivery and emergency services"* –** means a critical service by employees in the attendance of urgent and emergency service delivery matters that have a direct impact on the safety and wellbeing of residents

"Cell Phone Allowance" means an additional taxable monthly allowance paid to employees as may be applicable in terms of their respective positions or conditions of work, as part of their salary.

6. LEGISLATION

6.1. The legislation that guides the implementation of the cell phones is as follows:

- The Constitution of the Republic of South Africa, (Act 108 of 1996)
- Local Government: Municipal System Act (No. 32 of 2000)
- Local Government: Municipal Structures Act (No. 117 of 1998)
- Local Government: Municipal Performance Regulation, 2006 Section 10
- Municipal Finance Management Act, (No. 56 of 2003)
- Remuneration of Public Office Bearers Act (No. 20 of 1998)

7. APPROVAL OF PARTICIPATION

7.1. Each Director must make a recommendation to the Director Corporate Services as the Municipal Manager's designated representative, for the approval of employee cell phones and ensure that recommendations are only for employees whose inherent job requires him/her to contact employees under his/her authority or employees who need to be contactable at all times.

7.2. The Director Corporate Services, as the Municipal Managers representative, has the right, after consultation with the respective Director, to approve or reject the motivation based on whether the motivation carries sufficient merit to justify the allocation of a cell phone.

7.3. If any Director becomes aware, after approval, that there was no real need for the employee to receive a cell phone, the Director has the right to motivate and recommend the reallocation of the said cell phone to where it can be utilized more productively. Such motivation and recommendation must be submitted to the Director Corporate Services, in writing.

8. QUALIFYING CRITERIA FOR ALLOCATION OF CELL PHONES

8.1 A cell phone shall be necessary for the execution of official duties, with due regard the nature of the post the employee occupies. Cell phones are allocated to assist employees in the execution of their official municipal duties. It must be clearly understood that this is a working tool and not a ***fringe benefit.***

8.2 All officials who have been allocated a cell phone are ***expected to be available at all times,*** therefore it is a condition that cell phones must be kept switched on and answered at all times, or that the official will return a call as soon as possible if he/she was engaged in a meeting at the time of receiving a call.

8.3 If it becomes evident that cell phones are switched off, particularly after hours, or are not being promptly answered, thus making it difficult to reach an official within a ***reasonable time***, the Director has the right to withdraw the cell phone and/or institute disciplinary, action.

8.4 The following category of employees will be eligible for cell phones:

- Municipal Manager
- Directors
- Managers
- Supervisors
- Employees who are engaged in service delivery
  By service delivery in the context of this policy, relates to employees who are critical in the attendance of urgent and emergency service delivery matters that have a direct impact on the safety and wellbeing of residents
- Call Centre employees
- Personal Assistants
- Standby employees
- Emergency Service employees, and
- an employee who is the Secretary General of the Union

8.5 Motivations for allocation of cell phones to employees that fall outside the categories as stated in 8.4 must be submitted by the relevant Director to the Director Corporate Services for approval.

8.6 The package and handset allocated to an employee will be determined by business requirements and is a management prerogative.

9. MANAGEMENT OF CELLULAR PHONES

9.1. Corporate Services will be responsible for the implementation and management of this policy and shall maintain all records of approval granted in terms hereof.

9.1.1 The Administration Section, will near the end of the contract with the current Service Provider re-assesses the cell phone needs of the different Directorates.

9.1.2 Cell phones required by employees that fall outside of the initial 24-month contract period, will receive a cell phone allowance to the value of the cost of the airtime and data needed by the employee, until the Municipality enters into a new/subsequent contract. It must however be noted that an employee cannot receive both an allowance and be on the cell phone scheme.

9.2. The Directorate Corporate Services will facilitate and administer contracts with service providers for the supply of cell phone devices and voice and data packages in respect of the Municipal Manager and other Section 57 employees, in terms with the Supply Chain Management Policy.

10. CELL PHONE ALLOWANCE

10.1 *Cell Phone Allowance For New Qualifying Employees*

10.1.1 Requests for cell phone allowances for new employees must be submitted by the relevant Director to the Director Corporate services, in writing for approval.

10.2 *Cell Phone And Package Specification*

10.2.1 Employees qualifying for a cell phone allowance, must contract with a service provider for a cell phone voice and data contract.

10.2.2 Employees must source a cell phone device and package which is equivalent to that of the current cell phone device and package specifications of the municipality. Such specification will be provided to the employee by Corporate Services.

10.3 *Use And Care Of Cell Phone*

10.3.1 Employees qualifying for a cell phone allowance must register their cell phone numbers at the Corporate Services Department.

10.3.2 Employees are expected to insure such cell phones and in the event of loss or damage of the cell phone, the provisions of the insurance cover must take affect

10.3.3 Under no circumstances will a municipal cell phone be issued as a replacement phone should the employee lose or damage his cell phone device

10.3.4 The employee is expected to use and care for the cell phone with caution and take all reasonable steps to prevent loss and/or damage

10.4 *Availability*

10.4.1 Employees qualifying and receiving a cell phone allowance shall at all times, within the scope of their work, be available to attend to work related calls during and after hours.

10.5 Monthly *Allowance Amount*

10.5.1 The monthly allowance amount is determined by Task Grade, as per attached Addendum A (The attached Addendum is subject to review from time to time)

11. CHOICE OF CELLPHONE DEVICE AND PACKAGE

11.1. The choice of Cell phone devices and packages is determined by Task Grade, as per below. In exceptional circumstances based on the employee's operational duties, relevant Directors may motivate for a higher or lower package.

- Task Level 1-3
- Task Level 4 - 8
- Task Level 9 – 13

- Task Level 14 – 18, or
- Executive Management

11.2 The package associated with the employee is specific to the work needs and must remain cost-effective.

11.3 The Director of each department will recommend and motivate the airtime and data needs of each eligible employee in his/her department, which will be approved by the Director: Corporate Services.

11.4 The parameters as outlined in 8.4 above, will be adhered to. Any exceptions to such parameters must be motivated by Directors for approval by the Director: Corporate Services.

11.5. All "gifts" or "Promotional Items" that are given by a service provider as a result of the municipality purchasing cell phones, will become the property of the Municipality and must be registered in the asset register. Officials who use such "gifts" during their tenure with the Municipality must return them to the Municipality should they leave the Municipality's service

12. CONTRACTS

12.1. The acquisition of cell phones will be undertaken in line with Supply Chain Management processes.

12.2. The service provider to whom the contract is awarded will be required to enter into a formal contract with the Municipality based on the tender or per quotation as per the needs of the Municipality in the case of a Sec 110 MFMA procurement.

12.3. The Municipality will be responsible for the payment of the monthly costs.

12.4. Employees receiving cell phone devices will be required to sign an agreement with the municipality in which they will take full responsibility for the device/s allocated to them.

13. INSURANCE AND TRANSFER OF CELL PHONE DEVICE

13.1 If the employee opts for a new cell phone device, he/she will be responsible for the payment of insurance for the cell phone device during the cell phone contract term.

13.1.1 Such deductions will be made from the employee's monthly salary.

13.2 The employer will be responsible for acquiring the services of an Insurance Provider.

13.3 Should an employee not opt for a new cell phone device, which includes the payment of insurance; such employee will be issued with a pre-used/secondhand device.

13.4 When a cell phone that has been issued to an employee is damaged or lost, the employee will be liable to report the damaged/lost/stolen cell phone device immediately to his/her Supervisor and Manager. This must be done in writing.

13.5 Once the Supervisor and Manager assesses the damaged/lost/stolen cell phone device report and confirms and deems the report as legitimate, he/she must contact the Assets Section to log the employees claim.

13.5.1 If the damaged/lost/stolen cell phone device report is not deemed legitimate by the user department; such a department must conduct the necessary investigation and institute disciplinary proceedings.

13.6 In the event of a cell phone device being processed for an insurance claim, the sim card that was in the municipal device may be inserted into a personal cell phone device, during the period that the claim is being processed or if available, a pre-used/secondhand device will be issued to the employee.

13.7 Employees who receive pre-used/secondhand devices (as in 13.3 and 13.6 above) will be responsible for that cell phone device and in the event of the device being lost, stolen or damaged, the employee will be liable for 50% of the value of such device in the first 12 months, 25% of the value in the 2nd 12 months and 15% of value in 3rd 12 months.

13.9 In the case of attrition of employees, the cellphone will be ceded to a new employee who replaces the previous employee or will be allocated to the pool of cellphones administered by the Administration Section.

13.10 Transfer of Ownership

13.10.1 In the event of the employee still being in the service of the municipality during the cell phone contract term, full ownership of the cell phone device will be transferred to employee **at the end** of the cell phone contract term. Cell phones will remain the property of the municipality for the duration of the agreement/contract with the service provider.

3.11 When an employee leaves the service of the municipality, the cell phone (including accessories such charger, earphones, etc.) must be returned to Administration before any financial benefits or salary owed, will be paid to the employee by the Municipality.

13.12 An employee may not give his/her cell phone to any family member, friend or any other person to use. If the employee does not use his/her cell phone, he/she must inform the Director of his/her department and the cell phone must be returned to Administration for re-allocation. If it is discovered that an employee is not using his/her cell phone device and has given it to someone else to use, disciplinary action will be instituted against the said employee.

13.13 Employees must take all reasonable measures to ensure that the cell phone devices are not unnecessarily exposed to any risk that could render the cell phone devices useless. (lost, damaged, stolen etc.)

13.14 When new cell phone devices are issued, the original cell phone device must be returned. If it is not available or not returned for whatever reason, the employee will be required to pay in the market value of respective the handset. (The devices referred to in this clause are the devices under the current Telkom contract)

14. SIM CARD/S

14.1 The sim card/s will remain the property of the Municipality except where the employee arranges with the Municipality to make the sim-card/s prepaid. This could be for example in the case of retirement.

14.2 The Sim card issued for a specific cell phone device may only be used with and for that device and may not be taken out of the device and used on another device. In the case of the cell phone being damaged or lost, the employee will need to submit a formal memorandum to the Manager Administration and Auxiliary Services, requesting authorization to remove the sim card and to use in a different device.

15. E-MAILS AND CELLPHONE NUMBERS

15.1 Every employee who participates in the cell phone scheme and who received a cell phone allowance, as provided for in this policy, shall be obliged to allow their cell phone number and e-mail address to be made public. These must also be supplied to Administration for publication in the internal telephone lists and external platforms.

15.2 Failure or refusal to comply with 15.1 above can lead to disciplinary action being instituted in terms of the Council's disciplinary policy and procedures and/or the cell phone device may be withdrawn.

16. CONTROL OF CELLPHONES

16.1 Corporate Services must maintain an asset register that will record all relevant information relating to the allocation of all cell phone devices issued to officials. Such register shall capture details such as a description of the cell phone device issued, the serial number of the cell phone device, the name of the employee to whom it was issued, the staff number of the employee, ID number, dates on which the devices were issued/replaced/returned, and all other relevant details.

16.2 Whenever a cell phone device is issued to an official, an agreement will be entered into between the employee and the Municipality which will set out the terms of use and the responsibility attached to the use thereof.

17. CELL PHONE APPLICATIONS/SOFTWARE

17.1 The Municipality may require specific applications to be installed on a smartphone and may require the compulsory usage of these applications by the employee. These applications may not be uninstalled by the employee without the written consent of Administration. If the employee uninstalls or switches off these applications without written consent, he/she may face disciplinary action.

17.2 By receiving and using a municipal cell phone device the employee consents to the tracking of the device via software as well as the monitoring of calls made and received or any other activities on the device.

17.3 Should abuse or misuse of this privilege be established, the employee will face disciplinary action

18. TRANSFER OF CELL PHONE

18.1 No user department may transfer any cell phone device from one employee to another employee.

18.2 Should any Manager, Supervisor or Foreman transfer a cell phone device without following the procedure below, such person will be subject to disciplinary action.

18.3 If a user department realizes that an employee does not need a specific cell phone device, the Director of the department must inform the Manager Administration and Auxiliary Service in writing that the cell phone device must be transferred to another employee and the reason for the transfer.

18.4 The holder of the cell phone device must hand in the device at Administration where his/her signed the agreement with the Municipality. Such agreement will thereafter be cancelled.

18.5 The newly allocated employee must collect the device from Administration and sign an agreement with the Municipality.

18.6 The same procedure must be followed when an employee who has a municipal electronic cell phone device retire or leaves the employment of the Municipality (in this case such employee forfeits the transfer of ownership).

19. WHATSAPP COMMUNICATION GROUP

19.1 The municipality's Communications Section has created an official Internal WhatsApp Communications Group for the purpose of disseminating official internal communication. The group is administered by the Communications Officer and it is not a chat group.

19.2 It is compulsory for all employees who receive municipal cell phones and/or cell phone allowances, to be part of the official WhatsApp Communication group. This includes Managers, Directors and the Municipal Manager

19.3 Once included as a participant to this group by the Communications Section, an employee may not leave the group. Should an employee voluntarily leave the group, he or she will face disciplinary action.

19.4 Employees who do not receive a municipal cell phone and/or cell phone allowance, may also join the group. Such employee should contact the Communications Officer to be included in the group

_____ _____

C DU PLESSIS **DATE**
MUNICIPAL MANAGER

PREVIOUSLY REVIEWED: 25.07.2018
: 03.12.2020
REVIEWED: 12.03.2021
PREVIOUSLY APPROVED BY COUNCIL: 11.12.2020
ITEM NO: 20/12/CORP11

Addendum A

Task Level	ALLOWANCE AMOUNT
1-3	**R450**
4-8	**R500**
9-13	**R650**
14-18	**R750**
Executive Management	**R1,000.00**